KOMMISSIONEN FOR DE EUROPÆISKE FÆLLESSKABERS – KOMMISSION DER EUROPÄISCHEN GEMEINSCHAFTEN –
COMMISSION OF THE EUROPEAN COMMUNITIES – COMMISSION DES COMMUNAUTES EUROPEENNES –
COMMISSIONE DELLE COMUNITÀ EUROPEE – COMMISSIE VAN DE EUROPESE GEMEENSCHAPPEN

P-106

TALSMANDENS GRUPPE
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INFORMATION
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NOTE D'INFORMATION
NOTA D'INFORMAZIONE
TER DOCUMENTIE

Brussels, November 1979

THE 1979 SURVEY OF INVESTMENT IN THE COMMUNITY COALMINING AND IRON AND STEEL INDUSTRIES (1)

1. Coal industry

According to the new survey there was a further increase in capital expenditure on the Community coal industry in 1978. Investment reached a level of 978 million EUA to 744 million EUA in 1977 and 712 million EUA in 1976. The increase was particularly marked in the United Kingdom but remained moderate in the Ruhr.

Capital expenditure should continue to rise in 1979 to reach an expected total in excess of 1 000 million EUA, principally as a result of a rise in investment in shafts and underground workings, associated mainly with the opening-up of new coal measures.

In spite of the growth in capital expenditure, extraction potential continues to decline. In 1978, it was 252 million tonnes compared with 273 million in 1974 and, is expected, on the basis of projects already approved or commenced, to amount to only 237 million tonnes in 1982. The coal industry is therefore increasingly falling behind the production target of 250 million tonnes (tce), or approximately 270 million tonnes (tonnes= tonnes), laid down by the 'Medium-Term Guidelines for Coal 1975-85' and adopted by the Council of Ministers.

2. Coking

Capital expenditure showed a downward trend, both in mine-owned coking plants and in steelworks and independent coking plants, falling from 247 million EUA in 1977 to 167 million EUA in 1978, and a further decrease is expected in 1979. This weakness is accounted for by the continuing high level of stocks of coke and the still gloomy outlook for sales to the iron and steel industry.

Community coking capacity is on the decline. It has fallen by almost 10% during the past five years and was only 79 million tonnes in 1978. In view of the age of a large number of plants and the low propensity to invest in this sector, the decline is expected to continue to the point where available capacity may prove inadequate to meet any upturn in demand.

3. Iron-ore mines

Capital expenditure in iron-ore mines is undergoing a steep decline and capacity is falling rapidly: a fall of over 10% was registered in 1978 alone. Only measures by the authorities designed to guarantee a certain level of Community extraction may be able to halt the decline; without such measures, the iron and steel industry will become totally dependent on imports from overseas, the cost of which may rise substantially in the next few years.

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4. Iron and steel industry

The new survey shows a further fall in capital expenditure, which totalled 2 100 million EUA in 1978, compared with 2 400 million EUA in 1977 and 3 300 million EUA in 1976. At constant prices, capital expenditure in 1978 was lower than at any time during the past twenty years although expenditure, at least in the 1960s related to a production capacity below the current level. Capital expenditure at 1970 constant prices per tonne of steel capacity was 5 EUA in 1978, compared with approximately 15 EUA during the period 1970-1974. However, during the latter period, the iron and steel industry was increasing its capacity at a rate of some 5% per year.

In spite of the low level of capital expenditure - particularly in sectors such as blast furnaces - substantial investments have continued to be made to modernize plant and reduce production costs. The introduction of continuous casting is one such example. Capital expenditure in this field alone accounted for 190 million EUA in 1978. This figure is expected to continue to grow, so that by 1982 40% of Community production will be continuously cast; this development will be sure to increase the competitiveness of Community products.

The increase in capacity, which has been gradually slowing down in recent years, now appears to have come to a halt. The steel companies which, in the last survey, forecast a total crude steel production potential of 210 million tonnes p.a. from 1981 now expected production potential to level out at 202 million tonnes p.a. by 1982. In certain regions, production potential is being reduced drastically with the closure, without replacement, of a number of large steelworks. However, in other regions of the Community, it would appear that it is continuing to increase. Overall, production potential is accordingly not yet moving towards the lower levels recommended in the revised General Objectives.

However, the overall trend towards stabilization and of crude steel production potential is not evident in finished products, production põtential which is expected to increase from 167 to 169 million tonnes/year between 1978 and 1982, principally as a result of the increased use of continuous casting which raises the finished product output from any given quantity of crude steel. Only the production potential for merchant bars, light sections and medium and narrow strip is expected to decrease; production potential for wire rod and heavy plate should remain unchanged, whereas that for other flat products and heavy sections is expected to increase significantly.

The steel companies' forecast therefore underline the need to intensify efforts to reduce capacity in order to bring Community production potential closer to expected demand levels by concentrating production at the most competitive plants.

The report will be published in December 1979.

3

SIEGES D'EXTRACTION HOUILLERE
STEINKOHLE-SCHACHTANLAGEN
HARD COAL COLLIERIES

Dépenses d'investissements par bassins
Investitionsaufwendungen nach Revieren
Capital expenditure by coalfields

millions U.C.E.
Millionen ERE
millions EUA

	1977	1978	1979(1)
Ruhr	159,7	140,1	204,6
Aachen	24,1	16,9	16,7
Niedersachsen	20,7	15,2	13,2
Saar	31,7	37,9	75,5
DEUTSCHLAND (BR)	236,2	210,1	310,0
Kempen	12,7	19,6	30,7
Bassins du Sud	0,3	0,4	0,1
BELGIQUE/BELGIE	13,0	20,0	30,8
NEDERLAND (Limburg)	-	-	-
Nord/Pas-de-Calais	7,4	6,2	5,4
Lorraine	36,1	37,5	31,7
Centre-Midi	5,7	4,9	4,4
FRANCE	49,2	48,7	41,5
ITALIA	-	-	-
Scotland	15,6	23,6	28,2
Northern	37,9	48,5	52,1
Yorkshire	170,7	322,9	275,2
Midlands and Kent	110,9	179,6	162,2
Western	42,0	48,7	51,2
South Wales	54,5	57,6	38,0
Opencast	23,8	18,5	16,3
UNITED KINGDOM	445,3	699,3	623,1
EUR	743,6	978,0	1005,4

(1) sur la base des projets d'investissements en cours et décidés
(1) auf der Grundlage laufender und beschlossener Investitionsvorhaben
(1) on the basis of investment projects in progress and decided

4

HOUILLE
STEINKOHLE
HARD COAL

Possibilités d'extraction par bassin
Fördermöglichkeiten nach Revieren
Extraction potential by coalfields

en millions de tonnes
in Mio t
in millions of tons

	1978	1982
Ruhr	80,1	77,6
Aachen	5,6	5,6
Niedersachsen	2,5	2,4
Saar	10,8	11,0
DEUTSCHLAND	98,9	96,6
Kempen	6,0	7,0
Bassin du Sud	1,0	-
BELGIQUE/BELGIE	7,0	7,0
NEDERLAND (Limburg)	-	-
Nord/Pas-de-Calais	6,0	2,9
Lorraine	9,8	10,5
Centre-Midi	4,0	3,1
FRANCE	19,8	16,5
ITALIA	-	-
Scotland	9,0	7,8
Northern	13,2	11,6
Yorkshire	32,6	33,9
Midlands and Kent	37,7	35,6
Western	11,6	10,0
South Wales	7,8	7,5
Opencast	14,0	10,7
UNITED KINGDOM	126,0	117,1
EUR	251,7	237,2

5

INDUSTRIE SIDERURGIQUE
EISEN- UND STAHLINDUSTRIE
IRON AND STEEL INDUSTRY

Dépenses d'investissements par régions
Investitionsaufwendungen nach Gebieten
Capital expenditures by regions

millions d'U.C.E.
Millionen E.R.E.
millions E.U.A..

	1977	1978	1979(1)
Norddeutschland	118,2	49,4	39,6
Nordrhein-Westfalen	329,2	335,1	391,5
Süddeutschland	30,3	27,2	21,0
Saar	27,8	33,9	83,8
DEUTSCHLAND BR	505,5	445,5	536,0
BELGIQUE/BELGIE	139,2	85,3	106,6
France-Est	174,0	243,2	201,7
France-Nord	153,6	111,4	57,4
France-autres régions	49,8	48,5	35,9
FRANCE	377,4	403,1	294,9
Italia - regioni costiere	307,3	284,5	220,6
Italia - altre regioni	194,2	165,3	176,3
ITALIA	501,6	449,8	396,9
LUXEMBOURG	68,3	107,0	135,4
NEDERLAND	45,4	61,1	99,3
Scotland	114,7	70,1	43,4
Wales	211,1	171,4	135,4
Northern England	366,0	241,7	189,0
England - other areas	34,2	17,8	32,9
UNITED KINGDOM	716,0	501,0	400,6
DANMARK	5,6	1,7	15,0
IRLANDE	0,7	0,8	32,9
EUR	2359,5	2055,3	2017,6

(1) sur la base des projets d'investissements en cours et décidés
(1) auf der Grundlage laufender und beschlossener Investitionsvorhaben
(1) on the basis of investment projects in progress and decided

6

ACIER
STAHL
STEEL

Production et possibilités de production par régions
Produktion und Produktionsmöglichkeiten nach Gebieten
Production and production potential by regions

1.000.000 t

	1978	1982
Norddeutschland	13,5	13,5
Nordrhein-Westfalen	42,5	42,4
Süddeutschland	3,8	3,6
Saar	9,1	7,6
DEUTSCHLAND BR	68,9	67,1
BELGIQUE/BELGIE	20,0	19,1
France-Est	12,9	11,4
France-Nord	14,2	12,4
France-autres régions	5,2	5,3
FRANCE	32,4	29,1
Italia - regioni costiere	18,9	19,4
Italia - altri regioni	16,8	17,7
ITALIA	35,7	37,1
LUXEMBOURG	7,6	7,5
NEDERLAND	8,3	8,6
Scotland	2,1	3,4
Wales	8,6	9,9
Northern-England	13,8	15,8
England other areas	3,4	2,8
UNITED KINGDOM	27,9	32,0
DANMARK	1,2	0,9
IRLANDE	0,1	0,3
EUR	202,1	201,7