

# EUROPEAN COAL AND STEEL COMMUNITY

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## PRESS RELEASE

### CONTINUED IMPROVEMENT IN COAL

Luxembourg, March      The improvement in the demand for coal evident in recent months is likely to continue in the second quarter of this year, according to the Community member-states' delegates in the OEEC Coal Committee who have just held their regular quarterly meeting with the High Authority in Luxembourg. The meeting estimated that demand for coal in the Community would be 3% higher than deliveries actually effected in the corresponding quarter of 1959. Main reason for the improvement is the production of cokè for the steel industry, which is likely to take about 7% more coking coal than in the 1959 period.

Moreover, an expansion of over 6% in industrial output as a whole is likely to allow coal consumption to remain at last year's level, despite competition from other forms of energy. Demand for domestic purposes, on the assumption of average weather conditions, which would mean lower temperatures than those of 1959, is likely to increase slightly.

Exports to countries outside the Community are also expected to rise slightly, both for coal and for coke. Imports from non-member countries are estimated at 4.4 million tons - 350,000 tons lower than the amounts actually received in the second quarter of 1959.

The Committee estimated that production would be 2.6 million tons lower than in the corresponding quarter of last year, without taking into account short-time working. It said it was unable to supply estimates of the amount of short-time working likely to occur.

The result of the changes in production and demand would mean the production of a surplus of about 2 million tons, less any tonnages lost through short-time working. Should any surplus actually be produced, it would have to be added to the 30.5 million tons of coal expected to be in stock at pitheads on April 1.

Demand for metallurgical coke is expected to rise by 1.2 million tons, owing to the strong demand from the steel industry. Coke output would rise by a similar amount, leaving stocks in producers' hands unchanged at 7.7 million tons.

The following table shows a summary of the forecast for the second quarter, compared with the forecast for the first quarter of the year (in millions of tons):

	<u>1960</u>	
	<u>2nd qr.</u>	<u>1st qr.</u>
Output (without deducting losses through short-time working)	59.3	61.0
Imports from outside the Community	<u>4.4</u>	<u>4.7</u>
	63.7	65.7
Consumption	53.5	54.7
Consumption by mines and deliveries to miners	7.3	8.0
Exports to non-member countries	1.0	1.0
	<u>61.8</u>	<u>63.7</u>
Increase in stocks (assuming no short-time working)	2.0	2.0
	<u>63.8</u>	<u>65.8</u>
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