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EEC COUNCIL EXPANDS KENNEDY ROUND MANDATE

Ministers Debate Financing Community Farm Policy

THE EEC COUNCIL OF MINISTERS authorized the Commission in Brussels on April 5 to place the Community's chemicals and aluminum offers on the Kennedy Round bargaining table in Geneva.

The Council meeting was the fifth in a series of pre-Easter discussions by the ministers of the Community member governments on agriculture and the Kennedy Round.

Debates on the financial regulation for the common agricultural policy produced a number of working hypotheses acceptable to the Six and the prospect of a final decision in May. EEC Commission Vice President Sicco Mansholt pointed out that real progress had been made in the two-day meeting and that "the atmosphere was very good."

The foreign ministers, meeting as the conference of representatives of governments of member states, established guidelines for rotating officers in the future single Commission. The single executive branch will replace the EEC and Euratom Commissions and the High Authority of the Coal and Steel Community later this year.

Industrial Trade Offers Decided

In discussing the Kennedy Round, the ministers adopted offers of partial reductions (less than 50 per cent) for three categories of chemical products and authorized the Commission to submit these offers to GATT by April 15, the deadline agreed to by the trade negotiation participants. Commission negotiators were also given a mandate for aluminum talks.

Offers in the chemical sector will enable the full discussion in Geneva of the "American Selling Price" system applied to certain United States' chemical imports. The Council stressed that a satisfactory solution must be found to the problems resulting from the ASP system.

Progress was made in preparing the Community's offers for pulp and paper and on completing the EEC's world grain agreement proposal. The Commission will now draw up its proposed negotiating position for pulp and paper in light of the objectives approved by the Council. The Permanent Representatives must discuss the political options arising from the dual need to reform the world grain market and to meet the food requirements of the developing countries.

The Commission was also asked to submit concrete proposals on renegotiating trade concessions on Emmenthal and Cheddar cheese and allied products.

Farm Financing Talks Proceed

Farm financing talks focussed on three problems: Community responsibility for the olive oil and fruit and vegetables sectors; using gross farm exports rather than net exports for calculating export rebates; and the expenditure system for the European Agricultural Guidance and Guarantee Fund.

The Council agreed that the European agricultural fund would pay Italy \$45 million for the year 1965/66 for improving production and marketing of olive oil and fruits and vegetables. This decision permits the continued balanced development of the farm policy in the absence of final regulations for these commodities.

The ministers also decided to use gross exports rather than net exports as the basis of calculating export rebates. Progress was made in developing a key for national contributions to meet the agricultural funds needs resulting from this agreement. The farm funds expenditure system was briefly debated.

A decision on the second alignment of national tariffs on the common external tariff was also adopted. Tariffs for manufactured goods subject to special Kennedy Round treatment (such as total exceptions from negotiations) will be aligned on July 1, 1966. The present system, based on alignment on the common external tariff less 20 per cent (see story page 11), will be continued for other industrial items.

Single Commission Discussed

The conference of governments agreed that a national from each of the four major areas of the Community (Benelux,

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France, Italy and Germany) should serve in the four leading positions on the single Commission. The officers will consist of a president and three vice presidents. However, two officers of Benelux nationality would be permitted under special circumstances.

(The single Commission will be temporarily composed of 14 members for the period between the fusion of the Community executive branches and the later merger of the three Communities' treaties. However, if this period exceeds three years, a nine-member commission will be designated at the beginning of 1969 which will include two members each from Germany, France and Italy and one member from Belgium, Netherlands and Luxembourg.)

The four officers would serve for two years, as prescribed by the merger treaty, and could be reelected for one term. Successors to the president would be selected from among the vice presidents. The president could then become a vice president.

Luxembourg Prime Minister Pierre Werner pointed out that the solution meets the needs for continuity and for rotation among officers. The members of the single Commission are expected to be nominated soon by the conference. EEC Commission President Walter Hallstein has been renomi-

nated by the German government and the Netherlands government has nominated Vice President Sicco Mansholt.

Council discussion of farm financing and the Kennedy Round resumed following the solution of the Community crisis on February 28-March 1 and March 21 and 22. Agriculture ministers of the Six set seasonal price brackets for beef, veal and dairy products at the Council meetings on March 7-8 and 28-29. Threshold prices for milk were adopted at the latter meeting.

New Council Series Scheduled

A new series of Council meetings will begin after Easter. The foreign ministers are scheduled to continue discussing farm policy financing on May 4-5. They will meet again on May 9-10 if agreement on the general regulation is not reached at the previous meeting.

The agriculture ministers are scheduled to discuss common prices and market organization for a number of agriculture commodities on April 21, 27-28, May 4-5, 17-18, and 25-27. Progress in these discussions will not only contribute to developing a Community farm policy but also to the Community's negotiating position on agriculture in the Kennedy Round.

EUROPEAN PARLIAMENT DEBATES LUXEMBOURG AGREEMENT

EEC COMMISSION VICE PRESIDENT LIONELLO LEVI SANDRI indicated on March 9 that an airing of differences between the Six over majority voting was preferable to an agreement of form based on ambiguity.

Mr. Levi Sandri was speaking to members of the European Parliament in Strasbourg. He was referring to the agreement in Luxembourg between the member states to end the Community's seven-month crisis.

"... (the Commission) believes that it is better that the difference was brought out into the open than that an agreement of pure form, based on ambiguity, should have been reached," he said.

The Commission Vice President pointed out that the EEC executive branch has always sought unanimity between the Six in matters within its competence even when the Council could have decided by a simple or weighted majority. "On the question of what would be done if, despite all efforts, agreement could not be reached about a certain matter within a reasonable period of time, it cannot be denied that there was no common view in the Council of Ministers in Luxembourg," he said.

"However, without wishing to underestimate the seriousness of this difference of opinion, the Commission does not think it necessary to dramatize it either. . . . Moreover, it is not at all certain that such a hypothetical situation would, in fact, ever come about."

Mr. Levi Sandri stressed the need for consultation between the Council and the Commission before the seven points of the agreement concerning their future relations can be put into effect. The Commission, he said, is anxious and ready to explore with the Council all means of increasing the existing cooperation between the two institutions.

"Relations between the two institutions are already governed to a very large extent by a spirit conforming with the resolution adopted at Luxembourg," he said.

The Vice President said that the Commission also con-



EEC Commission Vice President Lionello Levi Sandri addresses the European Parliament in Strasbourg on March 9. considers it desirable that appropriate contacts take place with the member governments prior to the Commission's preparation and submission of its proposals to the Council. However, he pointed out that "a rigid and exclusive procedure, which would limit the Commission's activity in a way not provided for in the Treaty and which would be incompatible with the role of this institution, must be avoided."

Commission's Information Role Cited

"In my view," he said, "it does not seem that the reference to the member countries' Permanent Representatives in Brussels and their cooperation with the Commission means that this should be a compulsory procedure. This, the Commission could never accept. . . . As for the Communities' Joint Information Service . . . it is certain that the Commission, as much from its institutional functions as from the powers provided under the Treaty, could never agree to renounce its task of providing, in an independent manner, information to the public about its own activities . . ."

The spokesmen for the Parliament's main political groups (Socialists, Christian Democrats and Liberals) considered in general that the agreement had not solved the problems raised by the Community's seven-month crisis. However, Louis Terrenoire, representing the European Democratic Union, said that the agreement "augurs well, the Community having got out of its rut to resume its progress."

AUTO SAFETY MEASURES PUSHED IN COMMON MARKET

EEC Commission To Propose Community Standardization of Highway Codes

THE EEC COMMISSION approved in March a draft directive to harmonize member states' regulations on brakes for certain types of motor vehicles.

The proposal is one of a series of directives aimed at standardizing national regulations on automobiles and accessories for greater safety. Harmonization of national regulations would enable EEC car manufacturers to adapt production to a Community-wide code.

Other standardization proposals awaiting Council approval involve turn signals, license plates and holders, and radio static eliminators. Forthcoming directives will include standardization of safety glass, headlights, windshield wipers, and mufflers.

At the present time, national legislation on these and other car manufacture items varies greatly. Auto firms exporting within the Community must produce different qualities and sizes of the same equipment. One German car assembly line for example produces 94 different kinds of turn signals.

The Commission proposals would require that member countries pass, within 18 months after Council approval, similar laws concerning acceptable specifications of these motor vehicle parts as spelled out in annexes to the directives. These laws would exist along with present national legislation but would assure that no country could refuse entry to cars with parts conforming to the specifications of the Community directive. In addition, mutual recognition of controls would be established in the six countries requiring each member state to accept cars approved by another under EEC specifications.

Road Safety Also a Concern

The standardization of automobile parts may be a prelude to Community action in regulating road safety. The Commission is expected to submit to the Council of Ministers proposals for common action in standardizing member states' highway codes. The proposals will be based on studies currently being conducted by European countries within various international groups such as the European Transport Ministers' Conference, the Council of Europe, and the Economic Commission for Europe.

The first international agreement on road safety was signed in Paris on April 24, 1924, according to Georges Gallienne, chairman of the International Road Safety Organization. Since then, the standardization of highway codes has been discussed at international assemblies both in Geneva and Strasbourg.

Mr. Gallienne has said that the following rules should be adopted within two years:

- Standard classification of roads into super-highways, major roads and minor roads.
- Right-of-way priority at intersections for vehicles approaching from the right unless otherwise specified.
- Simple road signs using symbols rather than words.
- Standard speed-limit of 38 miles per hour (60 kilometers per hour) in all urban areas.

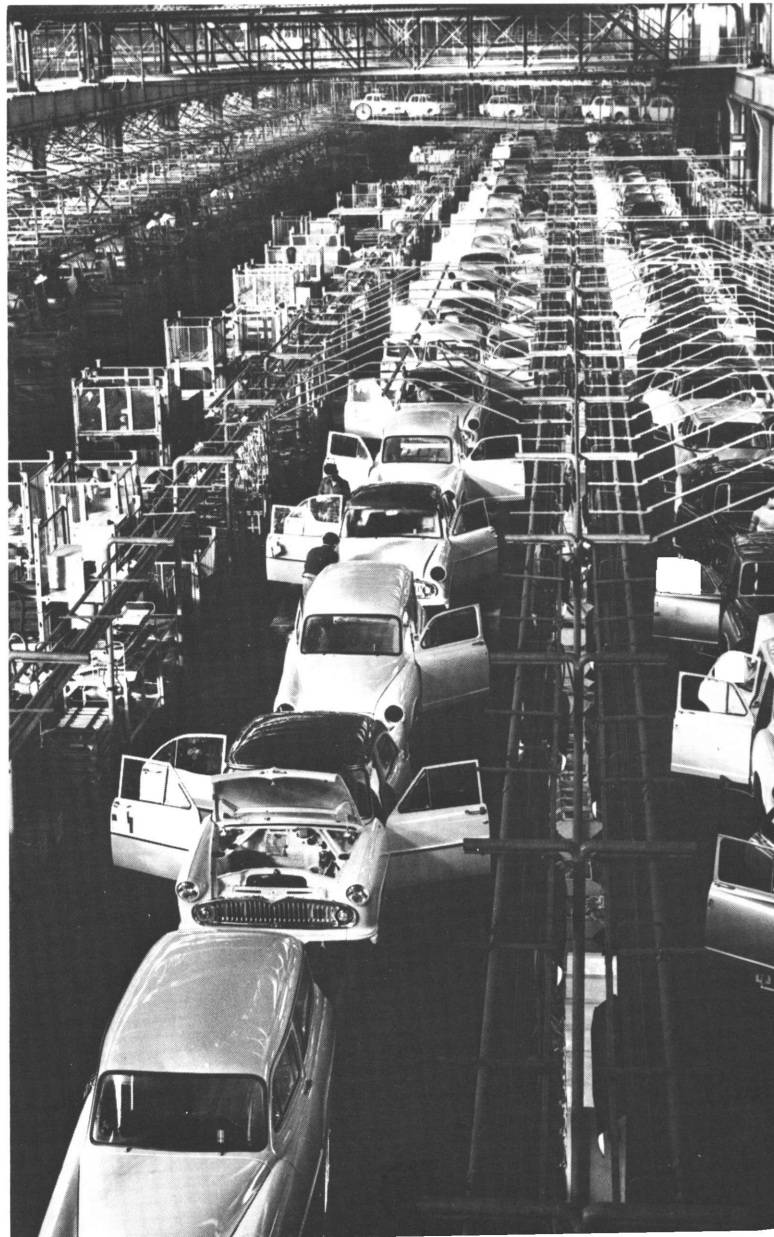
Highway Codes Abound

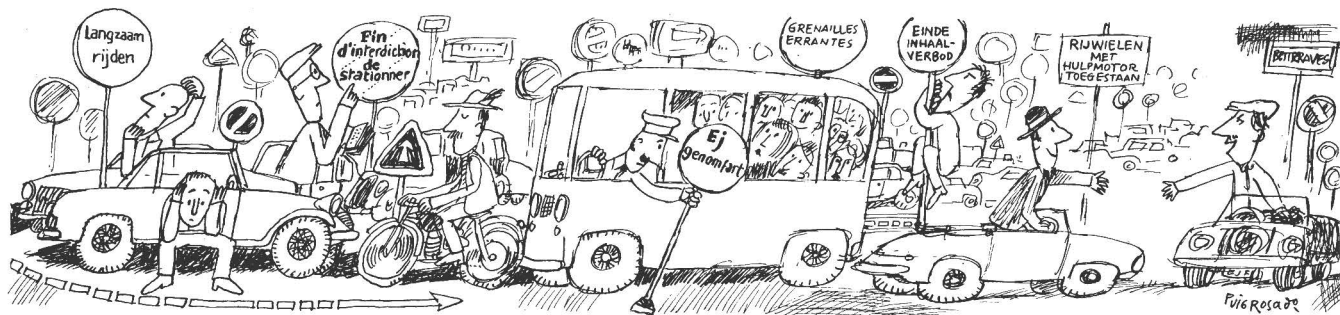
About 24 different highway codes exist today in Europe. Each national highway code contains about 600 articles, many of which are outdated, Mr. Gallienne has pointed out.

As an example of the different approaches to European traffic, only six countries in Europe permitted driving on the right side of the road a few decades ago. Italians drove on the left side until 1923. Some parts of the Austro-Hungarian empire (which disappeared in 1918) remained on the left side of the road until World War II.

Sweden will change driving sides in 1967 at a cost of about \$65 million leaving only the British and Irish driving on the left. Britain has recently decided to spend over \$56 million on new road signs similar to ones used on the Continent.

Automobiles await motors and parts at the Simca factory at Poissy, France.





Language Befuddles Drivers

However, most Continental road signs are confusing because of color and language. The lines in the road are white in some countries (Italy, Belgium) and yellow in others (France, Austria). In addition, most signs are still printed in the language of each country. For example in the Netherlands, "langzaam rijden" means slow down, "Einde verhaalverbod" passing permitted, and "Rijwielen met hulpmotor toegestaan" reserved for motor-bikes. "Ej genomfart" says, no through road in Sweden, while "Fin d'interdiction de stationner" permits parking in France.

There are no rules of right-of-way for vehicles at intersections in England. In the Netherlands, fast vehicles (cars and motorcycles) have priority over slower conveyances such as bicycles and mopeds. Crossing a continuous line is illegal in France at all times, but permitted under certain circumstances in the Netherlands.

Highway Rules Effective in Europe in 1964

- 2 rules of the road (driving on the left and right)
- 4 principles regulating vehicle right-of-way
- 5 systems governing right-of-way in urban areas
- 6 general speed limits
- 20 different weight limits for vehicles
- 5 sets of regulations for the use of headlights
- 4 different regulations for the use of foglights
- 3 sets of rules on the meaning of continuous road lines (in two colors)
- 5 sets of rules on the meaning of broken road lines (in two colors)
- 5 stop signs
- 7 super-highway signs
- 20 signs for approaching an intersection
- 180 (approximately) current road signs with text in local languages
- 200 (at least) parking regulations

COMMON MARKET IS A MAJOR ISSUE IN BRITISH ELECTIONS
Political Parties Take Strong Stands on Community Membership

BRITAIN'S RELATIONSHIP WITH EUROPE became a major campaign issue prior to the general election for the House of Commons on March 31.

The three major political parties, Labor, Conservative, and Liberal, all took strong stands in their parties' manifestos on Britain's possible entry into the Common Market.

The Conservatives reiterated on March 6 their party's support for Britain joining the EEC "at the earliest favorable opportunity." The party platform also promised to "move over gradually from deficiency payments to farmers to a system of import control" for farm products.

(Farmers in Britain are paid a regular subsidy to offset low market prices for imported and domestic foodstuffs. Agriculture imports into the Community are subject to a system of levies and import controls at the frontiers.)

Labor Stands Firm on Agriculture

The Labor party manifesto issued by Prime Minister Harold Wilson on March 7 opposed the Conservatives' stand on agriculture. "We shall not shake their (the farmers) confidence by substituting for the well-tried deficiency payments the levies on imported foodstuffs advocated by the Conservatives. This would reduce the farmers' security and push up food prices to new high levels.

"Labor believes that Britain, in consultation with her EFTA (European Free Trade Association) partners, should be ready to enter the European Economic Community, provided essential British and Commonwealth interests are safeguarded," the manifesto said.

The Liberals on March 10 called for Great Britain to state immediately her intention of joining the European Community. "We want Great Britain to play her full part in the Europe of the Communities."

French Discuss Possible British Entry

The possibility of British membership in the EEC was also discussed by the Community countries and Britain at the March 16 and 17 meeting of the Council of the Western European Union. Jean de Broglie, French Secretary of State for Foreign Affairs, said that France had been favorably impressed by the evolution in British public opinion about Europe. He expressed his government's hope that Britain would one day enter the Community on the basis of acceptance of the Rome Treaty, without reservations.

Mr. de Broglie's remarks supported a statement by French Foreign Minister Couve de Murville on March 15 in the Paris newspaper *Le Monde*. He said: "nothing would better mark the success of this great work (the European Com-

munity) than its extension to Great Britain. The day she decides to join the Six without any reservations she will meet the wishes of the Europeans, for they believe that the British should, in any case, share their future with the continentals."

British Foreign Secretary Michael Stewart interpreted the French spokesmen's remarks at a press conference in London on March 17. "It was clear that France does believe it would be desirable for Britain to be a member of the European Economic Community," he said. "That does seem to me to be a healthier situation than that which existed in 1963 (the date when British-EEC negotiations ended)."

However, Mr. Stewart said "I do not underestimate the very considerable difficulties there are over British entry into the Common Market. I do not believe the difficulties to be insurmountable . . ." Later that day in a television debate, he pointed out that the French wanted Britain as a partner if she accepted both the spirit and the letter of the Rome Treaty. He proposed that Britain conduct a ". . . further examination both with the countries of the EEC and our partners in EFTA as to what would be involved in our getting in."

Former 'Shadow' minister Christopher Soames, said, on the same program, that "we (the Conservative party) would be prepared . . . to accept the principles of the Rome Treaty, which include the degree of supranationalism which has been inherent in majority voting and also in the power of the Commission as laid down in the Treaty."

Liberal party spokesman Mark Bonham Carter said, "I think we should say we intend to apply at the earliest possible moment." He was supported by Mr. Soames who pointed out, on behalf of his party, "We should certainly apply at the earliest moment, but make it clear that we accept the principles of the Rome Treaty . . ."

Conservatives Demand Answer

Opposition Leader Edward Heath challenged Prime Minister Wilson to clarify Labor's position toward EEC membership in view of the French statements. Referring to Mr. Couve de Murville's remarks, he pointed out that "he said that when Britain was ready to join the Community 'sans reserve,' that is, unequivocally, the Common Market countries would be willing to welcome British membership."

Mr. Heath said that "this is therefore a vitally important

"The Conservative party . . . has a clear policy for entry into the Community"—Conservative Party Leader Edward Heath. (United Press International Photo)



and very welcome development. Mr. Wilson at his press conference presenting the manifesto stated plainly that the common agriculture policy must be abandoned. Unless it unequivocally abandons its present position, negotiations for entry into the Common Market cannot begin.



"Given a fair wind, we will negotiate our way into the Common Market"—British Prime Minister Harold Wilson. (United Press International Photo)

"The plain fact is that it is the Conservative party, with all its knowledge and experience of Europe, which has a clear policy for entry into the Community and which is best able to seize the opportunities created by today's meeting of the WEU. Mr. Wilson must face this challenge fairly and squarely."

Wilson Presents Conditions

Prime Minister Wilson answered Mr. Heath's challenge in Bristol on March 18. "The government's position," he said, "is that we are ready to join if suitable safeguards for Britain's interests, and our Commonwealth interests, can be negotiated. . . . My experience suggests that you do not get the right terms by stating in advance that you will accept all you are offered . . ."

"Given a fair wind," he said, "we will negotiate our way into the Common Market . . . and we shall go in if the conditions are right. And those conditions require that we must be free to go on buying food and raw materials, as we have for 100 years, in the cheapest markets . . . we believe that, given the right conditions, it would be possible and right to join the EEC as an economic community. But we reject any idea of supranational control over Britain's foreign and defense policies . . .," he said.

Air Experts Begin European 'Airbus' Talks

British, French and German aviation experts discussed cooperation on a joint European "airbus" project in Bonn on March 9.

The meeting was described as a first exchange of views on the fundamental technical problems involved in planning Europe's air services for the 1970's. Additional meetings will be scheduled to discuss the \$300 million project.

At present, three countries differ about the aircraft's optimum passenger capacity which must be decided soon. The British favor an airplane with 200 seats; the French somewhat less; and the Germans about 300.

EEC FOOD IMPORTS AND PRODUCTION RISE

Figures Show Farm Policy Is No Hindrance to Imports

THE COMMUNITY COUNTRIES have been producing and purchasing more agricultural products since the creation of the Common Market in 1958, according to EEC Commission statistics.

The development of intra-Community trade in farm products and the raising of farm productivity in the Six have been stressed in the European Community's common agricultural policy. However, the Commission pointed out that the Community is still the world's largest importer of farm products, including basic commodities, buying about one-quarter of total world agricultural trade of \$42 billion in 1963.

EEC Is Largest Market for LDC's Exports

The Community also represents the largest market for the farm products of the developing countries. The Community's imports of agricultural products from Latin America, Africa and Asia have increased appreciably since 1958. But the developing countries' farm exports to the Community (see Table 1) have grown less rapidly than the Community's purchases of farm products from other countries.

TABLE 1. COMMUNITY AGRICULTURAL IMPORTS

(\$ millions)	1958	1961	1964	Percentage change 1958-64
From Community countries	1,246	1,967	2,821	+126
From non-member countries	7,356	8,251	10,149	+ 38
of which:				
Industrial countries	3,137	3,884	4,768	+ 52
EFTA	869	905	1,126	+ 29
USA	889	1,286	1,627	+ 83
Developing countries	3,812	3,786	4,642	+ 21
Associated States	1,262	1,089	1,164	- 8
Latin America	1,090	1,196	1,745	+ 60
Eastern bloc	388	566	728	+ 87

This relative slackening of growth has resulted partly from the Community's increasing need for temperate foodstuffs rather than tropical products and partly because of the unfavorable price trends for the developing countries on world markets in the past few years.

Imports have risen sharply of products produced by the Six in substantial quantity, and therefore subject to the common agricultural policy (grain, rice, pork, beef, veal, poultry, eggs, milk, dairy products, fruit, vegetables and wine). Table 2 reveals that intra-Community trade in these products has also increased as trade barriers have been lowered between the six member countries.

TABLE 2. COMMUNITY IMPORTS OF FARM PRODUCTS SUBJECT TO COMMON MARKET REGULATIONS

(\$ millions)	1958	1961	1964	% change 1958-64
From Community countries	635	985	1,471	+131
From non-member countries	2,054	2,240	2,722	+ 33
of which:				
Industrial countries	1,037	1,320	1,585	+ 53
EFTA	350	337	406	+ 16
USA	253	492	620	+145
of which:				
Developing countries	884	705	942	+ 7
Associated States	380	295	225	- 41
Latin America	233	211	470	+102
Eastern bloc	132	215	192	+ 45

Feed Grain Purchases Increase

The Community's human consumption of grain has remained nearly stable over the past few years (23.1 million metric tons in 1955-56; 22.3 million metric tons in 1963-64), although consumption per person declined by 12 per cent over that period. However, the consumption of animal feed has risen sharply from 25.9 million metric tons to 38.2 million metric tons between the same years. Feed grain purchases from non-Community countries rose in value from \$425 million in 1958 to about \$700 million in the period 1962-64. Purchases of feed corn from non-Community countries increased from \$190 million in 1958 to \$475 million in 1963. The United States, Argentina, and to some extent, Canada, benefitted mainly from the increased sales.

The Community's degree of self-sufficiency in grains varies from product to product and sometimes from year to year (see Table 3). France is the only Community country producing a surplus of grains for export.

TABLE 3. DEGREE OF COMMUNITY SELF-SUFFICIENCY IN GRAINS

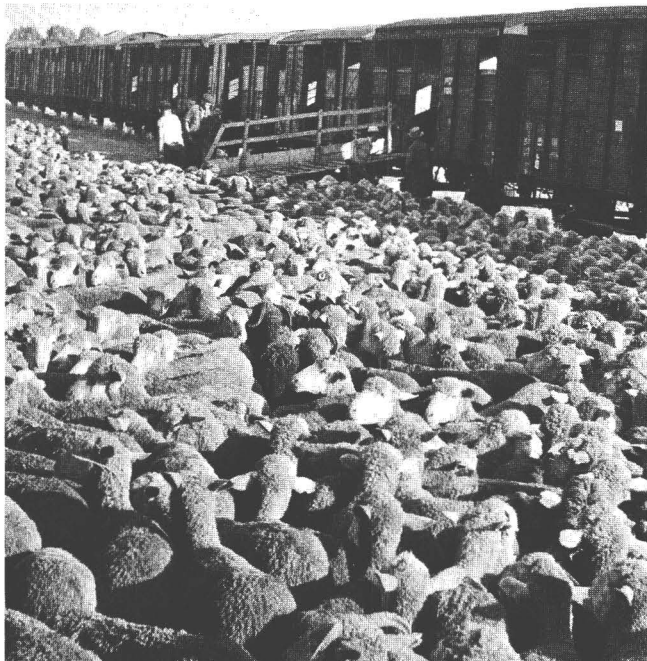
Percentages	Wheat	Rye	Barley	Oats	Corn
Community					
1955-6	94	93	68	94	70
1958-9	91	99	74	92	66
1960-1	89	95	97	92	63
1962-3	108	96	94	94	45
1963-4	91	96	106	94	52
Member states					
1963-4					
Germany	80	99	76	92	3
France	110	108	160	103	123
Italy	88	94	26	74	47
Netherlands	44	68	82	90	0
Belgium-Lux.	74	77	83	92	0

While the increase of feed-grain imports into the Community reflected the growth of Community countries' livestock production, imports of meat from outside the Community also expanded markedly. In 1958, the Six bought pork valued at slightly over \$100 million from non-member countries. Pork imports averaged \$110 million in the following four years before rising to \$147 million in 1963 and \$178 million in 1964. Most of the additional supplies came from the United States and Denmark; the Soviet bloc supplied about \$25 million a year.

Beef and Veal Demand Improved

Community demand for beef and veal has also risen sharply during the past eight years, particularly in Italy, which since 1963 has replaced Germany as the principal beef importer in the Community. Community imports of beef and veal are expressed in Table 4 in metric tons rather than by value due to the sharp fluctuations in world market prices for these products.

The Community's capacity to absorb exports of poultry and egg products from both member and non-member countries is determined by the German market. German egg output rose by 34 per cent between 1961 and 1964. Egg imports into Germany (mostly from Community suppliers) fell by



French sheep go to market. (Photo: Shell-Berre-Roger Perrin. Courtesy France Actuelle.)

**TABLE 4
COMMUNITY IMPORTS OF CATTLE, BEEF AND VEAL**

Metric tons	1960	1962	1964
All non-member countries	315,782	299,054	608,785
Argentina	52,156	89,312	199,339
Denmark	135,568	100,627	114,657
Great Britain	2,450	4,218	46,180
Yugoslavia	20,121	18,766	42,626
Eastern Europe	7,121	1,541	26,453
Ireland	7,059	4,668	29,553

49 per cent. As a result, imports of eggs from non-member countries, shown in Table 5, declined from 218 million metric tons in 1961 to 605,000 metric tons in 1964 affecting Denmark particularly.

Germany's self-sufficiency in poultry was only 42 per cent in 1964-65 with consumption still rising. Germany remains

**TABLE 5. SLAUGHTERED POULTRY:
COMMUNITY IMPORTS, EXPORTS, AND CONSUMPTION**

Metric tons carcass weight	1961	1964	Percentage change
Production	861,096	1,133,826	+32
Consumption	981,361	1,211,440	+23
Deficit	120,265	77,614	-35
as percentage of production	14.0	6.8	-51
Average consumption per head (kg.)	5.7	6.9	+21

the world's largest table-poultry importer, although the growth rate of imports has slackened somewhat.

Fruit and Vegetable Imports

Changing tastes have also led to a sharp rise in demand for imported fruit and vegetables. The Community's import bill for fruit from temperate lands rose (despite fluctuations) from \$126 million in 1958 to \$186 million in 1964. Imports of apples climbed from 135,000 metric tons in 1958 to 196,000 metric tons in 1963, with Argentina replacing the United States as the principal supplier. Argentina vies with Spain as the main supplier of pears of which 24,000 metric tons were imported in 1958 and 38,000 metric tons in 1963.

EEC Agriculture Booklet Available

The Community's agricultural production and trade are treated statistically in the booklet, "Agriculture in the Common Market, Community Topic No. 21." The 19-page publication of the European Community Information Service in Brussels explains the common agricultural policy and summarizes the market organization for major farm products. Free copies are available from the European Community Information Service, Suite 808, Farragut Building, Washington, D.C. 20006.

Spaak Urges Decision on British-EEC Link

Belgian Foreign Minister Paul-Henri Spaak said on March 2 that the time is ripe for deciding on Britain's entry into the European Community.

Mr. Spaak was speaking to the American and Common Market Club in Brussels.

"Time is working against us," he said. "The further economic integration goes, the more difficult British adhesion to the Rome Treaty will become. The time has come for a decision."

He questioned whether the Community could make unlimited progress in the economic field without parallel advance toward political union. "In the latter field," he said, "we have made no forward movement in the past 10 years . . . this question raises the problem of possible British entry into the Common Market."

"A trend in this direction can be discerned across the Channel," he pointed out. "But I am afraid that many people think this matter is not very urgent. I believe them to be wrong."

Mr. Spaak said that the Common Market countries had taken years to reach their present stage of economic integration. A new member, he pointed out, would have to accept

all the common policies within only a few months. It is therefore extremely urgent, he said, that Britain join the Community as soon as possible.

EEC-Nigeria Association Given Green Light

Nigeria's possible association with the Community is expected to progress with little difficulty.

Discussions by the Permanent Representatives in Brussels in March revealed that the six member state governments favor concluding an association on the basis of the agreement negotiated by the EEC Commission with the Nigerian delegation during the first half of 1965. Consideration of the draft agreement for an association "sui generis" was delayed by the seven-month crisis in the Community.

The Community's 17 African associates and Madagascar and the European Parliament will be consulted on the possible association following the Nigerian government's approval of a final text.

The agreement must then be initialed and signed by representatives of the Nigerian and Community governments and ratified by the parliaments of the signatory countries. The agreement is expected to become effective early in 1967 and extend to May 1969, the expiration date of the Yaounde Convention with the 17 African associates and Madagascar.

COMMUNITY WOMEN RECEIVE BETTER JOBS AND PAY

Women Make Up One-Third of Work Force in Member States

by **ANDRE LILTI**, economic correspondent for the French weekly "Entreprise"

THE SITUATION OF WOMEN in the Community has been profoundly altered by the economic changes resulting from the establishment of the Common Market.

Continuing expansion has led nearly everywhere to shortages of labor, particularly of skilled workers. Employers in all trades and industries have had to depend on existing resources regardless of the sex of the potential worker.

Women constitute the largest reserve of labor in the six member countries. Thus economic growth depends largely on the possibility of employing more women in increasingly varied jobs, including those not hitherto considered women's work.

Today, about one-third of the Community workers are women. Their ranks have swollen steadily in the last two decades, except in France.

WOMEN IN COMMUNITY WORK FORCE

	1950-1955	1962
Belgium	30.0 %	31.6 %
Germany	35.0	36.9
France	36.5	34.9
Italy	24.0	29.0
Luxembourg*	27.0	29.0
Netherlands	24.0	25.0

* 1947 compared to 1959

Comparable figures for the United States are 30.6 per cent in 1951 and 34.1 per cent in 1962.

A woman technician tests fabric fibers at the Dolfus-Meig Company at Mulhouse, France. Approximately 21 per cent of all workers in French industry today are women.



A large part of the total number of working women in the Community consists of unpaid females, employed primarily in agriculture on family farms. Non-salaried women are also found in each of the six Community countries in such small family businesses as shops, restaurants and service stations. The proportion of wives and daughters working on family farms, in parents' hotels or in husbands' businesses is 15.1 per cent of the female working population in Belgium, 18.9 per cent in France, 22.3 per cent in Germany, and 24.3 per cent in Italy.

Economic expansion has provided better opportunities for women's advancement by creating a large variety of new occupations. The growth of different types of manufacturing industries, for example, has made more jobs available to women.

Equipped with the latest and usually fully-automatic machinery, industries such as light engineering, food and drugs, textiles, and household electrical appliances can afford to employ unskilled female labor. Job opportunities for women have also become more numerous and varied in administration and commerce (department stores, accounting, banks) as a result of increasing specialization. In all Community countries, the principle of equal pay and the harmonization of administrative regulations have led to an improvement in women's status in public service.

Schooling Leads to New Jobs

Europe's educational system has also enabled women to prepare for new job opportunities. Current statistics for all EEC countries show that the number of girls receiving secondary and higher education is now tending to equal that of boys. The result is a growing shift of women workers from unskilled or semi-skilled manual work to non-manual jobs.

This movement can be seen with particular effect among the main sectors of the economy—agriculture, industry and services. In less-developed countries, the majority of women workers are engaged in agriculture. A measure of the progress made by European society and economy is that the proportion has fallen in the Community countries: from 43 per cent in 1849 to 18 per cent in 1947 in the Netherlands; from 46 per cent in 1921 to 27 per cent in 1957 in France.

Services Sector Gains Farm Workers

The shift away from farming favors industry first and then the services sector, where more jobs are opening up in commerce and administration. The number of women currently employed in services in Belgium is 56 per cent as against 49 per cent in 1930; in France 52 per cent as against 28 per cent in 1921. On the other hand, the number of women working in industry has remained relatively stable, although they tend to move frequently from one branch to another.

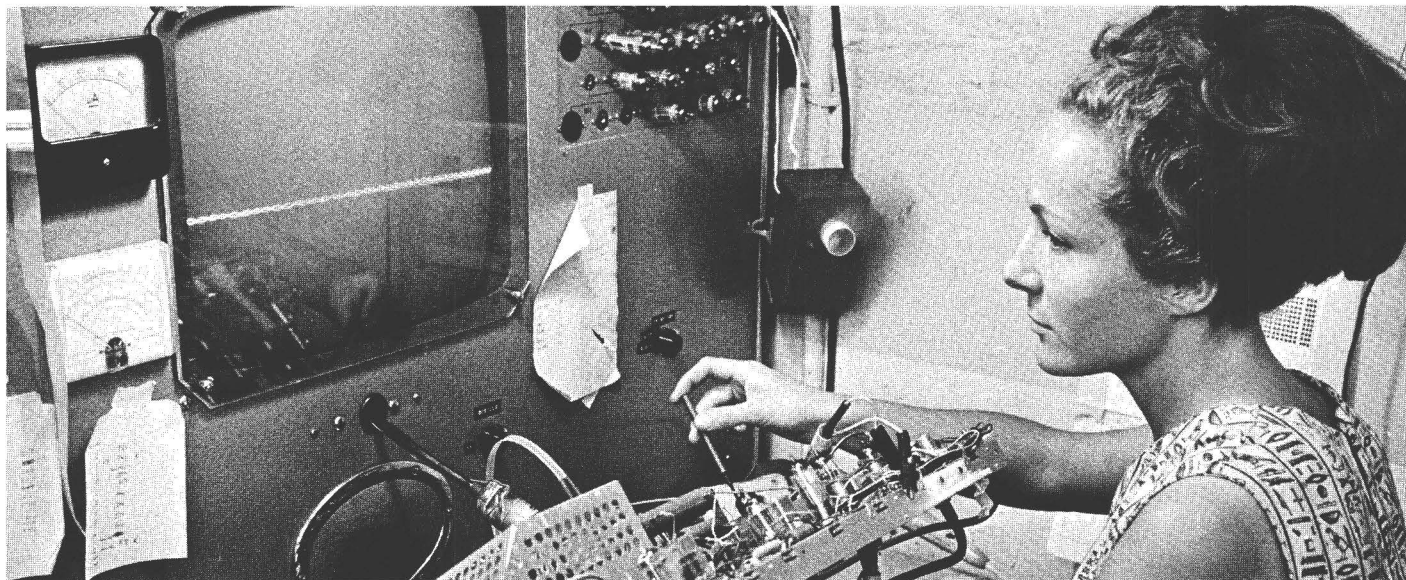
A survey of the women's employment in the Community in 1966 shows that:

- The choice of non-manual jobs open to women is widening.
- Women still work mainly in offices, certain branches of commerce, nursing, hotels, primary education and, more

recently, in certain branches of the liberal and technical professions.

- In general, considerably more women are employed in the lower grades than at the middle or upper levels.
- There are still very few women employed in some jobs traditionally considered more suitable for men.

Nowhere have women been fully integrated in the economy and they have made most progress in fields least attractive to men. Although less clearly marked, the old distinction between "man's work" and "woman's work" still remains.



A woman electronics specialist in the Novak plant, Brussels, adjusts the chassis of a television receiving set.

Women Work for More Money

Usually European women work for economic reasons, mainly to swell the family income. According to a survey by the Women's Commission of the United Nations Economic and Social Council, they seek jobs for the following reasons (in order of importance):

- Need for a higher income.
- Extra money for children's education.
- Security against husband's permanent or temporary unemployment.
- Need to continue an occupation outside the home.
- Escape from domestic activities.

These motives were confirmed and expanded by women in the Community countries. They listed the following reasons for working:

- To be independent.
- To have a private income.
- To qualify for a pension.
- To meet credit payments.

Consequently, even when economic considerations are no longer paramount, European women still feel the need to work in order to achieve both independence and a well-balanced life.

For many years, women received lower wages than men for the same jobs. Furthermore, the wage discrepancies varied from one country to another within the Community and formed an obstacle to the smooth development of the Common Market. The Rome Treaty set down in 1957 the

principle of equal pay for men and women. On December 30, 1961, the six member countries agreed that all discrimination between men and women workers must be removed within the following two years.

Wage Equality Improves in Community

Today, despite certain omissions and delays in this timetable, the situation is generally improved throughout the Community.

Labor and management groups have made considerable progress in achieving the principle of wage equality in Belgium. In certain branches, where women workers predomi-

nate, collective agreements have modified the hierarchy by providing for single job-classification for men and women. In other branches of industry, collective agreements have followed the timetable laid down by the Six.

In principle, the application of the equal pay requirement has been assured in Germany by a constitutional clause on equal rights for men and women. Women workers who believe their right to equal pay is not being respected may appeal to the courts. However, explicit wage discrimination still continues in some industries, and women's jobs in many industries have been downgraded by the creation of categories of light work.

The principle of equal pay is supported in France by both the constitution and statutes and has been applied for some time in collective agreements and in practice. But some categories of work are not covered by collective agreements and women doing these jobs lack adequate legal protection.

Job classification in Italy previously presented the possibility of placing women workers in grades which would in effect be exclusively reserved for women. Consequently, there has been a tendency to eliminate the lowest paid grades so that women are often immediately placed at a higher pay level than unskilled workers.

In Luxembourg, a comparatively high minimum wage has been set equally for both sexes. Wage equality has recently been introduced in the public sector and included in collective agreements.

The principle of equality is being brought into practice in the Netherlands. Classification systems are clearly defined and objectively applied to men and women. However, a number of disparities still exist.

COMMISSION OUTLINES OIL AND GAS POLICY

Fiscal Incentives Proposed for Community Prospecting Firms

THE EEC COMMISSION has proposed to the Council of Ministers that Community companies be given tax incentives to find oil.

The suggestion was made in February in the Commission's first memorandum on the Community's policy for petroleum and natural gas. The 40-page proposal, prepared in line with the April 1964 protocol on energy policy, covered the following broad objectives:

- Ensuring the security of supply.
- Establishing a unified market in the Six.
- Coordinating member governments' policies toward oil and natural gas industries.

World petroleum supplies are presently abundant and increasing rapidly due to the intensive exploration by international companies, the report pointed out. At the same time, the range of sources is widening steadily.

Current proven world reserves of 46 billion metric tons represent 33 years' supplies at the 1964 consumption rate of 1.4 billion metric tons. Some geologists, the memorandum said, estimate that the total resources which are economically usable amount to 850 billion metric tons, of which 300 billion metric tons of primary reserves could be extracted by existing methods.

Texas tower in the North Sea: The French-built Neptune I rig used for the North Sea search for oil. The three-legged self-elevating platform has living accommodations for 40 men.

Oil Import Needs May Increase

The Community now relies on imports (almost entirely of oil) for about half of its total energy requirements. The Commission predicted that this dependency would increase unless North Sea prospecting produces spectacular results. Consequently, it pointed out that the Community must guard against the risk of certain imports being temporarily interrupted owing to political or economic crises in the supplying countries.

The first step toward ensuring security of supplies was taken at the end of 1964 when the Commission submitted a draft directive to the Council requiring member states to maintain stocks of petroleum products representing 65 days' consumption. The need for this measure, still to be approved by the Council, was reiterated by the Commission in its memorandum.

The Commission said that it will study the provisions by which non-member countries encourage prospecting for petroleum and will recommend such measures as tax reliefs or aids to induce Community companies to intensify and coordinate their oil searches. Companies within the Community, the report pointed out, are playing an important part in supplying the market and maintaining competition which led to lower prices in the past few years.

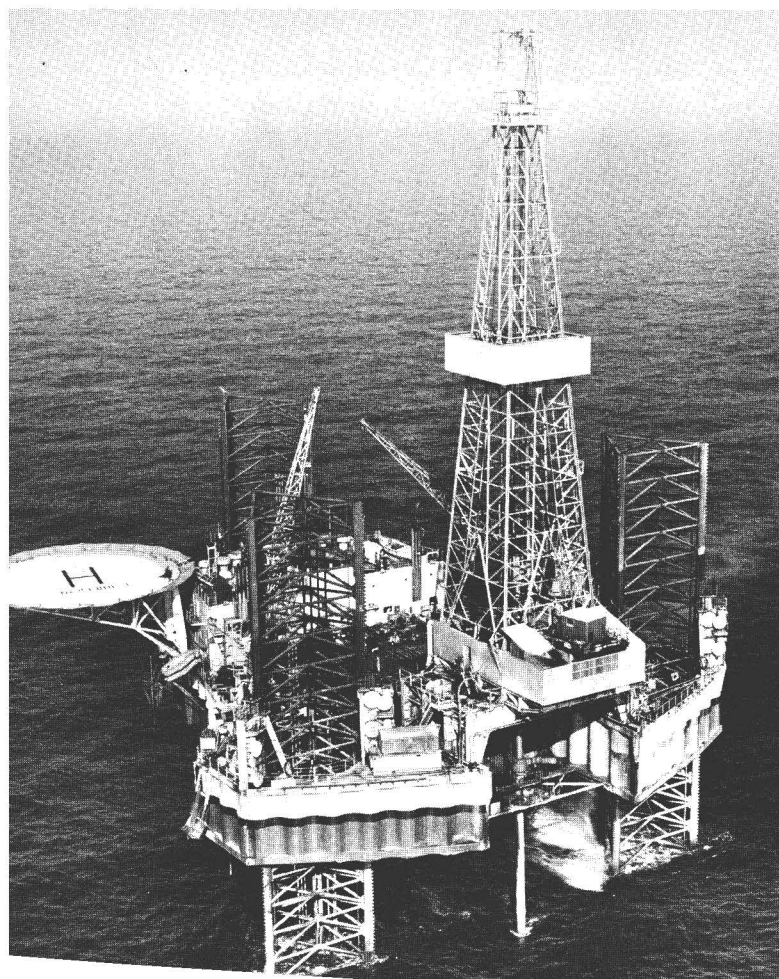
The memorandum also urged the establishment of a procedure for consultation among the member states on commercial policies. Such consultations, the report said, should cover not only imports from state-trading countries, but also other sources of supplying and the medium- and long-term prospects. Thus gradual progress would be made toward the common commercial policy envisaged by the Treaty, the Commission pointed out.

France Asked to Adjust Import System

In order to bring about a unified market, the memorandum directed the French government to adjust its present oil import system to conform with Rome Treaty provisions for ending national monopolies. The French government objective of "assuring a certain equilibrium of imports of crude oil from different sources" should not have the effect of "limiting free trade of products within the Community and leading to the isolation of the French market," the Commission said.

The Commission also stressed the need to abolish all existing limitations on the freedom of establishment in the petroleum industry and on discriminations based on nationality. The latter hindrances to a unified market arise, the report said, in the granting of licenses for prospecting and building service stations.

The six governments were also advised to coordinate their support to the oil and gas industries. In particular, the memorandum suggested the adoption of common principles for the transport of oil by pipeline, which will play an important part in the development of intra-Community deliveries. The Commission also proposed that the member states inform each other regularly of new laws and regulations affecting the oil industry and of oil companies' investment plans.



Gas Market Measures Proposed

The adoption of common principles for transport and a procedure for the systematic exchange of information were also recommended for the natural gas market. Natural gas must be considered as a major factor in future intra-Community trade, the report pointed out, because of the size of discoveries in the Netherlands and Germany and favorable prospects for North Sea exploration. It suggested that early

steps be taken to ensure the conformance of the natural gas market with the Rome Treaty, particularly regarding selling policies.

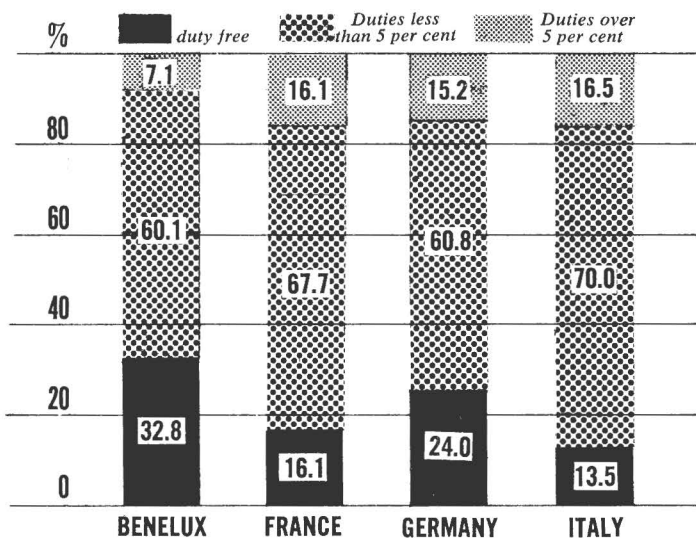
The Commission said that it will report to the Council of Ministers each year on the progress achieved on the points raised in the memorandum. It will also submit detailed proposals for establishing a common oil and natural gas market following Council approval of the policy outlines.

INTRA-COMMUNITY TARIFF RATES BECOMING INSIGNIFICANT

ALMOST ALL THE REMAINING DUTIES levied on goods traded between the Community countries are less than five per cent *ad valorem*, according to figures published recently by the EEC Commission.

On January 1, 1966, the member states reduced intra-Community customs duties an additional 10 per cent as prescribed by the Rome Treaty. The tariffs on industrial goods were lowered to 20 per cent of their 1957 level, those on liberalized agricultural products to 40 per cent, and tariffs on other agricultural goods to 35 per cent.

The following chart shows the percentage of tariff positions now subject to no duty or a rate less than 5 per cent on intra-Community trade:



The more-nearly complete removal of intra-Community duties by Benelux and Germany, as compared with France and Italy, arises from the comparatively low level of duties applied by the former group of countries before the Common Market came into effect in 1958. Before that time, 45.6 per cent of the Italian tariffs were between 10.1 per cent and 20 per cent *ad valorem* against 33.4 per cent in the Benelux. Over four-fifths of the French and Italian tariff positions before 1958 were over 5 per cent, compared with only two-thirds in the Benelux and Germany.

The EEC Commission proposed in January 1965 a new timetable to accelerate the transition to the full customs union on July 1, 1967, two and a half years ahead of the schedule laid out in the Treaty of Rome. On February 28, 1966, the Council of Ministers agreed in principle to this target date for the abolition of intra-Community tariffs.

INTRA-COMMUNITY DUTIES AS A PERCENTAGE OF THE TOTAL NUMBER OF DUTIES

Member State	Position on	<i>Ad valorem</i> duties				Total Above 5%
		5.1 to 10 %	10.1 to 20%	20.1 to 30%	Above 30%	
Germany	1.1.57	27.0	34.4	5.4	0.9	67.7
	1.1.66	8.7	3.4	—	—	12.1
Benelux	1.1.57	29.1	33.4	5.3	0.1	67.9
	1.1.66	5.0	0.5	—	—	5.5
France	1.1.57	6.7	40.9	31.2	2.3	81.1
	1.1.66	12.0	3.3	0.4	0.15	15.85
Italy	1.1.57	11.3	45.6	22.6	4	83.5
	1.1.66	12.2	2.0	0.3	0.4	14.9

The Commission proposal, a modification of its "Initiative '64," also suggested July 1, 1967 as the date for establishment of the common external tariff applicable to goods imported from non-Community countries. Member states are gradually adjusting their national tariffs toward the common external tariff (up or down depending on the original level of the national tariffs). This adjustment is being made in three stages, and two moves of 30 per cent each have now been completed.

The level of the common external tariff was generally calculated as the arithmetical average of the four national tariffs in force on January 1, 1957. During the Dillon Round trade negotiations in 1960-62, the Community provisionally reduced the common external tariff 20 per cent pending the outcome of the Kennedy Round negotiations. The authority for this reduction expired on December 1, 1965; and the Council, owing to the Community crisis, was unable to approve an extension. The six member states agreed to a temporary extension while awaiting formal Council action (see story page 1).

A study by the European Community Statistical Office has shown that (taking simple arithmetic averages of duties applied in order to avoid distortions caused by introducing weighting factors) the Community tariff level represents 11.7 per cent *ad valorem*, compared with 17.8 per cent for the United States, and 18.4 per cent for Great Britain (before application of the 10 per cent surcharge).

The Commission also proposed in its "Initiative '64" that non-tariff obstacles to trade be removed completely by January 1, 1970. These non-tariff barriers, including health and statutory regulations and differences in excise duties and other taxes, probably now constitute the greatest barriers to free trade within the Community.

DOES EUROPE NEED LARGER FIRMS?

Specialization Suggested for Higher Productivity

by **PIETER VERLOREN VAN THEMAAT**, *Director General of the EEC Commission Competition Division*

THE SALES VOLUME of the five largest United States firms was as great in 1960 as the sales volume of the 45 largest EEC firms. The productivity of the 50 biggest United States firms is much higher than the productivity of the 50 largest Community companies as shown by the fact that the number of employees is almost the same in both cases.

However, it is not clear that the larger scale and higher productivity of the United States firms enhance their competitive position on export markets. In a study of some 55 important industrial products, representing more than 70 per cent of the Community's industrial exports, the smaller and less concentrated Community industries showed better export results on the world markets in most cases than did their United States competitors.

The ability to compete with United States companies is not in itself an overwhelmingly convincing argument for forming larger companies in Europe. Higher wages resulting from higher productivity provide one incentive. But the EEC Commission encourages larger-scale enterprises for reasons of a different nature.

In a number of industries, technical development calls for large-scale production in order to reach the technical optimum, although one must avoid drawing general conclusions from this observation. Advanced production techniques involving heavy investment in energy and automation once required large plants but today these same techniques are available to smaller plants as well.

Research Needs Require Large Size

One important argument exists for larger firms, even in cases where the production unit can be small. It is the case for research; generally, only large firms can afford extensive laboratories for fundamental research.

Consequently, large-scale companies are needed in branches of industry where research efforts into new applications of technology are insufficient. For example, research needs were mainly responsible for the Agfa-Gevaert merger. Expenditure for research by Kodak in the U.S. was almost as high as Gevaert's total sales.

Diversification and stabilization of risks furnish economic reasons for creating big firms. Better marketing and the reduction of distribution costs also often entail concentration of efforts.

Another argument for large-scale companies is financial need, especially in industries requiring heavy investment. For instance, the large amount of required capital was one of the main reasons for the joint chemical venture by Montecatini and Royal Dutch/Shell. Large companies, especially international ones, not only have better access to the capital markets, but their opportunities for self-financing are also greater.

Economic and technical reasons alone demand very large-scale plants in some, but not most, branches of industry. A more efficient organization of a company, for instance by specialization, and possibly large-scale production in a very

specialized field, might be a better way to make it more competitive. Firms, even without export ambitions, must become more competitive in the Common Market to face competition from other countries on the smaller, local home markets too.

Monopoly Risks Limited

A serious danger of monopoly-building exists in only a very limited number of industries. The Commission believes that such monopolizing mergers should be prohibited.

In most branches of industry, the mergers, even if considerably increased for many years, would only result in oligopolistic situations, that is where the market is dominated by a small number of large companies. An attempt to prevent oligopolies would be unrealistic even in a market on the scale of the Common Market. Such far-reaching trust-busting ambitions would not be justified for economic reasons either.

If the oligopolistic situation leads to unfair prices, the Commission can take action against those unfair prices. But the interests of the oligopolistic firms in the EEC differ so widely that the Commission feels that even this danger of undue price-demands and price-discrimination should not be overestimated. On the other hand, competition in the fields of quality, technical progress and service to the consumer normally survives in oligopolistic situations.

Merger Policy Defined

The Common Market Commission defined its policy toward mergers with these considerations in mind.

First, the legal and fiscal obstacles to mergers, especially to mergers between companies in different member countries, should be removed. For this reason, the Commission is studying a plan for a Community company law which can coexist with national company law.

This ambitious project should have important subsidiary effects, for instance, with regard to the fiscal field and to the rules of access to the stock markets of the member countries. The resulting partial harmonization should facilitate the achievement at the same time of a more comprehensive harmonization of company law, of taxation law and of the financial relations relating to the capital markets. A well-functioning European capital market can then emerge. Naturally, the non-tariff obstacles to the free movement of goods should also be removed in order to secure all the benefits of large-scale production.

Secondly, care must be taken to ensure that these measures favoring large companies do not unduly harm small and medium-sized industrial enterprises. On the contrary, obstacles to specialization should also be removed.

Thirdly, the companies should choose their own optimal size, according to the nature of their product, technical production methods, methods and needs of marketing and research and financial requirements.

LABOR SEEKS MORE SAY IN COMMUNITY PROGRAMS

Union Representatives Urge Basic Industrial Policy

EEC LABOR UNIONS want more voice in the formation of Community economic and social policy.

These claims were presented at the European Trades Union Conference in Menton France on February 9-11. The conference was organized by the High Authority of the European Coal and Steel Community to review the effectiveness of its social policy.

Over 100 labor union representatives in the member states called for the introduction of a basic industrial policy in the Six to be determined in consultation and association with organized labor. The unions also asked for more say in deciding policies on restrictive trading practices and mergers and on coordinated investment.

They pointed out that workers' readaptation (retraining and re-employment) and industrial redevelopment should not be considered only as social remedies but as essential elements of contemporary economic policy.

Social Policy Extends Bounds

This viewpoint was supported by François Vinck, director of the High Authority's department for labor problems and industrial redevelopment. Mr. Vinck said that the object of the conference was "to single out from the High Authority's social policies what was original and of long term value, inasmuch as being a pilot program, the ECSC's social programs clearly go beyond the framework of the coal and steel industries."

Jean Fohrmann, High Authority member, said that the Paris Treaty, described as rigid, had in fact permitted action in the social field unforeseen by its promoters. The apparent limitations written into its texts took second place when applied by an institution with a will of its own, he pointed out.

Fohrmann, a former Luxembourg trade unionist, indicated that the independent financial resources of the High Authority had given it the special ability to fulfill the original and essential provisions of the Paris Treaty. (The High Authority levies a tax on the annual turnover of the coal and steel industries.) He urged the incorporation of similarly independent and autonomous powers for the future single Commission of the three Communities.

Labor Requests Voice in Single Executive

The trade union participants also demanded the continuance of labor representation on the single Commission. (Only the High Authority out of the three existing Communities has the power to co-opt a representative of labor.)

The labor leaders and High Authority members emphasized several times during the Conference that concern for the well-being and security of workers was "not an invitation to stagnation or to economic sclerosis." On the contrary, the rapid development of the High Authority's retraining, re-employment and redevelopment programs carried out in conjunction with the six member governments was seen as a necessary phase of technological advance.

ECSC President Dino Del Bo told the delegates that, perhaps for the first time, the workers have not been alone in

bearing the cost of major and difficult economic changes. "Within the Community, because of the legal guarantees written into the ECSC Treaty," he said, "workers have emerged from a minority position and assumed a real responsibility by institutional cooperation, by joining in decision making, and by the right to criticize."

Two Anglo-Dutch Firms Again Ranked Largest in Community

Two Anglo-Dutch companies, Royal Dutch/Shell and Unilever, again head a list prepared by the ECSC High Authority of the largest companies in 1964 in Great Britain and the Community.

These two companies were also the largest in 1963 on the basis of published annual turnover figures of firms in the iron and steel, electrical and mechanical engineering, and chemical industries. Figures represent gross turnover including tax unless otherwise indicated. However, the definition of gross turnover differs according to country and company as shown by the footnotes.

The relative volume of turnover consequently is not strictly comparable nor is the order of firms necessarily definitive. Some companies might appear higher or lower on the list if uniform laws on the publication of balance sheet information existed in all seven countries.

Fifteen Largest Companies in the Community and the U.K.

Rank		Organization	1964 Turnover	
1962	1963		Country	(\$ million)
1	1	Royal Dutch/Shell (petroleum)	GB-Neth	9,762 ¹
2	2	Unilever (fats, detergents)	GB-Neth	4,728 ¹
3	3	British Petroleum	GB	3,502 ¹
5	4	I.R.I.-Istituto per la Ricostruzione Industriale (steel, engineering)	It	2,596 ²
4	5	National Coal Board	GB	2,465 ³
6	6	Imperial Chemical Industries	GB	2,017 ²
8	7	Volkswagen (vehicles)	Ger	1,999 ²
7	8	Philips Lamps (electrical engineering)	Neth	1,934 ⁴
10	9	Siemens (electrical engineering)	Ger	1,633 ⁵
11	10	Electricité de France	Fr	1,624 ¹
18	11	August Thyssen-Hütte (steel)	Ger	1,513
9	12	Fiat (vehicles, steel)	It	1,491 ¹
12	13	Saint Gobain (glass, chemicals)	Fr	1,440
20	14	Daimler-Benz (vehicles)	Ger	1,309 ³
14	15	Bayer-Gruppe (chemicals)	Ger	1,254 ⁴

¹ Gross turnover

² Gross turnover excluding internal transactions

³ Total sales including changes in stocks

⁴ Consolidated gross turnover

⁵ Consolidated gross turnover excluding internal transactions

Where To Study In Europe—II

French Center Gives European Studies Course

The Centre Européen Universitaire at Nancy, France, offers a graduate course in European studies.

The curriculum is divided into two parts: general advanced European studies and annual topics for specialized study in literature, economics, politics and law.

Each year about 60 graduate students attend the Centre. They spend the first 10 weeks of the academic year on the general European studies—either European thought and culture or European institutions. A diploma of Higher European Studies is awarded at the completion of the course. Students auditing the course may receive a certificate of study.

Courses are taught in French by an international staff and visiting lecturers. Prospective students whose knowledge of French is considered insufficient must take a month-long course in the language prior to the beginning of the study session.

The 1965-66 session began on November 15 and ends on June 15. The study topics were: "the position of literature in Europe; the contemporary development of the farm structure in Europe; the contemporary aspects of democracy in Europe."

Additional information about the Centre can be obtained from: Le Centre Européen Universitaire de Nancy, Université de Nancy, Nancy, France.

Britain Designates Minister For Europe

George Thomson, Member of Parliament, was appointed on April 5 as Chancellor of Lancaster with special responsibility for Europe and NATO.

Mr. Thomson, a Scotsman, was minister of State in the Foreign Office from October 1964 and a Labor Member of Parliament for Dundee East since July 1952.

From 1954 to 1956, he represented Britain on the Consultative Assembly of the Council of Europe and was a member of its cultural committee. He was also a member of its economic committee and the original organizing committee of the Western European Union. He represented Britain in the WEU during its first two sessions.

A former journalist and editor, Mr. Thomson was a widely traveled member of the opposition during the recent period of Conservative leadership in Great Britain. From 1959 to 1963, he was a "Shadow" Minister of Commonwealth and Colonial Affairs on the Opposition Front Bench.

Mr. Thomson served during World War II in the Royal Air Force. He has lectured frequently in educational groups and universities and was formerly advisor to the Educational Institute of Scotland.

NEWS BRIEFS

Common Market
Euratom
Coal & Steel Community

'Eurocrats' Strike for Higher Wages

Some 7000 employees of Community institutions went on strike for 24-hours on March 22-23 in Brussels.

The European civil servants were protesting the Council of Ministers' refusal to meet new wage demands. The employees' unions sought a 14 per cent increase in salaries for workers in the European Economic Community, European Coal and Steel Community and the European Atomic Energy Community. The Communities' executive branches countered with a proposal for a 10 per cent cost-of-living increase to be effective from July 1, 1965. The Council, in turn, offered to raise the wages 6 per cent retroactive to January 1, 1966.

The wage demand is now in the hands of the Permanent Representatives of the member countries.

EEC Clarifies Stand on Rhodesia

The EEC Commission is ready to coordinate commercial measures taken by the Community countries against the government of Rhodesia.

This announcement was made by European Economic Community's executive branch in answer to a parliamentary question by Hendrik Vredeling (Dutch Socialist).

Mr. Vredeling asked the Commission if it maintained any relations with Rhodesia, and if so, whether they would be broken off. He also wanted to know whether the member countries had taken or could be relied upon to take measures against trading with Rhodesia.

The Commission said that the Community, and therefore, the Commission, had no relations with Rhodesia, and would not fail to undertake its responsibilities for coordinating the six governments' policies if needed.

Chad Seeks Cotton-Support Loan

The government of Chad has requested a \$7.3 million loan from the Community to offset the effect of price fluctuations in the world cotton market.

The loan is being sought under a provision of the Yaoundé Convention which enabled the Community to loan Cameroon \$6 million last September.

World cotton stocks have been rising for sometime and are likely to total about 24.8 million bales by the middle of this year—a 40 per cent increase over four years ago. Cotton is the largest single export crop of Chad.

EIB To Aid Cameroon Industrialization

The European Investment Bank concluded a loan agreement on March 31 in Brussels with a Cameroon firm for the financing of an industrial project.

The Bank will furnish \$1,215,000 toward the building of an aluminum laminating mill at Edea. The mill, estimated to cost \$3,800,000, is the first plant of its kind to be installed in the African countries associated with the EEC.

It will produce laminated products such as metal strips for the manufacturing of aluminum sheeting and lids as well as for the making of household ware. The production capacity will be 8,500 metric tons a year.

Euratom Signs Agreement With Eurochemic

The Commission of the European Atomic Energy Community concluded on March 7 a contract with Eurochemic (European Company for the Chemical Processing of Irradiated Fuels) for reprocessing nuclear fuel elements.

This is the largest agreement signed in the Community to date for reprocessing such elements. Approximately 4,000 kilograms of enriched uranium and aluminum from the Petten (Holland) HFR reactor and the Mol (Belgium) BR2 reactor are to be treated during the period 1967-68.

Eurochemic is a joint undertaking of 13 governments of the European Nuclear Energy Agency (ENEA), an agency of the Organization for Economic Cooperation and Development (OECD). Its plant at Mol, which will reprocess the fuels, will come into operation in July.

The nuclear material to be reprocessed by Eurochemic has been supplied by the United States Atomic Energy Commission and is subject to the provisions of the Additional Agreement for Cooperation between Euratom and the United States concerning the peaceful uses of atomic energy.

The Euratom safeguards system will automatically continue to be applied during all reprocessing operations and will guarantee, in conformity with the Additional Agreement for Cooperation, that such material will be used for peaceful purposes only.

EEC Modifies Anti-Dumping Proposals

The EEC Commission proposed to the Council in March amendments to its earlier draft anti-dumping regulations.

The modifications were prompted by suggestions of the European Parliament and the Economic and Social Committee.

The main change is that the Commission must announce publicly the beginning of anti-dumping proceedings if information supplied suggests that protective measures may be needed. Under the previous proposal, a notice to this effect would have been discretionary.

The new text also provides that the parties to the proceedings must be given, in the published notice, a date by which they can apply to the Commission for a hearing. Other changes include a provision that regular reports shall be submitted to the European Parliament, and that arrangements be made, in conformity with the relevant provisions in the General Agreement on Tariffs and Trade, to weigh the special difficulties of price comparisons in connection with imports from State-trading countries which are members of GATT.

\$12.8 Million to Aid African Development

The European Development Fund will furnish \$12.8 million to finance eight development projects in African countries associated with the Community.

The non-repayable grants, approved by the EEC Commission in February, will cover the following projects:

- Help for Senegal's peanut industry. A total of \$9.74 million will be used to support the price of peanuts and for structural improvements in production.
- New techniques and equipment for the production of oil from oranges in Mali at the cost of \$41,000.
- Aid to the Institute of Social Pediatrics at the University of Dakar, Senegal. The sum of \$243,000 will be used to finance and equip a welfare center and a building for training public health workers specializing in child-care.

- Employment of local personnel and equipment to sink 60 wells in the northern region of the Upper Volta at the cost of \$122,000.

- Vaccination of about 4.7 million head of cattle over a three-year period in Senegal, Mali and Mauretania at the cost of \$1.02 million. The project represents the third and last phase of a joint campaign to eradicate the disease, rinderpest, launched under the auspices of the Scientific, Technical and Research Committee of the Organization of African Unity (OAU). The United States' government will finance this campaign in African countries not associated with the Community and in the north of the Ivory Coast.

- Vaccination against rinderpest in eastern Chad at the cost of \$525,000.

- Relocation of the Central African Institute of Animal Husbandry and Veterinary Training at Fort Lamy in Chad at a cost of \$992,000.

- Training of a supervisory staff for public works projects in the Central African Republic at \$150,000.

Recent Books on Community Topics

EUROPEAN COMMUNITY will periodically list books dealing with Community and Atlantic topics. This presentation does not indicate approval or recommendation of the publications.

Walsh, A. E., and Paxton, John *Trade in the Common Market Countries*, A. E. Walsh and Partners, Ltd., London, England, 1965, pp. 112.

A comprehensive compilation of trade statistics for 180 commodities in the Common Market, broken down into the six countries' trade. In the first of four parts, the authors show total imports, principal suppliers and import-export ratios. The second part contains tables based on input-output statistics which give national production costs and sales values, and part three presents production levels in the Common Market for 50 basic commodities. A final part includes supplementary notes on production, consumption, and exports for several important commodity categories.

Van der Beugel, Ernst, *From Marshall Aid to Atlantic Partnership: European Integration as a Concern of American Foreign Policy*, Elsevier Publishing Company, New York, 1966, pp. 480.

A review of American policy toward Western Europe since World War II. The author considers the different stages of U.S. policy while showing that the aims of this policy have remained consistent. He also discusses the U.S. view of organizations such as the OEEC, EDU, and EEC established to promote European integration. He concludes with suggestions of how U.S.-European cooperation can be made more fruitful.

Calleo, David P., *Europe's Future: The Grand Alternatives*, Horizon Press, New York, 1965, pp. 192.

The author presents three of the major conceptions of what form a United Europe should take. After discussing the conflict between nationalism and federalism at the end of World War II, he proceeds to the present manifestations of that conflict in chapters on a federalist Europe, a nationalist Europe and an Atlantic Europe. A concluding chapter, "Nobody's Europe," questions whether unity is possible and under what conditions.

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RAPPORTS ENTRE LE DROIT COMMUNAUTAIRE ET LE DROIT NATIONAL, European Community Information Service, Brussels, February 1966, 32 pages free

A selected bibliography of reports and articles concerning Community law as it applies to the laws of the member states.

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A record of the proceedings of the 1964 Steel Utilization Congress which was titled *Progress in Steel Construction Work*.

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A new report on production and consumption perspectives for 1970 of dairy products, sugar, beef and veal, rice, and fats and oils.

ÉTABLISSEMENT D'UN NIVEAU COMMUN DES PRIX POUR LE LAIT ET LES PRODUITS LAITIERS, LA VIANDE BOVINE, LE RIZ, LE SUCRE, LES GRAINES OLEAGINEUSES ET L'HUILE D'OLIVE, EEC Commission, Brussels, March 1966, 123 pages, 91 pages in statistical annex, mimeographed single copies only

Discusses the role of agriculture prices and the levels proposed by the Commission. The common price proposals are included for dairy products, beef and veal, rice, sugar and fats and oils.

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The Commission's yearly report on the manpower situation.

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