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\*\* The report on limits of growth drawn up at the request of the Club of Rome has been much discussed within the European Commission and studies on the long-term development of the Community are at present being conducted by several departments of the Commission. The latter is making a very special effort to carry out the "Europe + 30" project which the Council of Ministers has approved and whose aim is to enable us to forecast how EUROPE WILL LOOK THIRTY YEARS ON. The Commission has just taken several important steps to finalize this project.

ANNEX 1 gives a few details on the research project.

\*\* We have asked various organizations in the Community responsible for consumer protection matters to supply

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*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.*

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us periodically with details of the latest developments in each of the Nine on subjects of direct interests to CONSUMERS. It should be understood that these articles are the sole responsibility of their authors.

The text at ANNEX 2 was sent to us by the British Consumer Association.

\*\* The growing hold of MULTINATIONAL COMPANIES on the economic, social and political life of the countries in which they operate presents problems, especially in respect of employment, competition, tax evasion, movement of capital and economic relations with developing countries. Last November the European Commission forwarded to the Council of Ministers of the Community a memorandum on problems raised by multinational companies in the context of Community regulations (see IRT No 210). The Council should be discussing the document for the first time at the meeting on 6-7 May 1974.

ANNEX 3 is a broad outline of the Commission's proposals for ensuring job security for those working for multinational companies.

\*\* In 1969, in order to protect the health of the people of the Community against risks resulting from the consumption of FRUIT AND VEGETABLES TREATED with harmful plant health products, the Commission proposed to the Council of Ministers that it adopt a regulation uniformly establishing throughout



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the Community the maximum pesticide residues permitted on fruit and vegetables. In spite of the Commission's efforts this regulation has still not been adopted by the Council. This proposal for a regulation which had already been approved by the six original members of the Community has been "blocked" following the enlargement of the Community, since the three new Member States have not yet been in a position to associate themselves with it. The Commission is currently seeking a solution which would enable the Council to reach agreement quickly. In addition the Commission, in cooperation with experts from the Member States, is preparing draft regulations to round off the first proposal, and it hopes to be able to submit proposals in the very near future for other foodstuffs that might contain pesticide residues.

\*\* In order to evaluate the general public's interest in and attitude towards Community activities, the Commission plans to hold frequent OPINION POLLS (perhaps two in 1974). It also plans to organize more detailed surveys, once a year or once every two years, in order to get a picture of various aspects of European attitudes and behaviour patterns, and to pass on this information. Particular emphasis would be placed on what Europeans expect from joint action by the Community as such, and the Governments of the Member States. A consumer survey is in course of preparation at the moment. Naturally, information collected in this way is made available to individual research workers or groups of research workers who can produce evidence of an interest in the subject, and it could also be used by the European Foundation for the Improvement of Working and Living Conditions proposed by the European Commission (see IRT No 213).



- \*\* In order to achieve lasting qualitative improvement in the accuracy of physical monitoring in the PROTECTION OF THE POPULATION AGAINST IONIZING RADIATION, the European Commission has just decided to continue its programme of comparing instruments used for personal dosimetry in the countries of the Community.
- \*\* The first world symposium on "ENERGY AND RAW MATERIALS" which will be held at the International Centre in Paris from 5 to 8 June will aim to identify the real problems and define in broad outline the possible medium-term orientations. The President of the European Commission, Mr Ortoli, will summarize the proceedings in the closing speech of the symposium which will also be attended by such personalities as Mr Rey, former President of the Commission, and Mr Toulemon, former Director General of Industrial Affairs. (Information available from the secrétariat du symposium (organizing secretary), 20 rue Laffitte, 75009 Paris.)
- \*\* In order to safeguard the quality of the environment and to protect the health of consumers, the European Commission has just arranged for two studies to be undertaken to establish QUALITY OBJECTIVES for SEA WATER in those areas which produce shell fish for food on the one hand, and FOR FRESH WATER FOR FISH BREEDING on the other.





\*\* Since the publication of a report drawn up by the Union of Industries of the European Community (UNICE) on "the role and future of SMALL AND MEDIUM SIZED INDUSTRIAL FIRMS" (see IS No 11/74), a special UNICE committee has made a start on several studies on subjects of particular interest to small and medium sized firms:

- Sub-contracting, as an essential element for numerous small and medium specialized firms, as well as for large enterprises which obtain supplies from them, has given rise in certain countries to the establishment of a "charter" from which other countries could benefit.
- Financing: the specialization of small and medium sized firms, as much as security of employment, demands sources of finance more accessible than those currently available. New formulae such as "share leasing" have been studied in France. UNICE is interested in this on behalf of the other Community countries.
- Multi-discipline training: the possibility of multi-discipline training should be made available to executives of small and medium sized firms who are not in a position to hire numerous specialists. Social policy should play an integral part in this retraining of executives.

\*\* An international symposium on "recent progress in the evaluation of THE EFFECT OF ENVIRONMENTAL POLLUTION ON HEALTH" will be held in Paris from 24 to 28 June 1974. Further information is available from the Health Protection Directorate of the European Commission (29 rue Aldringen, Luxembourg).



WHAT WILL EUROPE LOOK LIKE IN THIRTY YEARS TIME?

The report on limits of growth drawn up at the request of the Club of Rome has been much discussed within the European Commission and studies on the long-term development of the Community are at present being conducted by several departments of the Commission. The latter is making a very special effort to carry out the "Europe + 30" project which the Council of Ministers has approved and whose aim is to enable us to forecast how Europe will look thirty years on. The Commission has just taken several important steps to finalize this project.

The "Europe + 30" project will be devoted to the problems Europe will have to face in the course of the foreseeable and likely developments of the next 30 years and, in particular, it will help to develop forecasting machinery which can be constantly updated.

The European Commission has just entrusted Lord Kennet with the important preparatory phase of the study and the drawing-up of proposals on how the project should be put into effect. The method and content of the project will be defined on the basis of analysis of previous studies and forecasts. The general aim of the project will be to supply the Community's decision-making bodies with facts, figures, assumptions, projections and evaluations which will enable them to adopt the best and most far-sighted policies possible for the future. The proposed activity should thus also be useful to national governments as well as firms, trade unions and other institutions.

A special sub-committee of the European Research and Development Committee has already had two meetings during which there was a preliminary exchange of views on the possible form and organization of the project. In this connection all those present agreed that the studies and forecasts should be very broad-based and that they should not be limited to the economic and technical field, but should also tackle sociological aspects.

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RECENT DEVELOPMENTS IN CONSUMER PROTECTION IN GREAT BRITAIN

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

The following text was sent to us by the British Consumer Association (which represents 650 000 members).

The British elections have brought back a minority Labour Government which is reviewing its financial commitments to the European Community. Most of the contested issues of Britain's accession are economic and do not directly affect consumers. However, the renegotiation of the Common Agricultural Policy, if it comes about, might affect the availability of some foodstuffs in the United Kingdom - chiefly those imported from the Commonwealth, like butter, cheese, meat.

On the home front, Shirley Williams has been appointed Secretary of State for Prices and Consumer Protection. This is a new ministerial post. Prices, particularly of food, have been a major political issue for some time. After a month of talking about food subsidies and ordering a 10 per cent reduction in the gross profit margin of food shops, the Government has produced its first proposals for counter-inflation legislation:

- By fixing profit margins, the State Secretary will control the price of some foods and other household goods. In practice, it seems that the Government will use these powers only for some essential foods and products like washing powders.
- A maximum of £700 million has been set aside for subsidies to foodstuffs. £307 million has already been used to reduce the price of a pint of milk by 1p, £63 million to reduce the price of butter by 5p per half pound, and £21 million to bring down the price of a loaf of bread by 1/2p. Government price controls will probably also be applied in respect of these products.
- For a list of 25-30 key items shops will have to display a list of permitted prices - probably a maximum and a minimum for each. Thus customers will be able to see what efforts each shop is making to stay within the authorized limits.
- Unit pricing (per pound, gramme, etc.) will be introduced for certain goods.

The Government has already indicated its intentions in respect of prices in a five point plan:

- Distributors' gross profit margins will be cut by 10% following on from cuts in retailers' prices.
- There is to be a minimum period of three months between one price increase by a manufacturer or service company, and the next.

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- Shops are prohibited from increasing the price of goods already in stock when the price of replacing stock goes up. (This measure has already been implemented: shops are not allowed to indicate a price higher than the current one.)
- A longer period of notice of planned price increases is required.
- Contracts which automatically allow suppliers to pass on cost increases are to be limited.

These plans are important, but it remains to be seen how well they work in practice.

The Government has preserved the Conservative - appointed Office of Fair Trading (see IS No 6/74) and has actually increased its powers by giving it a watching brief over the new Consumer Credit Bill. This gives more protection to the consumer against misleading credit advertisements and extortionate rates of interest. The office has also announced its first two specific areas of activity:

- Control of shops that try to exclude consumers' legal rights by "no exchange of goods or refund" notices and the like.
- Preventing mail order traders from taking money for orders for which they cannot give guaranteed delivery dates.

On the other hand, as a result of the elections, a number of Bills which were of interest to the consumer and which were on their way through Parliament have been lost. These include in

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particular bills on Health and Safety at Work, Housing, Safety at Sports Grounds, the Independent Broadcasting Authority, and Protection of the Environment. Some of these draft laws may be reintroduced, as was the case with the Consumer Credit Bill.



JOB SECURITY FOR WORKERS IN MULTINATIONAL COMPANIES

The growing influence of multinational companies on the economic, social and political life of the countries in which they operate presents problems especially in respect of employment, competition, tax evasion, movement of capital and economic relations with developing countries. Last November the European Commission forwarded to the Council of Ministers of the Community a memorandum on problems raised by multinational companies in the context of Community regulations (see IRT No 210). The Council should be discussing the document for the first time at the meeting on 6-7 May 1974. Given the present state of the economy, the Council will no doubt be particularly responsive to the Commission's proposals for ensuring job security of those working for multinational companies.

The opportunities open to multinational companies for influencing the employment market in the various countries where they operate does cause a great deal of anxiety among workers. The European Commission believes the constitution of a trade union counterweight to be essential for achieving a balanced solution to this problem. And even if it is not for the Commission to organize this balance, it is at least its duty to encourage it, for example by the establishment at Community level of committees for each industrial sector on which representation is mixed, or on which both sides of industry are equally represented. Besides, the Commission believes that the working out of collective European bargaining agreements can also lead to a solution of the problems faced by workers as a result of the activities of multinational companies.

The following measures, if adopted, would constitute a sufficient guarantee of job security:

- the proposals for directives on collective dismissals;
- the draft currently being prepared which aims at protecting the interests of workers with particular emphasis on the maintenance of any rights acquired in the event of merger, concentration or rationalization;
- the proposal for a directive on harmonization of national laws on company mergers.

The latter proposal provides for a specific procedure whereby workers are to be suitably informed and consulted of the negotiation of a "social plan" prior to any decision being taken by the General Meeting, when the merger is likely to prejudice the interest of the workers. Where no agreement can be reached, conciliation by public authorities may be requested by either party. This directive covers mergers between companies within the same country, but the protection procedures it provides will obviously have to be respected if the merger is international, and the merger convention being drawn up will have to contain similar regulations, even if these simply refer the case back to the relevant national laws.

In addition to legal mergers, it will be appropriate also to provide protection for workers on the Dutch "merger code" model, in the event of a firm being acquired by other methods.

Further necessary measures are:

- the adoption of the articles of the European public company (Société anonyme), which would ensure that workers in subsidiaries effectively participate in the control and management of the parent company and also provides for the possibility of collective agreements between the workers and the management bodies of the European public company;
- the harmonization of labour law which must ensure that workers in companies which are members of a group are able to participate effectively in the activities of the parent company's works committee.

In addition, the Commission is aware of the problem raised at juridical level by the appropriate representation of the interests of workers vis-à-vis a public company which no longer takes autonomous decisions but has to conform to those of the group to which it belongs. In the course of work on coordinating the legislation on groups, on which it has embarked, the Commission will enquire into what measures are required in this context.

Finally, the matter of informing workers and permitting their participation in cases where the company grouping, through its subsidiaries or its parent company, carries its activities outside the geographical limits of the Community raises intricate legal problems to which the departments of the Commission are seeking appropriate solutions.

