

Newsletter on the Common Agricultural Policy

Weekly

No. 19

June 1964

Contents

1. The consumer is not forgotten under the common agricultural policy
2. Imports of agricultural and food products have also increased significantly
3. The common agricultural policy has had only a limited effect on prices
4. Factors influencing prices in the Community's major importing countries
5. Trend of producer and consumer prices for major products in EEC countries
6. An abundance of all kinds of food for the consumer
7. Tables of consumer prices in EEC countries
8. Corrigenda

The consumer is not forgotten under the common agricultural policy

Is it in fact true that the common agricultural policy is responsible for certain increases in the price the consumer has had to pay for food over the last two years? This assertion is widespread in the Community countries, though no conclusive proof has been forthcoming.

In the European Parliament in Strasbourg on 7 January 1964, the leader of one of the three political groups made the following statement:

"We are advocates of the European Communities and the idea of European unity, and we should regard it as a great misfortune if the public were to equate the establishment of the Communities - however wrongly, in my view - with certain tendencies for prices to rise I have brought the matter up here because in Germany, for instance, certain newspapers have regularly come out with big headlines 'EEC - Rising Prices' We believe that the EEC Commission has a responsibility in this matter and that it is not enough to serve out to us academic treatises, of the kind we have already received, on price trends in certain countries. In my opinion, it would be better if the EEC Commission told the whole story in those countries where false information is obviously being spread, even if this were to present the behaviour of one or other Government in this or that field in a light rather different from the official light" The speaker concluded that the EEC Commission should make greater use of publicity.

A point that can hardly be contested is that economic development in the Common Market, especially in trade and industry, has resulted in the standard of living rising faster than in other comparable Western countries. The consumer has a much larger and more varied supply of goods from different countries to choose from than before the Common Market was set up.

Intra-Community tariff cuts so far have totalled 60% of the tariffs levied in 1957, but the elimination of all quantitative restrictions on imports and exports of goods within the Community has also had a favourable effect on many consumer-goods markets. We cannot ignore the fact that the tariff cuts have been partly absorbed by the trade; but importers, wholesalers and retailers now look around in other Community countries as well as their own for goods to fill up the housewife's shopping basket. Goods are being imported that are not manufactured by home industry - or at least not on the same pattern. In France, for instance, it was not until smaller and cheaper refrigerators were imported from Italy that the general public could afford to buy these appliances. Similarly, consumers in Italy and France were helped by possibilities of acquiring motor-cars from other EEC countries, and in Germany by imports of fashionable textiles and shoes from France and Italy. And the fresh breeze of keener competition has been evident not only in trade but also in the manufacture of consumer goods. As a result of the EEC the consumer

today has a greater choice, and is thus able to find the article he wants at a more reasonable price than he could before.

Similar benefits are beginning to accrue as regards supply of farm products. The very rapid and positive advance in trade and industry, and the comparatively slow development in the food sector, can be explained by the fact that conditions in agriculture are different. Whereas businessmen recognized the advantages of the Common Market from the outset - especially the expansion of trade and increased turnover it would bring - this way of thinking in terms of what goods could best be offered to the consumer was only customary in agriculture in some of the six countries.

At first, for this and other reasons, it was only in trade and industry that markets were thrown open within the Community. The principles of the free-market economy and competition were not applied at national level to agriculture in any of the Six, though they were applied to the other sectors of the economy. The six agricultural markets could not therefore merge as quickly and smoothly as the markets in the other sectors. In agriculture, the foundation had first to be laid on which the six national policies could be incorporated in a single one. This changeover from a national to a Community basis, which is still not properly understood by the public, exposed the common agricultural policy to the charge that it was protectionist and would send up consumer prices.

This charge, however, is not borne out by the facts. When the common agricultural policy was framed, the consumer's interests were no more forgotten than they were in the rest of the economy. This policy, too, is intended to increase supply, to strengthen competition and to harmonize prices.

Imports of agricultural and food products have also increased significantly

The common agricultural policy can point to a considerable measure of success in achieving these aims, despite the opposition it still arouses. Trade in foodstuffs among the member countries has expanded considerably. And, what is particularly surprising: increased trade among the member countries has not, on the whole, been at the expense of imports from non-member countries. The value of food imports into the Community has continued to increase. The reorganization of the internal market cannot but cause some shifts in the flow of trade in farm goods from some non-member countries, since suppliers in the member countries do have preference over suppliers from non-member countries, just as in the industrial sector. But this has kept within tolerable bounds so far. The change in trade flows is partly due to the member countries becoming stronger trade partners among themselves.

The common agricultural policy has had only a limited effect on prices

The common agricultural market in its present form was expected to affect the price of food only in the two major importing countries - Germany and Italy.

No direct consequences were really expected in the other member countries, which are self-sufficient in certain groups of products or even exporters (e.g., France and the Netherlands). EEC farm policy has so far been limited to using a joint set of instruments in trade in agricultural products within the Community and in importing and exporting those products. The initial stage of the common agricultural policy therefore influenced the current position much less in the non-importing countries than in the importing countries. To date, farm-price policy itself has remained extensively in the hands of the Governments of the individual Member States. So the consequences of direct price changes resulting from domestic increases in producer prices were much more decisive than any effects that introduction of the common agricultural policy might have had. In all Member States last year there were increases in producer prices - especially for products not yet covered by joint market regulations. To give a few examples: milk prices went up in almost all member countries, and the prices of sugar-beet and beef went up in some.

Factors influencing prices in the Community's major importing countries

The effects of the common agricultural policy on the importing States of the Community were felt most in the policy's initial period.

Before the common agricultural policy was introduced, the member countries were free to fix the level of threshold prices, sluice-gate prices and levies within the framework of the joint market organizations. The system suggested by the EEC Commission was more or less based on the current level of prices in the Member States, i.e. on "reference prices" obtained by producers in the member countries over one or more preceding years. The Member States thus had the opportunity of influencing the level of prices in the Community one way or the other when import prices were discussed in the Council of Ministers. In some cases the Member Governments were unwilling to endanger existing producer prices in the member countries by setting in motion the new EEC import system, but in other cases they wished to ensure better prices for producers by means of these guaranteed producer prices. The level at which reference prices were set was therefore of great importance.

Another very important factor was the calculation of some of the other elements making up the levies. These components - generally known as conversion rates - of the levies on eggs, poultry and pigmeat could be fixed according to very progressive criteria or at a level that would even guarantee the production of less efficient establishments. A good example is the conversion rate for eggs (see Newsletter No. 18). In the egg regulation the Council provided that the conversion rates, which were different for each member country at first, should be aligned more quickly than in the case of other livestock products, i.e. after three years only, from 1 July 1964. The levies will then correspond more closely to real conditions of production in the member countries.

A third factor that was not entirely without effect was the changeover from national procedures to the common system.

Increases in price resulting from the changeover to the EEC market organizations - in the case of cereals, for instance, where German and Dutch imports from outside the Community became more expensive - have been offset by consumer subsidies.

On balance, during the first and second years of operation, the common agricultural policy has shown extraordinarily little tendency to send consumer prices up.

Measures taken by the Member Governments outside the EEC regulations had more impact on prices than measures connected with the agricultural market organizations. All in all, it should be stressed that in the last three years the cost-of-living index in the EEC rose more sharply for industrial products and for services than it did for food.

Trend of producer and consumer prices for major products in EEC countries

In 1962, the first year in which common agricultural markets were in operation, producers obtained rather higher prices for cereals and livestock products than in the period before, particularly in the two major importing countries of the Community. Since then, the trend of farm prices under the regulated markets has not always been exclusively to the advantage of producers. Producer prices for eggs, which were relatively high in the first year, began to fall rapidly late last autumn - a development that continued in the spring of 1964. The prices remain very low.

The drop in egg prices in the Member States was not passed on intact to the consumer. It is now the trend in pigmeat prices that is expected to benefit the public. But we shall have to wait and see whether the whole of the cut in pigmeat prices which will doubtless take place in all Community countries in the near future is passed on entirely to the consumer.

Even considering the high pigmeat prices consumers had to pay last winter, when pigs were in short supply throughout the Community, the import arrangements proved their flexibility. At the height of the boom the EEC's import procedure made it possible to suspend all the levies on pig imports from non-member countries. These measures shielded the consumer from the worst consequences as regards prices. Owing to the reduction in the levies, the Community's pig imports reached an unprecedented volume. How scarce slaughter pigs were in Community countries is shown, however, by the fact that these heavy imports were just enough to prevent prices from rising further, but not to bring them down. The pigmeat shortage in itself had nothing to do with EEC farm policy but resulted from the normal supply fluctuations of the "pig cycle" in the six member countries.

At this point, however, it should be stressed that the trend of bread prices in all member countries in recent years has been increasingly independent of the price of the raw material - cereals.

Wage costs, packaging and distribution account for a steadily increasing proportion in consumer prices for bread and bakers' wares.

The difference in price between product and raw material is greater in Germany than anywhere else in the Community. Consumer prices for bread have not kept in step with market prices for milling wheat and rye. It may therefore be assumed that the trend of bread prices has been affected by factors which deaden the impact of the common agricultural policy (if the policy has an impact at all), as has become general with products in whose price raw-material costs occupy a relatively small place and processing and marketing costs a relatively large one.

Sometimes, producer prices that are fixed too low for the farmer may even work to the disadvantage of the consumer. This is obviously the case on the beef market at the moment. For prices must be high enough to tempt the farmer to venture into such an expensive business as beef-raising. The favourable economic trend in the Community has led to increased demand for beef. And just recently it has been found that beef prices were apparently not high enough to induce producers to keep up with the increase in demand. The consumer consequently has to pay a lot for his beef at present. It is up to the future beef market organization to see that beef prices are sufficiently attractive to producers to ensure that enough beef is available for the consumer.

A few words on fruit and vegetables. The duties still imposed on imports are as a rule rather lower than they were before the common agricultural policy was initiated. The trend in both imports and consumer prices has been correspondingly advantageous to the consumer. In the summer of 1963 EEC markets were glutted with many fruit and vegetable products and potatoes, this, in many areas, was at the expense of producers.

The products dealt with above occupy the most important place in the consumer's food budget. Apart from beef, they have all been covered by joint market organizations since 1 August 1962. It would take too long to examine further products of less importance for consumers' expenditure.

An abundance of all kinds of food for the consumer

We hear allegations on all sides that agricultural imports have expanded much less than commercial imports. Intra-Community imports of farm products rose by about 30% between 1960 and 1962, those of industrial goods by about 60%.

It should be pointed out that there is a strict natural limit to the amount of agricultural imports and exports, since these commodities can hardly be imported in excess of the requirements of processors and consumers. Moreover, there is a steadily growing tendency to import prepared products (oven-ready chickens, sides of pork instead of whole pigs) or processed products (tinned meats) rather than the agricultural raw material. The quality of imported goods is continually being given more prominence, and the shift in imports from agricultural raw materials to the choice specialities of the individual supplier

countries means a decline in mass imports of agricultural foodstuffs. In the import price the consumer thus pays part of the processing costs incurred in the exporting country.

In view of this we may say that the development of farm imports has been most satisfactory, and that the Common Market has assured an abundance of farm produce for the consumer, as well as industrial goods.

Although the significant increase in the supply of farm produce has not led to immediate cuts in consumer prices, the dampening effect of gradual establishment of the common agricultural market should not be underestimated. And what has been said above should also prove that the EEC Commission itself has done nothing that could have caused consumer prices to go up. The frequent assertions to this effect, which lay the blame for price increases on the farm system applied in the Community or on the EEC Commission, are based on false information.

The efforts of the EEC Commission are directed towards creating a complete common market in agriculture too, since the time for this seems to have come. Apart from putting through the proposals for uniform farm prices, the Commission must also make progress in solving other problems of the common agricultural policy. These include obstacles to trade in meat in some member countries arising from veterinary rules, and the maintenance of quotas in trade in wine.

On the whole, it may be said for nearly all agricultural products that producer prices have only a slight effect on consumer prices. What impact producer prices have is felt most when they are rising and hardly at all when they are falling. It is increasingly important to differentiate between agricultural raw materials, foodstuffs, and foods that undergo industrial processing before reaching the consumer.

It is thus difficult to define exactly which price changes are due to EEC farm policy and which to the normal fluctuations of the market. In the three main livestock products - eggs, poultry and pigmeat, which have been subject to market organizations for two years - no perceptible effects on consumer prices can be seen. In all Community countries farm prices seem on the whole to be of decreasing importance to the consumer. As a rule, agricultural products are not ready for immediate consumption but are raw materials suitable for human consumption only after processing or only then able to satisfy modern refined consumer tastes. Consequently, the price of agricultural raw materials does not usually have a direct effect on food prices. On the contrary, the producer's share in the price paid by the consumer is getting steadily smaller. The percentage of consumers' total expenditure that goes on food is also being reduced in all Community countries. Increasing trade margins, expenditure on transport, rent, heating, electricity, services and so on, make far greater claims on the consumer than food costs.

It is really no part of the EEC Commission's task to regulate consumer prices. This falls within the scope of the conjunctural and economic policies of the Governments of the Member States. Nevertheless, the EEC Commission has recently been making greater efforts to watch the development of consumer prices in all fields and to take account of it in economic policy. In the Seventh General Report on the Activities of the Community (1 April 1963 to 31 March 1964) the Commission has devoted a lengthy section to consumer policy. The influence of the common agricultural policy on consumer expenditure is thoroughly discussed. The Report makes a detailed survey of developments in the various products and gives data on the growth of farm imports and the movement of price indexes at the producer and consumer stages in all six member countries.

Tables of consumer prices in EEC countries

Poultrymeat

(Germany: "Jungmastgeflügel Kl. A", price per kg
France: "poulets" extra quality, price per kg)

	<u>Germany</u>		<u>France</u>	
	Price (DM)	Index [*]	Price (FF)	Index
1959	4.49	104.2	6.40	106.0
1960	4.31	100.0	6.55	108.4
1961	4.31	100.0	6.04	100.0
<u>Yearly average</u>				
1962	4.11	95.4	6.21	102.8
January	4.04	93.7	6.23	103.1
April	3.98	92.3	6.40	106.0
July	4.16	96.5	6.24	103.3
September	4.20	97.4	6.19	102.5
December	4.22	97.9	5.92	98.0
<u>Yearly average</u>				
1963	4.46	103.5	6.10	101.0
January	4.25	98.6	5.89	97.5
April	4.36	101.2	6.57	108.8
July	4.47	103.7	5.98	99.0
September	4.54	105.3	5.64	93.4
December	4.66	108.1	6.01	99.5
1964				
January	4.67	-	6.51	-
February	4.66	-	6.20	-
March	4.66	-	6.23	-

Note

* 1958 = 100 in all tables for livestock products.

Poultrymeat

(Netherlands: "braadkippen, panklaar", price per kg
 Luxembourg: "poulets à rôtir", price per kg)

	<u>Netherlands</u>		<u>Luxembourg</u>	
	Price (Fl.)	Index	Price (Lfrs.)	Index
1959	-	-	57.94	112.3
1960	4.56	103.6	52.94	102.6
1961	4.40	100.0	51.60	100.0
	<u>Yearly average</u>			
1962	4.30	97.7	53.89	104.4
January	4.32	98.2	-	-
April	4.32	98.2	-	-
July	4.28	97.3	53.47	103.6
September	4.32	98.2	53.26	103.2
December	4.24	96.4	52.89	102.5
	<u>Yearly average</u>			
1963	4.00	90.9	-	-
January	4.07	92.5	52.88	102.5
April	4.07	92.5	57.14	110.7
July	3.98	90.5	56.97	110.4
September	3.93	89.3	-	-
December	4.07	92.5	-	-
	<u>Yearly average</u>			
1964				
January	4.06	-	-	-
February	4.06	-	-	-
March	4.06	-	-	-

Poultrymeat

(Belgium: "poulets à rôtir", price per kg)

		<u>Belgium</u>	
		<u>Index</u>	
1959			
1960			
1961		100	<u>Remarks</u>
<u>1962</u>	<u>Yearly average</u>	101.5	No prices are available for poultrymeat in Italy. Publication of actual prices for Belgium is prohibited. Consumer prices remained steady in the producing Member States.
January		101.8	There were slight price increases in the importing Member States. The poultrymeat market is booming. In time this will benefit the consumer in the Community.
April		105.8	
July		101.7	
September		100.9	
December		97.1	
<u>1963</u>	<u>Yearly average</u>	103.1	
January		99.8	
April		104.3	
July		105.7	
September		102.6	
December		100.4	
<u>1964</u>		-	
January		-	
February		-	
March		-	

Pigmeat

(Germany: "Kotelett", price per kg
 France: "échine avec os", price per kg)

	<u>Germany</u>		<u>France</u>	
	Price (DM)	Index	Price (FF)	Index
1959	6.40	111.1	5.72	97.6
1960	6.50	113.4	6.08	103.8
1961	6.85	119.5	7.17	122.4
	<u>Yearly average</u>			
1962	7.02	122.5	7.32	124.9
January	6.98	121.8	7.44	127.0
April	6.84	119.4	7.11	121.3
July	6.97	121.6	7.35	125.4
September	7.17	125.1	7.20	122.9
December	7.18	125.3	7.55	128.8
	<u>Yearly average</u>			
1963	7.46	130.2	7.68	131.1
January	7.19	125.5	7.56	129.0
April	7.11	124.1	7.31	124.7
July	7.37	128.6	7.72	131.7
Sept	7.79	136.0	8.00	136.5
Dec.	8.17	142.6	8.00	136.5
1964				
January	8.29	-	8.00	-
February	8.30	-	8.00	-
March	7.97	-	8.48	-

Pigmeat

(Netherlands: "hamlappen", price per kg
Luxembourg: "Kotelett", price per kg)

	<u>Netherlands</u>		<u>Luxembourg</u>	
	Price (Fl.)	Index	Price (Lfrs.)	Index
1959	5.78	104.3	76.09	100.2
1960	5.56	100.4	76.22	100.3
1961	5.94	107.2	76.22	100.3
<u>Yearly average</u>				
1962	5.91	106.7	76.25	100.4
January	5.84	105.4	-	-
April	5.76	104.0	-	-
July	6.04	109.0	76.23	100.3
September	6.00	103.3	76.30	100.4
December	5.94	107.2	76.30	100.4
<u>Yearly average</u>				
1963	6.46	116.6	76.39	-
January	6.01	108.5	76.30	100.4
April	5.95	107.4	76.32	100.5
July	6.23	112.5	76.32	100.6
September	6.92	124.9	76.44	100.6
December	7.66	138.3	76.61	-
<u>Yearly average</u>				
1964				
January	7.84	-	76.63	-
February	7.60	-	76.98	-
March	7.38	-	76.91	-

Pigmeat

(Italy: "carne suina s.o.", best quality, price per kg
Belgium: "côte de porc", price per kg)

	<u>Italy</u>		<u>Belgium</u>	<u>Remarks</u>
	Price (Lit.)	Index	Index	
1959	1062	102.0	101.8	Publication of actual prices for Belgium is prohibited.
1960	1069	102.7	99.7	
1961	1098	105.5	107.3	
<u>Yearly average</u>				
1962	1171	112.5	101.6	There was an exceptional rise in both producer and consumer prices of pigmeat in 1963. This resulted from a shortage of fat stock in all Community countries, which was totally unconnected with the common agricultural policy. Producer prices may be expected to fall in 1964, since supplies of slaughter animals are increasing throughout the EEC. How far the trade and the processing industries are prepared to give the consumer his share remains to be seen; but consumer prices have already begun to come down in some countries.
January	1128	108.4	101.8	
April	1148	110.3	99.3	
July	1153	110.8	103.2	
September	1166	112.0	104.0	
December	1265	121.5	98.4	
<u>Yearly average</u>				
1963	1350	129.7	117.1	
January	1291	124.0	99.1	
April	1336	128.3	103.8	
July	1337	128.4	128.1	
September	1362	130.8	130.0	
December	-	-	135.1	
<u>1964</u>				
January	1489	-	-	
February	1489	-	-	
March	1489	-	-	

Eggs

(Germany: "b-Eier" weighing 55-60 g, price each
 France: "oeufs frais moyens" weighing 50-57 g, price each)

	<u>Germany</u>		<u>France</u>	
	Price (DM)	Index	Price (FF)	Index
1959	0.21	91.3	0.228	91.6
1960	0.21	91.3	0.239	96.0
1961	0.21	91.3	0.249	100.0
	<u>Yearly average</u>			
1962	0.20	87.0	0.252	101.2
January	0.20	87.0	0.288	115.7
April	0.19	82.6	0.220	88.4
July	0.19	82.6	0.241	96.8
September	0.21	91.3	0.253	101.6
December	0.25	108.6	0.333	133.7
	<u>Yearly average</u>			
1963	0.25	113.0	0.289	116.1
January	0.26	113.0	0.357	143.4
April	0.26	113.0	0.244	98.0
July	0.23	100.0	0.275	110.4
September	0.25	108.6	0.307	123.3
December	0.25	108.6	0.295	118.5
1964				
January	0.23	-	0.254	-
February	0.20	-	0.218	-
March	0.21	-	0.219	-

Eggs

(Netherlands: "eieren nr. 3", price each
Luxembourg: "Eier", price each)

	<u>Netherlands</u>		<u>Luxembourg</u>	
	Price (Fl.)	Index	Price (Lfrs.)	Index
1959	0.14	87.5	2.65	98.9
1960	0.15	93.8	2.71	101.1
1961	0.15	93.8	2.77	103.4
	<u>Yearly average</u>			
1962	0.13	81.3	2.64	98.5
January	0.13	81.3	-	-
April	0.14	87.5	-	-
July	0.13	81.3	2.49	92.9
September	0.14	87.5	2.68	100.0
December	0.16	100.0	3.11	116.0
	<u>Yearly average</u>			
1963	0.16	100.0	2.93	-
January	0.18	112.5	3.23	120.5
April	0.18	112.5	2.88	107.5
July	0.15	93.8	2.57	95.9
September	0.17	106.3	2.92	109.0
December	0.15	93.8	3.07	-
1964				
January	0.14	-	3.01	-
February	0.11	-	2.82	-
March	0.15	-	2.40	-

Eggs

(Italy: "uova", price each)

	<u>Italy</u>		<u>Belgium</u>
	Price (Lit.)	Index	Index
1959	32	97.0	100.0
1960	34	103.0	102.6
1961	34	103.0	108.4

Remarks

Publication of actual prices for Belgium is prohibited.

Yearly average

1962	35	106.1	100.4
January	39	118.2	111.9
April	28	84.8	95.6
July	32	97.0	96.9
September	37	112.1	101.3
December	46	139.4	120.7

Yearly average

1963	-	-	116.7
January	45	136.4	127.8
April	33	100.0	110.6
July	33	100.0	106.6
September	36	109.1	122.5
December	-	-	119.8

1964	-	-	-
January	34	-	-
February	31	-	-
March	-	-	-

Egg prices in 1963 were 13-20% higher than in 1958 in all Member States. Home production expanded strongly, especially in the traditional importing countries (Germany). As a result, the Community's exporting countries had difficulty in finding outlets. There has been a strong downward pressure on producer prices since mid-1963. Reductions in these prices have not been passed on intact to the consumer. It was not until the beginning of 1964 that consumer prices started to fall more quickly.

Beef
(DM per kg)

	<u>1963</u>	<u>January</u> <u>1964</u>	<u>February</u> <u>1964</u>	<u>March</u> <u>1964</u>	<u>April</u> <u>1964</u>
Germany					
"Zum Schmoren bzw. Braten von Blatt oder Bug z.T. ohne Knochen"	7.80	8.33	8.44	8.50	-
Belgium					
"Entrecôte"	10.28	-	-	-	-
France					
"Bifteck"	10.44	10.55	10.73	10.67	-
Italy					
"Carni bovine il taglio senz' osso" (in Rome)	9.54	10.12	10.10	-	-
Luxembourg					
"Roastbeef ohne Knochen"	7.68	7.68	7.79	7.73	-
Netherlands					
"Magere runder- lappen"	6.19	7.43	7.49	7.54	7.73

Bread

(DM and national currency per kg)

	<u>Germany</u>		<u>France</u>			<u>Italy</u>		
	DM	Index	FF	DM	Index	Lit.	DM	Index
1950	0.51	100	0.50	0.60	100	96	0.65	100
1955	0.74	145	0.69	0.83	138	116	0.78	121
1958	0.85	167	0.76	0.76	152	116	0.78	121
1959	0.85	167	0.79	0.67	158	115	0.77	120
1960	0.85	167	0.83	0.71	166	113	0.76	118
1961	0.91	178	0.87	0.70	174	116	0.74	119
1962	0.96	118	0.90	0.73	180	119	0.76	118
1963	1.01	198	0.96	0.78	192	126	0.81	131

	<u>Belgium</u>			<u>Netherlands</u>		
	Bfrs.	DM	Index	Fl.	DM	Index
1950	6.90	0.58	100	0.46	0.51	100
1955	7.50	0.63	109	0.51	0.56	111
1958	7.50	0.63	109	0.54	0.60	117
1959	7.88	0.66	114	0.53	0.59	115
1960	8.00	0.67	116	0.55	0.61	120
1961	8.03	0.64	116	0.56	0.62	122
1962	8.36	0.67	121	0.59	0.65	128
1963	8.73	0.70	127	0.63	0.69	136

Remarks

(a) Bread defined as follows:

Germany	Helles Mischbrot
France	Pain de fantaisie
Italy	Pano
Belgium	Pain ordinaire
Netherlands	Waterwitbrood

(b) For Index, 1950 = 100 on the basis of prices expressed in national currencies.

The French franc = DM 1.2 from 19 Sept. 1949 to 11 August 1957
 DM 1.0 from August 1957 to March 1961
 DM 0.810 from March 1961.

Figures dating from before the currency reform have been converted into new francs.

Corrigenda

1. Newsletter No. 14, March 1964, p.3

Now that final figures are available (giving changes for Italy in particular), the table showing white sugar production in the EEC should be amended as follows. These figures have been provided by ministries of agriculture and trade organizations in the various countries.

	<u>1962/63</u> (metric tons)	<u>1963/64</u>	<u>Percentage change</u> <u>1963/64 on 1962/63</u>
Germany (FR)	1 369 079	1 897 846	+ 38.62
France	1 497 660	1 834 000	+ 22.46
Belgium/Luxembourg	301 381	319 147	+ 5.89
Netherlands	420 600	385 000	- 8.46
Italy [*]	917 619	832 483	- 9.28
	<u>4 506 339</u>	<u>5 268 476</u>	<u>+ 16.91</u>

* Including sugar extracted from molasses.

2. Newsletter No. 18, May 1964

On page 3, the table "Target prices per kg of milk with 3.7% fat content for 1964/65" should be amended as follows:

<u>DM</u>	<u>Belgium</u>	<u>Germany (FR)</u>
<u>Upper limit</u>	5.250 Bfrs.	0.42 DM
<u>0.37</u>	<u>4.6135 Bfrs.[*]</u>	<u>0.3770 DM</u> (0.3610 DM)
<hr/>		
<u>Lower limit</u>	3.975 Bfrs.	0.318 DM
<u>0.318 DM</u>	(3.900 Bfrs.)	
<hr/>		

* First price communicated by the Belgian Government; the latest figure is 4.7219 Bfrs., or 0.38 DM.

On page 4, second paragraph, the last sentence should read: "This will facilitate their alignment on a single EEC guide price, as has been planned for the coming marketing years."