



Bulletin from the
EUROPEAN
COMMUNITY
for coal and steel

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The Community's Expanding Economy: 1975 Objectives Surveyed

A brief announcement was made in the ECC&S Bulletin No. 20 for December, 1956, of the publication by the High Authority of a "Memorandum on the Definition of the General Objectives." This comprehensive study deals with the future of the Community's coal and steel industries. The following two articles give a detailed account of how the High Authority views the future of these basic commodities.

The Future of Coal

The High Authority sees coal as a vital element in energy supplies for many decades to come—coal "which can be produced under economically reasonable conditions." Electricity needs, in particular, will give coal practically an unlimited market. Over the 20 years between 1955 and 1975, the High Authority predicts an increase in total energy requirements throughout the six Community countries of not less than 50 per cent. It expects electricity requirements alone to be more than tripled. Although at the end of the 20-year period, all hydroelectric resources will have been harnessed, atomic energy is unlikely to reach its full rate of development until after 1975.

There are limits to domestic resources of coal, natural gas, and oil, yet the heaviest demand will be for coal and oil. This is seen in the accompanying table showing the estimated development of the Community's coal requirements up to and including 1975 (in millions of metric tons):

Coke and Electricity: Growing Requirements

The table on page two shows that increases in demand for coal will arise mainly from coke and electricity production.

The High Authority bases its estimates for coal not on the development of production but upon over-all energy needs. It has realized that, for certain purposes, such as coke production, coal cannot be replaced; but for the

production of electricity and gas, for industry and domestic fuel, there is a wide field where substitution of one form of energy for another is possible.

In view of heavy demand for coke, which will take 158 million metric tons of coal in 1975, against 107 million in 1955, the High Authority has stressed the need to cut requirements wherever possible, especially for heating purposes, and by reducing the proportion of coke used in the steel industries' furnaces. However, no actual substitute for coke is foreseen at the present in the production of steel.

Electricity Production: Oil or Coal?

The table shows how electricity production is the focal point on which the question of substitution converges. Although a total of 117 billion kwh will be provided by the complete harnessing of hydroelectric resources and a further 82 bil-

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COAL REQUIREMENTS

	1955	1960	1965	1975
coke manufacture	107	125	138	158
transport	20	16	13	9
domestic use	39	42	44	43
industry	40	43	43	43
electricity production	45	60	73	86
consumption at mines, etc.	16	15	15	16
exports	11	7	7	7
Total coal	278	308	333	362

lion by nuclear power, 411 billion kwh will still have to be provided in 1975 by thermal power stations. With the margin of uncertainty between coal and oil in 1975 at 135 billion kwh, the uncertainty expressed in terms of coal is 20 million tons. The High Authority's Report states that if it is produced, coal will be used for this quantity; if not, oil would probably be used. It emphasizes, however, the need for dual-firing power stations able to operate either on coal or on oil.

With regard to exports of coal, the High Authority states that they cannot be eliminated owing to the Community's close economic links with the importing countries, and that they are likely to remain at around 14 million metric tons a year.

The Expansion of Coal Production

The High Authority Report sets the following aims for a policy of expansion in the coal industry over the next 20 years:

1. The exploitation of coal deposits

Existing mines must be better exploited; new seams must be developed from existing shafts and new shafts must be sunk, although the latter will not be able to start operation until after 1965; the labor force must be concentrated in the most productive mines.

From which coal fields could the increases come? The Report says very little can be expected from Lower Saxony, Limburg, South Belgium, Northern France, or South-Central France. The main contribution would thus be made by the Ruhr which would raise its output by 45 per cent to 175 million metric tons in 1975, from 120 million in 1955. The other increases would come from Lorraine (France), the Campine (Belgium), Aachen (Germany), and the Saar.

2. Labor force

The shortage of underground workers is a serious problem in Community mines. The Report estimates that 14 million tons of coal were lost in 1955 because of a deficit of 45,000 miners. The labor force employed in the Community's coal mines at present stands at 960,000, of whom 650,000 work underground, 250,000 at the surface, and 65,000 in ancillary services.

The broad aim will be to make up the deficit as quickly as possible, and then to shift the effort from the expansion

ELECTRICITY PRODUCTION (in billions of kwh)

	1955	1960	1965	1975
hydroelectricity	70	87	103	117
nuclear electricity	—	—	10	82
thermal electricity	119	183	247	411
lignite	20	29	39	60
low-grade coal	24	40	57	92
coal	57	82	103	124
balance: coal or oil	18	32	48	135
Total Production	189	270	360	610

of manpower to the raising of productivity, which by 1975 it is hoped to increase by 30 per cent to 2,000 kilograms (4,400 lbs.) per man shift, compared with the present level of roughly 1500 (3,300 lbs.). In this way output would be raised by 1975 to 320 million metric tons, with a labor force underground of 700,000 in 1960, 670,000 in 1965, and 650,000 in 1975.

Manpower, in its widest sense, "is the key to the coal problem," the High Authority says. By improving safety in the mines, labor conditions, and regularity of employment, by providing higher wages than in other industries, and good housing near the mine, a younger, more stable labor force can be assured. Technical improvements are also important in attracting and keeping manpower, but these must pay their way, the Report says.

The High Authority insists that any reduction of working hours must be introduced in such a way as to limit the resultant fall in production as much as possible, or alternatively, there must be a compensatory increase in the number of miners. Measures such as the reorganization of the working timetable, the streamlining of organization during the shift, adaptation of the wage structure so as to cut absenteeism, and efforts to raise manpower, notably by encouraging immigration, can all play their part.

3. Increased efficiency in utilization

To improve efficiency in the use of coal, the High Authority says the following tasks must be achieved:

- a). The coal consumption of the mines must be reduced to a maximum of 4 per cent of output, notably by extending electrification; the present level ranges from 3.5 to 7.5 per cent.
- b). Coking capacity must be raised from 70 million metric tons in 1955 to 97 million in 1960, 105 million in 1965, and 125 million in 1975. Large units with a capacity of at least 1,500 tons of coke a day are advocated.
- c). The range of cokable coals must be extended by better scientific preparation and blending.
- d). Substitute fuels for coke, such as smokeless briquettes, must be increasingly developed to release more coke for steel making.
- e). Total gasification of coal must be developed and other economies effected in the use of gas.
- f). Economies in coal washing and preparation should be sought.

g). The use of coal in the manufacture of chemicals should be developed so as to increase the coal industry's receipts.

4. Investments

Investments in coal which are now running at some \$450 million per annum, must be raised by \$150 million a year. Productivity will increase over the next 20 years by 33 per cent underground and 25-30 per cent at the surface, it is estimated. It is assumed that wages will increase at least as fast as productivity throughout indus-

try in general, i.e. by 75 per cent in 20 years. This gap between the increase in wages and the increase in production will mean a rise in the price of coal, but the High Authority says this rise will be limited to a moderate amount and to a scarcely noticeable annual sum.

The basic condition is that the price of Community coal must be competitive both with imported coal and with fuel oil. Since a comparison of the Report's coal production and consumption figures indicate a gap of 42 million tons by 1975, the price relationship with imported coal is significant.

THE PROSPECT FOR STEEL

Production Expected to Double in Next 20 Years

Targets set for Community steel production in the General Objectives Report include the production goal of 82 million metric tons of ingot steel in 1965 and 105 million metric tons in 1975. By 1960, the Report maintains, sufficient resources must be available to provide an ingot capacity of 73.5 million metric tons, although the actual output level for 1960 is predicted at 67 million metric tons.

However, the immediate problem facing the Community is not merely in increasing capacity, but in creating and maintaining a balance between the production of different types of steel and the supply of raw materials so that capacity can be utilized fully. The Report says that although the imbalance between the production of different types of steel is now being diminished gradually by favorable new investments, every effort must be exercised in the future to avoid handicapping the development of the steel industry.

In the immediate future and for a continuing period of years, the Report urges that all efforts be made to increase pig iron production in relation to steel output in order to lessen dependence upon imported steel scrap. It indicates that after 1960, new problems will arise of balancing sup-

plies of iron ore with pig iron output and of coke supply with steelmaking needs.

Tasks of the Community's Steel Industries

The steel problem is summed up by listing three shortages which threaten: they are in supplies of scrap, pig iron, and coke. Thus, scrap consumption must be cut and pig iron production raised to replace scrap and the steel industry must find ways and means of economizing in the use of coke. The High Authority proposes efforts along the following lines to avert these threatened bottlenecks.

1). Scrap

The Report stresses that the over-all proportion of scrap now being used in steelmaking (although the Community's percentage per ton of steel is perhaps the lowest in the world *) must be cut. Amounts available from the United States, the Community's main source of imported scrap, are likely to decrease. No new scrap sources are envisaged and, in the long run, the Community can rely only upon scrap made available as waste from the Community's increasing steel output. It is estimated that per ton of steel produced, total scrap resources available to the Community will fall from 1,080 pounds in 1955 to 985 pounds in 1960, 943 pounds in 1965, and 932 in 1975. The following table shows the High Authority's estimates of scrap resources over the next 20 years (in millions of metric tons):

THE COMMUNITY'S SCRAP RESOURCES

	1955	1960	1965†	1975
Steelmaking waste	12.9	16.4	20.1	26.0
New waste purchases	5.8	7.5	9.1	11.5
Old scrap	4.3	4.5	4.5	6.0
Imports	2.9	1.5	1.5	1.5
Total resources	25.9	29.9	35.2	45.0

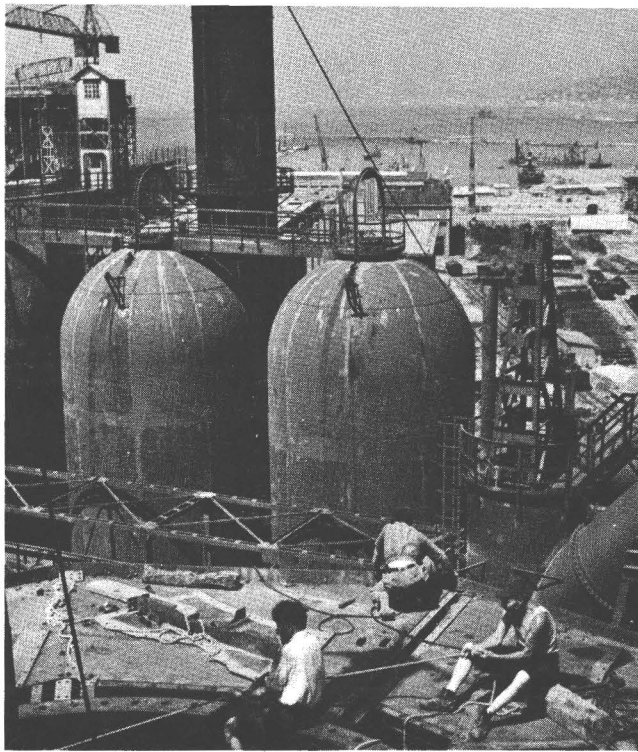
†Upper limit.

* Scrap Consumption per ton of crude steel production in 1956, as expressed in percentage figures: The Community—39%; The United States—50.2%; the United Kingdom—56%; and Japan—61.5%.

January Deadline Seen for Euratom and Common Market

The two treaties for Euratom and the general Common Market are expected to be ready for signature by the six Community nations in January, 1957, according to Belgium's Foreign Minister Paul-Henri Spaak.

The recently-appointed head of NATO, who is also President of the six-nation Brussels Conference now negotiating the two agreements, made the announcement last month in a report to a working group of the Coal and Steel Community's Common Assembly. M. Spaak declared that he looked for full ratification of the treaties in the six parliaments by mid-May, 1957.



One of the High Authority's principal aims is to reduce the dependence of the Community's steel industries upon scrap by encouraging the use of blast furnaces. Here men work atop a new 182-foot-high blast furnace, one of several going up at the Cornigliano steel works near Genoa, Italy. At left are a series of blowers for the new furnaces and on the right a new building under construction will house a rolling mill in what will be Italy's largest integrated steel plant.

2). Investment in pig iron capacity

The High Authority urges immediate action to increase pig iron capacity and the ratio of pig iron to total steel output. In open-hearth furnaces the proportion of pig iron used must be increased, and a similar effect must be achieved in electric furnaces by the use of Duplex steel. New methods of treating ore, enabling it to be used instead of scrap, must be encouraged as well as the development of converter processes permitting more steel of various qualities to be made from pig iron (oxygen blast, oxygen-steam blast, Linz-Donawitz overhead oxygen blast, Perrin process, etc).

3). Ore requirements

The Community's ore needs are likely to rise to 69 million metric tons of iron content by 1975, compared with 32.4 million in 1955, 43 million in 1960, and 54 million in 1965. This means by 1960 the Community, in terms of iron content, will need seven to nine million metric tons of imports from new sources, in addition to 13 to 14 million tons from traditional sources and its own production of 26.7 million tons. In terms of high grade ore, 37 to 38 million tons will have to be imported in 1960, against 19.5 million in 1955.

The High Authority urges that long-term contracts with third countries for these additional supplies should be immediately considered so that the ore deposits can be developed well in advance and production adapted to new ore of low phosphorous content.

Inside the Community, the High Authority says that western ore deposits in France and newly-discovered Ger-

man deposits in Lower-Saxony must be developed; output in Lorraine must be raised to 69 million tons of ore, against the 59 million tons at present planned, by 1960.

4). Coke

Economies in coke consumption can be made by reducing the percentage of coke used in blast furnaces. This can be done by ore-enrichment, agglomeration, and a better preparation of the burden, enabling a fall in the amount of coke needed, per ton of steel, to 2,024-2,068 lbs. in 1960, 1,936-1,980 lbs. in 1965, and 1,848-1,892 lbs. in 1975. The Report also urges the development of new processes, still in the experimental stage, for producing steel directly from ore without the use of coke.

Concerning steel prices, the High Authority is fairly optimistic. It expects no increase in scrap prices and expresses the hope that ore prices will not climb while standardization and rising productivity should progressively absorb increases in fuel costs and wages. However, the Report notes that investments are increasing and that difficulties in financing may be encountered after 1960.

Bases of the High Authority's Estimates

The bases of the High Authority's long-term objectives are provided by estimates, arrived at after detailed study by separate coal and steel committees of economists and industrialists, of consumption needs, and of the rate of expansion in the Community's gross national product and in its industrial output. The basic data have been worked out as follows:

	1955	1965	1975
Working Population (millions)	69	73	76
Productivity Per Man Year*		+3.5%	+2.6%
Gross National Product (indices)	100	150	200
Industrial Production (indices)	100	162	224
Industrial Production*		+4.9%	+3.3%

* average annual rate of growth—1955-1956 and 1965-1975.

The increase in steel consumption is taken as 1.18 of the increase in the gross national product for 1955-56, and 1.15 for 1965-75. The Report stresses that the upper limit of the ranges predicted for steel production must be the operative one in the planning of capacity: the objectives present the effective maximum production possible and not the theoretical capacity or the volume of production expected to be reached. It is vital, the High Authority states, that steel-making capacity should not become a bottleneck. Even if the lower end of the forecast range is not exceeded, production will still be economic, and close to the percentage considered as the optimum figure by economists.

The General Objectives of the High Authority will be used for four main purposes:

1. They will aid firms in drawing up their investment programs by giving them an over-all picture of investment in the Community;
2. They will form the criteria for the High Authority's opinions to firms on the latter's investment projects;
3. They will provide the basis on which the High Authority's coal and steel policy will be formulated, and
4. They will enable the High Authority to propose to the six Governments any new measures needed for the marketing of coal and steel and for the development of the Community's industries.

All Parties back Government Proposals

The British Liberal and Labor Parties have both pledged their support to the Conservative Government's proposal of British participation in a free trade area associated with the Common Market to be set up by the six Community nations. On November 26, Harold Macmillan, Chancellor of the Exchequer, described to the House of Commons the proposals which he had already outlined in his press conference on October 12. Mr. Harold Wilson, speaking on behalf of the Labor Opposition, declared:

"I say to the Chancellor, 'Enter the negotiations with our encouragement and support.' I give the right hon. Gentleman the pledge that Her Majesty's Opposition, so long as it remains the Opposition, will not be found ranging itself on the side of any protectionist lobbies in this country, though we shall be pressing the Government extremely hard on some of the national safeguards to which I have drawn attention. But in saying this, I ask the right hon. Gentleman to realize that it will need vast and revolutionary changes in both the country's internal and international policies and thinking if all that he hopes to see and to realize from this scheme is to be fulfilled." A similar declaration by Mr. Arthur Holt, speaking on behalf of the Liberal Party, marked the agreement of all three parties to the Government's proposal.

Spurs to British Action

The House of Commons debate followed closely on the reports submitted to the Government by the Federation of British Industries and the Trades Union Congress. Both had given qualified support to the proposal that Great Britain associate herself in a limited free trade area with the countries of the full Common Market.

Describing the Government's proposals, Mr. Macmillan said:

"There are three courses open to us—and we must do something. We cannot just do nothing about it. The first course is to say, perhaps regretfully but firmly, that we in the United Kingdom must stand outside of these developments. . . . If this happened we should be excluded from these markets or at least be able to enter them only under great handicaps.

"The second course would be to do everything we could, to use all our efforts to upset this plan—to try to prevent it developing, to try to stop the Powers of Europe from getting together into a single market—and thus avoid having to make up our minds on the matter at all. But I am sure that this would be a very wrong decision, and it would be a terrible responsibility for us to take purposely to try to undermine the movement for European unity of this kind. I do not think that we could possibly justify such an action.

"The third course, therefore, is to offer to our European colleagues in the OEEC proposals of the general character that I have outlined. . . ."

These proposals, said Mr. Macmillan, were still in an exploratory stage. It would be impossible for Great Britain to become a full member of the Common Market—since this would involve the eventual removal of all tariffs between Britain and the Community countries, and thereby cut through the Imperial Preference system of low reciprocal tariffs vis-a-vis the Commonwealth. What could be done, however, was to associate Great Britain with the general Common Market in the form of a free trade area excluding all foodstuffs, drink, and tobacco.

What is a free trade area?

The free trade area differs in one basic way from the Common Market: while the Common Market would not only remove all internal tariffs, but also establish a single external tariff vis-a-vis third countries, in a free trade area the member countries would fix their own tariff levels for trade with the outside world, although internal tariffs would be similarly abolished. Thus, Great Britain, associated with the Common Market in a free trade area, would be able to maintain her preferential tariffs for the Commonwealth.

Secondly, while the Common Market would cover all goods, the British proposals for a free trade area allow for the exclusion of the products listed above. By means of this exclusion, 90 per cent of Britain's trade with the Commonwealth would be unaffected by her participation in the free trade area.

Finally, the Common Market would require a greater degree of integration than the free trade area—not only, for example, the abolition of subsidies, discriminatory freight rates and double pricing, and the introduction of safeguards against dumping, but also a certain harmonization of working conditions, mobility of labor and capital, and a common investment fund. Since the British plan is still only in the discussion stage, most of these points remain undefined, and may well be the subject of bargaining with the "Six" when the negotiation stage is reached.

The British Arguments

The economic arguments for British association with the Common Market are not merely negative. Association with it would bring many positive advantages, Mr. Macmillan stressed:

"It is clear that the larger market for which an industry produces gives it an advantage which can be got from the increased scale of production, the greater degree of specialization, and the greater opportunity for the development of new products and new forms of activity. . . . The growth

and heightened productivity of our industries which the widening of a European market would promote, should, in turn, enable them to compete from a stronger basis with the competitors in the world at large . . .”

However difficult the problems of competition which Britain would face in the European market, said Mr. Macmillan, they would be for the most part problems that she would have to face in any case, and which would be harder to solve if she were left outside. Inside the free trade area, moreover, she would be better able to influence her competitors to “have a reasonable regard for good employment and labor standards.”

But not only economic arguments weighed in the British decision. In the words of Mr. Macmillan.

“We are European, geographically and culturally, and we cannot, even if we would, dissociate ourselves from Europe.”

Safeguards

Several Members of Parliament, including the Chancellor of the Exchequer himself, drew attention to the safeguards which would be necessary to insure fair competition. Dumping and export subsidies, said Mr. Macmillan, must clearly be prevented, and it might be necessary to arrange special safeguards against currency manipulation,

beyond the systems of the International Monetary Fund and the European Payments Union. The Labor Party, in particular, insisted on very detailed provisions for the protection of fair competition and full employment, as well as the right to impose import restrictions and exchange control, including control over capital movements.

Agreement

Mr. Peter Thorneycroft, President of the Board of Trade, noted in summing up the debate, that there had been a striking measure of agreement between the Parties. Clearly, the question of safeguards would have to be gone into during the negotiations which the Government proposed to embark on in Europe. Said Mr. Thorneycroft:

“We are not at the end, but at the beginning. We are taking the first step along a road which may lead to great opportunities in the future. Dangers lie ahead . . . But if there are dangers for the weak, let us not underestimate the prizes for the strong . . .

“Here, in Europe, we have the cultural centre of the free world. We should not leave it Balkanized, divided and weak, but growing closer together, stronger, more compact, and linked through us with a great Commonwealth and Empire. Here is a chance of achieving something which matches the scale of present events.”

Euratom's "Three Wise Men" to Visit the United States

Euratom's “three wise men”—Louis Armand, Franz Etzel, and Francesco Giordani—have accepted the joint invitation of Secretary of State John Foster Dulles and Lewis L. Strauss, Chairman of the Atomic Energy Commission, to visit the United States next month. It is understood the visit, of about a week's duration, will take place the first week in February. They are expected to hold talks with U.S. Government officials and leaders of private industry engaged in the development of nuclear power projects. Following their United States visit, the Euratom experts may go directly to the United Kingdom to study recent developments made by Britain in the peaceful uses of atomic energy.

The “three wise men” were nominated on November 16th by the six Governments now negotiating the Euratom treaty, after a proposal made on September 20th by the Action Committee for a United States of Europe. Euratom is the project for a peaceful atomic “pool” among the six members of the European Coal and Steel Community—Belgium, France, Germany, Italy, Luxembourg, and the Netherlands. The three men, as the Action Committee proposed, will report “on the quantities of atomic energy that can be produced in the six countries in the near future, and on the means whereby this can be achieved.” They have been empowered to obtain from the authorities of the six countries all necessary help and information

on energy needs and resources and atomic energy programs, as well as to approach the authorities of their countries. Their report is expected to be presented in February.

Of the three-man group, M. Louis Armand is President of the Industrial Equipment Committee of the French Atomic Energy Commission, M. Franz Etzel is Vice-President of the High Authority of the European Coal and Steel Community, and M. Francesco Giordani is President of the Italian National Research Council.

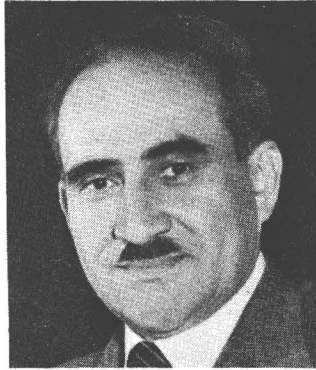
The Secretary of State addressed the invitation to Paul-Henri Spaak, Belgium's Foreign Minister and recently elected head of NATO. Mr. Spaak is also President of the Intergovernmental Conference which is negotiating the Euratom and Common Market treaties. Mr. Dulles expressed his own and President Eisenhower's continued support for the Euratom project, which, he said, would make an important contribution not only to a closer and more fruitful unification of Western Europe, but also to the peaceful development of atomic energy.

Franz Etzel

The German representative of the “three wise men” is Franz Etzel, senior Vice-President of the nine-man High Authority of the Coal and Steel Community. Sponsor



HERR ETZEL, German lawyer, economist, and Vice-President of the High Authority.



Scientist, engineer, and administrator, France's LOUIS ARMAND.



Prof. FRANCESCO GIORDANI, one of Italy's leading nuclear scientists.

of Germany's first postwar anti-cartel law, Herr Etzel was a prominent official in Germany's Christian Democratic Union after the second World War and helped found the CDU's Duisburg branch. He was elected Chairman of the CDU Economic Affairs Commission in the British occupation zone of Germany in 1946. Herr Etzel was elected to the Bundestag as the Deputy from Wesel in 1949, and as Chairman of the German Parliament's Economic Affairs Commission, was largely responsible for ratification of the Schuman Plan Treaty in the German Federal Republic. He was appointed to the High Authority in 1952. Born in Western Germany in 1902, Herr Etzel worked as a coal miner during his high school days following the first World War. He studied economics and law at Frankfurt, Munich, and Munster, and practiced law in the Ruhr city of Duisburg, specializing in coal and steel affairs.

Louis Armand

Louis Armand, the French member of the "three wise men," is Director-General of the French State Railways and President of the Industrial Equipment Committee of the French Atomic Energy Commission. A staunch advocate of the integrated development of nuclear energy for Europe's power needs, 50-year old M. Armand has a reputation as a brilliant scientist-engineer and public administrator. A graduate of the French Ecole Polytechnique, he started his career as an engineer with the Mines Administration and then was with the French National Railways. During the war, he was leader of a Resistance group and was captured and held by the Gestapo until the Liberation. Besides his two full-time jobs, M. Armand is also President of the International Railways Association and President of the Government-supported African Industries Development Bureau. He serves on the Study Committee for the Reform of Teaching in France, on the Council of the National School of Admin-

istration (where he is also a faculty member), and on the Superior Council of Scientific Research and Technical Progress. His decorations include the Croix de Guerre and the rank of Commander in the Legion of Honor. He also holds the U.S. Medal of Freedom.

Francesco Giordani

An Italian chemistry professor and nuclear research specialist, Francesco Giordani is the third of Euratom's "three wise men." Prof. Giordani led a special mission to the United States last year to prepare a nuclear research agreement between the U. S. and Italy. As President of Italy's National Research Council, Prof. Giordani is Italy's foremost authority on the development of nuclear energy resources. He was elected President of the Italian Research Council in November last year after serving for several years as President of the National Committee for Nuclear Research. Prof. Giordani is also the author of a Bill for nuclear research which is now before the Italian Parliament. Born in Naples, in 1896, he became Professor of general and inorganic chemistry at the University of Naples in 1925. He has also been a member and Vice-President of Italy's now defunct National Academy and served as President of "SVINEZ", the Institute for the Development of Southern Italy. In the latter capacity, Prof. Giordani became a leading proponent of new investment and modernization policies for agriculture and industry in Italy's "Mezzogiorno."

Newsbriefs

New President for Common Assembly

Dr. Hans Furler, a German Christian Democrat and Deputy in the Federal Republic's Bundestag, was elected by acclamation to the Presidency of the Community's Common Assembly on November 27, 1956, at the Assembly's Extraordinary Constitutive Session. Dr. Furler succeeds Sig. Giuseppe Pella, former Italian Premier. The 52-year-old German member of Parliament has held a seat in the Common Assembly since July, 1955, and has headed the Assembly's Political Committee since November, 1955. Before entering politics, he was a Professor of Law at the University of Freiburg-im-Breisgau.

More Housing for Community Workers

In an announcement from Luxembourg on December 21, 1956, the High Authority reported that work would get under way immediately on the German section of its second program for the construction of workers' housing. The total cost of the program will be 75 million D-Marks (\$18 million) of which 30 millions (\$7.2 million) will go into housing for steelworkers and 45 millions (\$10.8 million) for miners' housing. Of these sums, the High Authority will provide 12 million (\$2.9 million) and 18

million D-Marks (\$4.2 million) respectively. The remainder has been raised by banks in Germany. The sums will be lent to building organizations through the intermediary of private and public regional institutions at an interest rate of five per cent for a period of 32 years. These favorable terms have been granted by the banks because the low interest capital supplied by the High Authority has offset high interest rates on German funds.

Court Rejects Appeals Against High Authority

The Court of Justice has rejected two appeals against High Authority decisions brought by the Belgian coal federation, FEDECHAR, and three Belgian coal companies. These had appealed against the High Authority's revision of the transitional compensation plan for Belgian coal (see ECC&S Bulletins #3, 8, and 12). The revision, announced in May, 1955, reduced the compensation paid to certain firms enjoying natural advantages, abolished compensation for certain types of coal, and later freed prices on these same types of coal.

CHRONOLOGY 1956

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| Feb. 3 | The High Authority issues details of its aid program for modernization of marginal coal mines in the Borinage, Belgium. | June 6 | The High Authority and a group of Swiss banks sign loan agreement for 50 million Swiss francs (\$11.7 million). |
| Feb. 6-10 | High Authority President René Mayer makes official visit to Washington. | June 18-22 | Common Assembly approves High Authority's Fourth Annual Report. |
| Feb. 15 | The High Authority agrees to dissolve GEORG, the German coal sales monopoly. | June 23 | The High Authority rules against the compulsory signature of approval by the French Government's coal importing agency ATIC on contracts for coal imported into France. |
| Mar. 13 | U.S. Envoy Walton Butterworth presents credentials as United States Ambassador to the Coal and Steel Community. | July 10 | The Council of Association holds its third meeting. |
| Mar. 13-16 | M. Paul-Henri Spaak reports to Common Assembly at Strasbourg on progress of Euratom and Common Market proposals. | July 18 | The Advisory Committee of the joint office of the three sales agencies for Ruhr coal set up in place of GEORG meets for the first time. |
| Mar. 15 | The High Authority publishes its first opinions on the investment projects of Community firms. | July 28 | The High Authority and Switzerland sign agreement establishing international through rates for Community rail traffic through Switzerland. |
| Mar. 21 | The High Authority frees Ruhr coal prices. | Aug. 14 | The High Authority holds extraordinary meeting after the mining disaster at Marcinelle: it proposes to the Council of Ministers an international conference on mine safety. |
| Mar. 23 | The Council of Association between the High Authority and the United Kingdom Government holds its second meeting. | Aug. 17 | The French Government appeals to the Court against the High Authority's decision of June 23 on ATIC. |
| Mar. 30 | Ruhr coal sales cartel GEORG is dissolved. | Sept. 6 | The Council of Ministers accepts the High Authority's proposal for an international mine safety conference. |
| Apr. 23 | The Court rejects an appeal by Luxembourg steel producers who sought abolition of the Luxembourg Government's Compensation Fund and its levy on solid fuel imports. | Sept. 24 | The mine safety conference holds its first meeting, in Luxembourg, under the presidency of the High Authority, with the participation of government, employers' and workers' representatives, together with a British delegation and representatives from the International Labor Office. |
| May 3 | The Council of Ministers agrees to allow the High Authority to grant loans or guarantees of up to 30 million dollars for its second workers' housing program. | Oct. 3 | The High Authority imposes antirestrictive conditions on Belgian coal sales agency COBECHAR (Comptoir Belge des Charbons). Britain's Chancellor of the Exchequer Harold Macmillan announces in London the Government's decision to support Britain's association with the proposed Common Market through a Free Trade Area plan. |
| May 7 | The High Authority signs Consultation Agreement with Switzerland. | Oct. 20 | Joint Session of Common Assembly and Council of Europe's Consultative Assembly. |
| May 9-12 | The Common Assembly debates report by its Working Group on Euratom and the general Common Market. | Oct. 20-21 | Foreign Ministers meet in Paris to discuss progress of Euratom and Common Market treaties, German and French representatives express reservations over certain aspects of Euratom and Common Market. |
| May 16 | The High Authority signs, with the Bank of International Settlements, amendments to the Act of Pledge regulating its loans. | Oct. 27 | Final settlement of the economic and political future of the Saar in Luxembourg with signature to treaty between France and Germany. |
| May 29-30 | Foreign Ministers meet in Venice and agree to establish treaty-drafting Conference for Euratom and the Common Market. Paul-Henri Spaak appointed Conference President. | Nov. 6 | Premier Mollet and Chancellor Adenauer, following meeting in Paris, reaffirm Franco-Germany unity in support of Euratom and the Common Market. |
| | | Nov. 16 | The Council of Association holds fourth meeting and agrees on joint action before taking any emergency measures concerning coal supplies as a result of the Suez crisis. |
| | | Nov. 27-30 | Common Assembly discusses coal market, mine safety, and proposal for Joint Workers' and Employers' Committees. M. Hans Furler unanimously elected President in succession to M. Giuseppe Pella. |
| | | Nov. 29 | Court rejects appeals by FEDECHAR and several Belgian mining companies against High Authority's modification of transitional compensation system for Belgian coal. |
| | | Dec. 21 | The High Authority announces the undertaking of its second workers' housing program at a cost of \$18 million. |