

WEEKLY

REPRODUCTION AUTHORIZED

Brussels, 20 June 1972

No. 149

** In 1972, crude steel production in the Community should amount to 108.5 million tons, or 5.15 million tons more than in 1971. However, the growth of real production capacity will be greater than that of output (about 7 million tons more than in 1971), the rate of utilization of capacity will continue falling in the Community, though more slowly than before, as it will drop to about 84% of the 1969 figure (as against 85% in 1971 and 97% in 1970). This emerges from the revised version of the STEEL FORWARD PROGRAMME FOR 1972 which the Commission of the European Communities recently adopted after consultation with the Advisory Committee of the Coal and Steel Community. A short summary of this revised forward programme is given in ANNEX 1.

** COMMUNITY RESEARCH AND DEVELOPMENT PROJECTS concerning POLLUTION and WATER SUPPLIES have been proposed to the Council of Ministers by the Commission of the European Communities, in the

This bulletin is published by the Directorate General Press and Information of the Commission of the European Communities

or further information please apply to the

Commission of the European Communities
Directorate-General for Press and Information
Division for industrial and scientific information
200, avenue de la Loi
1040 Brussels - Tel. 3500.40

or any of the Information Offices of the European Communities (list inside cover)

The information and articles published in this Bulletin concern European scientific cooperation and industrial development in Europe. Hence they are not simply confined to reports on the decisions or views of the Commission of the European Communities, but cover the whole field of questions discussed in the different circles concerned.

PRESS AND INFORMATION OFFICES OF THE EUROPEAN COMMUNITIES

1 BERLIN 31
Kurfürstendamm 102
tel. 886 40 28

GENEVA
72, rue de Lausanne
tel. 31 8730

LUXEMBOURG
Centre européen du Kirchberg
tel. 479 41

ROME
Via Poli, 29
tel. 689722 à 26

53 BONN
Zitelmannstraße 22
tel. 22 60 41

THE HAGUE
22, Alexander Gogelweg
tel. 33 41 23

NEW YORK 10017
155 East 44th Street
tel. 212 MU 20458

SANTIAGO DI CHILE
Edif. Torres de Tajarar-Ap
Torre A, Casilla 10093
Avda Providencia 1072
Tel. 43872

1040 BRUSSELS
200, rue de la Loi
tel. 35 00 40

LONDON SW 1
23, Chesham Street
tel. 235 4904/07

PARIS 16e
61, rue des Belles-Feuilles
tel. 553 53 26

WASHINGTON, D.C. 20037
2100 M Street, N.W.
Suite 707
tel. (202) 296-5131

context of its communication on the aims and means of a common policy for scientific research and technological development. Details of the projects proposed by the Commission will be found in ANNEX 2.

** SPECIFIC POWERS CONCERNING SCIENTIFIC RESEARCH should be given to the European Community, even if this means altering the European treaties in force at present. This was the gist of a resolution adopted unanimously by the European Parliament at Strasbourg on 15 June last, on the strength of a report by Mr Glesener, a Luxembourg member of the Parliament, on the Euratom research programme defined by the Council of Ministers on 21 December 1971 and the agreements on joint research schemes signed by various European States and by the Commission of the European Communities (COST agreements) (see IRT No. 120). Extracts from the resolution adopted by the European Parliament are given in ANNEX 3.

** A conference on the NUCLEAR AIMS OF THE COMMUNITY, to be held in Brussels on 19-21 June under the aegis of the Commission of the European Communities, will enable the Commission's officials dealing with power and the Euratom safeguards and controls to meet the various Community circles concerned with the development of nuclear power - governments, electricity producers and constructors - for a wide-ranging exchange of views on the draft of the second illustrative nuclear programme for the Community, prepared by the Commission in accordance with the Treaty (see IRT No. 143). The discussions will cover the programme's objectives, the conditions necessary to achieve them, the long-term prospects and the situation

with regard to advanced reactors. According to the draft target programme a nuclear capacity of at least 100,000 MWe is to be commissioned in the six Community countries by 1985.

** The European Commission recently stated its attitude towards FINANCIAL ORGANIZATIONS WHOSE ACTIVITIES ON BEHALF OF INDUSTRIAL SECTORS take the form of temporary participation in companies. It has decided to see to it that their actions are not tantamount to grants of aid incompatible with the common market.

The Italian Government was informed of this position as long ago as April 1971 in regard to the activities of IMI, an industrial investment institute, and the GEPI, a finance company for industrial management and participation. This time the European Commission has sent letters to the Belgian Government regarding the activities of the Société Nationale d'Investissement (SNI) and to the French Government regarding those of the Institut de Développement Industriel (IDI).

** The last year has seen a RISE IN UNEMPLOYMENT IN THE COMMUNITY. Between April 1971 and April 1972 the number of unemployed rose in Germany by 70,800 (+44%), in Belgium by 16,500(+24%) and in the Netherlands by 53,300 (+113%), while the number of unfilled jobs fell over the same period in those countries by 185,800 (-26%), 8,200(-52%) and 50,500(-80%) respectively. During the coming months employment is not likely to increase much in the Community. According to the present forecasts it might even diminish temporarily in industry, but may rise in the services sector.

** THE CENTRAL BUREAU FOR NUCLEAR MEASUREMENTS (CBNM) carries out public service tasks for the Community. This Joint Research Centre establishment, which has been at Geel, Belgium, since 1960 (see IRT No. 73) provides two kinds of services:

(a) Under a basic programme. In this context, the CBNM continued its work in 1971 on measurements of nuclear constants (e.g., neutron cross-sections) needed for the optimization of reactors; precise neutron-flux determination measurements using the Van de Graaff accelerator; measurements of nuclear constants (radionuclide periods and decay schemes) for various purposes such as medicine, biology and technology; preparation of standards and collaboration in international calibration work. Some fifty publications have been issued in connection with this programme.

(b) On direct request. In 1971 the CBNM prepared over 250 special radioactive sources covering 26 isotopes, 136 different types of samples (in all nearly 1000 samples), mostly supplies in small batches.

Also, under collaboration contracts, the CBNM linear electron accelerator (90 MeV Linac) and a certain amount of associated equipment have been made available to experimenting teams from the GEN, Belgium, the CNEN, Italy, and the CEA, France (see IRT No. 98).

- ** The television film "INDUSTRY AND SOCIETY IN THE COMMUNITY", produced by the Press and Information services of the Commission of the European Communities for the Venice Conference (see IRT Nos. 138 and 141) won the Grand Prix at the International Seminar on "Television for Economic Training and Information" recently held at Biarritz, France.
- ** A working party appointed under the auspices of the Committee for Reactor Safety Technology (CREST) to study problems of NUCLEAR REACTOR SAFETY, to define priorities regarding studies, research and development aimed at the safety of industrial plants and to promote the coordination of measures in this field met in Brussels last May to discuss monitoring methods based on noise emission and the problems posed by the vibration of reactor vessel internals.
- ** The proceedings of the second symposium on MASS SPECTROMETRY held at Ispra on 1-3 September 1971 have now been published by the Commission of the European Communities. This publication is on sale under the reference number EUR 4765 f-i-e at the Office for Official Publications of the European Communities (PO 1003, Luxembourg 1).

ANNEX 1, p.1STEEL: THE FORWARD PROGRAMME FOR 1972

(revised version)

A. Present situation

During the first quarter of 1972 the output of crude steel totalled 27.5 million tons for the Community countries as a whole, an increase of 1.5% over the figure for the corresponding period last year. In 1971, in the same period, steel production had dropped by 3.3% as compared with 1970 (see IRT No. 147).

The situation appears to be slowly looking up, although the improvement is not general as yet. Since December 1971 there has been a definite revival of orders for rolled products. For the Community as a whole the figures for the first quarter of 1972 show a total increase in orders of nearly 8% over the first quarter of 1971, on both the home and the export market.

During the first three months of the year the published price-scales were adjusted here and there: in March-April, increases of the order of 1-2% were recorded in France for merchant steels, normal sections, wide-flanged beams, hot-rolled plates; in Italy, prices rose by 2.5-4% for a certain number of products.

But as May came in, prices swung far more sharply upwards. In Germany, the list prices for almost all products went up by 5-7%. In the Netherlands, the list

ANNEX 1, p.2

prices for sheets rose by about 5%. In Italy, the prices for coil and hot-rolled strip were again raised by 3.5%; in addition, the prices for beams and hot- and cold-rolled sheets were raised by 3-4%. In France the increases affected practically every product and were of the order of 5-6%. The principal increases in Belgium were for merchant bars (up to 7.5%), sections (3.5%), hot-rolled thin sheets (3.3%) and ordinary reinforcing rods (9.5%). And in Luxembourg the biggest producer raised nearly all his prices by 4-10% (30% for semi-finished re-rolled products). It is certain, however, that in spite of this movement in the list prices, some producers are still obliged to fall in line with their competitors' lower prices.

Export prices, which have firmed up since the beginning of 1972, are still tending to rise slightly. It must not be forgotten, however, that export prices have dropped considerably since the spring of 1970 and are still at a relatively low level. One must also remember that in the same year the cost of almost all the factors of production went up, so that at some steelworks the balance between expenditure and revenue is very precarious.

Under these conditions, imports obviously continue to exert a negative influence on the Community market, both as regards quantity and particularly through the effect they have on prices.

ANNEX 1, p.3

In the social field, the complete final figures now available for 1971 confirm the trend already noticed, especially in Germany, towards considerably fewer jobs and shorter hours worked in the steel industry. In the other countries there is a reduction or a slower rate of increase of employment, and shorter hours. The only exception to this is Italy, where the opening of new production capacity has brought an increase of 4,500 jobs and a slight rise in the hours worked.

The mild improvement seen in the Community steel industry during this first section of 1972 is in any case already having an encouraging effect at the social level. Certain measures introduced temporarily by the firms to cope with the situation (e.g., short time) have completely vanished, apart from a few exceptional cases.

Estimates for 1972

In the light of the slight improvements in the short-term situation on the steel market, and a better trend in the world market due mainly to the reviving economic activity in certain non-member countries (the US in particular), it was decided to use for all the estimates the upper limit of the range proposed in the 1972 forward programme for steel adopted by the European Commission at the beginning of the year (see IRT No. 137).

ANTEX 1, p.4

As regards real steel consumption, a slight increase, probably not more than 1%, is expected for the Community as a whole. In absolute value consumption might be about 94.70 million tons in crude steel equivalent. Consumption in Germany and the Belgo-Luxembourg Economic Union will probably go on shrinking but only by 2.5% and 1.5 respectively, whilst it should increase in the other Community countries (2.5% in the Netherlands, 3.5% in Italy, 4% in France).

Stocks of steel products should reach a normal level in all the Community countries except France, where the users' stocks can be expected to decrease further, by some 250,000 tons. In Germany, too, stocks may diminish slightly (about 100,000 tons).

The imports from non-member countries have been assessed at 5.75 tons in crude steel equivalent. As compared with the previous estimates, a slightly higher level is predicted for Germany (3 million tons) and a lower one for Italy (1.2 million tons).

The Community's crude steel production should amount to 108.50 million tons in 1972, an increase of 5.15 million tons over 1971.

The predicted growth of production is less than that of the real potential, which in 1972 will be about 7 million tons more than in 1971. This means that in 1972, as in the previous year, in spite of the predicted revival of

ANNEX 1, p.5

production, the rate of utilization of the production capacity will fall in the Community, although only slightly. Thus the problem of maintaining equilibrium on a market where the potential supply exceeds the demand is still as great as before.

*

* *

Trend of employment¹ and hours worked² in the Community industry

(E = employment, in jobs x 10³ - situation as at 31 December
H = number of hours x 10⁶)

	1968		1969		1970		1971	
	E	H	E	H	E	H	E	H
Germany	222.5	334.4	226.5	343.2	229.0	343.8	218.0	309.5
France	143.9	221.5	142.6	220.6	146.1	220.8	144.7	210.2
Italy	67.3	111.4	70.2	105.8	76.7	113.2	81.2	114.2
Netherlands	19.2	22.3	20.7	23.6	21.1	24.3	21.9	24.0
Belgium	57.5	96.8	59.5	99.0	59.9	99.3	60.2	95.0
Luxembourg	21.9	36.9	22.3	37.2	22.7	37.1	22.3	35.9

¹workers and salaried employees

²hours worked by workers

THE COMMUNITY'S ENVIRONMENTAL RESEARCH AND DEVELOPMENT
PROGRAMME

Community R&D projects concerning (a) pollution and nuisances and (b) water supplies were recently proposed to the Council of Ministers by the Commission of the European Communities, in the context of the communication on the aims and means of a common policy for scientific research and technological development (see IRT No. 148).

Such a research programme is worthwhile at the Community level, for it meets common collective needs relating to the improvement of living conditions, the safeguarding of natural assets and the harmonious development of the Community's economic activities, and has to be conducted in an international context owing to the supranational nature of the problems and the scale of the resources needed to study them. The programme would provide direct support for the Community policy on the environment (see IRT No. 138).

I. Pollution and Nuisances

A. Work backing up studies aimed at an objective assessment of the hazards stemming from pollution

1. The creation of a data bank on chemical substances liable to contaminate the environment should make it easier to assess the hazards caused by chemical pollution; it should also help to draw up regulations or decide on measures to be taken in the event of accidents. This would be a continuous collective effort combining and supplementing the existing national activities, and the Joint Research Centre would take part in it.

ANNEX 2, p.2

2. Research on the noxiousness of lead in the atmosphere has already been undertaken jointly by the European Commission and the national experts, and various specific points have been taken into consideration to date, namely, the improvement of the methods of measuring lead contamination of the environment and of human beings, determination of the proportions of the body burden of lead contributed by inhaled air and diet respectively, studies of the metabolism of inhaled and ingested lead, etc.

3. Studies and research on the consequences ensuing to the natural environment from the discharge of cooling water from conventional and nuclear power plants should include the preparation of a simulation computer code to predict the thermal loads on the Community's hydrographic network as a function of the siting of the heat sources, studies on the environmental effects of the various power plant cooling methods, an assessment of the effects of raising the temperature of surface and underground waters with a view to setting guide values for thermal discharges, etc.

4. Analytical epidemiological surveys of the effects of air and water pollution on health, conducted on a Community-wide scale, would enable more extensive and more valid observations to be made (note that an epidemiological survey of pneumoconiosis is already in progress under the Coal and Steel Community's programme of research on safety at work in the coal and steel industries).

5. Research on the effects on man of micropollutants in air and water (including certain heavy metals and various pure and chlorinated hydrocarbons) will require the development of a set of tests based on modern biological techniques.

ANNEX 2, p.3

6. An assessment of the ecological effects of water pollutants is essential for the joint determination of the quality objectives applicable to the various parts of the hydrographic networks. The proposed action could deal initially with certain heavy metals, detergents and pesticides, including their decay products.
7. Research on acoustic pollution could comprise action designed to characterize more precisely the physiological and psychological effects of noise on man, in order to define "indices of distress"; likewise a systematic study of the noise caused by motor traffic (contribution of the various component parts of the commoner types of vehicle to the noise emitted; relation between traffic noise and traffic composition and flow conditions) which would facilitate the development of quieter vehicles and enable recommendations to be issued to all the countries on the subject of traffic regulations and road conditions.
8. Research on marine pollution would be aimed at assessing the physical, chemical and biological effects of dumping industrial waste into the waters of the Continental shelf and of the direct discharge of domestic and industrial waste from the shore.
- B. Research projects to improve the detection and control of pollutants
9. Remote sensing of atmospheric pollution should facilitate the study of the transportation of atmospheric pollutants over long distances. Action in this field should be coordinated with any other European programme on remote sensing (e.g., of natural resources).

ANNEX 2, p.4

10. The construction and utilization of a large physical model of the diffusion of atmospheric pollutants from pinpoint or wider sources, for the purpose of industrial or power plant siting studies, should be of use to the entire Community.

C. R&D work relating to various anti-pollution technology

11. A project to assess desulphurization processes, which has not yet been agreed upon, could be restarted.

12. Various studies will endeavour to define the R&D needs in certain industrial sectors, in accordance with the environment programme already submitted by the Commission.

*

*

*

The starting phase of the programme (1973) would involve the Community, for projects 1-9, in an expenditure of 1.15 million u.a., to which the cost of participation, if any, by the Joint Research Centre would have to be added. Projects 10-12 will be precisely defined with the aid of the parties concerned, so that they can be commenced in 1974. Their initiation and the development of the projects already in hand would entail an expenditure of the order of three million u.a. in 1974 and four million in 1975.

ANNEX 2, p.5II. Water Supplies

The demand for good quality water is constantly growing in the Community, while resources are dwindling and deteriorating. This water supply problem will have to be solved by the development of economically feasible techniques and will demand a substantial research effort. The water supply is not merely a matter of industrial concern; it is a major social problem, and primarily one for the public authorities.

Before a Community programme can be defined, a survey must be done on the state of development of basic and applied research in the most promising water-purifying methods such as reverse osmosis and electrodialysis. The basic aim of any projects undertaken would be to find the most economical solutions.

Consequently a series of studies in the fields of basic and applied research are proposed, in regard to reverse osmosis and electrodialysis.

It is proposed that recourse be had to multinational group contracts with partial financing by the Community to the extent of about 25%. As regards the applied research or technology projects, which closely approximate to commercial interests, the European Commission could play a concerting and coordinating role to begin with. The granting of development contracts by the Community might also help new processes based on advanced technology to get started.

ANNEX 2, p.6

The proposed research work would cost the Community budget 1 million u.a. during the start-up phase covering the first year of the programme (1973). A sum of 3 million u.a. would have to be earmarked for the second year (1974) and 3.5 million for the third year (1975) in order to cover both the research work and the development contracts.

ANNEX 3, p.1EUROPEAN PARLIAMENT CALLS FOR A GENUINE COMMUNITY POLICY
ON SCIENTIFIC RESEARCH

Extracts from a resolution which the European Parliament, meeting at Strasberg on 15 June 1972, adopted after hearing a report on the Euratom research programme defined by the Council of Ministers of 21 December 1971 and the agreements concerning joint research projects signed by various European States and by the Commission of the European Communities (COST agreements); this report was presented by Mr Glesener on behalf of the Parliamentary Committee for Energy, Research and Atomic Questions.

The European Parliament notes:

- (a) that the Commission of the European Communities has done everything in its power under the treaties to launch, in accordance with the declaration of intent made by the heads of State and of Government of the Member States on 1 and 2 December 1969, the reorganization of the Joint Research Centre and a Community scheme of action on the research policy;
- (b) that the Council and Member States have not yet succeeded in putting their intentions into practical form, in spite of numerous declarations, and have therefore not achieved satisfactory results;
- (c) that certain Council members themselves consider that this persistent failure either jeopardizes the existence of Euratom or is at least contrary to the spirit of the treaty establishing Euratom;

ANNEX 3, p.2

- (d) that the Council is self-frustrating, is therefore unable to cope with its work as an institution called upon to legislate in matters of research and is no longer capable of fulfilling the legislative obligations within an acceptable time limit and in accordance with its own decisions of principle;
- (e) that legislative powers of co-decision in this field should therefore be transferred without delay to the European Parliament, the representative of the sovereign peoples of the Community, which has the will to take action in this field and is capable of doing so; that under these conditions the Council must take a definite decision before 31 December 1972 on the preparation of a complete multiannual programme. For this purpose the Commission will have to notify the Council of this programme not later than 1 October next. If the programme is not prepared and approved by the Council by 1 November 1972 at the latest, it will be for the Parliament to take such measures as it may consider expedient to obtain a satisfactory solution to the matter before the end of the present year".
- in principle approves the agreements concerning joint research projects signed by various European States and by the Commission of the European Communities (COST agreements), which it regards as a first step towards the establishment of European research, but notes with regret that except for one agreement the provisions of the treaties in force at present confer on the Community no competence empowering it to take part in these projects;

ANNEX 3, p.3

- expressly points out that as long as they are not equipped with sufficient powers, on the basis of Article 235 of the EEC treaty, for instance, the Communities cannot sign the agreements (with one exception) without violating the treaty rules, and asks the Commission to have the legality of the Communities' participation in the agreements examined by the Court of Justice of the European Communities;
- would like the treaty to be amended in virtue of Article 236 of the EEC treaty on which the Community's general competence to deal with the EEC research problems is based, insofar as such an amendment would rely as the provisions of the ECSC treaty, Article 55, and the EAEC treaty, Article 101, with due regard to the rights of the Parliament; the latter two articles will also have to be amended in the desired direction;
- failing this, considers it imperative that Article 235 of the EEC treaty be implemented;
- invites the Commission to prepare without delay a proposal for amendment of the treaty in this sense;