COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 418 final.

Brussels, 29 June 1982

CONVERSION POLICY

(Report from the Commission to ECSC Consultative Committee)

COM(82) 418 final.

REPORT FROM THE COMMISSION

TO THE EUROPEAN COAL AND STEEL COMMUNITY CONSULTATIVE COMMITTEE

ON CONVERSION POLICY

I. INTRODUCTION

1.1 The Commission in its report COM(81)717 of 25 November, 1981 drew up a framework for ECSC conversion policy for the 1975-1980 period. This present report represents an updating of that document to 1981.

1.2 It has also become necessary to adjust some of the data presented in the last report. In this context it should be said that the statistics provided emanate from various sources which cannot always be co-ordinated. As regards the ongoing development of regional employment in ECSC industries, updating is particularly difficult because of the unfortunate delay in reporting by ECSC undertakings.

1.3 A broad consolidated analysis by region of the assistance made available to steel closure areas through the medium of other Community financial instruments has been included, viz. conversion lending vis-à-vis EIB loans and grants from the European Regional Development Fund and for readaptation.

II. RECENT ECSC EMPLOYMENT TRENDS

2.1 Coal

In general, as may be seen from Table 1, employment in the European coal industry continues to decline slowly and is now some 13% lower on average than at the end of 1975. This figure, however, tends to mask the very considerable reductions evident in south Belgium (80%) and the Nord/Pas-de-Calais (46%) and Centre-Midi (43%) areas of France. The Member States [illegible] in Table 1 are not involved in coal mining to any significant extent.

While the role of coal in the Community's energy [illegible], it is not likely to lead to any significant change [illegible] trend in the foreseeable future.

TABLE 1

REGISTERED EMPLOYMENT IN THE EUROPEAN COAL INDUSTRY (x 1000)
(end of the year)

	1975	1976	1977	1978	1979	1980	End of Sept.'81	Change end of 1975/ end of Sept. 1981	%
DEUTSCHLAND									
Ruhr	159.7	155.1	151.1	143.5	141.1	143.4	145.1	- 14.6	- 9,1
Aachen	15.4	14.6	14.6	14.3	14.3	14.5	14.9	- 0.5	- 3,2
Niedersachsen	4.7	4.6	4.5	4.5	4.1	4.1	4.2	- 0.5	- 10,6
Saarland	22.6	22.1	21.8	21.5	22.8	24.8	26.1	+ 3.5	+ 15,5
Total	202.3	196.4	192.0	183.8	182.3	186.8	190.3	- 12.0	- 5,9
BELGIQUE									
Sud	8.2	6.1	4.3	3.6	2.9	1.8	1.7	- 6,5	- 79,3
Campine	20.0	19.9	19.6	19.6	19.5	19.6	19.6	- 0.4	- 2,0
Total	28.2	26.0	23.9	23.2	22.4	21.4	21.3	- 6,9	- 24,5
FRANCE									
Nord Pas-de-Calais	44.3	40.8	36.5	32.4	28.7	26.1	24.0	- 20.3	- 45,8
Lorraine	23.9	23.9	23.7	23.9	23.6	23.9	24.0	+ 0,1	+ 0,4
Centre-Midi	14.8	13.7	12.4	11.2	9.8	9.0	8.5	- 6,3	- 42,6
Total	83.0	78.3	72.6	67.5	62.2	59.0	56.5	- 26.5	- 31,9
UNITED KINGDOM									
Scotland	23.8	23.0	21.9	20.8	21.0	20.2	18.2	- 5.6	- 23,5
North East	36.3	35.1	34.9	33.9	33.3	32.6	30.4	- 5.9	- 16,3
Yorkshire	66.8	66.7	66.4	64.5	65.6	64.1	62.2	- 4.6	- 6,9
North West	25.6	24.8	24.3	23.3	22.9	22.5	21.6	- 4.0	- 15,6
Midlands	58.8	61.6	62.3	61.6	63.0	62.8	61.7	+ 2.9	+ 4,9
South Wales	30.8	29.8	29.0	27.5	26.8	25.7	24.9	- 5.9	- 19,2
Total	245.2*	241.0	238.7	231.7	232.6	228.0	218.8	- 26,4	- 10,8
TOTAL	558.7	541.7	527.2	506.2	499.5	495.2	486.9	- 71,8	- 12,9

* Including a coalmine in Kent which was still operational.
Source: Quarterly survey of ECSC industries.

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2.2 Steel

The critical state of the Community's steel industry may be gauged from the shrinking annual average employment patterns shown in Table 2. The regional analysis given in Annex I details how end-of-year employment totals have decreased substantially since 1975 and the varying degree to which the individual steel-producing areas have been affected.

The overall end-of-year employment trends in the national steel industries are summarised in Annex I(a).

2.3 It is evident that steel worker redundancies continue to be a very serious problem and, coupled with coal sector unemployment, constitute a massive unproductive labour force and a drain on Community resources. The restructuring of the steel industry will continue to add to these job losses, thus compounding these already serious problems and underscoring the need for vigorous and reinforced activities.

III. CO-ORDINATION WITH OTHER COMMUNITY INSTRUMENTS

3.1 Community financing in coal and steel closure areas is not confined to the ECSC conversion loan scheme and Article 56 readaptation aids. Other Community instruments are available, viz. European Regional Development Fund grants as the affected areas are frequently located in generally deprived regions, Social Fund grants and European Investment Bank and New Community Instrument loans

3.2 An analytical summary of EIB lending in steel making regions, principally infrastructure and energy projects, is set out in Annex III which shows the relatively substantial investment assistance made available.

Similarly, the grants made available from the ERDF and the Article 56 re-adaptation aids are set out in Annexes IV and V respectively. Finally, these four major sources of assistance to steel areas are summarised and combined in Annex VI with the aim of showing the pattern and magnitude of the financing in the larger steel areas from the various Community instruments. It should be noted that, for simplicity, consideration has been confined to level II areas which include areas where a minimum of 5,000 steel workers were emplyed in 1974; steel areas with less than this number have been excluded. Consequently, caution should be exercised when comparing totals as some loans may not have been taken into account.

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3.3 Within the non-quota section of the ERDF special programmes were launched in 1982 to promote new employment creating activities in zones affected by the recession and restructuring of the steel industry. Specific Community measures have been adopted by the Commission for Belgium and the United Kingdom, and are about to be submitted for Italy. The ERDF contributions to these five-year programmes are 6 MioECU and 33 MioECU to Belgium and the United Kingdom respectively, and 4 MioECU to the Italian programme when approved.

TABLE 2

Average annual employment in the European steel industry (x 1,000)

	1975	1976	1977	1978	1979	1980	1981	1975/1981 change	%
B.R. Deutschland	227	220	214	205	204	201	192	- 35.0	- 15.4
France	157	155	149	136	125	114	100	- 57.0	- 36.3
Italia	96	97	97	96	98	101	98	+ 2.0	+ 2.1
Nederland	23	23	22	22	21	21	21	- 2.0	- 8.7
Belgique	61	58	54	49	49	47	45	- 16.0	- 26.2
Luxembourg	23	22	20	17	17	16	14	- 9.0	- 39.1
United Kingdom	191	183	182	170	162	134	96	- 95.0	- 49.7
Ireland	0.8	0.7	0.7	0.7	0.7	0.7	0.6	- 0.2	- 25.0
Danmark	2.7	2.7	2.5	2.6	2.7	2.5	1.9	- 0.8	- 29.6
	781.5	761.4	741.2	698.3	679.4	637.2	568.5	- 213.0	- 27.3

Source: EUROSTAT - Employment Iron and Steel (ECSC) - Rapid Information (monthly)

. ECSC CONVERSION LOANS

1 The conversion loan scheme, the volume and distribution of which may be found in Table 3, has been greatly expanded over the past seven years to respond to the mounting steel industry crisis, as may be seen from Table 4. The conversion loan levels correspond to the severity of the problems in the Member States and have been related reasonably closely to the job losses. Projects financed by conversion loans over this period have provided a job creation potential in relation to overall losses of about 30% despite the increasing number of redundancies and the acutely difficult economic climate. That is not to say that this rate of job replacement is being viewed as the best achievable; on the contrary every effort is being and will be made to increase this rate.

2 A more detailed analysis of summarised results is given in Tables 4 and 5. It may be seen from these data that the total loan assistance and the number of jobs to be created have continued to increase to counter the employment losses mentioned previously. During the 1979-1981 period the average rebate per job to be created for direct loans has been of the order of 2,100 ECU which significantly exceeds the average of 1,120 ECU per job for sub-loans. These amounts refer to total job creation potential. The interest rebate for jobs suitable for former ECSC workers remains at 3000 ECU per job. Too great an emphasis however should not be laid on this aspect as both loan systems have different merits and are designed to fulfil separate functions.

The total budget cost of 124 MioECU over the past seven years of ECSC conversion policy may be seen to be minor compared to the large number of jobs (62,727) to be created by the projects financed.

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TABLE 3

ECSC conversion loans approved by the Commission 1975 - 1981

	Investments MioECU	%	Total loan MioECU	%	Steel industry Jobs lost (x 1,000)	%	Jobs to be created	%
B.R. Deutschland	767.99	20.6	213.14	17.8	- 35.0	16	13,680	21.8
France	1,095.56	29.4	262.95	21.9	- 57.0	27	18,413	29.4
Italia	199.02	5.3	73.0	6.1	(+ 2.0)	-	3,573	5.7
Nederland	20.06	0.5	8.68	0.7	- 2.0	0.9	505	0.8
Belgique/België	115.42	3.1	51.76	4.3	- 16.0	7	2,087	3.3
Luxembourg	31.87	0.9	14.97	1.2	- 9.0	4	1,100	1.7
United Kingdom	1,485.66	39.9	571.22	47.6	- 95.0	44.6	22,949	36.6
Ireland	9.50	0.3	4.45	0.4	- 0.2	0.1	420	0.7
Danmark	-	-	-	-	- 0.8	0.4	-	
	3,725.08	100.0	1,200.17	100.0	- 213.0	100.0	62,727	100.0

TABLE 4

ECSC conversion loans approved by the Commission 1975 -1981. Direct and global loans.

	Direct loans			Global loans			Total loans		
	No.	Amount MioECU	Jobs to be created	No.	Amount MioECU	Jobs to be created	No.	Amount MioECU	Jobs to be created
1975	9	64.02	3,267	-	-	-	9	64.02	3,267
1976	11	50.00	4,601	-	-	-	11	50.00	4,601
1977	8	116.05	9,125	1	3.7	185	9	119.75	9,310
1978	9	191.95	9,000	3	8.7	430	12	200.65	9,430
1979	19	137.57	7,672	6	62.55	3,358	25	200.12	11,030
1980	23	137.45	5,018	11	123.38	6,431	34	260.83	11,449
1981	17	154.49	5,921	11	150.32	7,719	28	304.81	13,640
	96	851.53	44,604	32	348.65	18,123	128	1,200.18	62,727

TABLE 5

Conversion loans, sub-loans from global loans

	No. of sub-loans	Amounts of loans	Employment to be created Total	Ex-ECSC
		Nat. currency		
1979				
France	76	FF 40 318 000	1 240	568
Luxembourg	9	Flux 95 000 000	312	134
United Kingdom	68	£ 16 628 200	3 502	2 010
Ireland	1	IR £ 53 100	85	34
	154		5 139	2 746 53.4%
1980				
Deutschland	6	DM 7 900 000	216	216
France	111	FF 54 594 000	1 263	627
Luxembourg	4	Flux 31 000 000	130	40
United Kingdom	87	£ 11 994 000	2 744	1 326
	210		4 548	2 266 49.8%
	364		9 687	5 012
1981				
Deutschland	20	DM 35 150 000	813	724
France	36	FF 38 549 000	1 622	361
United Kingdom	85	£ 13 690 500	2 487	1 273
Ireland	1	IR£ 50 000	68	5
	142		4 990	2 363 47.3%
	506		14 677	7 375 50.3%

V. GLOBAL/SUB-LOAN SYSTEM

5.1 The global/sub-loan system was introduced as part of the conversion loan scheme to respond to the need to foster by investment the valuable and unexploited employment potential of small and medium sized business concerns in the areas affected by the coal and steel industry decline. This object is best achieved through a local financial intermediary which will promote the propagation of the loans, assess the applicants, facilitate the processing of the application through administrative channels and monitor the progress of the project and the implementation of the employment requirments. The system has expanded from being a mere 3% of total loans to 47% in 1980 and 42% in 1981 and is likely to continue to play a major role in conversion efforts.

5.2 A list of the present financial intermediaries is attached in Annex II; several others are being considered for appointment in addition.

VI. ASSESSMENT

6.1 In reviewing the results of the conversion loan scheme, it is important to bear in mind the essential elements of the Commission's operating policy statement [1] in that respect, viz.:

- "it is necessary to promote the creation of an adequate number of alternative job opportunities in areas affected by the decline in coal and steel employment and in which, in the absence of new investments, workers would otherwise remain or become unemployed";
- "the maximum amount of loan eligible for an interest rebate is 20,000 EUA per job to be created";
- "the undertakings benefitting from Article 56 loans shall give priority in their recruitment to ex-ECSC workers".

6.2 The ECSC Consultative Committee at its meeting on 5 February, 1982 unanimously adopted a resolution expressing its concern regarding the decline in coal and steel industry activities and the effect on ancillary industries and the already grave youth unemployment problem, and calling on the Commission to make renewed efforts to regenerate the labour market and create as many jobs as possible through the conversion loan scheme coupled with the other Community instruments having similair aims.

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1) O.J. No. C 178, Pages 2, 3 and 4 of 27 July, 1977.

6.3 These aims are clearly reflected in the social clause embodied in the conversion loan contract. The provisions of this clause, which may be found in Annex VII, define the borrowers' ex-ECSC employment obligations and indicate specific ways and means of fulfilling them. An example of the "best efforts" required in this respect, viz. a specimen employment advertisement, may be seen in Annex VIII.

6.4 An assessment of the employment results achieved during the 1965-1976 period reveals that over 50 % of the jobs created were taken up by ex-ECSC workers. The overall job creation during this period was very near the initial estimate. During 1977 and 1978, the planned job creation of the projects for which loans were granted and which are now largely implemented, is also nearly fully realised, with the prospect of some further gains possible. A very high percentage (± 70 %) of these jobs were filled by ex-ECSC workers.

This relatively high performance, however, was mainly due to the fact that some of the 1977/78 loans were for internal conversion projects within the coal and steel industry ; in other words, the jobs created were actually filled by workers made redundant in other activities of the same coal and steel company. However, taking 1978, the most recent year for which figures are available and meaningful, if one disregards the internal conversion element, over 30 % of the jobs created were already taken by workers from the coal and steel industry by the end of 1981.

As regards the 1979-1981 conversion loans, the projects are not as yet fully implemented and recruitment is not complete. Consequently it would be premature to include any employment performance assessment for these more recent years.

6.5 It is to be recognized in this connection that Community conversion policy aims at the funding of new investments as a prime objective. This aim is clearly expressed by the working of Art.56.New jobs will only be created by the founding of new businesses and the implementation of new investments by existing businesses. The facility offered under the Treaty is that of the soft loan ; the interest reducing element of these loans should not be confused with an employment premium.

6.6 Whilst the priority for ex-ECSC workers in manning conversion loan projects must obviously continue to be the primary consideration, sight should not be lost of the repercussive effects of ECSC decline on employment in other dependent industries and thus the general loss of job opportunities, especially for young people. This concern will strengthen the thrust of ECSC loan activities towards the overall regeneration of the local labour market in ECSC areas.

VII. FUTURE PROSPECTS

7.1 The economic crisis being currently experienced by the Community is reducing industrial activity and the opportunities for profitable job-creating investment, both in ECSC regions and elsewhere. The restructuring of the steel industry coupled with the universal need for increased productivity will cause further substantial redundancies. Consequently, the possibilities of re-employing ECSC workers have become limited and the search for new projects has grown more difficult, especially in the category of major projects which individually create a large number of jobs at one time.

7.2 The difficult short and medium-term economic prospects underline the need for accentuated operation and strengthening of the conversion loan scheme especially for small and new businesses.

This will require greater emphasis on the preparation of conversion operations, particularly on the basis of Art.46 of the ECSC Treaty and also, in applicable cases, through the ERDF. Presently, some new conversion techniques geared to the small business are being introduced:

- workshop groupings of small businesses in one building, usually former steel premisses ;
- nursery factories-workshops with centralised common facilities geared to new businesses in their formative stage ;
- business and technology centers - nursery factories for high technology small businesses with full access, through computer facilities and by help from large firms, to modern management and manufacturing know-how.

It is hoped that these ventures will make a useful contribution to the difficult process of job creation.

Annex I

REGISTERED EMPLOYMENT IN THE STEEL INDUSTRY (ECSC)

Distribution by regions (Level I or II) (End of the year)

Country	1974	1975	1976	1977	1978	1979	1980	Fin 9/1981	Change end of 1975 / End of Sept. 1981
BELGIQUE									
Anvers	263			257	247		243	-	
Brabant	5.470			4.502	4.133		4.274	4.285	
Hainaut + Namur [1]	25.878			19.827	19.480		17.571	17.158	
Liège	22.893			17.733	17.736		15.960	15.780	
Limbourg	107			693	676		705	-	
Namur	199			190	190		170	-	
Flandre + Anvers + Limb. [2]	6.280			6.039	6.079		6.297	7.343	
Total	61.090	59.348	57.198	49.241	48.541	48.665	45.220	44.566	- 14.782 - 24,9%
DEUTSCHLAND									
Norden *)	31.065			28.248	27.851		28.023	28.054	
Schleswig-Holstein	780			625	560				
Hambourg	1.057			853	1.025				
Niedersachsen	22.323			19.929	19.653				
Bremen	6.905			6.841	6.613				
Berlin Ouest	-			-	-				
Nordrhein-Westfalen	143.483			131.650	137.832		130.473		
Düsseldorf	-			-	-		70.702	69.476	
Münster/Arnsberg/Detmold	-			-	-		57.384	53.878	
Köln	-			-	-		2.387	2.377	
Hessen	2.679			2.422	2.257		8.410	7.768	
Rheinland-Pfalz	4.729			4.649	4.716				
Baden-Württemberg	1.228			918	951		6.932	6.794	
Bayern	6.781			5.981	5.642				
Saarland	30.846			24.920	23.419		23.568	23.192	
Total	220.811	221.853	219.142	198.788	202.668	204.813	197.406	191.539	- 30.314 - 13,7%

*) Norden : Schlesw.Holstein/Berlin/Niedersachsen/Hamburg/Bremen

1) Since 1981 Namur included

2) Since 1981 Antwerp and Limbourg included

Source : monthly survey of ECSC industries

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Annex I

Country	1974	1975	1976	1977	1978	1979	1980	Fin 9/1981	Change end of 1975 / End of Sept. 1981
FRANCE									
Ile de France	343			1.120	1.019		1.003	1.042	
Bassin Parisien	19.988			18.445	17.239		15.253	14.544	
Champagne-Ardennes	3.266			2.661	2.551		1.804	1.668	
Bourgogne	6.966			6.615	6.369		5.574	5.173	
Basse Normandie	5.416			5.142	4.458		4.235	4.175	
Haute Normandie	145			131	151		170	182	
Picardie	4.195			3.896	3.710		3.470	3.346	
Nord-Pas-de-Calais	36.148			32.497	30.605		24.037	22.714	
Est	77.588			67.191	60.114		44.342	41.250	
Alsace	1.015			716	698		593	592	
Lorraine	76.338			65.788	59.175		43.061	39.978	
Franche-Comté	235			687	241		688	680	
Ouest	1.848			2.011	1.991		1.980	1.855	
Bretagne	69			104	107		107	109	
Pays de la Loire	1.779			1.907	1.884		1.873	1.746	
Sud-Ouest	1.390			1.269	4.169		1.183	1.164	
Aquitaine	184			246	186		193	199	
Midi-Pyrénées	1.206			1.023	983		990	965	
Centre-Est	11.539			10.859	10.152		8.666	8.099	
Auvergne	2.461			2.360	2.376		2.564	2.512	
Rhône-Alpes	9.078			8.499	7.776		6.102	5.587	
Méditerrannée	8.266			8.757	8.844		8.452	8.063	
Provence *	7.578			8.006	8.111		7.411	7.102	
Languedoc-Roussillon	688			751	733		1.041	961	
Total	157.110	155.775	153.948	142.149	131.133	120.555	104.916	98.731	- 57.044 - 36,6%

*) Côte d'Azur/H.Alpes/B.Alpes Maritimes.

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Annex I

Country	1974	1975	1976	1977	1978	1979	1980	Fin 9/1981	Change end of 1975 / End of Sept. 1981	
ITALIA										
Nord-Ouest	25.614			27.662	26.237		27.535	25.787		
Liguria/Piemonte										
Valle d'Aosta										
Lombardia	24.985			23.631	17.982		18.120	18.021		
Nord-Est	6.236			6.817	6.144					
Trentino/Alto Adige										
Veneto							6.891*	7.270		
Friuli-Venezia/Giulia										
Emilia/Romagna	483			462	429					
Centro	14.955			15.299	15.304					
Toscana/Umbria/Marche										
Lazio	-			-	339		16.327**	15.954		
Abruzzi-Molise	-			-	25					
Campania	8.617			8.737	8.962					
Sud	18.747			20.273	20.149					
Puglia/Basilicata							30.855***	30.378		
Calabria	-			-	-					
Sicilia	-			-	-					
Sardegna	-			-	-					
Total	99.657	96.140	95.015	102.881	95.571	98.720	99.528	97.410	+ 1.270	+ 1,3 %
LUXEMBOURG										
Total	23.503	21.447	21.755	17.437	16.187	16.348	14.904	13.673	- 7.774	- 36,2%

* Nord-Est et Emilia/Romagna
** Centro, Lazio et Abruzzi Molise
*** Campania, Sud, Sicilia et Sardegna

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Annex I

Country	1974	1975	1976	1977	1978	1979	1980	Fin 9/1981	Change end of 1975 / End of Sept. 1981
NEDERLAND									
Utrecht	284			267	258		274	271	
Noord-Holland (Ijmuiden)	22.702			21.197	19.440		19.185	19.246	
Zuid-Holland (Alblasserdam	1.975			1.625	1.597		1.588	1.529	
Total	24.961	25.401	25.066	23.089	21.295	20.931	21.047	21.046	- 4.355 - 17,1 %
UNITED KINGDOM								Fin 6/81	change end of 1975/ end of June 1981
North	34.784			35.244	27.547		20.921	17.964	
Yorkshire & Humberside	42.423			46.555	42.397		39.753	32.143	
East Midlands	5.491			5.561	4.999				
East Anglia	-			-	-				
South East	567			1.005	868				
South West	-			-	-				
West Midlands	12.899			12.436	12.978				
Noth West	4.520			5.025	1.898		1.678	1.510	
Wales	63.701			59.402	48.945		32.243	25.894	
Scotland	13.474			14.479	13.047		10.423	9.624	
Other England 3) (Midlands + South)	-			-	-		7.102	6.453	
Total	177.859	183.140	180.384	179.707	152.679	156.579	112.120	93.588	89.552 48,9 %
DANMARK								Fin 9/81	change end of 1975/ end of Sept. 1981
Total	2.181	2.572	2.782	2.509	2.692	2.762	2.181	1.830	- 742 - 28,8 %

3) Since 1981 "Other England" includes : East Midlands, West Midlands, South East et South West.

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Country	1974	1975	1976	1977	1978	1979	1980	Fin 9/1981	Change erd of 1975 / End of Sept. 1981
IRELAND								Fin 9/81	
Total	996	680	754	704	726	749	531	600	- 80 - 11,8%
HELLAS *)									
TOTAL CEE	768.148	766.356	759.044	716.505	671.492	670.122	597.853		

*) HELLAS

Locality (town)	Provisional figures on employment in 1981
Elefsina	1.930
Thessaloniki	1.348
Velestino & Volos	461
Almyros Volou	580
Skaramangas	356
	4.675

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Summary of end-of-year employment in the European steel industry (x 1,000)

	1974	1975	1976	1977	1978	1979	1980	1981	1974/1981 change	1974/1981 %
B.R. DEUTSCHLAND	232.0	221.9	219.1	209.5	202.8	204.8	197.4	186.7	- 45.3	- 19.[illegible]
France	157.8	155.8	153.9	143.0	131.6	120.6	104.9	97.3	- 60.5	- 38.3
Italia	95.7	96.1	98.0	96.6	95.6	98.7	99.5	95.7	0	0
Nederland	25.1	25.4	25.1	23.3	21.3	20.9	21.0	20.9	- 4.2	- 16.7
Belgique	63.7	59.3	57.2	49.8	48.5	48.7	45.2	44.1	- 19.6	- 30.8
Luxembourg	23.5	21.4	21.8	17.4	16.8	16.4	14.9	13.4	- 10.1	- 43.0
United Kingdom	194.3	183.1	180.4	177.0	165.4	156.6	113.6	88.2	- 106.1	- 54.6
Ireland	0.8	0.7	0.8	0.7	0.8	0.7	0.5	0.6	- 0.2	- 25.0
Danemark	2.7	2.6	2.8	2.5	2.5	2.8	2.2	1.7	- 1.0	- 37.0
	795.6	766.4	759.0	719.7	685.2	670.1	599.2	548.6	- 247.0	- 31.0

Source : EUROSTAT - Employment Iron and Steel (ECSC)

FINANCIAL INTERMEDIARIES

ANNEX II

BELGIUM

Société régionale d'investissement de Wallonie,	Namur
Caisse Nationale de Crédit Professionnel,	Bruxelles

F.R. GERMANY

Saarländische Investitionskreditbank,	Saarbrücken
Westfalenbank,	Bochum
Industriekreditbank,	Düsseldorf
Bank für Gemeinwirtschaft,	Frankfurt/Main
Bayerische Hypotheken-und Wechsel-Bank,	München

FRANCE

Lordex,	Nancy
Banque populaire du Nord,	Lille
Banque populaire de Lorraine,	Metz
Société de développement régional,	Lille
Banque populaire de la Loire,	Saint-Etienne
Société de développement régional du Sud-Est,	Lyon
Crédit national,	Paris
Société Nancéienne de Crédit Industriel et Varin-Bernier (SNVB),	Nancy
Crédit Lyonnais,	Paris
Crédit Industriel d'Alsace et de Lorraine (CIAL),	Metz

ITALY

Finlombarda,	Milano

G.D. LUXEMBOURG

Société nationale de crédit et d'investissement,	Luxembourg

THE NETHERLANDS

De Nationale Investeringsbank,	Den Haag

UNITED KINGDOM

Finance for Industry,	London
Scottish Development Agency,	Glasgow
Welsh Development Agency,	Pontypridd
Co-operative Bank,	Manchester
Barclays Bank Limited	London
Clydesdale Bank Limited,	Glasgow

Investment by the European Investment Bank and through the New Community Instrument in infrastructure and non-steel industry in the steelmaking regions of the Community between 1975 and 1981, incl.

EUROPEAN INVESTMENT BANK

MioECU

Country/Region	Level II (minimum 5.000 employees in the steel industry in 1974) Total infrastructure	Total industry
Saarland	-	1,4
DEUTSCHLAND	-	1,4
Basse-Normandie	7,3	14,4
Nord/Pas-de-Calais	136,6	1,3
Lorraine	99,2	3,5
Rhône-Alpes	497,3	0,4
Provence-Côte d'Azur	66,4	
Bourgogne/Franche-Comté*	35,1	
FRANCE	841,9	19,6

Country/Region	Level III (minimum 1.000 employees in the steel industry in 1974) Total infrastructure	Total industry
Saarland	-	1,4
DEUTSCHLAND	-	1,4
Nord	122,4	0.9
Pas-de-Calais	14,1	0,3
Meurthe et Moselle		1,5
Moselle		1,5
Isère	243,5	
Savoie	10,7	
Bouche-du-Rhône	56,9	
FRANCE	447,6	4,2

* One region only is a steel region ; since the distribution of loans between the regions is not available, global amounts are given.

ANNEX III

MioECU

Country/Region	Level II (minimum 5.000 employees in the steel industry in 1974)		Country/Region	Level III (minimmm 1.000 employees in the steel industry in 1974)	
	Total infrastructure	Total industry		Total infrastructure	Total industry
Piemonte	205,7	16,2	Alessandria	29,2	
			Torino	37,4	9,5
Liguria	3,3	4,9	Bergamo	39,3	9,5
Lombardia	276,7	24,9	Brescia	118,8	3,2
			Milano	29,0	15,3
			Firenze	5,1	
Toscana	5,1	19,0	Livorno		10,4
Umbria		29,3	Terni		14,7
Campania	249,3	226,7	Napoli	66,2	55,0
Puglia	682,2	168,8	Taranto	197,1	10,2
Campania/Basilicata*	31,8				
Campania/Molise*	23,9				
Campania/Calabria*	118,7				
Lombardia/Emilia Romagna*	16,6				
Lombardia/Toscana		9,2			
Lombardia/Piemonte		10,0			
Puglia/Sicilia*	35,1				
ITALIA	1.648,4	509,0	ITALIA	522,1	127,8

* One region only is a steel region ; since the distribution of loans between the regions is not available, global amounts are given.

MioECU

Country/Region	Level II (minimum 5.000 employees in the steel industry in 1974) Total infrastructure	Total industry
North	298,3	55,5
Yorkshire & Humberside	127,4	54,7
East Midlands	25,4	1,1
Wales	349,1	6,5
Scotland	608,5	119,7
Scotland/North	186,3	
East Midlands/Yorkshire	4,2	
Yorkshire/North	37,0	
Yorkshire/North West*		1,9
North West/Scotland*	19,7	
North West/North*	44,6	13,2
North West/Wales*	45,9	2,6
UNITED KINGDOM	1.746,4	255,2

Country/Region	Level III (minimum 1.000 employees in the steel industry in 1974) Total infrastructure	Total industry
Cleveland	149,9	14,6
Cumbria		8,6
Durham	1,5	40,1
Humberside	37,4	34,7
South Yorkshire	90,0	0,4
Clwyd	11,6	10,1
Gwent	19,0	3,2
South Glamorgan		0,1
West Glamorgan		2,9
Strathclyde	114,1	67,8
UNITED KINGDOM	423,5	182,5

* One region only is a steel region ; since the distribution of loans between the regions is not available, global amounts are given.

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ANNEX III

MioECU

Country/Region	Level II (minimum 5.000 employees in the steel industry in 1974) Total infrastructure	Total industry	Country/Region	Level III (minimum 1.000 employees in the steel industry in 1974) Total infrastructure	Total industry
Hainaut		7,8	Charleroi		1,4
			Soignies		1,6
Province de Liège	111,2	8,5	Liège		4,6
Oost-Vlaanderen		8,3	Gent		2,0
BELGIQUE	111,2	24,6	BELGIQUE		9,6
COMMUNITY	4.347,9	809,8	COMMUNITY	1.393,2	325,5
	NEW COMMUNITY INSTRUMENT (NCI) (1979,80,81)				
Piemonte	34,9		Brescia	44,8	
Lombardia	44,8				
Toscana	10,5				
Campania	15,8				
Puglia	52,1				
Campania/Basilicata *	296,4				
Puglia/Sardegna *	11,8				
Emilia Romagna/Lombardia *	4,0				
ITALIA	470,3		ITALIA	44,8	

*One region only is a steel region; since the distribution is not available, global amounts are given.

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NEW COMMUNITY INSTRUMENT (cont.)

MioECU

Country/Region	Level II (minimum 5.000 employees in the steel industry in 1974)		Country/Region	Level III (minimum 1.000 employees in the steel industry in 1974)	
	Total infrastructure	Total industry		Total infrastructure	Total industry
North	33,9				
Wales	79,4				
Scotland	25,9				
UNITED KINGDOM	139,2				
EIB + NIC COMMUNITY	4.957,4	809,8	COMMUNITY	1.438,0	325,5
	5.767,2			1.763,5	

ANNEX IV

European Regional Development Fund Contributions in Steel Areas from the Establishment of the Fund in 1975 to the end of 1981

Country	Level II (minimum 5 000 employees in 1974)	No. of projects	ECU	Level III (minimum 1 000 employees in 1974)	No. of projects	ECU
Deutschland						
Niedersachsen	Hildesheim	(83)	13 119 597			
	Osnabrück	(52)	9 983 997			
	Braunschweig	(59)	9 598 768			
Niedersachsen since 1981	Braunschweig	(17)	2 755 923			
	Hannover	(2)	48 500			
	Weser-Ems	(16)	3 698 846			
Bremen	Bremen	(10)	1 026 630			
N.R.-Westfalen	Düsseldorf	(1)	2 038 262			
	Arnsberg	(50)	7 012 367			
Bayern	Oberpfalz	(51)	13 836 369			
Saarland	Saarland	(184)	42 567 299			
France						
	Basse-Normandie	(58)	13 532 650	Calvados	(13)	2 600 111
	Bourgogne	(9)	631 906	Nièvre	(6)	355 554
				Saône-et-Loire	(3)	276 352
	Nord/Pas-de-Calais	(114)	71 203 062	Nord	(55)	52 263 941
				Pas-de-Calais	(59)	18 939 121
	Lorraine	(140)	59 265 429	Meurthe-et-Moselle	(13)	18 229 297
				Moselle	(60)	18 915 992
	Rhône-Alpes	(82)	17 497 786	Isère	(3)	831 227
				Loire	(48)	13 222 216
				Savoie	(1)	565 777
	Provence-Alpes Côte d'Azur	(18)	1 609 844	Bouche-du-Rhône	(11)	902 024

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Country	Level II (minimum 5 000 employees in 1974)	No. of projects	ECU	Level III (minimum 1 000 employees in 1974)	No. of projects	ECU
Italia						
				Alessandria	-	
	Piemonte	-		Novara	-	
				Torino	-	
	Liguria	-		Genova	-	
				Bergamo	-	
	Lombardia	-		Brescia	-	
				Milano	-	
				Firenze	-	
	Toscana	(6)	3 249 088	Livorno	(6)	3 249 088
	Umbria	-		Terni	-	
	Campania	(831)	373 455 284	Napoli	(192)	140 561 383
	Puglia	(407)	181 093 074	Taranto	(55)	43 118 370
Luxembourg (G.D.)		(8)	4 880 384		-	
Nederland	Noord-Holland	-		Agglom. Haarlem	-	

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Country	Level II (minimum 5 000 employees in 1974)	No. of projects	ECU	Level III (minimum 1 000 employees in 1974)	No. of projects	ECU
United Kingdom						
	North	(718)	254 265 081	Cleveland	(116)	42 552 243
				Cumbria	(95)	34 080 444
				Durham	(174)	39 375 925
	Yorkshire & Humberside	(361)	76 021 155	Humberside	(118)	23 155 331
				South Yorkshire	(105)	31 701 012
	East Midlands	(63)	13 411 571	Northamptonshire	(8)	4 506 582
	West Midlands	(8)	583 610	Staffordshire	-	
				West Midlands County	-	
	Wales	(705)	168 913 550	Clwyd	(99)	28 257 905
				Dyfed	(61)	11 858 712
				Gwent	(148)	37 323 411
				South Glamorgan	(62)	25 277 479
				West Glamorgan	(59)	14 430 938
	Scotland	(824)	338 431 098	Strathclyde	(283)	151 194 674
Belgique/België						
	Brabant (Wallon)	-				
	Hainaut	(32)	7 833 139			
	Liège Prov.	(27)	9 674 927			
	Oost-Vlaanderen	(12)	1 280 838			

N.B. Average conversion rate per year provided by the Statistical Office used for the years 1975 to 1979 inclusive. For the years 1980 and 1981, the conversion rate of the Budget of the European Communities is used which is the valid rate for the month of January of the year concerned.

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ANNEX V

Readaptation aids to displaced ECSC workers under Art. 56 of ECSC Treaty, 1975-1981

Member State	Coal industry credits in MioECU (1)	Workers	Steel industry and iron ore mines Credits in MioECU (1)	Workers	TOTAL	
					Credits in MioECU (1)	Workers
Deutschland	35.3	36 732	25.0	28 304	60.3	65 036
France	24.1	5 341	49.0	26 129	73.1	31 470
Italia	-	-	2.2	3 515	2.2	3 515
Nederland	-	-	2.0	1 031	2.0	1 031
Belgique/België	9.4	7 071	11.0	11 538	20.4	18 609
Luxembourg	-	-	5.6	2 078	5.6	2 078
United Kingdom	49.6	21 310	175.1	85 571	224.7	106 881
Ireland	-	-	0.3	229	0.3	229
TOTAL Community	118.4	70 454	270.2	158 395	388.6	228 849

(1) It should be noted that the European unit of Account (EUA) which later became the ECU was introduced in 1976 ; before that the Unit of Account (UA) was used. Some slight divergencies in the total sums may therefore arise.

N.B. : Greece did not receive any aids in 1981.

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Annex VI

1975-1981 Summary of financial assistance to those level II areas where a minimum of 5.000 steel workers were employed in 1974

(MioECU)

Country	Conversion loans Direct	Conversion loans global	E.I.B. + N.C.I. Infras.	E.I.B. + N.C.I. Indus.	E.R.D.F.(1)	E.C.S.C. readaptation	Notes
DEUTSCHLAND		27.86				60.3	Attributed to all ECSC areas
Hildesheim					13,12		
Osnabrück					9,98		
Braunschweig					9,60		
Braunschweig } since 1981					2,76		
Hannover } since 1981					0,04		
Weser-Ems } since 1981					3,70		
Bremen					1,03		
Düsseldorf }	63.7	18.024			2,04		
Arnsberg }					7,01		
Oberpfalz		9.96			13,84		
Saarland	45.689	3.7		1.4	42,57		
Deutschland : Total	109.389	59.544		1.4	105,69	60.3	
FRANCE		16.952				73.1	Attributed to all ECSC areas
Basse-Normandie			7,3	14.4	13,53		
Bourgogne					0,63		
Bourgogne/Franche-Comté*			35,1*				
Nord/Pas-de-Calais	78.04	17.15	136,6	1,3	71,20		
Lorraine	112.602	18.65	99,2	3,5	59,27		
Rhône-Alpes	1.152	11.98	497,3	0,4	17,50		
Provence-Alpes/Côte d'Azur			66,4		1,61		
France : Total	191.794	64.732	841,9	19,6	163,74	73.1	

(1) Average conversion rate per year provided by the Statistical Office used for the years 1975 to 1979 inclusive. For the years 1980 and 1981, the conversion rate of the Budget of the European Community is used which is the valid rate for the month of Janaury of the year concerned.

* One region only is a steel region ; since the distribution of loans between the regions is not available, global amounts are given.

Annex VI

MioECU

Country	Conversion loans Direct	Conversion loans Global	E.I.B. + N.C.I. Infras.	E.I.B. + N.C.I. Indus.	E.R.D.F.(1)	E.C.S.C. readaptation	Notes
ITALIA						2.2	Attributed to all ECSC areas
Piemonte			240,6	16,2			
Liguria	37.10		3,3	4,9			
Lombardia	4.86	11.94	321,5	24,9			
Lombardia/Emilia* Romagna			20,6				
Lombardia/Toscana				9,2			
Lombardia/Piemonte				10,0			
Toscana	0.34		15,6	19,0	3,25		
Umbria				29,3			
Campania		13.11	265,1	226,7	373,46		
Campania/Basilicata*			328,2				
Campania/Molise *			23,9				
Campania/Calabria *			118,7				
Puglia			734,3	168,8	181,09		
Puglia/Sicilia*	1.65		35,1				
Puglia/Sardegna			11,8				
Italia : Total	43.95	23.05	2.118,7	509,0	557,80	2.2	
NEDERLAND						2.0	Attributed to all ECSC areas
Noord-Holland							
BELGIQUE/BELGIE		24.5				20.4	Attributed to all ECSC areas
Brabant (wallon)							
Hainaut/Henegouwen	5.83			7,8	7,83		
Province de Liège	14.214		111.2	8,5	9,67		
Oost-Vlaanderen				8,3	1,28		
Belgique/België : Total	20.44	24.5	111.2	24,6	18,78	20.4	

(1) * As before

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Annex VI

MioECU

Country	Conversion loans		E.I.B. + N.C.I.		E.R.D.F.(1)	E.C.S.C. readaptation	Notes
	Direct	Global	Infras.	Indus.			
LUXEMBOURG	7.54	7.43			4.88	5.6	
UNITED KINGDOM		84.88				224.7	Attributed to all ECSC areas
North	48.405		332,2	55,5	254,27		
Yorkshire & Humberside	2.484		127,4	54,7	76,02		
Yorkshire/North			37,0				
Yorkshire/North West*				1,9			
East Midlands	13.896		25,4	1,1	13,41		
East Midlands/Horkshire			4,2				
West Midlands	5,24				0,58		
Wales	341.627	9.26	428,5	6,5	168,91		
Scotland	36.879	18.55	634,4	119,7	338,43		
Scotland/North			186,3				
North West/Scotland*			19,7				
North West/North*			44,6	13,2			
North West/Wales*			45,9	2,6			
United Kingdom : Total	448.531	112.69	1.885,6	255,2	851,62	224.7	
Grand total	821.248	293.946	4.957,4	809.8	1.702,51	388.6	

(1) * As before

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ANNEX VII

EMPLOYMENT OF REDUNDANT ECSC WORKERS (SOCIAL CLAUSE)

1. The Borrower shall create not later than ... at least ... jobs at the project site which are suitable for redundant ECSC workers.

2. From the date of this agreement until the expiry of five years after the completion of project, or, if earlier, until repayment of the loan in full, all jobs mentioned under (1) shall in priority be offered to redundant ECSC workers.

3. The Borrower shall use its best efforts to fill all jobs mentioned under (1) with redundant ECSC workers. It shall make known all job on offer or vacancies to the coal and steel employers, to the local employment office and by suitable publicity. Redundant ECSC workers who are candidates lacking qualification or experience may not be refused if capable of acquiring the necessary qualification through training.

4. Redundant ECSC workers thus employed shall be maintained in their employment subject to the terms and conditions of any applicable statute or collective agreement. If the Borrower is obliged to reduce its activity, the redundant ECSC workers may only be made redundant under the same conditions and at the same rate as other workers at the project site.

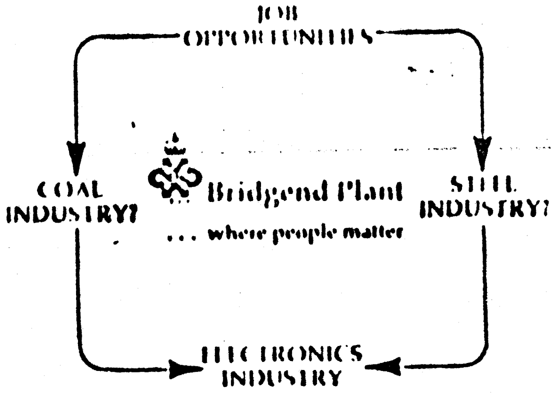
5. The Borrower shall supply to the Lender a report drawn up as at 31st December in each year, such report indicating:

   - the total employed in the jobs mentioned under (1),

   - the number of and positions held by redundant ECSC workers employed in the jobs mentioned under (1),

   - the number of job on offer communicated to the local coal and steel employers and employment office,

   - the number of redundant ECSC workers employed during that year.



are just completing their new colour TV Tube Plant and have agreed to highlight, in coal and steel closure areas, the job opportunities that exist in their new Plant. The current list includes vacancies at

MANAGERIAL, SUPERVISORY, TECHNICAL and OPERATOR level in

PRODUCTION, PROCESS CONTROL, QUALITY CONTROL, MATERIAL CONTROL, WAREHOUSING and MAINTENANCE.

If you have worked in the coal, steel or a related industry recently (even in the last 5 years) and have relevant experience you are invited to complete an application form so that your background can be evaluated. Only physically fit people with good colour vision can be considered and younger people living locally will be preferred.

recruitment standards are very high and only people who match their requirements in terms of qualifications and/or experience will be able to be selected for an interview/recruitment test.

All appointments will require the passing of a medical examination.
Interested? Then contact the following for an application form:
YOUR LOCAL JOB CENTRE

RECRUITMENT DEPARTMENT
(TUBE PLANT),
KINGSWAY, BRIDGEND INDUSTRIAL
ESTATE, BRIDGEND, MID GLAMORGAN.
Tel: 761290