



Bulletin from the EUROPEAN COMMUNITY

BELGIUM, FRANCE, GERMAN FEDERAL REPUBLIC, ITALY, LUXEMBOURG, THE NETHERLANDS

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HIGH AUTHORITY PROPOSALS IN THE COAL CRISIS

Four-Point Program Offered to Council of Ministers

More than anything that has happened so far, the coal crisis now gripping not only the Community countries but the coal industries of all the western world has brought the European Community face-to-face with a critical test of the whole new European structure.

Efforts at finding a solution on the Community level have run up hard against a tough core of resistance which is prepared to accept national measures but which balks at the thought of over-all Community measures adopted in the interest of the Community as a whole. On the way in which this resistance is negotiated may depend, in large measure, the development of European unification in coming years.

Drastic Action Ahead?

On March 23, High Authority President Paul Finet outlined to the Council of Ministers a logical and comprehensive four-point program to insure that the amount of coal coming into the market was kept in line with the expected level of demand. Principal aspects of the program are:

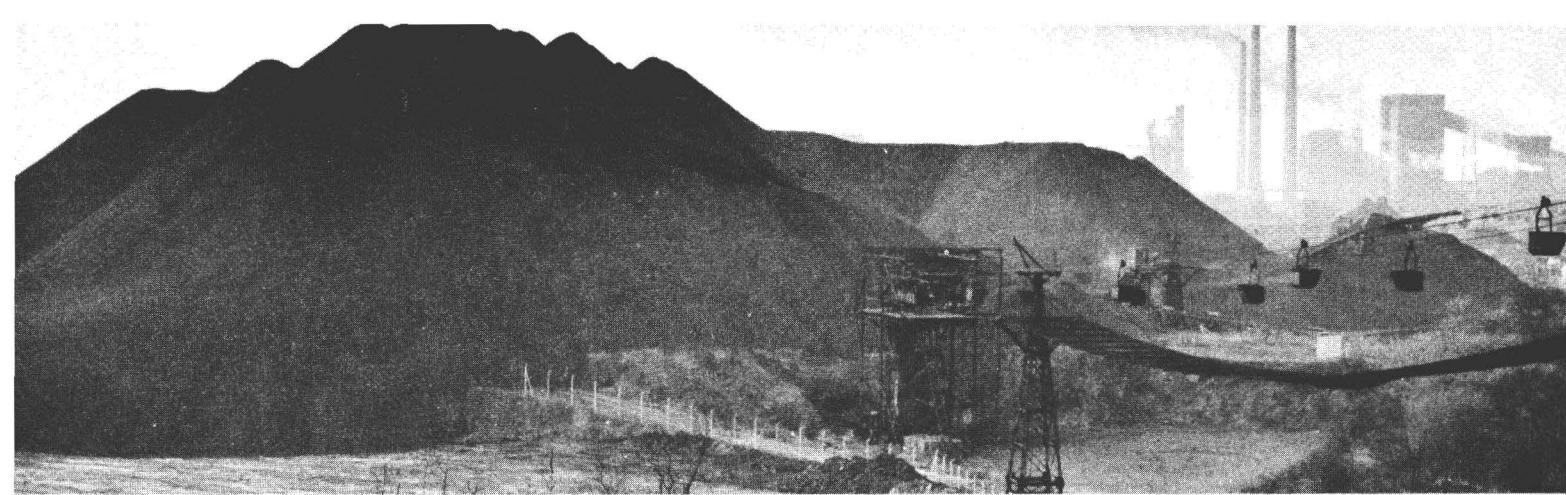
1. Reduction of imports. To meet the requirements of the ECSC Treaty, and the Community's moral obligation to its overseas suppliers, this must be accompanied by—
2. Regulation of production, which should be done in the most flexible possible way, by fixing production rates for the different mines. Such production rates would be adapted to the competitive position of the mines and thus provide an incentive to the necessary reorganization of the Community's coal industry.
3. Freezing of pithead stocks at their current level of 26.5 million tons. Unloading, at the present time, of these stocks could destroy the effect of limiting imports and

production. Governments should also take direct action to avoid depleting consumer stocks.

4. Maintenance of miners' incomes. This would halt the drift of miners away from the pits, allowing the labor force in the coal industry to remain large enough to keep coal output at the level required in a period of normal economic activity. The High Authority proposed to supplement earnings and unemployment pay of miners who were working part time or were laid off entirely.

For practically a year, the High Authority has been trying to stem the coal crisis by using indirect methods of action on production, imports and consumption (ref. Bulletin No. 32, pages 4 and 5). Under the treaty, it must

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Tall stockpiles of coal, as shown here in the Ruhr, have focused increasing attention on the High Authority's actions

exhaust all possible indirect methods before resorting to the direct action permitted by articles 58 and 74. Where it has had the power to do so, it has acted; where it has had to urge measures on the six governments, it has met with varying degrees of success. But in recent weeks, it has become clear to the High Authority that these indirect measures were not producing results and would mean a further large surplus of coal on the market in 1959. The treaty left only articles 58 (production quotas) and 74 (import restrictions) as the High Authority's means of action in a crisis.

"The Community Must Not Fall Apart"

Both President Finet and the High Authority's senior Vice-President Dirk Spierenburg made strong pleas for the six governments to recognize that this was not just a Belgian problem. A Community must prove its worth in difficult times as well as good times. If the coal crisis was dealt with by separate national measures contrary to the ECSC Treaty, instead of on a Community basis, it was predicted that a chain reaction could be produced which would destroy the common market.

The Council agreed that the High Authority should draw up its detailed plans along the lines indicated and present them to the Council by April 20. The Council plans to meet again on May 4 and 5 to give its formal opinion.

The High Authority's proposals met with a hostile reception in the 51-member Consultative Committee on March 19 when the vote went against the executive recommendations 38 to 7, with five abstentions. However, the Consultative Committee, which is comprised of equal numbers of representatives of producers, workers, consumers, and dealers, serves simply as a sounding board of opinion for the High Authority, and its votes are not binding.

Four days later, according to representatives of the press and other observers, the discussion with the Council of Ministers marked a strengthening of the High Authority's position. Only Germany seemed to have come out openly against the High Authority's projects. The Benelux countries stated that they were prepared to defend the supra-national powers of the High Authority, and France and Italy reserved their positions until the detailed proposals of the High Authority were in their hands. To be accepted and put into practice, the High Authority's proposals require a majority of four (including France or Germany) out of the six votes in the Council of Ministers.

Meanwhile, the Council approved unanimously a pro-

posal by the High Authority to give interim aid to miners in Belgium. Under this proposal, which had also been unanimously approved by the Consultative Committee on March 19, the High Authority will grant up to \$2 million for a two-month period starting April 1 in supplementary payments to miners in the Belgian coal fields who are unemployed or working part time.

"NEW WORLD BUSINESS METHODS"

The following excerpts, taken from an article in *The Scotsman* of March 3, are of particular interest to American readers because the author, Andrew Shonfield, is well known to Great Britain for his often critical views. Here, on the other hand, Mr. Shonfield, who is economic editor of the *London Observer* and a radio-TV commentator, pays due credit to the efforts of the High Authority in the current coal crisis, using the title reprinted above:

"The truly remarkable fact, after all, is that the High Authority in Luxembourg can exercise any degree of real power over independent States in an economic situation which is as delicate and explosive as the present. This is a new way of doing business in international commercial relations. Even Britain, which stands outside the ECSC, had reason to be grateful for its existence . . . , when the British Government sent the chairmen of the National Coal Board and of the Iron and Steel Board to Luxembourg to discuss the current situation. . . .

"There is a Council of Association established by treaty which discusses common problems, like the latest collapse of the international coal market, and, where possible, coordinates action between Britain and the Continental group.

"On this occasion Britain was able to complain about insufficient consultation on the German move (to impose a duty on coal imports exceeding five million tons a year), and the High Authority at Luxembourg formally undertook . . . to try to obtain an increase in the duty-free export quota of British coal to Germany, which was so sharply cut last year. All this is a part of a much more civilized way of carrying on commerce between nations than anything that has existed in the past. It represents a genuine achievement for Europe."

NEW HIGH AUTHORITY BLOW AT RUHR CARTEL PRACTICES

Joint Office Ordered to Dissolve — ECSC Control Group Planned for Area

The High Authority has told the three Ruhr coal-selling agencies that their current sales system is in violation of the treaty and must be altered. The agencies, which were set up with the authorization of the High Authority in April, 1956, following dissolution of the monolithic Gemeinschaftsorganisation Ruhrkohle (GEORG), had not been operating in accordance with the terms of the authorization, the High Authority stated.

They had not developed independent commercial policies but on the contrary had continued to operate a uniform selling system. Their joint central office had been allocating all orders, not only orders involving more than 50,000 tons as it was entitled to under the terms of the authorization, the High Authority added.

Definite Time Limit Fixed for Present System

In a decision published in the *Journal Officiel* of the European Communities on March 7, the High Authority prolonged the life of the three sales agencies by one year from April 1, announced its decision not to prolong authorization of the joint office after March 31, 1960, and set up a control group in the Ruhr to insure that the agencies act in accordance with its authorization.

The High Authority added that it could not bring the full changes into effect immediately owing to the current situation in the coal market. The joint office will not, however, be allowed to remain in existence after March 31, 1960, and a final time limit is set for the existence of the three agencies. If the coal situation has not improved when the new authorization expires in a year's time, they can be granted another year's extension by a further decision of the High Authority, but in no case can they remain in being after March 31, 1961.

On-the-Spot Supervision by High Authority

The new group in the Ruhr will be headed by a high-ranking official whose appointment had not been announced by press time. It will supervise the operation of the Ruhr coal-selling agencies, and insure that they respect the conditions of the High Authority's authorizations. It will also see whether these authorizations need to be modified or revoked and draw up recommendations for the High Authority regarding the system which could eventually be adopted for the sale of Ruhr coal when the new time limits expire.

The High Authority decision says that any future sales organization must rest on three principles:

1. It must be based on independent decisions by the various firms and follow rules drawn up by the High Authority

to prevent it from becoming once again a uniform system.

2. It must permit the common market for coal to work effectively and improve the competitive position of coal in relation to other forms of energy.
3. It must assure the continuity of employment and also the maintenance of miners' incomes; the High Authority is ready to open negotiations at once with the German Government, workers, and producers with this aim in view.

To make direct access to Ruhr producers easier for wholesalers, the High Authority has radically revised the turnover criteria to be applied. The first of these criteria—that a wholesaler must market at least 60,000 tons of Community coal and coke a year in the Community—is abolished completely since it was the most restrictive of the previous conditions.

The amount of Community coal and coke which he must sell in his own sales area is cut from 30,000 to 20,000 tons, and the amount of coal and coke from one of the Ruhr sales agencies which he must sell in his own sales area is cut from 9,000 to 6,000 tons. (These three criteria had already been reduced previously by the High Authority from the levels of 75,000, 40,000, and 12,500 tons, respectively, at which they were originally fixed by the High Authority in 1956.)

This feature of the new decision will substantially increase the number of wholesalers who will be able to buy their coal direct from the Ruhr.

A New Departure

The decision marks a new departure in the High Authority's efforts to solve the thorny problem of the sale of Ruhr coal, observers believe. The High Authority has warned the Ruhr coal owners well in advance that it is now convinced that the present sales system still infringes the ECSC Treaty's anti-cartel regulations and that it must be scrapped.

Until a new system is found, the Ruhr must adhere strictly to the High Authority's decisions, and the control group is empowered to see that it does. If at any time the Ruhr can show that the decisions cannot be operated in practice, then it must ask the High Authority's authorization to modify them and not simply find ways of getting around them as in the past.

Meanwhile, the Ruhr coal owners have lodged an appeal with the Community's Court of Justice against the High Authority decision and have also requested a stay of execution.

ECSC HERALDS ACHIEVEMENTS

High Authority Issues 7th Annual Report

With the High Authority under attack from various interest groups who are using the current difficulties in the coal and steel markets to mount a full-scale offensive against the supranational idea, the High Authority's Seventh Annual Report presents an opportunity to get a more balanced view of the European Coal and Steel Community's real achievements. The report, the last to be presented before the term of office of the present High Authority members expired (so far, renewal has been repeatedly postponed by the member governments), not only deals with the situation which has arisen for coal and steel following the slowing down of economic expansion, but also reviews what has been done since the High Authority took office.

It cites the abolition of barriers to trade in coal and steel, the progressive elimination of aids and subsidies, the application of rules of non-discrimination, the major changes in transport rates that have been made in order to align international with internal rates, and the important changes that have occurred in buying and selling systems.

These are the major achievements on which the common market for coal and steel is based.

The High Authority has also succeeded in firmly establishing its financial credit in the money markets of Europe and America; it has assisted investment by issuing forecasts and targets as to requirements and recommended the best means of meeting them; and it has made funds available to promote research and assist projects for building workers' houses.

No small achievement of ECSC is the stimulus it has given to the creation of Euratom and the European Economic Community. The accomplishments of the High Authority and the experience of its officials were valuable in the drafting of both new treaties. With the growth of the European Community, it has come to be recognized by national governments and international organizations as a new entity in world affairs and is thus opening the way for progress in European unification.

Problem No. 1—Coal

In regard to a policy on coal, dealt with in detail on page 1 of this issue of the Bulletin, the report stresses the need for a coordinated import policy, representing greater continuity and forethought than the piecemeal policies adopted so far by individual governments to meet the crisis. The High Authority also believes that a way can be found to bring freight charges for single shipments to a more uniform level and to insure that long-term contracts are confined to regular requirements.

In the coal market, the report says, the real question is whether measures which were valid for a market system dating back to pre-Community days or which were designed to meet a different situation are today in the best interests of the coal-mining industry and the men employed in it.

The days of rigidly protected national markets are over and so is the quasi-monopoly of coal in the field of energy.

In an industry where capital investments take years to complete and where investments are expected to provide returns over a long period, it is essential to take a long-term view of developments, the report states. Marketing methods must be more flexible in order to make enterprises more sensitive to the course of the energy market and to changes in the competitive position of coal. Greater mobility must be introduced into the market through regular incentives to independent action.

The Slowing Down of Expansion

Coal production fell only 0.6 per cent last year, from 247.9 million metric tons in 1957 to 246.4 million metric tons in 1958. This was far less than the severe drop of about 35 million tons in apparent consumption, although the decrease in real consumption was only about 15 million tons. The report gave these reasons:

1. Running down of consumers' stocks following widespread stockpiling in 1957.
2. Slowdown in the rate of economic expansion, coupled with a structural fall in consumption in certain sectors (railways, gasworks, some industries).
3. Competition from oil and gas.

Belgian Coal—a Structural Problem

When the transition period ended on February 9, 1958, compensation payments by the High Authority to the Belgian coal industry ceased. However, the reorganization of the industry was far from completed, and the High Authority clearly told the Belgian Government and the Belgian coal industry that in the light of their failure to use the boom period to carry out the reorganization, it would authorize further subsidies only provided that they operated on a regularly decreasing scale.

Assistance given to them in 1958 totalled roughly \$18 million. The Belgian Government proposes to reduce this aid to \$16 million in 1959, \$12 million in 1960, \$8 million in 1961, and \$4 million in 1962. After 1962, there would be no further subsidies. Both the High Authority and the Council of Ministers must agree to these payments. The High Authority will reserve its opinion until the Belgian Government and the coal owners have presented their final reorganization program for the South Belgian coal fields.

Steel Production Falls Slightly

The slowing down of industrial expansion, reflected in a rise of only three per cent in the Community's industrial production in 1958 against six per cent in 1957, brought a slight fall in steel output. It dropped from 59.8 million

in 1957 to 58 million metric tons in 1958, a decline of three per cent. The easing of the tight supply situation for raw materials made it possible to do away with the compensation scheme for scrap imports. The High Authority believes, however, that the scrap-supply shortage could come up again in the event of a rapid upturn in economic activity.

The report analyzes the main cause of the decline as a running down of stocks by producers, dealers and, above all, consumers. Exports were not affected and even reached a record level in 1958.

The steel situation was in fact reflected much more in the order-book figures than in production cuts, as the situation changed from a sellers' to a buyers' market. Orders in hand thus dropped from the record total of 15.2 million metric tons at the end of 1956 to 12.8 million at the end of 1957 and 8.7 million at the end of 1958. Except in France and the Saar, where they still represent three months' deliveries, they are now down in all the countries of the Community to two or two-and-a-half months' production, slightly lower than the level during the minor recession of 1953-54.

This situation is due primarily to the trend in orders from within the Community. They were five million metric tons lower in 1958 than in 1957. This decrease was partly offset by an increase in orders from countries outside the Community which were actually two million tons greater last year than in 1957, almost reaching the peak figure of 1956. Now with the threat of a steel strike in the United States, export orders have been steadily climbing.

Following this deterioration in the internal steel market, and its repercussions on the coal situation, the High Authority asked member governments to maintain, and if possible step up, the flow of orders to the steel industry from those steel-consuming sectors which they could influence either directly or indirectly.

Establishing a Policy on Energy

The report contains an account of the work done so far to establish a coordinated policy for all forms of energy in the Community.

The basis for this task is provided by studies being undertaken by a joint committee of representatives of the member governments and of the High Authority, with the director of the High Authority's Economics Division as acting chairman. Since January 1, 1958, members of the staff of the EEC and Euratom have also taken part in the work of the joint committee.

In consultation with the committee, the High Authority is working on the task, given to it by the six governments, of planning the action required to insure that the Community is adequately supplied with energy. In particular, this action aims at:

1. Drawing up long-term forecasts of resources and requirements.
2. Working out how investment in the energy sector can be most economically effected and the best use made of existing plants.
3. Coordinating the general economic policy of each country with the over-all energy policy of the Community (including trade with third countries).

The study programs on which the committee's report will

be based cover forecasts of the general expansion of the Community's economy, energy balance sheets, short- and long-term forecasts of energy needs and supplies, and investment requirements. On the basis of the finished report, the High Authority will submit to the Council of Ministers specific proposals for an over-all energy policy and the ways in which it can be put into effect.

Enforcing the Common Market

Action to enforce the rules of competition was continued in 1958. For an account of the High Authority's major decision in this field—to end monopoly practices in the sale of Ruhr coal—see page 3.

Since the start of the common market for coal in February, 1953, until February 1, 1959, the High Authority dealt with 123 cases involving possible infringements of the anti-cartel provisions of the treaty. Also examined were 116 cases of merger, of which 57 were taken up following applications for authorization and 59 examined by the High Authority on its own initiative.

In the field of prices, the High Authority ordered



FRANZ BLÜCHER DIES

Franz Blücher, one of two German members of the High Authority of the Coal & Steel Community, died in Bad Godesberg, Germany, on March 26, after a brief illness. Herr Blücher, who was 63, was appointed to the High Authority in October, 1957.

A businessman and banker between the two World Wars, he became politically prominent after World War II when he joined with other Ruhr businessmen to establish the Free Democratic Party. In the Adenauer Government, he was responsible for the administration of \$3.2 billion in U.S. economic aid.

Before his appointment to the High Authority, Herr Blücher was Vice Chancellor of the German Federal Republic. He is survived by his widow, the former Paula Grosse-Frie.



Steel orders for French plants, like this Loire mill, today represent about three months' production

various special-steel firms to publish their price lists. In rail transport, the High Authority banned as discriminatory various subsidy rates for coal and iron ore offered by the French and German railways to their own nationals. The French Government has accepted the High Authority's decisions, but the German Government and various French and German steel firms have appealed against them to the Court of Justice.

Investments and Technical Research

The Seventh Annual Report states that, despite the temporary setbacks in business activity, the Community's industries are giving proof of their faith in the future. The value of investment projects declared to the High Authority—these differ considerably from the value of investments shown in the investment survey as carried out or planned for any given period owing to the substantial time lag—rose again to \$677 million in 1958 after falling to \$454 million in 1957. In 1956, they had reached \$852 million.

For the first time, the High Authority entered the field of technical research by making substantial grants toward important projects proposed by enterprises—most of them joint projects involving several Community countries. The result of the research will be available to all the coal and steel enterprises of the Community.

Readaptation, Housing, Industrial Health

Aid for readaptation can still be granted during the two years following the end of the transition period on February 9, 1958, although the Council of Ministers must now indicate that it has no objections. So far, its agreement has been forthcoming for all the High Authority's readaptation projects since the end of the transition period. These have covered:

- 6 Belgian mines
- 3 French mines
- 1 Italian mine
- 2 French steelworks
- 4 Italian steelworks

The report gives a detailed account of the High Authority's workers' housing program. By January 1, 1959,

the High Authority had approved arrangements for the financing of 34,401 housing units, costing nearly \$180 million. Of the total, 18,351 units were already completed and 11,762 under construction. Credits allotted by the High Authority for housing totalled \$55,800,000; remaining funds came from other sources. Of the 34,401 housing units, 19,164 would be for rent, and 15,237 for sale to the occupants.

For 1959 and 1960, the High Authority is launching a third housing program covering 18,000 to 20,000 units, for which it will provide \$15 million out of its own funds. This sum will be supplemented by further funds raised on national money markets, bringing the direct and indirect contribution of the High Authority to between \$30 and \$40 million. The total value of this third program will amount to some \$100 million.

During 1958, the first four-year research program in the field of industrial health and medicine went forward satisfactorily, and a second program was begun on industrial health and safety. The United Kingdom and Austria now send experts to the meetings of the scientific committee, thereby broadening the field of reference.

High Authority Publications

The report lists the various publications on labor problems which the High Authority hopes to produce during 1959. The High Authority's studies and documents aim to provide guidance for all those directly concerned in the Community. They are intended to encourage discussions between employers and workers, to prompt governments to take action, and, more generally, to promote action likely to improve living and working conditions. They are gradually getting all sides of industry into the habit of looking at what needs to be done from the Community point of view as well as from the purely national point of view.

Aided by this material, the Community is stimulating far-reaching changes in habits of thought and action and in the structure of the employers' and workers' organizations. As the three European Communities develop, the High Authority trusts that cooperation between the European Executives will greatly strengthen this movement.

FRENCH STEEL PROBLEM—HIGH AUTHORITY ACTS

The High Authority has addressed a recommendation to the French Government asking it to take the necessary action to counter the effects of France's devaluation at the end of last year as far as steel prices within the Community are concerned. Under the terms of the ECSC Treaty, a recommendation is binding as to its objective, but it does leave the means of achieving this objective open to the government.

Since the devaluation of the French franc was 17.55 per cent, and the subsequent average increase in French steel prices was only nine per cent, the result has been a sharp fall in French steel prices in terms of the currencies of the other Community countries. This provoked protests from German steel producers, who claimed that French steel, already as cheap as any other steel in the Community, was now undercutting German steel in the Ruhr itself.

The High Authority proceeded under Article 67 of the ECSC Treaty, which allows it to take steps if any action by a member state "is liable to provoke a serious disequilibrium by substantially widening differences in costs

of production otherwise than through variations in productivity." In its recommendation to the French Government, the High Authority said that, for basic Bessemer steel, differences in production costs have in fact been substantially widened by the French Government's measures.

French Government Believed Ready to Comply

It is understood that, as a result of talks with the High Authority, the French Government is ready to introduce a temporary export tax of four per cent on French basic Bessemer steel shipped to other Community countries. This tax would be abolished as soon as a more normal price pattern could be established.

The High Authority has made it clear that its action implies no criticism of the French financial measures which it welcomes as a major contribution to the economic reorganization of Europe. Nor is it against price reductions, provided they reflect genuine changes in the operation of the industry. In this case, however, the sudden drop in prices, totally unrelated to productivity, had the effect of a sudden shock in the market.

HIRSCH ADDRESSES FIRST MEETING OF SUPPLY AGENCY'S CONSULTATIVE COMMITTEE Ippolito Elected Chairman

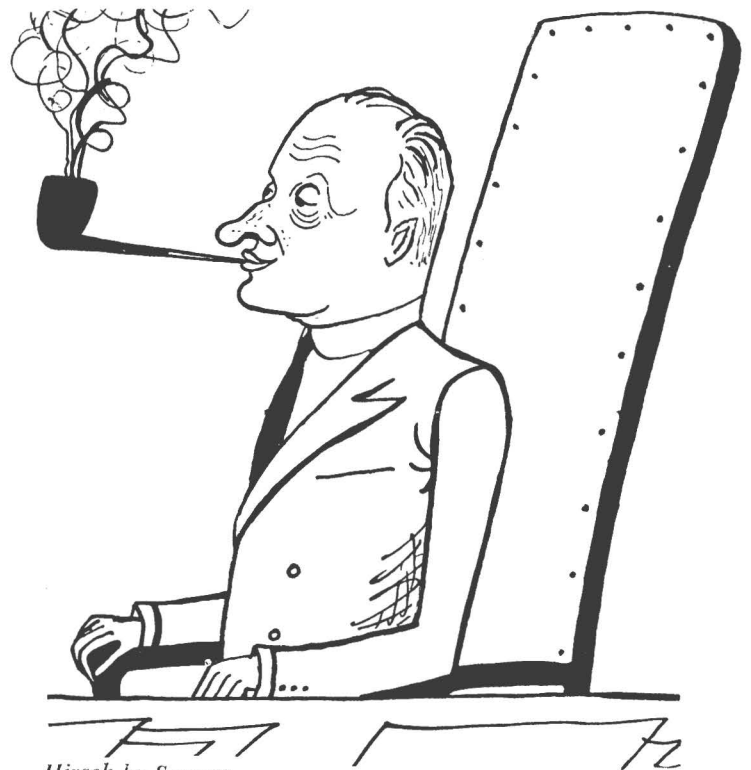
The 24-member Consultative Committee of the Euratom Supply Agency held its first meeting on February 23. The committee, which will advise the Supply Agency in its application of a joint supply policy for nuclear fuels in the Community, will also act as a liaison body between the agency and outside organizations.

Felice Ippolito, secretary-general of the Italian national center for nuclear research, was elected first chairman of the committee. The Messrs. Franz Beckenbaur (German) and Henri Gelissen (Dutch) were elected vice chairmen.

Euratom President Etienne Hirsch told the committee that the principle of equal access to resources was the keystone of the Euratom Treaty's provisions on supply. "The application of a common trade policy is in line with the aims of the Community. Moreover, nuclear materials and more particularly special fissile materials are products whose use must be supervised . . .

"The Commission will limit the Supply Agency's activity to that which is strictly necessary in order to carry out its tasks under the treaty. In the commercial field and as long as there is no fundamental change in the situation, the activity of the agency will be limited to that of an honest broker . . .

"A policy of holding stocks—whether commercial stocks or a security reserve—does not seem to be advisable for the agency at the moment," the President concluded.



Hirsch by Sennep

EURATOM COMMISSIONERS ON TOUR...

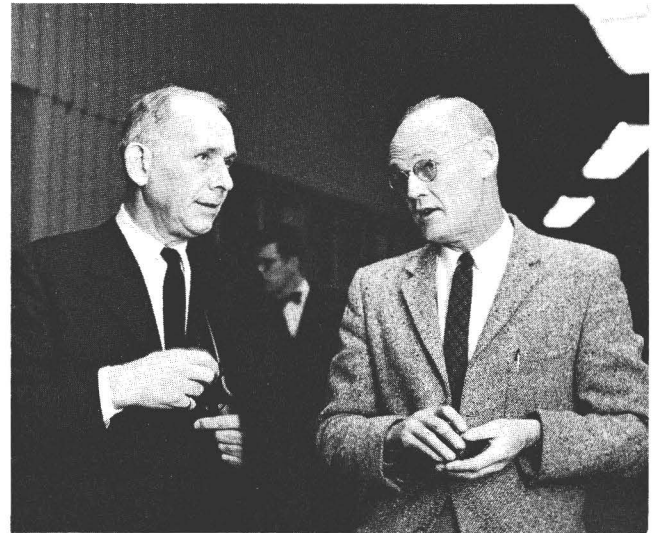
Vice-President Enrico Medi and Commissioner Paul de Groot, two of the five members of the European Atomic Energy Commission, flew the polar route to California in February to start a two-and-a-half-week tour of U.S. nuclear installations and research laboratories. They inspected 10 establishments across the country. The visit culminated in a round of discussions in Washington with officials of the Department of State, the Atomic Energy Commission, and the Export-Import Bank.

Starting February 10, the two Commissioners spent a day at the University of California's Lawrence Radiation

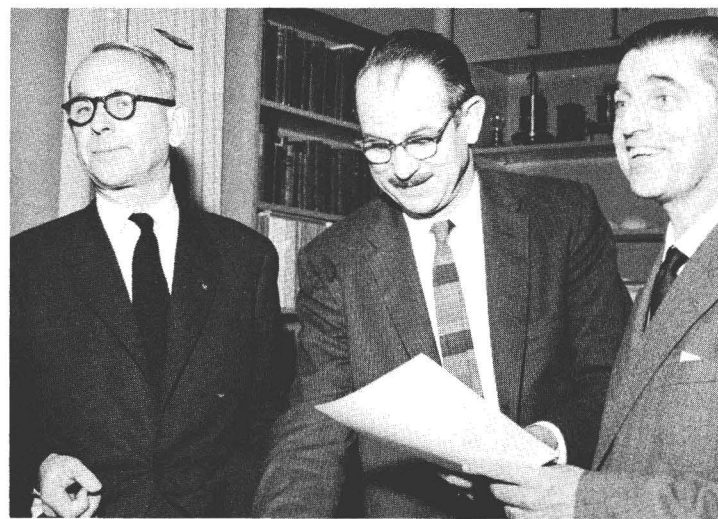
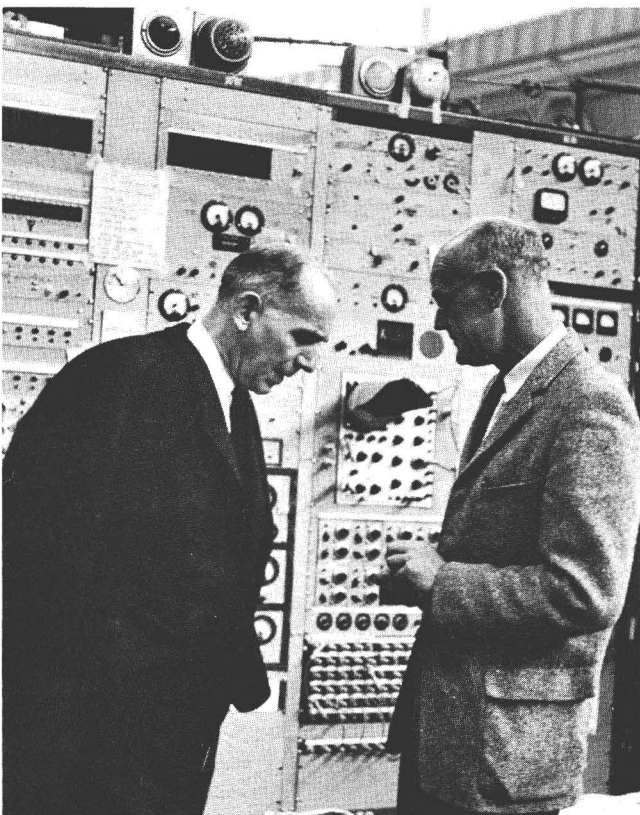
Laboratories in Berkeley where the photographs on these pages, with the exception of the State Department picture, were taken. Other installations visited included: the University of California's Radiation Laboratory in Livermore, the San Francisco AEC Operations Office in Oakland, General Electric's installations in San Jose and Vallecito, Calif., and its Dresden Nuclear Power Station in Morris, Ill., the AEC's National Reactor Testing Station in Idaho Falls, and Argonne National Laboratory in Lemont, Ill., Atomic Power Development Associates in Detroit, and the Shippingport Pressurized Water Reactor, Shippingport, Penn.



Vice-President Medi emphasizes his point with gestures in conversations he and Commissioner de Groot (right) held with Secretary of State Christian A. Herter. U. S. cooperation plays a major part in Euratom's nuclear program.



Paul de Groot (left), Euratom Commissioner who is a Belgian engineer, discusses technical problems with Dr. Robert Thornton, Associate Director of the Radiation Laboratory of the University of California, first stop on U. S. tour.



The visit of the Euratom executives, pictured above with Edwin M. McMillan, Director of the Radiation Laboratory, was the first since the U.S.-Euratom Agreement for Cooperation was signed. LEFT, Commissioner de Groot and Dr. Thornton inspect some specialized equipment in the University of California's Berkeley establishment.

EURATOM SECOND GENERAL REPORT

The Euratom Commission, Executive of the European Atomic Energy Community, published its second general report in March. This document, which covers the period from September, 1958, to March, 1959, reviews the accomplishments of the Community and discusses programs planned for the future.

Among the problems which are engaging the attention of the Commission at the present time is that of recruiting qualified technical personnel. The report points out that this recruitment must be pushed through with the least possible delay and that "the establishment of a unified personnel program is a problem of first importance." It was decided that at least once a month there should be meetings of:

1. The Presidents of the Executives.
2. A committee of inter-executive cooperation.
3. Working groups in the following fields:
 - a. External relations
 - b. Political, economic, and financial
 - c. Social affairs
 - d. Transport
 - e. Press and information
 - f. Legal

The report discusses the cooperation agreement proposed between Euratom and Canada which would be principally concerned with projects using enriched uranium and heavy water. It also mentions that the proposal for an agreement with the Brazilian Government has been favorably received by the Commission.

In reviewing accomplishments for the six-month period, the report emphasizes the value of the U.S.-Euratom Agreement for Cooperation which was signed on November 8, and the United Kingdom agreement, signed on February 4. In addition, Euratom will participate in the 12-nation Dragon Project, for which the Community will contribute nearly one third of the total cost of \$38.1 million.

Other subjects covered in the report include research and training, plans for setting up a common research center, the dissemination of information, supply, security measures, and health regulations.



Summit of huge cyclotron in Berkeley, Calif., forms a high platform for some high-level talks between Euratom officials de Groote and Medi and their host, Laboratory Director McMillan, center foreground. U. of Calif. visit was start of some 10 such inspections by Euratom Commissioners.

EURATOM, SIX OTHER NATIONS IN MAJOR PACT

Euratom took another major step forward in international cooperation when the Community joined six other European nations in a project to build a new type of nuclear power plant. Known as the Dragon Project, the plant will be built in England at a total cost of \$38.1 million. Construction will begin early next year, and the plant is expected to be in full operation in 1962.

At the signing of the agreement in Paris on March 23, President Etienne Hirsch represented the six nations of Euratom acting as a single unit. Other countries participating in the joint program besides Great Britain are Austria, Denmark, Norway, Sweden, and Switzerland.

Dragon is hoped to produce electricity at a cost as low as that of thermal and hydroelectric plants. It will be gas-

cooled and will operate at temperatures of 2,000 degrees Fahrenheit or more, considerably higher than the temperatures of the Calder Hall reactors. The new plant will be built at Winfrith Heath.

Euratom and Great Britain will share the major cost of the operation. Of the total estimated \$38.1 million, \$10.1 million will be paid by the British Atomic Energy Authority which will retain ownership of the installations at the conclusion of the agreement. Of the remaining \$28 million, Euratom and Great Britain will each contribute \$12.15 million, with the other five governments making up the balance of \$3.7 million. The Dragon Program was worked out under the aegis of the European Nuclear Energy Agency of the OEEC.

EEC COMMISSION OUTLINES STEPS FOR WORLD COOPERATION

Common Market Issues Special Report on Third-Country Associations

A special report entitled "First Memorandum from the Commission of the European Economic Community to the Council of Ministers of the Community, Pursuant to the Decision of December 3, 1958, Concerning the Problems Raised by the Establishment of a European Economic Association" was presented to the Council of Ministers, meeting in Brussels, on March 16. The report does not provide a complete blueprint for the establishment of an EEA, but it considers possible new avenues which future discussions might explore with some guarantee of success.

The memorandum followed two months of study with representatives of the six member governments on the part of a special committee of the Common Market, led by EEC Commissioner Jean Rey of Belgium (Ref. Bull. No. 34, page 4).

Following the breakdown of negotiations in Paris last year for the creation of a Free Trade Area, the EEC Commission was charged by the Council of Ministers to re-examine the problems of multilateral association between the Common Market and other nations (Ref. Bull. No. 34, "Tariff Cuts Extended," page 2). The memorandum is the first result of this order and will be followed by further studies. A special committee, including representatives of member governments and presided over by the Commission, has been established to continue the work, and a further review of proposals was scheduled to be undertaken by the Council in April.

Following is a summary of the memorandum:

At the start, the memorandum gives a brief analysis of the 13-month-long negotiations within the framework of the Organization for European Economic Cooperation (OEEC) which were suspended on November 15, 1958. It explores some of the deep-rooted reasons for the present impasse.

Problem of Association Extends Beyond Europe

After a broad statement of the points of view of the six nations of the Community and of the other 11 nations of the OEEC, the memorandum examines the economic aspects of the general problems of association. It points out that considerable diversity of economic interest exists among those other 11 OEEC countries in their relations with the Common Market, and it stresses that in any discussions about a European Economic Association, not only must the problems of non-member European countries be considered but many world-wide factors are also of direct concern to the Community.

The memorandum declares that it would be desirable to enlarge the framework of negotiations to take into account relations with the world as a whole. Meanwhile, it recommends that consideration be given immediately toward practical cooperative solutions which would not raise prior difficulties of principle.

Balanced Economic Relations with the Free World

The Community's particular relations with European countries must first be considered in the framework of general policy of a world-wide nature, the report states. A policy on the part of the Community which is liberal in the broadest sense of the term will enable a certain number of problems to be solved. The memorandum specifies that this should be the Community's action on tariffs and quotas, as well as on questions of agriculture.

But it is also important that the policy of the Community makes clear the Commission's positive will to establish a proper balance in economic relations within the Free World. Certain problems, such as those of relations with less developed countries, demand concerted action on the part of the great industrial regions which have a comparable responsibility, especially the United States, Great Britain, and the Community.

In these fields the memorandum indicates the broad lines of closer cooperation for these common goals. While the world-wide aspects of its responsibilities are borne in mind, the Commission cannot neglect the particular need for European solidarity. The general policy it intends to pursue will involve more precise and immediate obligations on a European scale, and also a reinforcement of European unity with regard to the various problems which Europe has to face.

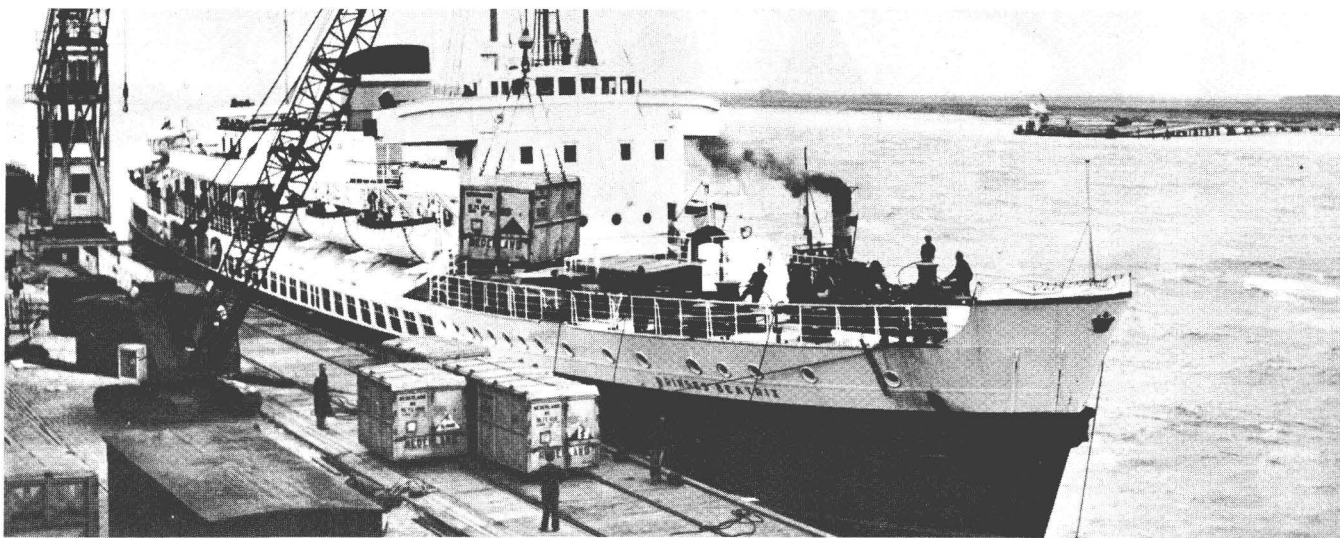
Annual 20-Per-Cent Quota Increase Proposed

The report maintains that it is necessary to establish a multilateral European Economic Association, but it is difficult at present to predict the definitive and complete form which this will take. What is important is to set up for the immediate years to come a *modus vivendi* which will take account of all existing fears and enable them to be met in a satisfactory way while at the same time firmly engaging the external policy of the Community in a liberal direction both on tariffs and on quotas.

It proposes that a mechanism be adopted to give further stimulus to the elimination of trade barriers among all 17 OEEC member countries by an annual 20-per-cent increase of existing quotas. Consultations should be undertaken to define a common attitude in the tariff negotiations to be pursued within the framework of the General Agreement on Tariffs and Trade (GATT) and more vigorous efforts made by the 17 European countries from now on to deal with those products which are chiefly concerned in intra-European trade.

In brief, the basic ideas of this new approach are the following:

—It is impossible to treat entirely separately the world-wide and the European aspects of the Community's external relations. Nevertheless, in its relations with



World-wide as well as intra-Community trade is the subject of a special study group of the six nations

European countries it must seek to strengthen ties with those countries.

- The Community must pursue within the framework of existing organizations—the OEEC on the European scale and the GATT on the world scale—the liberal policy that it intends to follow.
- On the European side, more precise commitments can be undertaken in the field of quotas where cooperation between the 17 member countries of OEEC has already produced outstanding results.
- In the field of tariffs, it is primarily desirable to seek

to develop to the full the possibilities for tariff reductions offered by the Dillon proposals. A further complementary effort on a European basis is also possible.

- These practical short-term measures should provide time for longer-term solutions to be worked out through the establishment of a European Economic Association between the Common Market and its OEEC partners.
- At the same time, the common responsibilities of the United States, Great Britain, and the Community should persuade them to strengthen cooperation on a world-wide scale.

RISE IN TRADE FORECAST IN COMMON MARKET

Economic Community's Second General Report Has Optimistic Tone

A 15-per-cent increase in French trade within the Community, and a three-to-five-per-cent increase in the intra-Community trade for Benelux, the German Republic, and Italy are expected to result from the first tariff cuts and quota enlargements in the Common Market countries made on January 1, according to the second general report of the Economic Community, published in April. The major part of the first draft of the Community's common external tariff has already been prepared.

The report records substantial progress in many fields, including investment aid, dismantling of national trade barriers, agricultural policy, labor policy, and aid for overseas countries and territories. The report is expected to be debated by the 142-man European Parliament this June.

Administration Nearly Completed

The Commission, the Community's executive body, has almost completed the setting up of its own administration. At the end of February, the staff totalled 1,108. The Commission considers that a single personnel statute should be adopted as quickly as possible for the staff of all the Community's institutions, and it has submitted to the Council, together with the Euratom Commission, a first draft of proposals for a Community tax on salaries.

Collaboration between the three Executives, says the

report, has been intensified, and since October, 1958, joint meetings on all levels have been held at monthly intervals. The Joint Legal Service and Joint Statistical Service, which have been working for some time, have been enlarged, and a Joint Press and Information Service is being set up.

Working with Outside Countries

The report describes the Paris negotiations for a Free Trade Area, suspended on November 15, 1958, and the decision of the Community's Council of Ministers on December 3, 1958, to adopt provisional measures. It recalls that the first memorandum on the possibilities of a European Economic Association, which the Council then asked the Commission to prepare, was submitted to the Council last February 27 and published on March 17.

The Commission participated as an observer in the 13th Session of the Contracting Parties of GATT (General Agreement on Tariffs and Trade) held at Geneva from October 14 to November 22, 1958. Talks have been held on the subjects of tea, coffee, cocoa, sugar, tobacco, and bananas. The Commission has been taking account of the concern expressed by various Community partners. The Commission is also taking part in the work of the three GATT committees which are examining the possibilities of a new series of tariff negotiations, as well as the problems of agricultural protection and the expansion

of international trade, particularly with regard to less developed countries. These three committees will report to the 14th Session of the Contracting Parties this May.

The Commission is at present engaged in preparatory work on the coordination of trade policy, particularly with regard to special areas and countries which are commercially linked with the Community. Emphasis will be placed on the problems of raw-material producers.

It maintains regular contacts with the Council of Europe and with United Nations organizations, particularly with the International Labor Organization, the Food and Agriculture Organization, the Economic Commission for Europe, and the Economic Commission for Latin America. It has followed with interest the work of the Economic Commission for Africa, whose first conference was held at Addis Ababa from December 29, 1958, to January 10, 1959.

Planning the Free Movement of Capital

Since last January, the Commission has published monthly notes on the Community's economic situation, and three monthly analyses in more detail. It is anxious to increase and improve the comparability of national statistics and believes that it is essential that national budgets should be presented in comparable terms. It has already taken up this task in collaboration with national experts.

Referring to the economic and financial measures taken by France at the end of 1958, the report declares that while these will no doubt temporarily restrain consumption, they will nevertheless stimulate the economy by increased public investments. They furthermore represent an indispensable condition for greater expansion, without compromising price stability and the balance of payments, the report declares.

The Commission is studying the means of progressively abolishing restrictions on capital movements during the transition period to keep pace with the freeing of goods and services.

The Commission is closely watching the energy situation within the Community and in particular the coal crisis, notably in the Borinage area of Belgium. It reaffirms its determination to cooperate with all the means in its power to aid recovery and revival of the regions affected. In the same way it is studying the regional policy pursued by member governments with the aim of establishing a common Community policy in this respect.

The Council of Governors of the European Investment Bank on December 4, 1958, published the first general directives of its credit policies. On March 18, 1959, the bank's administrative council decided on aid totalling \$24 million to four investment projects within the Community.

Toward the Full Common Market

The first tariff cuts and quota enlargements on the full Common Market were made on January 1, 1959. The Commission estimates that these measures will result in an increase of intra-Community trade of some 15 per cent for France and between three to five per cent for other parts of the Community. The report points out that certain countries have established new internal taxes to

counter the loss of customs revenues involved in the tariff cuts. Although these are non-discriminatory and not therefore protective in effect, the Commission draws attention to their possible effect on public opinion and to the danger that they may deprive the consumer of some of the benefits he has a right to expect from the reduction of customs duties.

The Commission declares its intention of keeping a close watch on these and similar moves. Among the products affected by the internal taxes substituted for fiscal customs duties are the following:

BENELUX—Tea, mate, wines and other fermented drinks, and certain spices.

ITALY —Coffee, tea, maté, finished tobacco, matches, ferrocerium, cigarette paper, and certain spices.

GERMANY—Coffee, tea, cocoa, alcohol, raw and finished tobacco, matches, mineral oil and their derivatives, and certain spices.

FRANCE —None.

The major part of the first draft of the Community's common external tariff, which is scheduled to take effect January 1, 1962, is now prepared, and preparations are being made for the negotiation of the tariff on products in List G, where tariffs are to be set by arrangement between the member states and not necessarily by arithmetical average.

Common Market for Agriculture

First steps toward the full Common Market have also been taken in the field of agriculture despite the greater difficulty here of the quota problem. A first long-term contract has already been concluded for greater imports of French cereals into Germany.

The Community's agricultural production, the report says, is increasing more rapidly than the consumption of food products. The production of eggs, potatoes, sugar, vegetables, meat, cheese, and butter already covers the total consumption. Wheat production covers 87.3 per cent and fruit production 90 per cent of present needs. Only in oils and fats (excluding butter) does Community production meet only 50 per cent of requirements. This situation, the report says, is in danger of putting pressure on agricultural prices, but the possibility of supporting them by regulating imports is somewhat limited.

Insuring Free and Fair Competition

The Commission is at present compiling an inventory of state aids and other potential barriers to free and fair competition. It is the opinion of the Commission that articles 85 and 86 of the treaty regarding competition already have legal force. This opinion is shared by the member states, who have now to settle rules of procedure and sanctions for their application. Legislation to this effect already exists in France, Germany, and the Netherlands, but is still lacking in Belgium, Italy, and Luxembourg. The Commission has asked these countries to establish the necessary measures.

The Commission has also begun to examine various concrete cases where the harmonization of legislation may

be necessary, and certain requests regarding the practice of dumping.

Guaranteeing the Rights of Labor

The immediate action of the Commission in setting up a common policy for labor has been concentrated on three main tasks:

1. The adoption, as an immediately effective regulation, of the European social-security convention signed in Rome on December 7, 1957, insuring that migrant workers do not lose their social-security rights by crossing the Community's internal frontiers.
2. The preparation of the draft regulations of the social fund for re-employment and resettlement of Community workers.
3. The preparation of draft proposals for the free circulation of labor and a European labor-exchange system.

The Commission is also studying paid holidays, hours of work, overtime, and conditions of work throughout the Community, as well as collective bargaining, industrial diseases, and problems relating to pay scales.

Transport Regulations Due This Year

The Commission has already communicated to the Consultative Transport Committee, set up at the beginning of 1959, a preliminary study of the problem of discrimination in the transport field. Regulations for suppression of discrimination by the end of the second four-year stage of the transition period are to be published before the end of 1959.

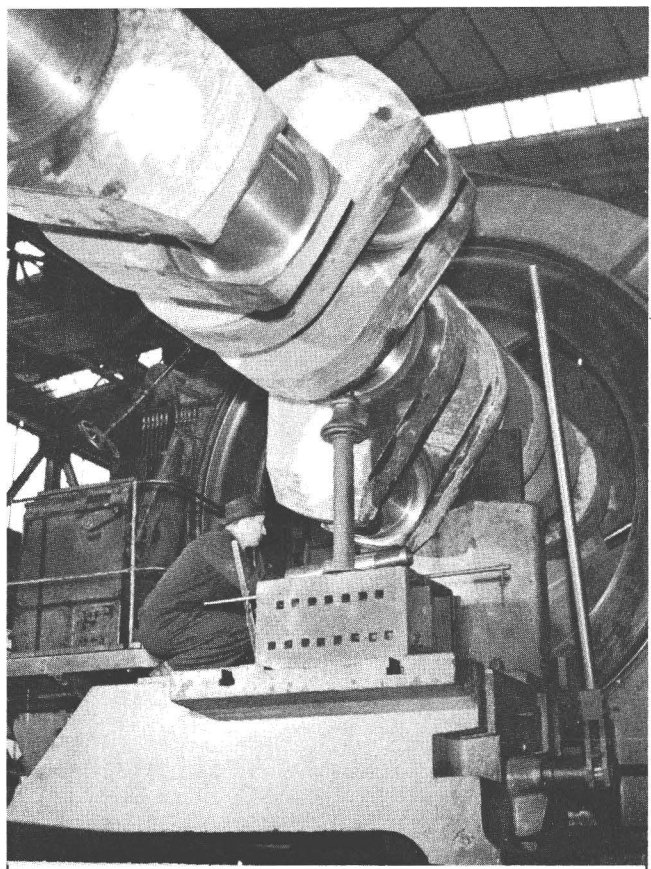
The Commission is also collecting detailed data on transport regulations in the six countries as well as on plans for transport modernization with a view to working out a common policy to be applied in the Community as a whole. It is further studying the problem of air transport and transport by pipeline.

Overseas Countries and Territories

The increase of trade with overseas countries and territories resulting from the first tariff cuts and quota enlargements within the Common Market is likely to be limited for the present, particularly by the state of the world market, the report says. The Commission has decided to make an active study of the market for raw materials with a view to helping solve the problem of price and market stabilization.

Ninety-one investment projects had been submitted to the Commission by January 31 as applications for financing by the development fund. The Commission has approved aid to four social projects in the Belgian Congo and a fifth in Ruanda-Urundi, for a total of \$2,534,000. It has decided to submit three economic investment projects, all in Ruanda-Urundi, for the approval of the Council of Ministers.

Two-way visits between the Community and the overseas countries and territories have already begun (see *Newsbriefs*), and the Commission has undertaken various fundamental studies to aid it in its task of assisting development projects and abolishing discrimination, particularly in the right of establishment.



ECSC STILL WORLD'S SECOND STEEL PRODUCER But Communist Countries Move Up

While in absolute terms the ECSC's steel output declined slightly in 1958, its percentage of total world output rose from 20.4 to 21.2. The Community remained the world's second largest producer of steel after the United States.

Another notable feature of world trends in steel production has been the continued expansion, even in absolute terms, of output in the Soviet Union, the countries of Eastern Europe, and Communist China. Together in 1958 they accounted for 30.5 per cent of total world output, compared with 24.7 per cent in 1957.

The Soviet Union gained sharply in expanding its output from 51 to 54.9 million metric tons, while production fell off in the U.S., the Community, the United Kingdom, and Japan.

World Steel Production	(millions of metric tons)		(per cent of world production)	
	1957	1958	1957	1958
U.S.A.....	102.3	76.9	34.9	28.1
Community.....	59.8	58.0	20.4	21.2
U.S.S.R.....	51.0	54.9	17.4	20.1
U.K.....	22.1	19.9	7.5	7.3
Eastern Europe.....	16.2	17.4	5.5	6.4
Japan.....	12.6	12.1	4.3	4.4
China.....	5.3	11.0	1.8	4.0
Other areas.....	24.0	23.3	8.2	8.5
World Totals.....	293.3	273.5	100.0	100.0

FIRST LOANS ISSUED BY EUROPEAN INVESTMENT BANK

The European Investment Bank on March 18 announced its first loans. Four projects, which have already been approved by the European Economic Commission, will benefit from a total of \$24 million. Of this sum, \$20 million will be spent on three projects aimed at speeding up the industrialization of Southern Italy, the Community's major underdeveloped region. Details of the four projects are as follows:

1. An electric power station comprising two 70,000 kw groups, to be built in Southern Italy by the Società Meridionale di Elettricità. It will use lignite from the Mercure coal field in the Calabro-Lucana region. This is a particularly backward area, and construction of the power station will aid industrial and general economic development. Amount of loan: \$9 million.
2. Construction at Priolo, Sicily, for the Sincat Company, of a petrochemical factory to produce ethylene. Amount of loan: \$7 million.
3. Construction, also at Priolo, of a plastics factory which

will use the ethylene produced by Sincat. The factory will manufacture polyethylene products, and will be run by the Celene Company, with equal holdings by Edison and Union Carbide. Amount of loan: \$4 million.

4. Construction of the Our dam and a hydroelectric power station—total cost \$40 million—in the Vianden-Bivels area on the German-Luxembourg frontier. The work is being carried out by the Our Electricity Company. The capacity of the power station will be 320,000 kw, with the possibility of doubling this level later on. The electricity produced will be used by Luxembourg, Germany, Belgium, and France. Amount of loan: \$4 million.

The European Investment Bank, which has a capital of one billion dollars, was formed to foster the smooth and balanced growth of the Common Market by aiding the financing of development in underdeveloped regions of the Community, of projects of interest to several of the Community's member states, and of projects which cannot be completely financed by other means.

U. S. INVESTMENTS BURGEONING IN THE COMMUNITY

"In all, recent developments indicate investment in the Common Market is accelerating and that U.S. companies account for a considerable share of this new investment," according to an article by Walter Buchdahl, of the Bureau of Foreign Commerce, which was published in the April 6 issue of *FOREIGN COMMERCE WEEKLY*.

After reviewing what he terms "the rapid development of the operating machinery of the European Economic Community," Mr. Buchdahl cites many cases of American firms moving into or expanding their operations in the six-nation market place: Underwood in Italy, Smith-Corona in Germany, du Pont in the Netherlands and Belgium, Chrysler in France, General Motors in Belgium, Container Corporation in Germany, and Westinghouse International in France.

As an indication of this swelling interest in Community expansion on the part of U.S. industry, the writer notes that the average number of U.S. firms establishing new

branches in the Netherlands was seven in a year during the three-year period from 1955 through 1957. But last year, 23 new U.S. firms set up operations in the Netherlands for the first time.

Many European private industries, Mr. Buchdahl says, are expanding at "an almost feverish pace of activity. . . . They are aware of the fact that the European economy is 'Americanizing' itself, that the European consumer, like the American, now tends to consider an improvement in his standard of living, year after year, an essential aspect of his living pattern, and that he measures this new improvement by his ability to buy new types of goods."

The April 6 issue containing Mr. Buchdahl's article, which is titled "European Common Market: A Progress Report," may be obtained at 15 cents per copy from any Department of Commerce field office or from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

JOURNAL OFFICIEL

The texts listed below are just a few of those which appeared in the *Official Gazette* during the first quarter of 1959:

COAL AND STEEL COMMUNITY

Quarterly report on coal and steel production and requirements

EURATOM

Text of U.S.-Euratom Agreement

Text of U.K.-Euratom Agreement

Texts of agreements establishing a common customs tariff for products in Lists A-1 and A-2 of Annex IV to the Euratom Treaty

EUROPEAN ECONOMIC COMMUNITY

Quarterly analysis of economic trends

Quarterly report on economic prospects

Rules for operation of the Development Fund for Overseas Countries and Territories

EUROPEAN PARLIAMENT

Minutes of the December, 1958, and January, 1959, meetings of the Parliament

COURT OF JUSTICE

Rules of procedure of the Court

The *Official Gazette* may be ordered directly from the Service des Publications des Communautés Européennes, 2 Place de Metz, Luxembourg. It is available in Dutch, French, German, and Italian at an annual subscription rate of \$5.00.

Court of Justice Ready to Hear Common Market and Euratom Appeals

The procedural regulations of the new Court of Justice serving all three European Communities were published in the *Journal Officiel* of March 21. This means that it is now ready to receive appeals on matters relating to the Common Market and Euratom, as well as the Coal and Steel Community. Under the Common Market Treaty, appeals could not be lodged until the regulations had been published.

Coal and Steel Production Falls

Output of crude steel (ingots and castings) in the European Coal and Steel Community declined in February to 4,495,000 metric tons, compared with 4,801,000 in January and 4,812,000 in February, 1958. Production was below the level of a year earlier in all of the Community countries except the Netherlands and the Saar.

Output of pig iron and ferro-alloys in February totalled 3,339,000 metric tons, against 3,591,000 in January and 3,541,000 in February, 1958.

Coal output in the Community in February fell to its lowest level for any month since July last year, reaching 19,088,000 metric tons, compared with 21,279,000 in January and 20,124,000 in February, 1958.

Morocco, Tunisia and the Common Market

The Common Market is playing an important part in the considerations of future economic policy in the two young North African states, Tunisia and Morocco. Officials of both countries have recently made sanguine observations on cooperation with the Common Market in the future.

"We are ready to establish contact with the Common Market, in which France has become integrated, in order to cooperate with these countries on the basis of reciprocity of interests," said Tunisian Chief of State Habib Bourguiba.

"If the European Community gives us the means of industrializing our country, so as to raise our living standards, if it is willing to build factories and blast furnaces and not just import our raw phosphates and our ores, we shall be with it and for it, and we shall be linked to it by ties of real solidarity, with no strings attached.

"We must cooperate with countries which are technically and industrially more advanced. We want this cooperation, and we regard it as indispensable. But we want it to be balanced and without strings," he emphasized.

M. Bouabid, vice-president of the Moroccan Council, said in Rabat: "I cannot say that Morocco will join the Common Market, but, as long as we watch the interests of our young industries, we can conclude agreements on cer-

tain products with Common Market countries. Representatives of industry, agriculture, the trade unions and consumers will be associated with the study of our relations with the Common Market."

African Representatives Visit Community

Fifteen representatives of the African countries and territories associated with the Common Market took part in a three-week study tour of Community countries from March 2 to 24. Their visit emphasized agricultural aspects of the Community but also included stops at various industrial plants.

The tour, which began and ended with official functions in Brussels, gave the 15 representatives an opportunity for discussions with several high officials of the European Economic Commission, particularly Vice President Robert Marjolin and Commissioners Robert Lemaigen, Giuseppe Petrilli, and Hans von der Groeben.

Groups Working on the Common External Tariff

Following a recommendation by the European Economic Commission, the six Community governments have set up three working groups to study the levels at which import duties should be fixed for products in List G (products whose tariff will not be calculated as the arithmetical average of the four customs areas of the Community but fixed by negotiation). The three groups will report regularly to a central group which will draw up definite proposals.

Although the negotiations are the responsibility of the governments, the chairman of the central group will be provided by the European Economic Commission. The working groups were expected to start their meetings after April 1. They will deal with:

1. Agricultural products and derivatives, timber, cork, and textiles.
2. Petroleum products and chemicals.
3. All other products, notably metal goods and engineering products.

Under the terms of the Common Market Treaty, the negotiations on List G should start before the end of 1959 and be concluded before the end of the first stage of the transition period which is scheduled to take place between 1961 and 1963.

Parliamentarians Question Dutch Tax Increase

The Executive for the Common Market, the European Economic Commission, plans to ask the Dutch Government to justify recent increases in its turnover tax on a wide range of 125 imported products.

Replying to written questions from Pierre de Smet (Belgian Socialist) and Josef Illerhaus (German Christian Democrat), both members of the European Parliament, it stated that the recent modifications to the tax were not contrary to the treaty in principle. But in fixing these tax rates, the member countries must respect the treaty's clause specifying that such taxes must not be higher than those levied, directly or indirectly, on similar domestic goods. The information the Commission has requested from the Dutch Government will enable it to judge whether the

new tax levels meet this obligation.

In his question, Herr Illerhaus said the increases at the beginning of this year went as high as six-and-one-half per cent. For some goods they could practically wipe out the effect of the first tariff cut of 10 per cent which went into effect January 1.

Another \$8 Million for Unemployment Aid

The High Authority proposes to grant up to \$8 million to aid miners in the Community in the current coal crisis. This sum will be in addition to the \$2 million already granted and approved by the Council of Ministers for aid to miners in Belgium.

The aid will be payable from the third day of unemployment inclusive for a maximum of nine days, consecutive or otherwise, in any one month. It will amount to just over 20 per cent of the daily wage and will supplement existing national unemployment payments.

The High Authority plans to seek the approval of the Council of Ministers for the new proposal when the latter meets on May 4 and 5.

Readaptation for More Italian Workers

The High Authority has allotted 900 million lire (approximately \$1.45 million) for the readaptation of 2,000 more Italian steelworkers who lost their jobs as a consequence of the establishment of the common market for coal and steel. The Italian Government will contribute a like sum to the projects, which cover 14 steelworks. The Council of Ministers gave its approval to the program on March 23.

Publications Available

The following publications are now available from the European Community Information Service:

COAL AND STEEL

SUMMARY OF SEVENTH GENERAL REPORT ON THE ACTIVITIES OF THE COMMUNITY, February 9, 1959 .. free
 LA FORMATION DES AGENTS DE MAÎTRISE DANS LA SIDÉRURGIE DES PAYS DE LA COMMUNAUTÉ, December 1958\$.50

BIBLIOGRAPHIES DE LA HAUTE AUTORITÉ:

16: Problèmes de la récession(1953-1958) .. free
 # 17: Energie nucléaire (1955-1958),
 Supplement 2..... free

COMMON MARKET

L'ÉVOLUTION RÉCENTE DE LA SITUATION ÉCONOMIQUE, September 15, 1958.....\$.70

DOCUMENT DE TRAVAIL SUR LA SITUATION DE L'AGRICULTURE DANS LA COMMUNAUTÉ, September 15, 1958\$.90

EURATOM

FIRST GENERAL REPORT ON THE ACTIVITIES OF THE COMMUNITY (January 1958-September 1958) ..\$.80

EUROPEAN PARLIAMENT

BIBLIOGRAPHIE: EURATOM, VOL. II (March 25, 1957-January 1, 1958)\$.40

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