

THIRD JOINT MEETING

of the Members of

THE CONSULTATIVE ASSEMBLY

OF THE COUNCIL OF EUROPE

and of the Members of

THE COMMON ASSEMBLY

OF THE EUROPEAN COAL

AND STEEL COMMUNITY

(27th October, 1955)

OFFICIAL REPORT OF THE DEBATE

STRASBOURG

NOTE

This edition contains the original texts of the English speeches and translations of those delivered in other languages.

The latter are denoted by letters as follows:

(G) = speech delivered in German

(I) = speech delivered in Italian

(N) = speech delivered in Dutch

(F) = speech delivered in French

The original texts of these speeches will be found in the separate editions which are published for each language.

JOINT MEETING

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OFFICIAL REPORT OF THE DEBATES
OF THURSDAY, 27th OCTOBER, 1955

IN THE CHAIR, M. GUY MOLLET
President of the Consultative Assembly

The Sitting was opened at 10.10 a.m.

The President. — (*F*) Ladies and Gentlemen, I declare open the Joint Meeting of the members of the Consultative Assembly of the Council of Europe and the members of the Common Assembly of the European Coal and Steel Community.

1. Apologies for absence

The President. — (*F*) MM. Blaisse, Lefèvre, Maroger, de Smet and Strauss have apologised for being unable to attend this Joint Meeting.

2. Communication from the President

The President. — (*F*) I would remind you that at the first Joint Meeting, on 22nd June, 1953, the Bureau of the Consultative Assembly and the Common Assembly considered

jointly the questions raised by the organisation of that meeting and agreed on a number of provisions, which were also applied at the second Joint Meeting of 20th May, 1954, and which will again be applied at the present Joint Meeting.

A Representative present at this meeting who is a member of both Assemblies may not be replaced as a member of the Consultative Assembly by the Substitute who would normally have deputized for him.

The purpose of our meeting is to have a joint discussion. In order to stress the broad nature of this discussion no agenda will be distributed. The aim of this discussion is to acquaint the members of one Assembly with the views of the members of the other, in order that both Assemblies may then be able to vote separately in the light of a full knowledge of the facts.

No vote will be taken during the present Joint Committee.

The meetings will be presided over alternately by the Presidents of the two Assemblies.

The rules of procedure applied will be those of the Consultative Assembly of the Council of Europe.

The Secretariats of the two Assemblies will, together, act as the Secretariat of the Joint Meeting.

The Clerk of the Consultative Assembly will take his place to the right of the President and the Clerk of the Common Assembly to his left.

An official record of the discussions, agreed on by the two Secretariats, will be printed and published in the five languages.

3. Introductory statement by the President of the High Authority

The President. — (*F*) I call upon the President of the High Authority.

(*M. René Mayer, President of the High Authority, took his place at the rostrum.*) (Applause.)

M. René Mayer, President of the High Authority. — (*F*) Mr. Chairman, Ladies and Gentlemen, this is the first occasion on which the honour has fallen to me, as President of the High Authority, to open the general discussion at this meeting. I should, first of all, like to greet the President of this meeting, with whom I share many memories of our political life, both in the Government and in Parliament; in the French National Assembly we have sometimes had occasion to oppose each other, though it has never come to a clash; in the Assembly of the Coal and Steel Community on the other hand, I have the feeling that we are side by side working towards the same goal, namely the building of a new Europe.

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Since your last meeting, held in May 1954, the European Coal and Steel Community has made further progress, as you will see from the Third General Report of the High Authority and the excellent Report submitted on behalf of the Common Assembly by my friend M. Roger Motz.

I should like, without encroaching on your discussions or entering into excessive technical detail, to try and summarise the various stages and to bring out the general significance of the Community's activities over the last eighteen months.

With regard to the common market, the High Authority has continued to take steps to ensure during the interim period provided for in the Treaty — which is not yet over — the gradual adaptation of production to the new conditions that have arisen, while facilitating the disappearance of the disequilibria resulting from former conditions.

A whole series of subsidies, protective measures or other form, of Government intervention, which had to be authorised temporarily when the common markets were opened, have now been reduced or permanently abolished.

Following the elimination of discrimination properly speaking, a start has been made in applying direct railway rates which do away with terminal charges at frontiers for the coal and iron ore traffic between the Member States.

These direct rates will be extended on 1st May next to iron and steel products.

By establishing in the face of very complex difficulties suitable direct international rates, graded according to the total distance to be covered, regardless of frontiers, the High Authority has made an important contribution to the solution of a problem which must be solved to permit any form of economic integration. Indeed, such terminal charges and the transport discrimination encountered when crossing frontiers are as harmful to a trade as are customs duties.

At the same time the Government experts, at the instance of the High Authority, have been proceeding with the study of the difficult question of co-ordinating transport rates.

You are familiar with the complexity of the problem of cartels, and I am sure that you do not underestimate it. The High Authority has given an undertaking to the Common Assembly, to set forth next month the main points of its decisions regarding the organisations dealing with the sale and purchase of coal.

Furthermore, as you know, the High Authority has always sought to associate consumers and workers in the constant striving for improvements in the working of the common market.

The trade union organisations and the other parties concerned have been consulted regarding the changes to be made in the organisation of the coal market.

A meeting of steel consumers from different sectors, representing undertakings of all sizes operating within the Community will be held at Luxembourg in a few days time; its object will be to inform the High Authority of the conditions under which the common steel market is operating at present.

With regard to labour problems, the High Authority has continued its efforts to improve the living conditions of coal and steel workers.

It is convinced that one of the pre-requisites for rapid technical progress in the industry is to prevent the cost of the inevitable changes involved in modernisation from being too heavy a burden for the workers.

It is with this in mind that the High Authority has applied as widely as possible the rules of the Treaty relating to the resettlement of workers who change their employment.

The Community is contributing financially to the research being carried out into the control of industrial disease. In addition, the publicity given to certain investigations, which could not be carried out before, into the actual wage conditions of workers in the countries of the Community, now makes it possible for all parties to enter into labour negotiations with a better knowledge of the real position in the industries concerned.

Thus, at the present time, the High Authority not only sees to it that the consumers are kept supplied when economic activity is at a high level but also helps to improve market regulations.

It is thus discharging the duty imposed upon it by the Treaty to create gradually appropriate conditions for the most efficient distribution of production at the highest level of productivity, while preventing by its activities in the social field, the consequences of this rationalisation from being a burden for the workers.

With regard to the future, Ladies and Gentlemen, the High Authority acts as a guide to undertakings and as a stimulus to their investment programmes.

By outlining and making public the general objectives of modernisation, planning and expansion of production capacities it has provided heads of undertakings with a comprehensive view, this being indispensable for the efficient planning of development programmes.

Such a comprehensive view is an essential contribution by the Community to the undertakings themselves and to their future expansion.

Then, again, the High Authority decided a few months ago to give effect to the provisions of Article 54 of the Treaty which enable it to promote the normal development of investments by issuing opinions on the investment programmes of undertakings.

Lastly, it has contributed directly to the development and modernisation of production capacities by distributing among the mining undertakings in the Community, the 100 million dollars constituting its first loan from the United States. This policy is based on its broad general objectives, namely the desire to bring down the cost of the basic products (coal and ore), to increase European coke resources and to contribute to the utilisation of coal by building electrical power stations at the mine-head.

The High Authority has also contracted loans in several countries of the Community the object of which is to stimulate the building of workers' dwellings, so as to improve the mobility of manpower and workers' living conditions.

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While the common market has been developing the Community's institutions have been performing their respective functions with authority.

M. Motz's report, quite rightly, emphasises the constant development in the parliamentary supervision exercised by the Common Assembly and by its Committees on the activities of the Executive.

I should perhaps remind you that the Court of Justice has had to deal with several appeals coming from countries or undertakings in the Community and has quashed or confirmed individual decisions. But, surely, the important thing is not so much to be thought right or wrong by the judge but to have a judge at all, so that no one may have to suffer an injustice or take the law into his own hands.

The Governments and the High Authority now co-operate closely in the Council of Ministers, while respecting each other's mandates; this co-operation will continue with due regard to any necessary co-ordination.

I think I should say at this point that it is not only the internal activities of our Community which are developing from year to year but also its relations as a whole with the non-Member States and with other international organisations.

During the second Joint Meeting of your two Assemblies, my predecessor as Chairman of the High Authority, M. Jean Monnet, confidently told you of the hopes of the High Authority as to the outcome of the negotiations which were to be entered into with the United Kingdom. These hopes have been fulfilled. As you know, the efforts of the High Authority were in the end successful. On 21st December last an Agreement between the Community and the United Kingdom was signed which constitutes in the British Government's own view the starting-point for a constantly growing association.

The United Kingdom Government, followed by all Member States of the Community, has ratified that agreement, which came into force on 23rd September last.

In a few days, on 17th and 18th November next, the Council of Association will hold its first meeting at Luxembourg and will draw up its working programme.

The High Authority has resolved to do its utmost to make this agreement a living reality, to explore all the possibilities inherent in it and to plan new progress along the lines indicated in it.

Already before the meeting of the Council of Association, experts of the High Authority and those of the British Government met to consider and, as far as possible, to mitigate the consequences which the limitation of British coal export might have for the consumers of the Community and those of third countries.

It is not only with the United Kingdom that our relations have developed. The High Authority is about to enter into

negotiations with Switzerland concerning questions connected with transport rates for coal and steel through Swiss territory. Our contacts with the delegations of the States represented in the Community have made it possible to clarify and solve more easily several common problems.

Lastly, quite recently, the High Authority had the pleasure of being officially informed that the American delegation was to become a Mission led by Mr. Walton Butterworth, who has the rank of ambassador.

The High Authority has continued to have excellent relations with European and world organisations. A fortnight ago we welcomed to Luxembourg the Committee on Economic Questions of the Assembly of the Council of Europe, with which we had a long exchange of views on a series of problems concerning the present relations between the Community and third countries, namely the trend of prices and the changes in structure in the coal and steel industry resulting from the trend of the common market.

At the beginning of this year, a Joint Meeting of the Committee of Ministers of the Council of Europe and of the High Authority was held in Paris.

Periodic contacts have been established between the Secretariat of the Council and the departments of the High Authority, and co-operation has shown steady progress, particularly in the cultural and scientific field.

Together with O.E.E.C. and the International Labour Organisation we are at present participating in the study of several technical, economic and social problems.

At G.A.T.T., whose tenth session is opening today in Geneva, the Community is outlining the measures taken during the past year by the Member States and the High Authority towards the establishment of the common market.

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Ladies and Gentlemen, I should like, briefly, to bring out the overall significance of all the activities I have just mentioned.

Our experience has, we believe, brought home to us three major facts.

The first lesson is that while the establishment of a common market between countries with hitherto separate markets presents undeniable difficulties, no technical obstacle is insuperable so long as the will to overcome it exists and provided there are powers to decide specific regulations to cover the transition period and, finally and above all, a guarantee is given to all that the new regulations are and will remain irrevocable.

In many cases we noted that these difficulties were less than might have been feared and that the strong misgivings expressed in some quarters rested on insufficient knowledge of the real position in the various countries.

The second thing we have learnt is that the bringing about of the new conditions connected with a common market, unlike the traditional techniques of trade liberalisation or economic co-operation, acts very quickly as a stimulus to progress and rapidly gives favourable results both within and outside the market.

The rise in the production of coal, steel and ore is not the only way in which the Community is making progress — for we do not overlook here the decisive effect of the present high level of economic activity — more than that, the very conditions of production are changing as a result of competition.

Producers are not, in fact, alone in having found advantages in the common market such as stabler outlets and mutual guarantees against unfair competition. Coal and steel workers have learnt to make use of the new means of action placed at their disposal and, as you know, their unions are beginning to press for an extension of the provisions in the Treaty.

Consumers will see that they are better protected against the discrimination they were formerly subjected to and that, in any event, within a wider and regulated market, price fluctuations which are so harmful to the development of the steel consumer industries are greatly reduced.

Moreover these advantages are not secured at the expense of commercial relations with third countries, on the contrary.

I should like to mention here, at this Joint Meeting, in the presence of parliamentarians many of whom come from countries which are not members of the Community, that the considerable increase in the coal and steel trade between the member countries has been accompanied by an increase — smaller but significant — in the trade with non-member countries.

As for the trend of prices both within and outside the common market, a question which has sometimes given rise to controversy, I should like to point out that during the early post-war years, particularly between 1948 and 1952, export prices were generally higher than internal market prices, sometimes in the ratio of two to one.

During the last few years, this trend has been reversed and the average difference between export prices and internal market prices is only a fraction of what it was before the common market came into being.

The third fact, and by no means the least, is that this new notion of the interest of the Community has burst the bounds of the limited framework of the decisions of the High Authority.

It has undoubtedly penetrated into each of the Community's institutions; what is more it has found its way into the deliberations of our national Governments and filtered into public opinion.

After only three years of the Community's existence, we can testify today that, for at least two industries in our countries, the formerly exclusive concept of national interest has

been swept away by an awareness of the fact that the common good calls for a common approach by our six countries.

The High Authority, which safeguards the interests of all, and takes responsibility for its actions or inaction, acts by taking decisions which have two main features, and which are based on data which are known to everyone. In the majority of cases these decisions are approved by all, more especially as the High Authority knows — and sometimes it alone knows — the real difficulties under which all parties to the discussion are labouring; but in cases where no general agreement has been reached, no point at issue is allowed to degenerate into a conflict; all accept the judgment of a common, impartial and sovereign jurisdiction whose existence is their final guarantee.

We are convinced that this last fact is something that goes beyond the scope of the coal and steel industries or the limits of our six countries.

We do not in the least overlook the special problems which the existence of the Community may temporarily create for industries other than those of coal and steel and for countries other than the six member countries. We wish to go on examining these problems in all frankness with those whom they concern and we are ready to contribute to their solution. We are conscious of hastening in this way the building of a united Europe which, with every day that passes, seems more necessary to the economic development of each and every one of our countries and to the maintenance of real co-existence in the world. (*Applause.*)

4. Report on the work of the Common Assembly

The President. — (*F*) I call upon M. Motz who will present on behalf of the Common Assembly the Report on the Assembly's activities from 1st July, 1954 to 30th June, 1955.

M. Motz (Belgium). — (*F*) Mr. President, Ladies and Gentlemen, it is not my intention to give you a summary of the

first and second Reports of the Common Assembly of E.C.S.C. to the Consultative Assembly of the Council of Europe, I shall merely outline some of the characteristic features of the policy steadily pursued by the Common Assembly since it came into being.

My distinguished predecessor, M. Poher, stated convincingly in his first Report to the Consultative Assembly of the Council of Europe that the constituent texts of the European Coal and Steel Community, the statements made by the man who conceived the idea of the Community and the opinion expressed by a committee of jurists, all these show that the Assembly is a parliamentary institution imprinted with its own special character.

This legalist conception of the nature of the Assembly has, of course, far-reaching consequences, particularly in respect of the control exercised by the Common Assembly over the other institutions of the Community. The argument advanced by those who support the granting of the most extensive rights to the Common Assembly was brilliantly summed up by M. Teitgen at a sitting on 2nd December, 1954 when he said:

“All that this Assembly claims as being within its scope — that which is compassed by our normal national legislation and which is recognised in all countries as being the prerogative or right of Parliament, provided it does not run counter to any provision of the Treaty or conflict with any powers granted to another institution, must be acknowledged as pertaining to this Assembly.”

Now, the provisions of the Treaty in respect of the powers of the Assembly have a hybrid, fragmentary and, may it be said, a somewhat unfinished character. It required all his wide knowledge of European problems, his understanding and open-mindedness, for the first President of the High Authority, M. Jean Monnet, to make it possible that this Authority and the Common Assembly should co-operate in such a way as to allow parliamentary committees to play a real part in the preparation of the High Authority's decisions.

It can now quite bluntly be said that, had things gone otherwise, — had the High Authority refused such co-operation and insisted that the Common Assembly remain strictly confined to a form of *a posteriori* control, affairs would have evolved far less satisfactorily.

This active co-operation ceased for a period of only a few weeks following the sudden death of the President of the Common Assembly, the illustrious European statesman, M. De Gasperi. His death deeply moved and disturbed the Common Assembly. Not only was he regretted by all but grave concern as to the future of the Assembly was expressed as a result of the death of one of its finest supporters. M. Pella, the new President, however, soon resumed the struggle with all the fervour of his great predecessor.

It is also highly gratifying to observe that the new President of the High Authority, M. René Mayer, who is still one of the most distinguished parliamentarians in his country, has pursued the policy of his predecessor, M. Jean Monnet, and that the exchange of information between the High Authority and the parliamentary committee has been carried on regularly throughout the year.

It would be untrue to say that what the Common Assembly has asked for has in every quarter been equally well received. Certain conflicts of powers, almost inevitable, if transitory, in an organisation but a few years old, remain as yet unresolved. The Common Assembly, for instance, asked to be informed, for control purposes, of the opinions expressed by the experts of the Consultative Committee on the Community's problems. In a letter dated 21st May, 1955, the Chairman of the Committee expressed his regret that he could not allow the transmission of the minutes of the Committee's meetings since

“this might involve the risk of members being deprived of their full freedom of expression”.

To this the Common Assembly's reply is that since it has to approve an annual report of the High Authority covering

institutions including the Consultative Committee, it will be difficult to do so if that Committee's activities remain shrouded in mystery. Let us hope that it may be possible to reach a compromise whereby it is possible to weigh the views of the Consultative Committee and at the same time respect the state of anonymity for its experts to which, I must say, we have not been much accustomed in the case of many of their colleagues.

A misunderstanding also persisted for some time with regard to the functions of the auditor. The auditor, who is appointed by the Special Council of Ministers, proceeded, when he took up his duties, to define his own terms of reference and succeeded in having this definition approved by the Committee of the four Presidents. Since, however, the auditor's report is primarily intended for the Common Assembly it is surely for the Assembly to decide what information this report should contain. On 12th May, 1955 it accordingly adopted a resolution in respect of this report to the effect that:

“The Assembly proposes that the Committee of the Four Presidents should request the auditor to confine his report as to whether the accounts of the institutions have been properly kept and the financial administration of the Community is satisfactory: he may at the same time furnish information, as he deems fit, to the Committee of the Four Presidents in the form of special studies and reports on special questions.”

The Accounts and Administration Committee of the Common Assembly indeed possesses certain responsibilities which it cannot shift on to the shoulders of the auditor. It is within that Committee that the means for more extensive future control over the institutions of the Community must be sought. Its functions should not be confused with those of an auditor checking expenditure after the event.

I must apologize, Ladies and Gentlemen, for dealing with these problems in a somewhat light vein; I long ago ceased to regard them as grave matters. They are not likely to stand

in the way of the development of European economic integration, and I am convinced that they will be resolved in due course.

Fortunately, the Common Assembly has greater ambitions, for which we congratulate it. Foremost among them is the problem of its relations with the Special Committee of Ministers.

Although the Treaty does not state that the Council of Ministers is responsible to the Assembly, the latter does, in fact, in open session discuss the General Report of the High Authority, in accordance with Article 24 of the Treaty. The general report covers the activities of all the institutions in the Community, including the Council of Ministers.

Thus the Assembly may likewise form a judgment on the activities of the Council of Ministers, though it may not add any sanctions to its criticisms of it, whereas it may resort to sanctions against the High Authority.

In his draft reply to the first and second reports of the Common Assembly to the Consultative Assembly, M. Wistrand, in this connection, makes a somewhat rueful comment. He in fact says:

“Despite all the difference between the two organisations, the Common Assembly could, in relation to the Special Council, only play an advisory rôle similar to that of the Consultative Assembly. Unfortunately, the latter’s experience of its advisory capacity to Governments has not been a very happy one.”

However that may be, we still hope we shall be able to persuade the Special Council of Ministers to co-operate with the Common Assembly as fruitfully as we, to our mutual advantage, co-operate with the High Authority. M. Rey, the Belgian Minister of Economic Affairs, himself recently proposed that one or two days of our session be devoted to a public discussion of the administration of the Council of Ministers, in the course of which the members of the Council

would reply to questions put to them by members of the Common Assembly. The idea is also gradually taking shape of drawing up an annual report on the activities of the Special Council of Ministers which would be submitted simultaneously with the General Report of the High Authority.

But, Ladies and Gentlemen, one of the most important problems still to be solved by the Common Assembly concerns the interest the public takes in its work. Here, the Consultative Assembly shows up to better advantage. It discusses general questions of international policy from a European standpoint, it deals with problems connected with the protection of human rights and considers comprehensive economic solutions designed to ensure the prosperity and happiness of the peoples concerned.

Although that Assembly has only a consultative character, and we know, alas, that the Governments are far from considering themselves bound by what it recommends, the importance and the force of the ideas discussed there arouse the interest of very many Europeans and impress public opinion. This is not always the case with the Common Assembly. In spite of its justifiable desire to deal with political problems, its sphere of activity is, after all, essentially economic and technical. In order to be able to make a useful contribution to its work, particularly in certain specialised committees such as that on the Common Market and investments, there is required a sum of knowledge which cannot be acquired from one day to the next.

But, on the other hand, we have heard in this Assembly M. Spaak, the Belgian Minister for Foreign Affairs, telling us in a brilliant speech that he has given up trying to interest the public in the wealth and diversity of European customs' tariffs. To a considerable extent, this also applies to the work of the Common Assembly, though it often attains a degree of skill and accuracy of a kind calculated to delight the expert.

I should like here to mention the extremely lengthy recommendation on social questions approved by the Common

Assembly on 13th May, 1955. It consists of 33 paragraphs, 11 sub-paragraphs, over 1,600 words and outlines with remarkable and minute precision the social policy which should be pursued by the High Authority. Yet what is needed at the present moment is to arouse the interest of the masses in this unique European Assembly with its constitutional powers and to show that beyond the question of coal and steel, it pursues a policy with broader horizons designed to give the peoples concerned the economic security and prosperity without which freedom strikes one as being an illusion.

Thus, the proposal made by the Bureau of the Common Assembly that the Assembly should meet successively in each of the capitals of the countries belonging to the Coal and Steel Community is to be regarded as an excellent idea.

It is regrettable that the national parliaments of these countries do not hold at least once a year a debate on certain problems mentioned in the General Report of the High Authority. There is a lot to be said, too, for the idea that the parliamentarians who are members of the Common Assembly should sometimes think of putting to their national Ministers some of the questions to which the Ministers — in their capacity as members of the Special Council of Ministers — have given no reply.

Notwithstanding these various comments, I sincerely believe that what I have to report to you, Ladies and Gentlemen, is cheering rather than the reverse.

The Common Assembly has, on the whole, succeeded in its policy of progressively defining its powers. Its relations with the High Authority are marked by mutual esteem and understanding. Of course, you may say this favourable atmosphere has only been maintained because of the fact that all was well with the High Authority and with the Community in general. What would have happened if we had had to go through a long depression instead of the expansion we are witnessing today?

None can say what would have happened, but in politics even more than in any other field of activity the words of King Frederik II, who said that:

“In life things always go less well than we hope but better than we fear”

should not be forgotten.

Prosperity, too, has its dangers, for instance the danger of forgetting the essentials and of believing that something provisional will last for ever.

Thus, Ladies and Gentlemen, it can be stated that some of the aspirations and hopes of the common Assembly are given concrete expression in the programme of its Working Party. This was set up during the meeting of 6th May, 1955, following a report by M. Pella, President of the Common Assembly. The latter on the basis of a Resolution adopted on 2nd December, 1954, on the proposal of M. Teitgen, concerning the powers of the Common Assembly, outlined this task as follows:

“To report to the Assembly on the following questions:

- (a) The measures contemplated in co-operation with the High Authority to implement Part II of the present Resolution;
- (b) The procedure which might be proposed for considering the most appropriate and efficient ways of ensuring:
 1. A stricter definition of the Assembly's power of control over the executive;
 2. An extension of the material powers of the Community, and, more generally, an extension of the common market;
 3. The problems connected with the election by universal suffrage of the members of the Assembly.”

Thus, what MM. Pella and Teitgen mainly had in mind was the search for ways of defining more clearly the Assembly's power of control and of extending the competence of the

Community. Hence, no sooner was the Working Party established than it found itself faced with a highly extensive programme embracing various aspects of European economic and social life.

If you will permit me, Ladies and Gentlemen, I should like to refer here to some events which occurred after 30th June, 1955. These facts are so closely linked with the problem of the new drive towards economic integration with which this Assembly has concerned itself that I believe you may be interested to have some knowledge of them.

On 24th June, 1955 the Common Assembly adopted the following Resolution:

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Noting that if the final resolution of the Conference does not give an explicit reply to the request addressed to the Ministers for Foreign Affairs in the Resolution adopted by the Common Assembly on 14th May, 1955.

(Decides) to ask the institutions of the European Coal and Steel Community to draw up proposals concerning the wider competence and powers which the Community must have if it is to carry out efficiently its task as defined in the Treaty.

Instructs the Working Party, in close co-operation with the competent Committees of the Assembly, to consider those questions raised in the Messina resolution which are likely to influence, directly or indirectly, the full execution of the Community's mandate as defined in the Treaty.

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and to seek an appropriate procedure for effective co-operation between the competent institutions of the Community and the Committee of Governmental Delegates referred to in paragraph II of the Messina Resolution.“

In order to cope with this important task, the Working Party of the Common Assembly divided its programme into two groups of questions, each group being dealt with by a Sub-Committee, one by the Sub-Committee on Institutional Questions, presided over by M. Jaquet, and the other by the Sub-Committee on Competences and Powers, presided over by M. Pohle.

The Sub-Committee on Institutions has considered a number of problems ranging from the relation between the Common Assembly and the various international organisations to the report on questions relating to the institutions to be set up if the Community is granted wider competence.

The Sub-Committee on Competence and Powers deals with the possible extension of the Community's activities to other sectors such as transport, ordinary energy and nuclear energy.

A special report is being prepared on the development of economic integration in general with a view to the establishment of a common European market. The standing committee have been asked for their opinion and the Working Party has received their replies in the form of a great number of recommendations. Hence it needs all its 28 members, its two Vice-Chairmen and its 9 rapporteurs to cover its wide field of activities.

Owing to the impossibility of discussing the whole of this programme during the November 1955 Session of the Common Assembly it has been decided that the only problems submitted at the Assembly for discussion should be the two questions on which the weight of its opinions is backed by the authority resulting from several years' experience.

I am referring to the important reports of MM. Poher and Kreyssig, the first concerning the way the Common Assembly should be organised to render its work more effective within the framework of the existing provisions of the Treaty, and the second dealing with measures likely to ensure the full application of the provisions of the Treaty in its unchanged

form, as well as the extension of the Community's powers with regard to coal and steel, necessary to the full attainment of the objectives laid down in the Treaty.

The examination of the other reports prepared by the working Party presupposes a knowledge of the reports of the Governmental experts. But these reports will not be submitted before 30th November and it will therefore not be possible to discuss the reports of the Working Parties before the January 1956 Session of the Common Assembly.

In his speech to the Consultative Assembly, M. Spaak, Chairman of the Committee of Governmental experts, told us that we could look forward to real progress mainly in the field of the common market and of nuclear energy.

Well, let me assure you, Ladies and Gentlemen, that the proposed method of integration of the common market is a comprehensive method, though destined to be carried out in stages. Is there any reason for fearing that a new quarrel may break out among the supporters of European co-operation concerning the respective advantages of vertical and horizontal integration? I believe that nothing could be more fatal; it would be both against common sense and unrealistic.

All that can be said about the economic integration of Europe is that it will take place in the only possible way, namely through such agreements as are approved, to begin with, by the six Powers represented at Messina, then, subsequently, we hope, by other countries. And it would be only reasonable not to set up any new institutions and to try and make the most of existing ones.

In a report concerning a European atomic energy organisation Mlle. Klompé emphasised the need to have effective parliamentary control and suggested that, for instance, the Common Assembly might form the nucleus of such a control body.

Similarly, as regards the common market, if an arbitration court is to be set up to settle disputes between the Member

States, this task might perhaps be assigned to the Court of Justice of the European Coal and Steel Community.

Under present political conditions, it is, in my opinion, necessary to be moderate and realistic. Nothing would do more harm to European organisations than to have too many of them. This would so confuse public opinion that they would meet with indifference and fall into disrepute.

Although, from the political point of view, the European idea has perhaps suffered some serious reverses during the past year, and its lustre may seem somewhat tarnished today, it is, nevertheless, a fact that there is great scope in the field of economic co-operation.

You will remember the objections brought against the organisation of the common coal and steel market. The Trade Unions were told: "the common market means the ruin and the enslavement of the workers", while the liberals were told: "the supranational powers of the High Authority are a victory for State control and technocracy".

Yet, Ladies and Gentlemen, we have witnessed neither the enslavement of the workers nor the triumph of state control. The essential thing in all economic affairs is to adapt oneself to a new world, and, with this in view, to go forward without stopping to indulge in doctrinal quarrels, to press on having due regard to the social realities of our democratic States, but never to go back once a step forward has been taken.

This forward process calls for repeated efforts and unceasing vigilance. But the greatest reward which the accomplishment of this task brings to all those who have played a part in it, is the profound conviction that they have contributed to peace among nations, to a better understanding among men, to the prosperity of nations and to the advancement of the public weal. (*Applause.*)

M. Margue (Vice-President of the Consultative Assembly) took M. Mollet's place in the President's Chair.

5. *Statement by the Rapporteur of the Committee on Economic Questions of the Consultative Assembly*

The President. — (*F*) I call upon M. de Geer, Rapporteur of the Committee on Economic Questions of the Consultative Assembly.

M. Gérard de Geer. — I feel it a great honour to have been asked to make my maiden speech in this Assembly as Rapporteur of the Committee on Economic Questions and on such a subject as the Third General Report of the High Authority. I hope that the Assembly will agree with me if, in this connection, I discuss what lies behind the draft Reply which I had the honour of presenting to the Assembly as Doc. 463.

You will recall, Sir, that the Assembly has received the earlier two General Reports of the High Authority on the activities of the European Coal and Steel Community, and has made a reply to them. As M. Federspiel wrote in his letter to you, it is in this reply to the General Report of the High Authority that the Committee on Economic Questions intends, for this Session at least, to say what it has to say on the economic problems arising out of the working of the European Coal and Steel Community. It would seem to be a practical division of labour between the Committee on Economic Questions and the Committee on General Affairs that the Committee on General Affairs should deal with the political questions while we in the Committee on Economic Questions should go straight to the point and discuss only the activities of the High Authority itself.

Here I want to pay tribute and express gratitude to the High Authority, and particularly to its three members — M. Coppé, M. Etzel and M. Potthoff — who attended a meeting of the Committee on Economic Questions held a fortnight ago in Luxembourg. They gave evidence on questions that we had prepared for them beforehand and replied to all the other questions of the moment with frankness and friendliness. This is not mere diplomatic phrasing. The atmosphere at that meeting in the Cerele Municipal in Luxembourg was such that it

allows us to feel confidence in future collaboration for getting all we can out of the European economy for the benefit of our people and of those beyond Europe for whom we carry responsibility.

Now as regards the text of the Reply which, on behalf of the Committee on Economic Questions, I am asking the Assembly to adopt. Paragraph 2 states that the Assembly is gratified to note the progress made within the Community. You will remember, Sir, that in its Report the High Authority set out some striking figures of how the exchange of coal between the countries of the Community had increased by 42 % in two years, and how intra-Community trade in steel had doubled in the same short space of time. In that Report the High Authority said that such an increase demonstrated the effects of the common market.

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I am afraid that the Committee on Economic Questions was not quite so sure about that. We set the Secretariat here the job of calculating the increase in intra-Community trade in other products, and the result was that between 1952 and 1954 the value of trade in other products between Community countries had increased a little more than the trade in coal and steel. This was the kind of doubt we put to the High Authority in Luxemburg. The High Authority was able to give us later figures than it had been able to give us in the Third Report, and it seems that the monthly average for the first eight months of 1955 shows rather a different development. The increase in coal and steel for 1952 was 56 % while it was only 40 % for other products. After all, in a time of slack demand such as we had in 1953 and until later in 1954, one would not expect intra-Community trade in coal and steel to rise as fast as the trade in other products which are being liberalised under the OEEC programme. We should remember that the general OEEC liberalisation went up from less than 60 % in April, 1952, to more than 80 % in April 1954, and as liberalisation has continued since then, it is all the more satisfying that the high level of business activity in the basic sectors of

the past 12 months has still outstripped progress in non-Community goods.

There are three further things I want to say on the effect of the institution of the common market. First, we must remember that the goods with which the Coal and Steel Community deals are about the bulkiest of the lot. That means that they have the highest ratio of transport costs to value and so they are the goods that one would least expect to be traded more intensively.

Secondly, we must remember that we should expect trade to increase in some kind of relationship to the increase in production, and there the comparison is much in favour of coal and steel. While the general increase of trade between 1952 and 1954 of 27 % was achieved on the basis of a 15 % rise in production, the 25 % increase in coal and steel trade was based on a production rise of only 1 % or 2 % for coal and not more than 5 % for steel. The ratio of rise in trade over rise in production was therefore a vastly higher one in the case of the goods of the common market.

Lastly, it is worth looking at the volume figures for the first eight months of 1955. There the increase in the monthly average over that of 1952 was 32 % for iron ore, 38 % for coal, 170 % for steel and 250 % for scrap. Had there been no common market then, at a time of such shortage of scrap as there is today, there would hardly have been scrap exports three or four times what they were two and a half years ago.

In paragraph 3 of our reply, we say that we hope the High Authority will be able to give substance to the spirit of the Treaty where cartels are concerned. We are quite aware of the extremely complex nature of the cartel problem facing the High Authority. We understand that the High Authority's competence is in any case limited. Whether or not it should be is another matter. We quite understand that common sales organisations are needed to deal in a rational manner with all sorts of problems common to a number of enterprises: the quality of coal has to be sorted and evened out; when work

has to be slowed down the unemployment must be distributed between the mines; when supplies are getting on the tight side there must be a rational policy of distributing the supplies without an immediate pressure on prices. For all these things and for the supply of really big consumers, common sales organisations may be legitimate, but that is not the end of the matter.

The Assembly therefore wishes to give the High Authority all the moral backing it can for an early and effective conclusion of the negotiations it is at present conducting with the Ruhr cartel GEORG — *Gemeinsame Organisation des Deutschen Kohlenverkaufs* — and it is looking forward to the High Authority's passing on to tackle also the cartel problems in France, Belgium and anywhere else in the common market. The best division of labour within the common market will never be achieved until the distortions introduced by cartel policy have been eliminated.

In paragraph 4 the Assembly notes that the High Authority has now set up a timetable which by 1957 will eliminate the breaks in rail transport rates. If you look at a map of the Community you will see sticking right in towards its centre a long, thin arm composed of Austria and Switzerland. For the transport of coal from Germany to Italy the passage through Switzerland and also Austria is of great importance. It is for that reason that we hope that the High Authority and those two countries will be sitting down together to see what action can be taken on coal and steel transports passing through those two countries.

Paragraph 5 of our reply welcomes the entry into force a month ago of the Agreement of Association between the High Authority and the United Kingdom. The Assembly is satisfied that the United Kingdom has felt able to take this step. We would like to see other countries establish closer relations with the Community as such, but please note that we do not say in our paragraph 5 that the association should necessarily be modelled on that Agreement of Association. At the end of paragraph 6, indeed, we say "whether through permanent organs of association or through other channels".

That is not because we are dissatisfied with the Agreement of Association that the United Kingdom has concluded; it is only because we believe that other countries should make sure that they can have close relations which will allow the speedy and satisfactory settlement of outstanding problems and because we do not believe that they must necessarily follow any rigid formula of one kind or another.

All this has long-term importance when we remember the high cost of investment in the coal and steel sector, the inelasticity of production and the great human responsibility that falls upon us as the result of the Labour-intensive nature of that production. We cannot afford to make mistakes as to the long-term trends in the demand for coal and steel. We must look at the energy problem from the point of view not only of all sources of energy — coal and coke, hydro-electricity, fuel oil, gas and atomic energy taken together — but from the point of view of a European, if not of a world, energy budget. For that reason we think it important that the High Authority should get together with the other countries chiefly involved to compare and check the economic implications of the investment and production plans they have in mind for the production of coal and coke, iron and steel.

To come to one of the major preoccupations of the Consultative Assembly in this matter, the Assembly has always regarded itself as the body which by its composition was the best fitted to review the relations of the Community with third countries. It is the only Assembly in which the European third countries are represented, and, as we said in our Resolution 60 last year,

“The relations of the Community with other member countries, with European organisations and with third countries and organisations not essentially European... should at all times be subject to scrutiny and discussion by the Consultative Assembly.”

In paragraph 7 we go on to recognise that by its very nature the establishment of a Community of the Six implies a tightening of economic relations between the six member coun-

tries. What we are concerned with is that while the barriers between those Six fall the barriers between the Six and the rest should at any rate not rise. That is why we say in paragraph 7 that the Assembly reaffirms its hope that trade across the Community's boundaries will never be obstructed by anything that the High Authority does.

The problem of export prices of the Community is one which has been discussed in many quarters and with which it is our duty to deal. In the Third General Report to which we are now replying, paragraph 75 says that, while prices vary very little on the common market, export prices for merchant bars rose by 25 %. It is true that export prices were at the beginning below internal prices, but it is none the less our concern that this strong rise of export relative to domestic prices should not get out of hand and that the Community will maintain an equitable relationship between export and domestic prices.

When I say that it is the relationship between export and domestic prices that must be equitable, I am in fact emphatically rejecting any contention that the relevant margin is that between the export prices of the Community and those of other exporters — for instance, the United States of America and the United Kingdom. The exports of the Community themselves forming about 60 % of world steel exports, they are a major factor in setting the prices of the rest. It would be absurd, for our purposes, to measure the margin between average export prices and the export prices of what are, in fact, those of a major-priced leader.

The question has fortunately lost some of its bitterness since the early months of this year, and it is to be hoped that we never again reach a position in which there are such strong feelings. Nevertheless, the Assembly will and must watch this development of export prices and the discussion on the issue in G.A.T.T. and elsewhere. We want the High Authority to know our lively interest in that issue.

If in what I have said I have been slightly critical of certain aspects of the High Authority's exercise of its functions,

I hope, Sir, that this will be taken for the friendly and constructive criticism it is meant to be. This Assembly believes that the Coal and Steel Community represents the highway to the future integration of Europe. It represents the only supra-national authority created by the movement for European unification before the fall of the E.D.C. Its importance has become all the greater in the present situation. That is why we support it. We believe in the political effort which it represents, and that is why we conclude our text as follows:

“The Assembly wishes to stress once more the importance which it attaches to the successful functioning and development of the European Coal and Steel Community, not only on account of its immediate importance to the sectors within its competence, but also as a pilot project already tackling some of the problems of overall integration, and as a rich source of experience providing lessons on the methods to be adopted in other sectors and in overall integration in the future, be it within the six countries of the Community or within a wider European framework.”
(*Applause.*)

*6. Statement by the Rapporteur for the Committee
on General Affairs of the Consultative Assembly*

The President. — (*F*) I call M. Wistrand, Rapporteur for the Committee on General Affairs of the Consultative Assembly.

M. Wistrand (Sweden). — (*F*) Mr. President, by the appointment on this occasion of a representative of a non-member country of E.C.S.C. as rapporteur on the Consultative Assembly's Reply to the Common Assembly's Report the intention would appear to have been that the problems of the Community should be considered from an independent standpoint.

All the same, I feel that I am not entirely cut out for this task, for I find it natural that this Assembly should treat such problems from a European standpoint.

E.C.S.C. is the first institutional embodiment of the European idea, and particular importance must be attached to its affairs, since they illustrate the sort of problems which will require a solution when we have reached the stage of broader co-operation. The non-member countries are perfectly entitled to look upon co-operation within the Community as an experiment preparatory to more and more comprehensive co-operation between a growing number of countries.

Countries which are not yet members today may become so in the future, and we therefore note with great satisfaction that the report lays further stress on the principle whereby all Members of the Council of Europe may accede to the Community. Although no other country has so far decided to apply for admission to the Community, I think that the latter would be failing in its duty if it let this deter it from close liaison with Council of Europe countries which still stand aside. There can be no doubt about the importance of extending European co-operation wherever circumstances permit.

Here, the Treaty of Association with the United Kingdom seems to me to point the way, not as regards its form, but as regards its substance. I am well aware that agreements with other countries than the United Kingdom would not justify as ponderous and complex a machinery as is provided for in this Treaty of Association, but I think it would be most valuable for European co-operation in general, and for the Community in particular, if every effort were made to establish close co-operation with at least some of the non-Member States of E.C.S.C., even on an informal basis.

It is not my business to examine the economic problems of the Community or to suggest how they should be solved. I shall therefore refrain from suggesting how closer co-operation should be established.

It will probably be impossible to offer such suggestions until closer contacts have been established, but I still think that the attempt should be made for the sake of the European cause. I am also convinced that this need not await the formation of groups outside the Community, on which adequate information is still lacking.

I have become more and more convinced that it is unwise to confine European co-operation within the straitjacket of dogmatic principles. The important thing is to find standards which could at any moment form a rallying-point for our divergent interests, but such standards cannot be laid down for good and all. If this work is to be fruitful, the spirit of co-operation must be kept alive regardless of changing principles.

“A broader and deeper community” is what M. Robert Schuman envisaged when he set out to establish E.C.S.C., and we must all bear this in mind as our ultimate objective when we consider E.C.S.C., whether our country has decided to take the plunge or whether, for one reason or another, it has remained outside the Community.

As a Representative to the Consultative Assembly, I would record my deep gratitude to those who took the first step towards such co-operation and have made it a going concern. History may see the creation of the Coal and Steel Community as a turning-point in the history of European co-operation — the point at which it left the realms of theory for the concrete realities of action.

It may be that we are now on the threshold of a new historical epoch heralded by the Messina Plan. Our information on the final details of this programme and its practical prospects is still too scanty, but I am glad to note signs in the Messina communiqué that there is a desire for a practical approach. This will certainly make it easier for other countries to become associated.

However, although perusal of the Common Assembly's Report is bound to turn one's thoughts to such problems, it is still too soon to discuss them in detail.

With these remarks, Mr. President, I have the honour to submit my Report to this Assembly on behalf of the Committee on General Affairs, which adopted it unanimously.

Reports from the Common Assembly are also submitted to the Committees on Economic and Social Questions, but in this case these Committees did not feel it necessary to prepare separate replies, since the Report on the High Authority's work has already dealt with economic and social questions.

I do not propose to analyse my Report in detail, for it has been distributed to you as a working paper. I think, therefore, that I may leave the matter there for the moment. (*Applause.*)

7. *General Debate*

The President. — (*F*) Ladies and Gentlemen, the General Debate is now open.

I call M. Pünder.

M. Pünder (Federal Republic of Germany). — (*G*) Mr. President, Ladies and Gentlemen, our colleague and rapporteur Senator Motz, at the end of his substantial written report, expressed the wish that the members of the Common Assembly attending today's Joint Meeting should not confine themselves to listening but should start a lively discussion by making suggestions, putting questions and formulating criticisms. As I myself am a member of both the Consultative Assembly of the Council of Europe and the Common Assembly I should like to take up this suggestion of my friend M. Motz.

Today marks the third Joint Meeting of our two Assemblies. The autumn session of our Consultative Assembly has during the past ten days given us some fine moments such as we have rarely experienced here; I need only mention the first reading of the Social Charter, the remarkable report of our French colleague M. de Menthon on the external political

situation, the extremely informative speech of M. Spaak, Belgian Minister for Foreign Affairs, which has already been alluded to several times, and then the beginning of the positive work of the Assembly of Western European Union. And today we have this Joint Meeting of the two Assemblies.

Naturally, it is extremely difficult to deal in a short speech with even the most important points with which we are concerned here, but I shall, nevertheless, try to do this as briefly as possible.

There is a genuine and laudable desire to have joint meetings of our two Assemblies, and I very much hope that these meetings have come to stay.

In this connection I think that two things should be taken into account. These joint meetings clearly show that there is no rivalry between the two European parliaments. Those of us who belong to one or both of these Assemblies know it full well. But it is very necessary to bring this home to public opinion. It is quite certain that the members attending today's joint meeting who do not belong to the Community of the Six follow with keen interest the work of the other Assembly. It is symbolic that the last two rapporteurs we have heard do not belong to one of the six Community countries but to a friendly country, Sweden. This I particularly wish to emphasise.

Let me add something else. This joint meeting in which we are representing both the Council of Europe and the Community of the Six is clear evidence that we are all of us seeking to achieve the unification of Europe in the near future. But we all know that there is more than one way of doing this. The Council of Europe, the Six, the new community of Seven in W.E.U., the OEEC community and the other European communities are all necessary — but none is by itself sufficient. The goal can only be reached by their combined efforts. It is not a question of this or that but of this and that. And this principle is being put into effect at this joint meeting of our two Assemblies. We have just heard the very interesting oral reports of the new President of the High Authority and our

Rapporteur, Mr. Motz, which have shed real light on the two written reports of the High Authority and Doc. 396. I am very glad that the new President, M. René Mayer, has, as he said by way of introduction, today taken this first opportunity of speaking at the joint meeting of the two parliaments, as he did a few months ago in the Common Assembly of the Community, immediately after his election.

The written report of the High Authority is signed by M. René Mayer's predecessor, M. Jean Monnet. I was very pleased to hear the friendly tribute paid to the first President of the High Authority. I was particularly moved, M. Motz, by your allusion, at the beginning of your oral explanations, to the former President of the Common Assembly, M. de Gaspari, for whom we have an undying admiration. How right you were to say that his death was a great loss not only to the Common Assembly of the Community but also to the whole of Europe.

And at this point, I should like to add my tribute to that which you, M. Motz, paid to the work and personality of our new President, M. Pella.

The written report of Senator Motz discusses in its 83 paragraphs, concisely but exhaustively, the main results achieved during the twelve months covered by it. I am pleased to see, M. Motz, that in your oral explanations you used the date of 30th June as a point of departure, this being the date at which the written report stops, and that you have given us valuable information — to which I shall come back later — on your experience as head of the Working Group.

At the beginning of your explanations today, particularly those concerning the written report, you mentioned the Brussels Conference and the "*dies ater*" of the rejection of the European Defence Community on 30th August last. In your written report, you then mentioned the ensuing resignation of M. Monnet and went on to describe the birth of the crisis in Europe, how doubts were felt not only on the possibility of further integration in Europe but even whether the results already achieved in the form of the first supranational body, the Coal and Steel Community, could be maintained.

The worst is now, thank God! a long way behind us. M. Motz rightly recalled today the successful initiative of our French colleague, M. Teitgen, which was the basis of the very important resolution unanimously adopted by the Common Assembly on 2nd December of last year, urging the need to continue the work in hand, with the object of achieving a genuine unification of Europe. You were right, M. Motz, to emphasise the importance of this resolution, which led to a new and important departure, later taken up on the parliamentary level and resulting finally in the formation of the Working Party under the chairmanship of our distinguished rapporteur.

In both your written report and your oral explanations you sought, M. Motz, I will not say with justifiable pride — you were indeed very modest on the subject — but with particular satisfaction, to describe the activities of the Working Party. And you told us that two sub-committees had been set up. We were also informed, in the written report, that part of the work would be ready for examination by the end of October. This has not proved to be the case. But it is not a serious matter; it is better to be too ambitious rather than too cautious. We know not only through your written and oral report but also because we have kept in close touch with developments that the work is progressing well.

You rightly emphasised, as M. Spaak also did a few days ago, that on the constitutional plane the European cause is going through a crisis, that on this level no progress is at the moment possible; that only by the functional method can a gradual integration of Europe be achieved, beginning with the economic sector. In paragraph 77 onwards, you give a detailed account of this problem and of the work of the two sub-committees you have set up. You rightly emphasise the degree of initiative constantly being displayed here.

In this connection, as was rightly pointed out in the written report and recalled here today, the Messina Conference can now be seen to have produced complete harmony and further mutual contacts. This conference of the six Governments held on 1st and 2nd June of this year led, as we know, to the

setting up of special committees and of another working party. You very rightly emphasised the great importance of the resolution adopted at Messina stipulating that the work of this governmental committee was to be directed not by some expert, whatever his qualifications, but by a leading political figure. As has already been said, we were able to appreciate a few days ago with what earnestness M. Spaak has set himself to this work and how much of his characteristic ardour he is applying to it.

I take this opportunity of stressing that the Messina Conference held on 1st and 2nd June of this year are likely to be very important to the future of Europe and, at any rate, more important than has hitherto generally been acknowledged by public opinion.

Here I am not, of course, going to discuss in detail the probable results of the work of the two Working Parties, that of M. Motz and that of M. Spaak; to some extent this would be mere speculation. At all events, I think I can say that we can look forward to the conclusion of this work with moderate optimism and some confidence. We know that the Common Assembly has already decided that it will deal with these problems, so important to the future of Europe, at a special session to be held in January of next year.

I shall mention only a few more points. I was pleased to learn today from the explanations given by M. René Mayer that he, too, attaches special importance to the Treaty of Association with the United Kingdom which was concluded during the period covered by the report. I should like in my turn to express my satisfaction at the fact that after much labour, and lengthy discussions, this Treaty has finally come into being. M. Motz rightly says in his written report that no spectacular results should be expected from the conclusion of this Treaty. Yet I share his hope that other practical successes will be achieved. I should like to make a personal and pressing appeal to our British colleagues present here today to support the suggestion, made in the written report, that exchanges of views should be held between them and the members of the whole Common Assembly; I think such exchanges could be very useful.

The second important event, also mentioned today, was the signing of the agreement for a 100 million dollar loan extended by the Government of the United States to the Community of the Six. By a Government, it should be noted, and not by any banking syndicate. Here, again, all is not perfect. It is, naturally, quite impossible for me to examine now in my brief statement even the main problems raised by this loan agreement. But I would emphasise that the grant of such a loan to the High Authority by the Government of the United States is a tangible sign of American confidence in the future and in the necessity of this, the first European supranational organisation.

In his report, M. Motz notes — he also dealt with this point in his oral explanations, but in paragraph 9 onwards of his written report it is discussed in much greater detail in the light of his wide experience — that the powers of our Common Assembly are, unfortunately, still rather fragmentary. But he was equally right in saying that this defect has been remedied to an increasing extent by close and regular co-operation with the High Authority, and by the latter's constant desire — and this I would emphasise most vigorously — to maintain a genuine co-operation.

In this connection it has rightly been pointed out that the Common Assembly has the right to act on its own initiative and adopt resolutions which determine basic policy. Given mutual goodwill, there is no doubt that the High Authority and the Assembly can continue their fruitful co-operation in the future. In our view, this co-operation (as some committee chairmen have already said), does not of course imply that we should ratify all the decisions taken by the High Authority, so to speak after the event; on the contrary, we attach great importance to being able to discuss with the High Authority beforehand the broad outline of our common future policy. I know through various meetings of the Committees and the Bureau that this attitude is fully endorsed by the High Authority.

Moreover, there has been evidence of this in the past during the period covered by the report. I would mention, for

example, the wish expressed by the Assembly to be allowed some participation in the deliberations of the Council of Ministers when the succession to M. Monnet was being discussed. At the time we instructed our new President, M. Pella, to approach the Governments concerned, and this he did with great skill. It was in the course of these discussions, and perhaps as a result of them — that M. Mayer was chosen by the Council of Ministers, a choice which had my unreserved approval.

In view of the attitude so far shown by the new President and also the fact that, as we have already said, he immediately attended a Session of the Common Assembly, just as he is today attending our joint meeting, and for many other reasons, we are firmly convinced that under his new leadership we can look forward to a fruitful co-operation between the High Authority and the Common Assembly. The presence of M. René Mayer among us is not only, if I may say so, an act of courtesy, which is self-evident, but implies the recognition of the parliamentary control exercised by the Common Assembly, which is one of the characteristics of the first European supra-national organisation.

M. Motz rightly pointed out in his written report and in the oral explanations he made today that the Council of Ministers extends the same consideration to the Common Assembly as the High Authorities. He mentions the important contribution made to our discussions by the Belgian Minister for Economic Affairs a few months ago. I may say in all sincerity that I should have liked to have seen today among us once more an authorised representative of the Council of Ministers.

M. Motz mentions another very important point in his report when dealing with the legal character of our Assembly. He rightly points out that this Assembly is undoubtedly a genuine parliamentary institution but of a rather original nature. This originality is reflected, for example, in the rather strange provision whereby the High Authority has the right to appeal to the Court of Justice against a resolution of the Common Assembly. I am glad to note that the High Authority

has never availed itself of this right which, as I say, I think is a rather strange one. Nor do I think that it contemplates doing so in the future, though one member of the Common Assembly has already suggested that it should.

I referred to the rather fragmentary nature of the powers of our Common Assembly, and here I should like to go further and emphasise that the Schuman Plan, despite the great vision of that eminent French statesman, has revealed some weaknesses and shortcomings in the way it has been applied during the past few years. In my view it is important that those who are in charge of the practical application of this vast undertaking should point out these shortcomings whenever the occasion arises. I am glad to see that M. Motz has done so — and I should also like to say a little more on this point.

I would mention, for example, the excessively restricted powers of our Community taken as a whole, and not only those of the Assembly, in the vitally important field of social affairs. My French neighbour, Senator Radius, made a pressing appeal to us yesterday evening never to forget the social aspects of our work. He reminded us that we had so far not paid sufficient attention to these matters. This is most regrettable, in view of the restricted nature of our powers in the Community. It is only through the close co-operation which I have mentioned between the High Authority, the Assembly with its Committees and, naturally, above all, the six Governments which still have the main say in our affairs that the difficulties caused by the inadequacy of this part of the Treaty are often overcome.

Secondly, I should like to refer to the transport problem. On my right is the Chairman of the Transport Committee, my friend M. Poher, who is much more familiar with this subject than I am. It is a matter which we have often discussed. Although the transport of coal and steel accounts for 40% of the total trade of the Community of Six, to all intents and purposes the individual countries still have complete control over matters of transport. But here I would note that with

the co-operation of the Conference of Ministers of Transport, of a special Committee of Experts and, naturally, the High Authority, a not unsuccessful attempt has been made to establish through rates and other measures which I cannot discuss in detail here, to remedy these shortcomings. But I should like to make it quite clear that the transport problem does, in fact, call for supranational control, for which I hope that M. Motz's working group and that of M. Spaak will provide the legal basis. For the moment, as you have heard, we are resorting to temporary expedients. I am pleased to see, by the way, that Switzerland and Austria are also taking part in this somewhat loose but promising community because they cannot be left out of the vast complex of central Europe, particularly in the field of transport.

In conclusion, I would mention, as M. Motz has done in paragraph 29 of his report as well as in his oral explanations, a rather special phenomenon to which I would like to draw the attention of those of our colleagues who are not members of the Common Assembly of the Community of the Six. As M. Motz has rightly said, it is a fact that when the members of the Common Assembly examine a problem they are less influenced by their nationality than by their adherence to one of the three political groups that have sprung up within the Assembly. This, in my opinion, is a tangible proof of the successful political and parliamentary activity of these three groups and also undoubtedly shows that this co-operation, whatever form it takes and at whatever level it is carried on, always works for the unification of Europe which is our goal.

I have now come to the end of what I have to say on the written and oral statements of the High Authority and on the additional reports we have heard. I shall reserve my personal judgment on the two reports of our Swedish friends since I am not a member of the two Committees they represent, the Committee on General Affairs and the Committee on Economic Questions. But I have no doubt that some other speakers, as well as my own political friends, will give their views on this point.

I should like to conclude, as I began, by expressing the firm hope that today's joint meeting of our two European Assemblies here at the House of Europe in Strasbourg, will mark an important stage along the road towards a peaceful and unified Europe.

The President. — (P) I call M. Federspiel.

M. Federspiel (Denmark). — The fact that there are present in this Joint Meeting members of the Consultative Assembly of the Council of Europe and of the Common Assembly of the Coal and Steel Community is an expression of the European responsibilities and the European functions of the Coal and Steel Community and of its High Authority. I should like to endorse what my friend M. de Geer has said in appreciation of the excellent spirit of co-operation which has been extended to the Committee on Economic Questions of the Consultative Assembly by the High Authority. We have on three occasions had extremely useful meetings at Luxembourg at which a number of points particularly affecting relations between the Coal and Steel Community and the third countries have been very fully discussed and illustrated.

There was one point in the brilliant and extremely interesting contribution by M. Mayer this morning which I think should be particularly stressed, and that was the first of his three conclusions, which conformed almost to the word with the political judgment of M. Spaak in the Consultative Assembly the other day. M. Mayer concludes that there is no insuperable obstacle of a technical nature to the creation of a common market. That is an extremely valuable statement from the High Authority which has had the experience — and so far the only experience — of creating a common market. That means that we know that a common market can function, and I think we might draw the conclusion that there is no reason why a common market should not also function in other fields.

It does not, however, prove that the common market is the only cause of the economic effects which we have seen in

the liberalisation of the coal and steel trade. M. de Geer pointed to the figures which indicate that we really cannot conclude anything. There certainly has been a marked extension of the exchange of coal and steel, but at the same time there has been as between the six countries a similar expansion of trade in other commodities. That has fluctuated a bit, but recent figures seem to indicate that the increase is most marked in coal and steel, which may be due to a number of causes to which we cannot give the answer here. But it does raise one question.

It will be remembered that the common market was established under exceptionally favourable conditions — almost a balance between supply and demand in an economically calm atmosphere. Since then there has been a slight recession and there has been a very rapid revival since the middle of 1954. It is upon this point that I should like to put one or two questions, or perhaps make one or two observations, to the High Authority.

Obviously the question of price is one of vital interest, particularly to countries outside the Six. The development of export prices should never deviate materially from the development of internal prices within the common market if we are to maintain equitable conditions of costs and equitable conditions of competition between the European countries, whether they are within or without the European Coal and Steel Community. I believe that that question is very closely linked with the powers — and by that I do not mean necessarily the legal powers but the factual powers — of the High Authority to control price agreements between countries within and without the Community.

In his address this morning, M. Mayer recalled that the High Authority had pledged itself to the Assembly to make a decisive contribution next month towards settling the problem of centralisation of coal selling and purchasing agencies. That has two sides to it. It has the aspect of internal cartels and the aspect of export cartels. I have never challenged the view that selling agencies for purposes of supplying particular regular customers outside the six countries are probably a

necessity. Coal and coke, where industries in neighbouring countries entirely depend on regular supplies from their traditional suppliers, are one case where these organisations are probably necessary, but the second point is how they function if they are left entirely free to exploit shortages and contribute to rising costs in the neighbouring countries, when they are not serving the cause of European integration.

If, on the other hand, the principle is accepted that there should be fair and equal competition between consumers inside the Community and consumers outside the Community, then the High Authority will have contributed, by having that principle accepted, very considerably to the stability of economic conditions in Europe.

I believe that it will be often be argued by the jurists — I have great sympathy with my own profession — that under the Statute the High Authority has no powers to control the functioning of export cartels unless their effect has repercussions on the common market or unless it obstructs competition. That means that you must have an excessively dangerous situation before you are on absolutely safe legal grounds in interfering with the working of export cartels. However, I would appeal to the High Authority not to rest content with a legal argument but to consider this question of securing fair competition in the neighbouring countries, too, as being a matter of European concern and a matter which naturally comes within the competence of the High Authority as a European institution.

I know that that may lead to difficulties in the relations between the High Authority and the Governments. I was very glad to hear that co-operation between the High Authority and the Governments is progressing without friction; but we have heard nothing more. I sincerely hope that this state of affairs may continue and that the High Authority, also in this respect of controlling export prices, will succeed in fulfilling its European task.

This is of importance, particularly at the present time, when we note that in a number of our member countries in-

creasingly severe measures have to be taken by Governments to control the inflationary pressures which are largely due to steadily rising costs. One of the costs which are, perhaps, a very heavy item in most of our industries is that of fuel, and, naturally, there is also the cost of steel. That is why we would also suggest to the High Authority, in the interests of the developing markets of Europe and in the interests of maintaining fair conditions of competition, that it should watch the alarming tendency of prices of coke to rise at the present time. I think it is too early to pass any judgment on where the present trend of coal prices will land us, but I do not believe that I am exaggerating if I say that the situation is becoming serious.

The fact that there is a very considerable disparity, at least in some sectors, between prices on the internal market and prices on the export market is well known, and I should like to try to reconcile two statements that we have before us.

In his address this morning, M. René Mayer, in the second of his conclusions towards the end of his speech, referred to the much-disputed question of price development inside and outside the common market and pointed out that, while during the early post-war years, particularly between 1948 and 1952, export prices on the whole exceeded home prices, sometimes by twice the amount, this trend has been reversed in recent years and the average difference between export prices and home prices now amounts to only a fraction of what it was before the existence of the common market.

If you turn to the Third Report of the High Authority, to which my friend M. de Geer referred this morning, you will notice in the chapter on prices, which is on page 75 of the English text, that it is very clearly stated that in regard to exports to third countries the Community producers progressively raised their prices for merchant bars from approximately \$ 80 at the beginning of the revival to \$ 100 in February, 1955. That applies to steel prices. The next paragraph says that in the common market, in which such a strong

expansion is for the first time taking place under a system of complete freedom of prices without Government control, the level of prices varied very little in the course of 1954. That means that there is really a marked tendency in periods of shortage for export prices to rise more steeply than prices on the internal market.

I feel very strongly that, in the interests of European unity and integration, this is a point which the High Authority should keep under the closest observation in order not only to fulfil its administrative tasks, but its tasks as a leader in European policy and the only institution which has been successfully established and which has been seen to function successfully.

I shall conclude my remarks because I know that some of my colleagues have other points with which to deal, but I should like to conclude by saying one further thing. It is an answer which has been given from time to time in the Assembly — and I believe also on the last occasion when we had a Joint Meeting. Why do not these third countries which try to preach to the High Authority and to the Member States of the Community as to how they should carry on their price policies either come to some form of association with the High Authority or enter the Community?

That is a simple question to put, but there, as you will all know, one runs into a number of political difficulties. However, the argument is not very sound from an economic point of view when it applies to countries with low tariffs or no tariffs, which are prepared to abolish, or even have abolished, their quantitative restrictions, and where the market is entirely open to the sellers from the six countries. In actual fact there is little difference whether these low-tariff countries with no quantitative restrictions are members of the Community or not. For these reasons, I believe they have one further claim to be treated on the same level as members of the Community. *(Applause.)*

The President. — *(F)* I call M. Hellwig.

M. Hellwig (Federal Republic of Germany). — (G) Mr. President, Ladies and Gentlemen; very little of the vast field covered by the reports presented today can be dealt with fully during this discussion, and I must confine myself to a few points. I shall try to explain the considerations which have influenced the Committee on Economic Questions of the Consultative Assembly of the Council of Europe.

I should first like to emphasise once more what various speakers have already said: that an increase in internal economic concentration among member countries of the European Coal and Steel Pool is a good indication of the real extent to which it has succeeded in its progress along the road to economic integration. But what is of particular interest and cannot be too strongly stressed is the fact that much the same increase in trade has been achieved, on the one hand, by the establishment of the common market for coal and steel, and, on the other, by completely voluntary large-scale collaboration for the promotion of free trade through O.E.E.C. The recession that occurred in the common market between the peak year of 1952 and the year 1954 shows that trade in commodities other than coal and steel has increased slightly more than the coal and steel trade itself in these countries. In 1955 the position with regard to the development of the coal and steel market changed. And it is as well to recall this fact, because it gives us the answer to the dispute as to whether supranational institutions or voluntary co-operation would be more successful in freeing trade. I must repeat that for us they are not mutually exclusive; both methods can serve our purpose.

In the General Affairs Committee of the Consultative Assembly, during the discussions in which experts from the High Authority took part, paramount attention was given to the question of coal supplies and future developments in coal consumption. It became clear that stock-piling of coal in all the economies concerned had for a long time been less general than stock-piling of other industrial raw materials by producers and merchants.

The strict control over distribution which has developed in every country during the last few, or the last twenty, years,

seems to have resulted in controlled channels being considered the only, or the most important, source of supply for meeting coal requirements. For this reason coal stocks have dropped to a much lower level than is usual for other products, for instance, textiles or non-ferrous metals. This means that in a period of increasing demand there is a greater danger of shortages; whilst, on the other hand, neither producers, consumers nor merchants take advantage of the situation to build up stocks, in periods of decreasing demand. In 1953 and during the winter of 1953-1954, when stocks of coal and coke at the pit-head had increased, those sections of industry whose coal requirements today are considerable did not take the opportunity of stock-piling to the extent that coal producers would have liked in order to keep up the level of employment.

This raises a problem which concerns the High Authority as well as the common market and every country with a coal economy: cannot some joint measures be adopted — both at national and supranational level — to prepare for the moment when the demand for coal will show a decrease — measures which might help to build up larger coal stocks at every stage of consumption and production?

We have studied with particular interest the information contained in the Third General Report on the future development of coal consumption, and we all recognize that this development cannot exactly follow the fluctuations in the general economic situation; that it is also influenced by the competition between coal and other sources of energy and by the tendency of coal to become a raw material for the chemical industry. When I consider this development — how coal, from being a source of energy is tending to become one of the raw materials for the chemical industry — I feel that the importance of long-term measures for expanding coal production cannot be over-emphasised.

Unfortunately, in connection with this change in the utilization of coal we have to reckon with large-scale investment on a very long-term basis — that is to say, for years, indeed, for dozens of years ahead. Unfortunately, again, fluctuations

in the charges that fall on the mining industry, for example, are so great, owing to changes in fiscal laws and in the regulations governing depreciation or profits-tax, that there is incompatibility between investment and financial development plans (which are necessarily long-term in coal-mining) on the one hand, and short-term changes in taxation, on the other. The effect upon coal output is damaging. This development is particularly evident in my country, but exists elsewhere too. If the position could be stabilised an important contribution would be made towards ensuring essential output in the future.

I should now like to draw your attention to another part of the Report of the High Authority, which, unfortunately, refers only briefly to the results of some of the work carried out and does not give the figures. It is greatly to the credit of the High Authority that it has attacked the difficult task of producing comparative figures for wages and social services in the different countries. At a previous session we stressed the importance of obtaining the active collaboration of the whole population, particularly of the workers, in the effort to achieve economic integration. We pointed out that the level of wages and social benefits in the various member countries, and the effect on it of economic collaboration within such institutions as the common market, could exercise a decisive influence on the attitude adopted by the mass of the population to this political task. Thus it is of the utmost importance to overcome the prejudice that now exists by means of scientific, objective works published by such a body as the High Authority, and to show how to level out those differences which are the source of so much labour trouble.

It is particularly gratifying to see that the High Authority has approached the International Labour Organisation on this matter and that at the first European Regional Conference of that body, it stressed the importance of these problems and the co-operation they demand. The Director-General of the International Labour Office recently pointed out that it is not possible to compare the cost of wages in the various countries on the basis of the available official statistics. This is on the whole still true today. The national statisticians do not

speak the same language. If we are to understand each other we must begin by agreeing upon a statistical vocabulary which will permit us to make valid comparisons.

I should like to point out the particular merit of the pioneer work achieved in this matter by the High Authority in its own field of coal and iron. I hope that the experience and knowledge gained by the High Authority will not remain confined to the common market in coal and steel, but will be extended to all statistics on wages and social services produced by member countries of the common market and of the Council of Europe. Let me say it once again: our figures for wages, social services and taxation are no longer expressed in the same statistical language. We must make a solid effort, like that undertaken by the High Authority, to reach agreement on our basic concepts.

In conclusion allow me to express once more a hope which my conversations with many of my colleagues leads me to believe will be shared by all. I ardently hope that our European institutions — not only the common market for iron and steel, and the Council of Europe, but also O.E.E.C. will devote their energies to a greater extent, and more effectively than hitherto to the matter of information. Before the treaties setting up the common coal and steel market in the Member States were ratified, these political ideas were propagated much more effectively than they have been since. Today it is at most the technical press that keeps itself informed on the work of these organisations. But the important documents produced by them, the statistics and reports, do not get beyond specialist circles; the daily press makes very little use of them, and they have little effect in dissipating prejudice and misunderstanding. All these institutions should make efforts to put out more effective publicity in this matter which will have a real impact on the masses.

In this connection I should like to call the attention of Members of the Consultative Assembly of the Council of Europe to the ideas developed by the Common Assembly of the European Coal and Steel Community and quoted by Senator Motz in paragraph 27 of his report: would not the efficiency

and prestige of these institutions and thereby, of course, their ability to carry out political propaganda, be considerably improved if members of these parliamentary organs were chosen directly by general elections in Member States, instead of being appointed indirectly? The Common Assembly of the European Coal and Steel Community has set up a working party to study this question, which will enter upon its functions in the middle of May this year. It would be very interesting for members of the Consultative Assembly of the Council of Europe to know the line which this committee of the Common Assembly of the Coal and Steel Community will take and to what extent the Consultative Assembly might be consulted on this point, for the question does not only concern Member States of the Community; it is also of direct interest to the Council of Europe as a whole and its great parliamentary institution of the Consultative Assembly.

I think we should adopt — or at least approve as our aim — the principle of holding general elections to select the members of European parliamentary bodies, since this is the most effective way to arouse the interest of the man in the street in these questions. (*Applause.*)

The President. — (*P*) I call Mr. Edwards.

Mr. Edwards (United Kingdom). — As a new Representative to the Consultative Assembly, I cannot but be greatly impressed by this Joint Meeting today. I am sure the members of the Consultative Assembly are all most appreciative of the fact that the President of the High Authority should be here and that he should have so many other members of the High Authority with him.

It has been my good fortune in the last few months to pay three visits to Luxembourg, first in a personal capacity, then for a few days in what was called an expert capacity, and, finally, I attended the meeting of the Committee on Economic Questions with members of the High Authority. I should like to say that I have felt on all these occasions that the Coal and

Steel Community and all its organs really want other people to know about the work, will freely communicate almost anything that is happening, will make available any documents that are wanted, and all the individual persons concerned are always ready to see one and to talk about any aspect of the work. I know of no organisation whose public relations seem to be better than those of the Coal and Steel Community. I say this not merely because they are so very hospitable but because of all the other things that they are prepared to do for us.

I was very interested in the meeting that the Committee on Economic Questions had with the High Authority. I may say to members of the High Authority now that in my original thinking, before I had met them, I had posed to myself a somewhat simple and naïve question: was it true that the improvement in the coal and steel industry and the increase in the amount of trade in coal and steel products between members of the Community was due to the work of the Community or was it perhaps not true to say that it was in spite of the work of the Community? I said that I posed this question originally to myself, but by the time I had met the High Authority — in fact before I had met them — I had rejected the second part of that question.

Nevertheless, I was fascinated at that meeting by the way we were able to discuss the various factors that had gone to make for an improvement in the industry and an enlargement in the volume of trade. While I would not now, nor, I think, would members of the High Authority, be prepared to measure this in precise terms, I feel that as a result of the discussion we were a good deal clearer about the factors at work.

There was, of course, one subject then, as now, on which one would like to know much more — namely, cartels; but I do not really think I can complain when members of the High Authority or members of the Common Assembly are inclined to tell us what powers there are, what could be done, what could not be done, rather than to say what will be done or what will not be done, because here is a field of activity where, in the nature of things, members of the High Authority can-

not be free to disclose their ultimate intentions except in the most general terms.

If I do not follow up these various economic matters today it is because I really have not much to add to the speech made by our distinguished Swedish colleague who is the Rapporteur of the Committee on Economic Questions on this matter. I should therefore like to say a few words about the Agreement of Association.

M. René Mayer, in his speech, referred to this Agreement that was signed on 21st December last, and which — and I quote from his speech.

“as the British Government itself declared, will serve as a starting-point for a progressive association.”

Certainly that would be my hope. The British Government and all the Commonwealth Governments, as the President has pointed out, have ratified the Agreement and it came into force on 23rd September.

It is common knowledge that the British position is somewhat unusual, and I at any rate was glad when some formal act of association became possible. I know that we are supposed to be slow moving and bovine creatures in Britain, but “it is the first step that counts”. I hope there is going to be real collaboration at the earliest stage of policy, for I am sure that if there is to be a fruitful result from the Agreement of Association it can only be on the assumption that before policy is formed, when everything is fluid — as we say in Britain, on the ground floor — there is established a complete working together. While no doubt there will be difficult matters to discuss, I hope that in some fields it may be possible for us to make a contribution.

May I give an example? I know that one of the things the High Authority is grappling with is the problem of structural changes in industry and what has to be done with the workers who may be dispersed. I will not go into all the history of it, but we have had a very great deal of experience of this in

Britain. Before the war we had our dreadfully distressed areas, and we have had to follow a pretty complicated development area policy. We have learnt a great deal about bringing work to the workers, about housing needs and about key workers. I would hope that this one example is the kind of thing on which we may possibly be able to help.

I gather that the High Authority is now to have a permanent mission in London. I do not think it has yet been decided who is to lead the mission. I am concerned more with how it is going to be used. There will be permanent members there, but I am hoping that the effect of the mission being established in London will be a steady stream of members of the High Authority and senior officials and those concerned with the Common Assembly from Luxembourg and other places coming to London. I hope that it will not be a place where only two or three people are available, but that it will be a place to which people will be coming all the time. In this way it will be possible to establish informal relationships with many groups in Britain.

I hope that the British Parliament will not be overlooked. Certainly, if any persons of the kind I have indicated come to London, I shall be very glad indeed to arrange, with my colleagues in the House of Commons particularly interested in the kind of work covered by the person concerned, a meal or a meeting in one of the Committee rooms of the House of Commons to talk these things over.

All this will not be done at once but if we take time we can expect to see a growing understanding built up on the basis of these informal relationships. M. Motz in his report referred to the delicate relationship between the Common Assembly and the British Parliament, and he went on to say:

“So far as we can make out at present, it does not seem likely that there will be more than occasional meetings between the two bodies to discuss the report of the association.”

I do not know that this morning I can state the kind of arrangement we ought to make, but I assert the general principle that we must try to establish at Parliamentary levels the arrangements appropriate to the new Agreement of Association, and in doing that we shall be immensely helped by the sort of informal contacts to which I have referred.

M. Mayer in his speech said, in relation to the Agreement, that the High Authority is determined to do all that lies in its power to give practical effect to this Agreement, to explore all its inherent possibilities and to prepare further measures along the lines indicated. I entirely agree. I am a Member of Her Majesty's Opposition in the British Parliament, and it is therefore my duty to oppose Her Majesty's Government. But I shall not oppose the Government in giving the greatest effect to this desire, and if Her Majesty's Government are at all slow I shall conceive it to be part of my duty to encourage them to move a little more quickly.

I hope that our friends from the High Authority and the Common Assembly will not think that the United Kingdom is dragging its feet on this occasion. As I have already said, we are somewhat slow moving, but while we may not dream dreams or see visions in matters of this sort, we do try to carry things through and, in this field, we look forward to collaboration not only on technical levels but to friendships which may stand us in good stead in the future. (*Applause.*)

The President. — (*F*) I call M. Mommer.

M. Mommer (Federal Republic of Germany). — (*G*) Mr. President, our colleague. M. Hellwig has just referred to the problem of direct election to one or both of the Assemblies. I should like to tell both Assemblies that about a year ago M. Bichet in the name of the Consultative Assembly, proposed to us, that the members of both Assemblies should be chosen by direct election. As rapporteur of the Committee on General Affairs of the Consultative Assembly I have had the pleasant

duty of studying this question in more detail, and I have prepared an interim report in which I endeavour to set out all the arguments that can be advanced for or against such a procedure, without reaching any conclusion. We discussed this report in the Committee on General Affairs but came to no definite decision, because the Common Assembly of the Community is dealing with the same question and has set up a working party to study it. We agreed that I as rapporteur, perhaps with the assistance of some other member of the Committee, should pursue the study of the question in conjunction with the working party of the Common Assembly when it comes to consider the matter.

From time to time this idea comes up in political discussions on promoting the European idea. It is not an urgent problem, but as new suggestions and new opinions are continually being advanced, we should study it carefully and take a decision within reasonable time. We must decide what we wish to do so that the public will know where it stands in the matter.

Personally, I think there are many arguments in favour of such a procedure, but as things are now, the direct links between members of our two Assemblies and our national Parliaments are the principal source of the political influence and the authority of these Assemblies. With direct election these links would no longer be guaranteed, and that is why I am, for the time being, of the opinion that we should not have recourse to such a procedure. But I should be happy if, as a result of this discussion, the Committee on General Affairs of the Consultative Assembly and the working party of the European Coal and Steel Community were to undertake a joint study of the question forthwith. (*Applause.*)

8. *Communications from the President*

The President. — (*F*) Ladies and Gentlemen, the names of several speakers still remain on my list, and the President of the High Authority as well as some of its other members

no doubt would then like to reply to the questions raised and the observations made.

I am sure you will agree to break off the debate now and resume it at about 3.30 this afternoon.

Are there any objections.

Then it is agreed accordingly.

The Bureau of the Common Assembly asks me to tell members of the ECSC Committee of Chairmen that the Committee will meet this afternoon, immediately after the joint meeting ends.

The Chairman of the Transport Committee, M. Poher, asks those of its members who will still be in the Assembly Hall to remain a moment in order to discuss with him the future work of the Committee.

I also have to inform members of the Consultative Assembly of the Council of Europe that that Assembly will hold a public Sitting this afternoon, one hour after the joint meeting finishes, for the purpose of voting on the report of the High Authority and that of the Common Assembly.

The Sitting is adjourned.

(The Sitting, which adjourned at 12.45 p.m., was resumed at 3.30 p.m. with M. Giuseppe Pella, President of the Common Assembly in the Chair.)

The President. — (F) The meeting is now resumed.

9. Introduction of the President of the Belgian Senate

The President. — (F) Before we continue the discussion we began this morning I have the pleasure, Ladies and Gentlemen, of welcoming M. Robert Gillon, President of the Belgian Senate. *(The Representatives rose to their feet.)*

It is a great honour to us, and very fortunate for the future of our institutions, that the leading statesmen of member countries should take an interest in our work and strengthen the bonds, perhaps still somewhat weak, which exist between national Parliaments and their representatives in the European Assemblies.

The Belgian Senate has already discussed the work of the European Assemblies and the problems occupying their attention, and I believe that the visits of its eminent President to the Council of Europe will help to strengthen still further the bonds between the Senate over which he presides and this Assembly.

I think, Ladies and Gentlemen, that I am voicing your sincerest feelings when I tell him how very grateful we are to him, and when I convey to him our warm wishes and hopes for the successful result of his high mission.

10. *Resumption of the General Debate on the work of the European Coal and Steel Community*

The President. — (*F*) We shall now resume the discussion that was interrupted this morning. I call M. Kapteyn.

M. Kapteyn (Netherlands). — (*N*) Mr. Chairman, I should like to ask you to give your attention for a few moments to the problem of the Suleis coal-mines in Sardinia. Last week in this Hall we listened to the Consultative Assembly of the Council of Europe discussing assistance to the under-developed territories in south-east Europe, of which Sardinia indubitably forms a part.

It is not my intention to give my unreserved support to the suggestion made on that occasion that we show our solidarity with the under-developed countries by asking the American Government to make available to them on a temporary basis the sums accruing from the amortization of and interest on loans falling due. The suggestion, in actual fact, was that the most prosperous countries, which are at present able to pay off their debts, should simply ask the United States Government

to take on a bigger risk, since the funds would then be handed over to the least properous countries whilst we ourselves should be doing nothing. It would, Mr. President, be an exaggeration to say that we should be doing nothing, for we should be doing something: we should be wrongly assuming the mantle of Christian charity, and I think that here in Europe, where we do not hesitate on occasion to criticise America, that is not the right way to behave after the magnificent example America has given us with Marshall aid.

If, therefore, I now raise the problem of the Sulcis coal-mines, it is to say that we must be ready to make sacrifices to help this region. Today we rack our brains over the question of convertibility and measures for restricting imports. Men of my generation cannot think of the days before 1914 without a certain bitterness. At that time questions of convertibility and import restrictions were never discussed. But we forget certain developments which we cannot but welcome. What was the position in those days? A country's economy would suffer severely from the effect of disasters that hit world markets, or from the appearance of a new competitor, such as Japan, with a low standard of living, enabling it to produce goods at small cost. Protection did not exist, and so what happened? Very serious problems arose, to which Governments could find no solution. There were conflicts between employers and workers, on the outcome of which the solution of these problems depended. For industries incapable of withstanding competition from countries like Japan there was nothing to do but disappear, swallowing up capital as they went, and producing acute unemployment. Thus, between the two world wars protection was introduced as Governments became increasingly conscious of their economic and social responsibilities. Hence currency regulations and import restrictions; these also stem from a development which we can only applaud, while admitting that such measures have been sometimes marred by the "youthful indiscretions" inevitable on the early days of a new policy. After the last war another step forward was taken; it was observed that certain countries, unfortunately, took advantage of these restrictions to export, so to speak, the shortcomings

of their internal policy: they unloaded on to neighbouring countries obligations which they failed to discharge themselves. In course of time it came to be understood that the improvement brought about at first by all these restrictions would end by producing repercussions in other countries, with effects that would rebound on to the original country and outweigh the initial improvement.

If we look at the work done by O.E.E.C. and E.P.U. we see that they have understood the new situation and have avoided taking steps which, though their immediate effects might be beneficial, might have serious repercussions later. Account is taken of the interdependence of national economies and of the need to share the burden of economic and social responsibilities. In this sphere we see the development in progress: little by little, we have become aware of the need to establish real solidarity between the countries. As I have already said in this Assembly, unemployment in southern Italy is not an exclusively Italian problem: it is not even a problem concerning Italy's neighbours alone. I said then that it is the responsibility of all of us in Europe, whoever we may be, to solve this problem, and that we must all make our contribution to the fight against unemployment in Italy. By acquiring a sense of solidarity we add to our stature, and we can rejoice that the Treaty setting up the European Coal and Steel Community contains some seeds of it. Equalisation and readaptation are the seeds of the solidarity we are striving for. The mining industry in Borinage and in Sardinia are our collective responsibility and the Community still has much to do in this respect.

I am one of the members of the Common Assembly who has the advantage of having visited Italy at the beginning of the year, and I must say that we were often greatly impressed by the industries we saw there. We were happy to find proof of so much industrial skill. But we were distressed by what we saw in Sardinia, and we agreed that it was essential for the Community to do something. That is why, addressing myself to the High Authority, I ask — what have you done?

At the beginning of the year Italy submitted a plan for solving the problems of the southern part of the country. That plan is well-known, even famous: it is the Vanoni plan. It has been praised everywhere; it is spoken of with enthusiasm everywhere; but it is time for Europe to take action. The time for fine words and demonstrations of friendship and solidarity is over. Deeds are needed, and I think that here the High Authority can play a useful part.

In the first place I would particularly ask it not to interpret the wording of the Treaty too literally, too conservatively or legalistically, but to start giving evidence of broad-mindedness. I would ask the High Authority to use all its influence, if necessary, with the Council of Ministers to make it understood that, although the Treaty contains the seeds of solidarity, it is incumbent on us to cultivate them, care for them and nurture them so that something grows out of them. Sardinia's problem is not merely the problem of its mining industry. We must do all we can to stimulate the development of this territory, if possible within the framework of the Vanoni plan. In the presence of the members of both Assemblies I ask the High Authority in particular to pay due regard to the feelings of the Common Assembly, in order that our Community may set an example to other countries, and help them to understand the need for their aid by making them aware of the responsibility we all share for improving our neighbour's lot, even though he may live far distant from us. (*Applause.*)

The President. — Thank you, M. Kapteyn.

Do any other members either of the Consultative Assembly or the Common Assembly wish to speak?

I call, then, M. Spierenburg of the High Authority.

M. Spierenburg, member of the High Authority. — (*F*)
Mr. President, Ladies and Gentlemen, I wish first to thank M. de Geer for his very interesting and important statement,

which he accompanied, as he put it, with "constructive criticism".

I need hardly say that we are very grateful for this constructive criticism and I am going to do my best to reply to it.

M. de Geer and M. Federspiel particularly referred to the apprehension expressed in the draft Resolution, appearing under item 8 on page 2, where it is stated that, despite price stability on the Common Market, export prices have in some cases been saddled with an increase of 25 % or more.

They expressed their disquietude at the tendency for export prices to rise and, indirectly, at the marked disparity between export and internal prices on the common market.

M. Federspiel quoted a passage from the report (page 75, 3rd paragraph) where it says that "in regard to exports producers raised their prices from approximately \$ 80 to \$ 100".

I shall ask you to read the rest of this passage with me:

"In comparison with the former rises, this increase brings the prices of these products nearer to those charged within the Common Market, although they are still somewhat below that level".

This means that — while the rise in prices is admitted — it started from a much lower figure than that ruling on the internal market.

Secondly, M. Federspiel quoted another passage, from the first part of the fourth paragraph of the same page 75. The second part of this paragraph should be added — where it says that although schedule prices were steady, market prices were not. There was a margin of 2.5 % above or below schedule prices, which was called the "Monnet margin". The abolition of this margin led to a 5 % rise in prices in 1954.

Thirdly, if we examine the 1955 figures we see that there has been a rise in international prices in the Common Market, with the result that today export prices are very close to them.

It is also necessary to take into account the level of the world market. If we examine prices prevailing in America or England we observe that Community prices are still below world prices. A fluctuation of 25 % in export prices did occur; I admit it. But ought we not to remember that such fluctuations are quite normal when an economy is entering a period of great prosperity, indeed, a boom period, after recession? There have been other booms — the President, M. Mayer, reminded us of them this morning — where prices were doubled.

The rise which occurred must therefore be considered as very moderate in comparison with previous increases.

Indeed, in the field of prices, my conclusion is that the Common Market, has show a flexible “stability” of prices.

I also observe that export prices, although slightly higher, are very nearly in the same range. The situation no doubt deserves attention, but we cannot say that prices are not equitable.

M. Federspiel went on to speak of the cartel problem. Will he allow me to tell him that he rather alarmed me when he said that we should not rest on legal arguments. This is very dangerous advice. What does it mean? That we ought to exceed the powers conferred on us by the Treaty? We are being advised to abuse our powers. Let us not forget that there exists a Court of Justice to which we may lose the right of appeal if we take decisions outside our competence.

We announced that we should take decisions, and we are going to take them before the Common Assembly. This does not mean that we are not going to act as the situation demands, but we are not forgetting the complaint made by the Danish Government. We have taken certain steps; we have talked to industrialists, and to Governments. We have examined the books of certain firms. We have had conversations with the Danish Government in order to iron out differences with them direct. If you say to us, “You must deal with the situation”, we entirely agree, but if you say, “Don’t bother about keeping within the law ; go beyond your competence”, you are

advocating a dangerous policy which the High Authority cannot follow.

With regard to the problem of coal and coke, the situation is difficult; no one is ignorant of that, no one disputes it. In the Common Market there are difficulties over supply. When I study the figures for exports to third countries I observe that there is no decrease for coal or coke; there is stability, or even an increase. If our producers continue to deliver the same quantities whilst others are obliged to restrict their exports, there is no real ground for complaint.

M. Federspiel told us that Denmark had very low tariffs and did not apply quantitative restrictions or, if it applied them, was prepared to abolish them. Then why, he asked, could not a country which had opened its frontiers have the benefit of the same treatment as member countries?

I recognize the validity of his argument, but I do not think it possible to give the same treatment to member countries and other countries, even those like Denmark, which have very low customs tariffs.

It is true that today Danish purchasers have to pay a higher price and that prices in the Community are lower. A year ago the contrary was the case: Danish industrialists bought coal at a lower price while, in the Community, member countries paid a higher price.

If all countries received the same treatment it would mean that double prices would be abolished. The High Authority is prepared to consider this solution but cannot do it alone. We are not Denmark's sole suppliers; other countries follow the same export policy and fix export prices below those applied in the home market.

It does not seem possible for member countries to take steps to abolish the system provided for in the Treaty; that can only be done over a wider area, by agreements with exporters.

As we told O.E.E.C. when the problem was discussed there, the High Authority is prepared to consider this solution.

But do not ask us to abolish the double-price system in its entirety, however small the difference may be. Member countries have agreed to sacrifices and have adopted certain measures in times of crisis. I shall take the Netherlands as an example; it is a consumer country with very low tariffs. In times of crisis it has agreed to take certain steps in the common interests. If Denmark wishes to consider similar measures — a commercial policy that makes equal prices possible — that might be a solution.

In any case, although we recognize that Denmark has a very liberal trade policy, this cannot have the same result for her as membership of the Common Market, where countries do not confine themselves to removing customs tariffs and quotas; they do much more than that.

I think I have now replied to Mr. Federspiel, who spoke of "equitable conditions of fair competition". It is a problem that goes beyond our control; it must be settled in a larger international sphere.

To sum up, let me say that I well understand how useful it is, in international organizations and at this meeting, to discuss subjects and make constructive criticisms, for there is no doubt this helps us. Yet I do not think the situation today calls for any substantial criticism. As I have explained, prices remain within reasonable bounds, and if special problems arise — as they may do — we shall always be ready to examine them.

The Danish Government has requested us to exchange views with it over coal prices. We have replied to its request and are holding a meeting of experts next Saturday, when we will study this question in a spirit of complete fairness.

I believe, too, that the payment exchanges give no cause for much complaint but I agree that we should watch the situation. We cannot do this alone, but we have member countries with missions in Luxembourg and we can act through them.

If there are other larger problems we are always willing — as the draft resolution states, and I think we are all in

favour of it — to exchange views and information whether through the agency of permanent organs or any other means. For this there is no need to belong to the Community; certainly the Community is open to receive new members, and its President will speak about this, but it is through co-operation that we shall solve any problems between third countries and ourselves. (*Applause.*)

The President. — (*F*) I call the President of the High Authority.

M. René Mayer, President of the High Authority. — Mr. President, Ladies and Gentlemen, I should, first, like to thank all the speakers who have taken part in this debate, with which I am very well satisfied. I think it was a wise decision to hold these Joint Meetings of the Common Assembly and the Consultative Assembly of the Council of Europe, admittedly at rather long intervals, where one can obtain an over-all view of activities and developments during a sufficiently lengthy period to produce a clear impression.

I should particularly like to thank the rapporteurs, M. Motz, M. de Geer and M. Wistrand, for their reports, and for the kind reception they and M. Pünder gave to the few words with which I opened the debate this morning.

I was glad to see among the rapporteurs two members of the Consultative Assembly who are not members of the Common Assembly, and who have shown by their excellent reports that they have got to the very roots of the matters which the Common Assembly and the High Authority have to deal with.

In this connection I also thank my friend, M. Federspiel, for his kindness in bringing the delegation from the Committee on Economic Questions of the Council of Europe to Luxembourg, and thus forming contacts which have proved very useful and very pleasant, at all events, for the High Authority.

Now, what have we established, Mr. President?

It is truly gratifying for us to see that in the present situation many brains are seeking better methods of co-operation between third countries and the High Authority. There are political and moral reasons for doing so; also material reasons, which my colleague, M. Spierenburg, has just explained to you to some extent.

We have always said, and we think it is in keeping with the Treaty to repeat, that the European Coal and Steel Community is an open community. Third countries know this, but, as M. Spierenburg pointed out, the rôle of a Member State does not always carry with it nothing but advantages.

It often includes restraints resulting from the real power of the High Authority, which exercises this power — and will exercise it again in the near future, particularly with regard to the selling agencies that have been mentioned. But there are ways and means of association which would enable countries to join in our efforts on a basis of, not total, but partial reciprocity, without becoming members of the Community.

Many roads lead to Luxemburg, Mr. President, although I often hear it said that it is not a capital renowned for its means of communication (*Laughter*). Many roads lead to Luxemburg, and the High Authority does not wish to close any of them. As M. Spierenburg has said, we shall always be ready to discuss all questions of common interest with third countries and their Governments; and we know that from 1st January of next year new difficulties may be added to those already existing with regard to European coal supplies, owing to the decisions the Government of Great Britain has had to take on the export of combustible minerals. Our contacts with one another are permanent, and our will to co-operate is no less so. We are fully aware not only that we must be responsible for supplies to the Community, or for keeping prices to the Community low regardless of export prices; we also know that we must always keep a weather eye on the rest of Europe, and we are glad to be able to mention this at a meeting at which members from the Council of Europe are present with the members of parliament under whose direct control we come.

M. Hellwig this morning paid homage — and I should like to thank him for this in particular — to the statistical work of the High Authority. Credit for this is due to two of our divisions — that responsible for labour problems, under my friend and colleague, M. Finet, and the statistical division, under M. Wagenfür.

It is a fact that the High Authority has received encouragement from the International Labour Office, and we are happy to see its efforts obtaining recognition.

On the subject of statistics, during M. Hellwig's address this morning we heard them referred to in a way that reminded me of the famous definition of statistics as a scientific form of lie. Only, M. Hellwig added something to this by saying that none of them were any more comprehensible than others, which led me to think that statistics are perhaps not lies, but mysteries in scientific form.

All the same we are grateful for the encouragement we have received and we shall continue along the same lines although, I must say, the facts established by prolonged and impartial scientific work are not always at first understood in some countries where they contradict what is accepted as gospel truth by those who have not gone to the root of the matter. The High Authority wants to get to the root of the matter and believes that its method is a good one.

M. Hellwig also stressed the importance of publicising what we do. We agree, but it is not absolutely easy, for as our President M. Spaak said on this platform the other day and as M. Motz said this morning, it is not always easy to arouse public interest in questions about the operations of the Coal and Steel Community.

From time to time some concrete facts can successfully be used for this purpose. Such is the case with our labour policy, with our housing assistance policy, and it might be the case with other schemes. We shall continue to do all we can to keep the public better informed — not only the large firms, but medium-sized and small firms who are consumers of those

iron-ore products the producers of which will be meeting in Luxemburg in a few days' time.

In his admirable speech Mr. Edwards gave new proof of the fact that these visits to Luxemburg are useful, and that is why we hope that the good marks he has given us for public relations will encourage other members of the Council of Europe and the Common Assembly to pay us a visit.

This morning, in the name of the High Authority, I welcome the entry into force of the Agreement of Association. I thank Mr. Edwards, although he is a member of Her Majesty's Opposition, for the help he gave in advance to the efforts of the British Government and the High Authority to bring it to life.

Like him, I hope that, through the delegation which the High Authority is to have in London, the periodical meetings of the Council of Association to be held alternatively in Luxemburg and London, and the personal exchanges which will occur, we shall derive full benefit from an institution of which we hail the accession, not the birth.

I thank M. Kapteijn for telling members of the Council of Europe about the Sulcis mines. This is a subject well known to members of the Common Assembly. On 22nd November, when the Common Assembly meets, it will certainly hear a more detailed report on the subject than I can give today.

But I can tell M. Kapteyn that I was recently in Rome with my colleague, M. Giacchero, and there we examined the present state of the resettlement question with the Italian Government.

Once more we repeated — for the benefit of the Italian Government and for the President of the Sardinian region — that the High Authority was empowered to follow two lines of action in the matter, first, resettlement, for which it is waiting for the Italian Government to take certain steps incumbent upon it (for its decisions on this have already been taken); secondly, if necessary, the promotion possibly by means of loans,

of new industries in Sardinia to provide employment for some of the miners who would be thrown out of work by the reorganization of the Sulcis mines, as planned in accordance with technical conditions which M. Kapteyn was fully conversant with.

Nor are we ignoring the whole Vanoni Plan: we should like to know that its future is and, if necessary, include the promotion of new industries in the Plan. The Italian Financial Secretary, who is collaborating with M. Vanoni, should be coming to Luxemburg at the end of the month. He will discuss general aims with our working party, and the Vanoni plan in particular, and the points on which our action can be aligned with that projected by the Italian Government itself.

In conclusion, Mr. President, I should like to thank M. Federspiel for picking out from my speech this morning the first lesson which I said could be drawn.

I think it fits in with what Mr. Spaak said the other day before your Assembly, and the way in which his words as Chairman of the Brussels Conference agree with the words I have just spoken in the name of the High Authority is of importance for the development of the work over which M. Spaak presides.

If you are all convinced, Ladies and Gentlemen, that the establishment of the common market is a question of political determination, and that the High Authority — which has been entrusted with safeguarding it — must be responsible for solving technical difficulties, there is no doubt that the idea of a common market can make rapid strides in Europe.

I thank M. Federspiel for anticipating, so to speak, my conclusion from all this, which I shall repeat to end my speech: We shall continue to be the servants of the idea which the Schuman plan translated into reality; we are its servants, not only for Member States but for the other European countries which we hope to see co-operating and working in collaboration with us ever more closely and confidently and, we all hope, with increasing success. (*Loud applause.*)

The President. — (*F*) Ladies and Gentlemen, I think I am expressing the feelings of all of you in thanking the President of the High Authority and his eminent colleague, M. Spierenburg, for their speeches this afternoon.

Does anyone else wish to speak?

The debate is closed.

I would remind members of the Consultative Assembly of the Council of Europe that it will be meeting in an hour's time, is, that at 5.30 p.m.

I would also remind you that, in the meantime, the Committee of Chairmen, provided for by the Rules of Procedure of the Common Assembly of the European Coal and Steel Community, will meet immediately after our Joint Meeting.

Before closing this third Session of the Joint Assembly, I should again like to express to the President of the High Authority on your behalf my warm thanks for his brilliant introductory statement, and to M. Spierenburg for his admirable address, as well as to M. Motz, rapporteur for the Common Assembly, M. Wistrand and M. de Geer, rapporteurs for the Consultative Assembly, for their important contributions to the debate, and to all those who have spoken in the course of it.

This is the first time, M. Mayer, that you have attended a Session of the Joint Meeting, and it is the first time I have had the honour to take the chair at this gathering.

I am sure you appreciate the cordiality and frankness of the discussion that has taken place these last few hours between members of the Consultative Assembly and the Common Assembly.

A short while ago you said that our central problem today, namely the organization and operation of the common market, which is perhaps the primary aim of the European Iron and Steel Community, was a political problem for the Assembly,

Governments and national parliaments; but that it was also a technical problem, and that is the High Authority's problem.

I hope that an ever stronger driving force, such as we have observed in the past and particularly notice today, will always be a feature of the life of our Community.

This, I think, is the hope of both Assemblies, since achievement of the aim of the European Coal and Steel Community really means following the path towards European unity, that is to say, towards the achievement of one of the aims of the Council of Europe.

This is the hope of the two Assemblies which you are honouring with your presence, and we trust that you will be able to attend our future Joint Meeting for a long time to come.

In this Hall a few days ago M. Spaak spoke of the considerable progress made under his guidance in Brussels, and of the favourable prospects of the European revival enabling us to rend apart the heavy mantle of ice which stifled our hopes on 30th August, 1954.

On 2nd December of that year, if I may be allowed to remind you, we took our stand against this pessimism and set up a working group parallel with the Brussels Committee to examine the activities described so clearly by M. Motz this morning.

Yesterday evening the Consultative Assembly unanimously supported the work undertaken on the initiative of the six Ministers of the Iron and Steel Community, and I thank the six Ministers. You will allow me, as President of the Common Assembly, to tell you how grateful I am for this valuable help, and of my conviction that the joint action of the Consultative Assembly and the Common Assembly will be of decisive importance for further progress towards European unity.

That is the aim towards which we can all direct our efforts in the fraternal atmosphere of this joint meeting.

I ask your permission to repeat here, as I have quoted them before, the famous words which were pronounced at a dark moment for freedom in the course of the glorious history of one of the countries of this Europe which we are trying to build: "It is not necessary to hope in order to begin, nor to succeed in order to persevere."

We have not only begun by hoping, but by believing, and we have decided to persevere fortified by the success we have obtained in the past.

It is with these sentiments, Ladies and Gentlemen, that I have the honour to declare the third Session of the Joint Meeting of our two Assemblies closed. (*Applause.*)

The meeting is closed.

(*The meeting rose at 4.30 p.m.*)