

COMMISSION OF THE EUROPEAN COMMUNITIES

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CONSULTATION WITH THE COUNCIL

on the possibility of introducing a measure under Article 61(b)
of the ECSC Treaty, including minimum prices within the common
market for steel products

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The trends observed in the Community steel market have led the Commission, together with the various groups affected (producers, consumers, dealers, trade unions and government experts), to investigate the characteristic features of the current situation and to seek means for achieving improvements. As a result of the information gathered from these investigations and meetings, the Commission has formed the following views.

I. SITUATION IN THE COMMUNITY IRON AND STEEL INDUSTRY

1. The market

The impact of the recession has been harder in the steel industry than in most other industrial sectors. During 1974 and 1975, output of crude steel in the Community has fallen from 156 million tonnes to about 125 million tonnes. The progressive decline in output since the beginning of the year has speeded up the deterioration of the situation.

Decline in steel production

1st quarter 1975/74:	- 7.7%
2nd quarter 1975/74:	- 18.6%
3rd quarter 1975/74:	- 28.0%
4th quarter 1975/74:	- 26.0%

(see Annex I, Table 1)

The effect of this drop in output on the utilization of capacity is equally serious. The rate shows a fall from 85.0 in 1974 - the year in which almost maximum utilization was achieved - to about 65 in 1975; for the 3rd quarter of 1975 the figure is as low as 56.3 (see Annex I, Table 3). According to the general iron and steel objectives for 1980-85 which the Commission has just drawn up, it will hardly be possible to meet the forecast demand for steel in 1980 with the current production capacity. The structural excess in capacity which is a feature of some other sectors therefore does not exist in the Community iron and steel industry. The present position, due to a fall in demand, is thus determined essentially by market problems.

In 1975 iron and steel production decreased by 20% compared with 1974 and is now back at its 1968 level; at the same time industrial production as a whole has fallen by 10% and is down to its 1972 level (see Annex I, Table 4).

In contrast to the large majority of other industrial sectors, the recession in the iron and steel industry is not merely quantitative; one of its main features is a sharp drop in prices.

In October 1975 internal prices for rolled products reached their lowest level for that year and were on average 35-45% lower than the highest 1974 level; export prices dropped by approximately 50%. Since November of the same year internal prices for steel have improved slightly, by about 10%. But even the higher prices for December 1975-January 1976 are still 25-30% below the highest 1974 levels. But for some products, particularly heavy and medium plate, the situation continues to worsen. Since November prices for large-scale exports have developed along the same lines (see Annex I, Tables 5 and 6).

Although it is true that steel prices in 1974 were very high, a long-term comparison with wholesale prices for industrial products as a whole shows that until 1973 steel prices rose less rapidly than those of other industrial goods. Since last year, however, the latter have not experienced the same fall in prices - on the contrary, these prices have continued to rise (see Annex I, Table 7).

A preliminary analysis indicates that the hardening of the prices noted since November could be attributed to various factors. First of all it can be assumed that stocks held by consumers and dealers had reached an absolute minimum level for almost all products in most Member States. Then, in some of the sectors supplied by the iron and steel industry (car manufacturers, public works, electric household appliances) there has been a slight upswing in activity. There is also no doubt that the estimates given in the Commission's Forward Programmes, where the aim is to bring about a better balance between production and actual consumption, have resulted in an adjustment in production and an improvement in the psychological atmosphere of the market. It might even be wondered whether the measures announced by the Commission in its Communication of 23 October 1975 have not in their turn encouraged this psychological atmosphere.

Unlike prices, production costs in the steel industry have risen steadily in 1975; this is true both for the principal sources of energy and for wages and capital goods in general. Some further increase in the cost of capital goods, energy and to some extent wages, must be expected in 1976. One exception is the scrap market, where price movements have been similar to those for steel.

The influence of external trade in iron and steel products on the situation in the industry has been particularly noticeable since June 1975.

The Community is traditionally a net exporter. In 1974 it exported about 22% of its production and imported about 6% of its requirements. Expressed in volume, exports in 1974 totalled 26.4 million tonnes in rolled products and imports totalled 5.5 million tonnes.

From June the volume of exports decreased noticeably whilst the rate of imports speeded up in spite of weakening internal consumption (see Annex I, Tables 10a and c).

Apart from these quantitative difficulties, the price level for imported products significantly worsened the deterioration in the Community steel market.

Through the interplay of alignments these low-priced offers by non-Community countries have a disproportionate effect on Community prices. Because the same offer from outside the Community is hawked around by importers to a multitude of potential buyers, the effect spreads. This phenomenon has contributed to the deterioration of the market.

It will be remembered that, in order of importance, the Community's main suppliers are Eastern Europe, Austria, Japan, Sweden, Spain, and, apart from the United States, Norway (see Annex I, Table 9).

Prospects for the iron and steel industry for the next few months are, to some extent, reflected in the level of orders. After dropping comparatively further than production, orders placed in October 1975 were, for the first time this year, higher than for the same month last year - + 9.7%. The explanation lies chiefly in the increased activity of the sectors mentioned earlier, in the fact that the stock rundown has stopped, and in the effect of the measures taken by the Member States to revitalize the economy particularly in the field of public authority building. It should, however, be noted that orders from outside the Community are not showing the same trend (see Annex I, Table 2).

The Commission's Forward Programme for the first quarter of 1976 forecasts a net steel production of 30.1 million tonnes.

If the factory shut-downs planned for the end of the year are deducted, this level of production is more or less equivalent to maintaining the production at the lower level of the last few months (minus 3 million tonnes a month compared with 1974); the fall in production, compared with 1974, therefore continues at a rate of approximately 24%.

The first signs of a slight improvement in one or other of the consumer sectors will, if the trend is maintained, be a delayed but similar development in steel production. For two-thirds of its outlets, the iron and steel industry depends on the capital goods industries. But these industries as a whole are still suffering from the tendency to a very low level of investment which is characteristic of the present economic situation.

Hence the first quarter of 1976 will still be a period of considerable depression on the iron and steel market. Neither should any improvement in the direction of exports to non-Community countries be anticipated. The lull on the world market has hardly changed in spite of demand from the Arab countries and, to some extent, Eastern European countries.

The forecasts per category of product (included in the Forward Programme for the first quarter of 1976) show differentiated trends - there will be some increase in demand for sheet and sections compared with a decrease in demand for heavy and medium plate; this is the effect of the sectoral revival referred to earlier and the reduced activity in the shipbuilding and steel pipes sectors.

2. Employment

Until November 1975 the iron and steel industry was able to mitigate the effects of the decline in production on employment by carrying out repairs and secondary work. But it seems that these possibilities are now almost exhausted. The main social effect of the recession has been partial unemployment. The level of redundancies is fairly limited and in most cases confined to voluntary departure and early retirement.

Estimates for November 1975 still show the same trend as regards redundancy, i.e., about 2 000 persons a month, giving a total of some 750 000 persons.

Short-time working, however, continues to spread and by November is likely to affect some 208 000 workers and employees in the iron and steel industry, involving the loss of 7.3 million working hours during that month. Thus since September 1975 the number of hours not worked has increased by 70%.

The situation is likely to get still worse in December and January, a period marked by a lengthy end-of-year holiday in many companies. Doing away with short-time working at a faster rate will be possible only if there is a marked revival in production.

3. The financial position of undertakings

Between 1961 and 1973 the gross profit of the Community iron and steel industry (before deducting amortization, interest and tax) on average came to approximately 12% of turnover. This profit contributed 60% of total expenditure towards the financing of investments by the sector. Other sources of investment finance were increases in capital, which accounted for 10%, and medium- and long-term loans, which accounted for 30%.

During the first quarter of 1975 most undertakings were still able to show a slight profit. The second quarter was already marked by losses. Since the

third quarter the financial position of undertakings has worsened considerably. Except for a very few products (track-laying equipment and sheet piling), which anyway are only marginally important, prices obtained in the market no longer cover amortization. For some of the undertakings prices do not cover total variable costs. Even though there has been a slight improvement in prices in the last few weeks this is insufficient to improve the financial situation significantly.

By contrast, as stated earlier, almost the entire range of production costs, with the exception of scrap, showed price increases. The effect was heightened by the fact that price levels in the steel market in December 1975 were comparable with those of the first quarter of 1973, the period immediately before the steel boom. It was from the second quarter of 1973 that the increase in production costs, particularly for energy, began to have their most noticeable effect.

In addition the Community iron and steel industry is carrying out heavy investment programmes in connection with which expenditure can be estimated at approximately 2 400 m u.a. in 1976. Progress achieved in the last few years in almost all areas of iron and steel technology is forcing undertakings to make these investments in order to maintain their competitive position. If we extrapolate the losses recorded by the iron and steel industry in the third quarter of 1975 over a whole year, we arrive at an overall loss greater than the investment planned for 1976.

There is no doubt that during the financial years 1973 and 1974 iron and steel was able to make exceptional profits which for some time enabled it to finance investment from reserves accumulated during these years. Once these reserves are exhausted - which now generally seems to be the case - investment has to be financed almost exclusively from loans. If the present depressed financial situation is prolonged, the degree of indebtedness of the iron and steel industry is likely to reach a dangerous level. Either that, or the sector will have to give up its investments in modernization and rationalization which are necessary for maintaining its competitive position.

This situation has led the Commission to step up its investment loan activities considerably (Article 54 ECSC).

The present financial situation will also have a very marked effect on employment. So far, in order to avoid large-scale redundancy, the iron and steel industry has used its employees to carry out a whole range of auxiliary duties. It is very doubtful that the financial situation will allow this policy to be continued indefinitely.

II. ACTION TAKEN BY THE COMMISSION IN 1975

Since the end of 1974, the Commission has noted with concern the market trends for iron and steel in the Community.

In its Communication to steel-making undertakings of 2 May 1975 (OJ No C 100 of 2 May 1975), the Commission stated its concern, and - in keeping with the preference for indirect methods set out in the Treaty - announced that it would be drawing up a revised Forward Programme for a short four-month period, so that allowance could be made for general economic trends. It also stated that it would be increasing its information resources and stepping up its monitoring of price rules, giving special attention to the influence of imports on the behaviour of the market.

The aim of the promised Forward Programme was to provide the indicator needed in order to adapt production more closely to actual demand, whilst recommending the rapid run down of the excessive stocks held by consumers and dealers.

Pursuant to the provisions of Article 46 (1) and the third subsection of Article 48, the studies needed in order to gain insight into the situation were undertaken in collaboration with producers, workers, users, dealers and government experts.

The resulting Forward Programme for the period June-September 1975 was published in OJ No C 143 of 26 June 1975. This set out the forecast production of crude steel by Member States and thus provided an indicator better adapted to the economic situation in each country.

At the same time as this document was being prepared, and with the aim of allowing the Commission to monitor steel production month by month and by undertaking, a decision was taken under Article 47 obliging undertakings in the steel industry to make monthly returns of their planned or estimated production and to send it in quickly. (Decision No 1272/75/ECSC of the Commission of 16 May 1975, OJ No L 130 of 21 May 1975)

As the fall in production could affect the employment situation the Commission, still acting on the basis of Article 47, took a decision requiring steel-making undertakings to make monthly returns covering the situation for the previous month and forecasting short-time working and redundancies for the following month. (Commission Decision No 1870/75/ECSC of 17 July 1975, OJ No L 190 of 23 July 1975)

At the end of August the Commission drew up the Forward Programme for the fourth quarter of 1975 based on a new series of studies undertaken in cooperation with the interested parties listed earlier. This document was published in OJ No C 231 of 10 October 1975 and the result was a very satisfactory degree of adherence to the undertakings' production forecasts. This result, which is being maintained at present, represents net progress as compared with the forecasts for the June-September programme. The Forward Programme has made it possible to adjust production more closely to actual demand and has contributed widely towards a better qualitative balance, without however as yet having a satisfactory influence on price levels.

The Commission has recently completed the Forward Programme for the first quarter of 1976. This document, due for publication in December, will be innovative in the sense that forecasts in respect of supplies are established for five groups of finished products.

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On 22 October the Commission held a further wide-ranging debate on the situation in the Community's iron and steel industry and adopted the following guidelines which were made public on 23 October 1975:

- consultations would be requested within the OECD under the Trade Pledge in order to make all the Community's partners more aware of the specific problems of the iron and steel industry against the background of the world economic situation, and an appeal for even closer international cooperation would be made;

- the possibility of establishing a system of monitoring the statistics on steel imports would be investigated;
- amongst other measures, the possibility of fixing minimum prices for iron and steel production would be investigated;
- from the first quarter of 1976 greater detail would be given in the Forward Programmes for the forecasts by category of product (see above).

As the Commission has at present rejected the idea of unilaterally restricting imports, other methods of approaching the chief supplier countries were sought.

In accordance with the guidelines the Commission therefore requested consultations within the OECD which took place in Paris on 13 and 14 November 1974.

At the end of the consultations, which (with the exception of the East European countries) were attended by the Community's chief trading partners in the sector concerned, the latter formally noted the special difficulties of the Community's iron and steel industry which, in varying degrees were also present in other countries. The participating countries also recognized that a greater effort as regards increased international cooperation between the countries concerned would mean that it would be possible to avoid unilateral restrictive measures (see Annex II).

At this meeting Spain, whilst emphasizing the difficulties of its own iron and steel industry, stated that it was prepared to look into the matter of the difficulties which Spanish exports might cause for the Community market. The delegation informed the meeting that it would be possible to continue with discussions during the following weeks. Should these lead to positive results, the Community could look forward to a cooperative attitude from the Spanish exporters.

As regards Austria and Sweden, and therefore the other EFTA countries with which the Community has negotiated free trade agreements which include non-discrimination rules in respect of prices, a different approach will be required.

Insofar as the Commission's chief aim is to avoid serious disturbances caused by the price of imported steel, these price rules may be considered as providing sufficient guarantee in this field. Also, as there have been no erratic movements in the quantities of steel traded with these countries over the last few months, this approach will make it possible to respect the special links between the Community and these countries without prejudicing the Community's objectives.

Discussions held under the aegis of the ECSC contact group have, since June 1975, drawn the attention of the Japanese authorities to the problems caused by the increasing quantities and the prices of exports to the Community. Also, following discussions between the industries involved and the Japanese authorities, the major Japanese steelworks have themselves practised restraint, with the result that we have the assurance that during the third quarter of 1976 imports from Japan will essentially correspond to the ability of the Community market to absorb the quantities concerned and that these imports will not cause disruptive changes in the shares of market. It should be added that, according to the Commission's present information, this does not hold good for the small Japanese producers.

Finally, imports from Eastern European countries are subject to quantitative restrictions in five Community countries - the Benelux countries, the Federal Republic of Germany and Italy. These countries, which because of their geographical position are very vulnerable to imports from East European countries, have frozen import quotas for 1976 at the 1975 level.

Like France where only pig iron is still subject to quotas, the three new Member States have completely liberalized their imports. These countries enjoy relative geographical protection.

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The series of measures described cover about 70% of Community imports and, since the Community is a net exporter, should be regarded as a maximum possible achievement.

These measures seem to provide a reasonable guarantee that any measures taken internally will not be rendered nul and void by imports.

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In order to be able to keep close track of trends in imports, including those from countries not covered by the measures referred to above, and in order, where necessary, to be able to take up the relevant contacts urgently in order to seek solutions, the Community has recently decided, pursuant to Article 74(3), to establish a statistical monitoring system.

For this purpose it has requested the Member States to notify the Commission within six weeks of any data relating to imports of a specific number of iron and steel products from certain non-member countries. The products concerned are the main iron and steel products constituting the bulk of imports.

These figures should ensure that the Commission is rapidly informed on the state of steel imports both as regards volume and as regards price. The Commission will then be able to decide whether the imports concerned take due account of the ability of the market to absorb them and will not cause any abrupt changes in the shares of supplies; thus the Commission will be in a position to seek appropriate solutions, if necessary.

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On the more general level of economic revival, the Commission in its Recommendation of 23 July 1975, based on Article 155 of the EEC Treaty, authorized certain measures which aimed to:

- encourage public authority orders, particularly by speeding up existing investment programmes;
- encourage private consumption;
- support private investment.

The revitalisation programmes implemented by the Member States during 1975 aim to a not inconsiderable extent at launching public authority building programmes which

cannot but bring about a certain improvement in demand for steel. As was mentioned earlier, similar effects have been noted in the market in the last few weeks.

This Recommendation functions as one of the indirect methods of action referred to in Article 57 ECSC.

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In order to top up the financial resources available for investment which, following the worsening of the financial position of undertakings have greatly decreased, the Commission has stepped up its activity in the field of EEC investment loans during the year.

Commission appropriations in favour of iron and steel (Article 54 ECSC) amounted to 250 m u.a. in 1974. In the same year the European Investment Bank granted loans to the Community's iron and steel industry totalling 77 m u.a.

In 1975 loans under Article 54 were increased to approximately 500 m u.a. whilst the volume of EIB loans increased to 42.4 m u.a.

In 1974 total interventions by the Community represented approximately 12% of investment expenditure; in 1975 this percentage increased to approximately 20%.

III. POSSIBILITY OF RESORTING TO A MINIMUM PRICE SYSTEM

Article 61 of the ECSC Treaty makes the introduction of minimum prices within the Common Market subject to the existence of a manifest crisis or the imminence of such a crisis.

The Commission's own monitoring of the situation as well as the studies that have been made and the consultations that have been held since May 1975 have led the Commission to consider the possibility of the present situation meeting these criteria.

The economic situation in the steel market, which already gave rise to concern in mid-1975, certainly continued to worsen during the second half of that year.

From October there were some signs of recovery both in the number of orders placed and in price levels, but the prospects for the first quarter of 1976 still do not allow the conclusion that there will be a real and lasting improvement in the situation. Generally, some time has to elapse before an improvement in the overall economic climate has any effect on the iron and steel sector the larger proportion of whose activities are oriented towards the capital goods sectors.

The steady worsening of the financial position of undertakings is likely to cause a dangerous level of indebtedness or a disruption to investments for rationalization and modernization, which in its turn threatens competitiveness.

So far the employment situation in iron and steel has remained relatively stable but at present there is an increase in short-time working. There is, however, a risk that, because of the sector's financial position, it will no longer be possible to retain those measures taken to ensure this stability. It is therefore not certain that the level of employment can be guaranteed.

The guidelines provided by the Commission in its quarterly Forward Programmes with the aim of ensuring better adjustment of production to actual demand have contributed towards improving the quantitative balance without however sufficiently influencing price levels.

The persistence of the current recession on the steel market could therefore lead to serious structural problems which might even affect the existence of some undertakings which suffer from inherent social and regional difficulties.

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Introducing minimum prices would be likely to mitigate this lack of revenue among steel undertakings which is endangering the principal aims of the Treaty set out in Article 3. A system of minimum prices would therefore also maintain jobs and, by keeping up the necessary investments, an adequate level of production.

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Against this background several considerations in respect of the level at which the minimum prices should, if necessary, be fixed should prevail:

- they should be higher than the market price for the first quarter of 1975 so that there is an increase in revenue;
- they should not cause a distortion of competition in favour of the steel industry as opposed to other economic sectors. The system must take account of the objectives of the general economic policy, particularly the legitimate interest of the steel processing undertakings and their ability to compete;
- the minimum prices must not have a disruptive effect on external trade, either export or import, in products of the iron and steel industry.

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As the introduction of minimum prices was conceived as a temporary support measure for the sector, it will be absolutely necessary to ensure that this support is not undermined by the influence of the price of imported products.

Prohibiting alignment with offers from non-member countries lower than the minimum prices would therefore be the unavoidable corollary of such a measure and would be an integral part of it.

If by this means the Community's steel makers were deprived of a means of using the price to defend themselves against imports, it would be necessary to do all that was possible to avoid an undue increase in the quantities imported and hence an unjustifiable alteration in the respective market shares, whilst at the same time not resorting to restrictive measures.

International cooperation under the aegis of the OECD, the measures taken by the Member States in connection with imports from East European countries and the price rules embodied in the free trade agreements between the Community (ECSC) and the EFTA countries would seem to provide a reasonable guarantee that any internal measures will not be threatened by imports.

It should be remembered that the Community has to take into account all its international obligations and its general objectives regarding commercial policy. One cannot help but note that the risk of protectionism has become greater during the last few months.

Finally, if they are not fixed at a carefully chosen level, minimum prices could give rise to objections by non-member countries, to which the Community exports considerable quantities of steel, that the Community is practising dumping.

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The practical implementation of a minimum price system (see Annex III) should allow for the fact that a minimum price, once published, would have a pilot function in the market and would therefore also in fact be likely to become the maximum price at which users would be prepared to buy, even if an increase in demand meant that it was possible to bring about an adjustment in the prices. This would have implications for the period during which the minimum price level remained applicable.

In any case, any measure introducing minimum prices should be limited as to time and renewable only after an examination of the situation on the iron and steel market.

Since such a measure would concern only steel producers in the sense of Article 80 of the Treaty, the question would arise of adherence to these prices by parties reselling these products. Here the application of the provisions of Article 63 ECSC would allow adherence to this measure by the agents and some resellers (Decision No 19/63 of 11 December 1963, OJ No 187 of 24 December 1963 and Decision No 31/53, coordinated version, OJ No C 29 of 12 May 1973).

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IV. CONCLUSIONS

The Commission feels that the conditions are such as to permit the application of Article 61(b) of the ECSC Treaty. It therefore feels that it may fix minimum prices within the common market for several products of the iron and steel industry in order to achieve the aims set out in Article 3 of the Treaty.

In accordance with the procedure provided for in Article 61 it is consulting the Council on the advisability of such measures. If necessary it will at a later stage hold consultations on the level at which the minimum prices are to be fixed.

In the meantime the Commission is similarly consulting the Consultative Committee of the ECSC and will forward the results.

The Commission does not envisage introducing restrictive import measures to accompany the possible introduction of minimum prices.

Once the consultations with the ECSC Consultative Committee and the Council have been completed, the Commission will formally set out its position on trends in the situation in the iron and steel sector.

TABLE I

EUR 9 - THE PRODUCTION OF CRUDE STEEL DURING THE FIRST ELEVEN MONTHS OF 1975
COMPARISON WITH THE SAME PERIOD IN 1973 AND 1974.

Months and quarters	Years			Variation (+ -)	
	1973	1974	1975	1975/1974 %	1975/1973 %
	A. COMMUNITY (EUR 9)				
I	12.301	13.307	12.988	- 2,4	+ 5,6
II	11.330	12.407	11.511	- 7,2	+ 1,6
III	12.869	13.639	11.818	- 13,4	- 8,2
I + II + III	36.500	39.353	36.317	- 7,7	- 0,5
IV	12.209	12.972	11.478	- 11,5	- 6,0
V	12.947	13.520	9.769	- 27,7	- 24,5
VI	12.392	12.550	10.527	- 16,1	- 15,1
IV + V + VI	37.548	39.042	31.774	- 18,6	- 15,4
VII	12.268	12.780	9.024	- 29,4	- 26,4
VIII	11.976	12.052	8.194	- 32,0	- 31,6
IX	12.462	13.177	10.144	- 23,0	- 18,6
VII+VIII+IX	36.706	38.009	27.362	- 28,0	- 25,5
X *	13.389	13.808	10.396	- 24,7	- 22,4
XI*	13.352	13.138	10.205		
XII*	12.461	12.267			
X + XI + XII*	39.202	39.213			
I à XII*	150.073	155.587			
Countries I to IX	B. CUMULATIVE DATA (TOTAL FIRST ELEVEN MONTHS BY COUNTRY)				
Deutschland	45.522	49.227	37.747	- 23,3	- 17,1
France	23.003	24.749	19.841	- 19,8	- 13,7
Italia	19.058	21.765	20.121	- 7,6	+ 5,6
Nederland	5.160	5.313	4.435	- 16,5	- 14,0
UEBL Belgique	14.132	15.093	10.624	- 29,6	- 24,8
Luxembourg	5.449	5.966	4.262	- 28,6	- 21,8
EUR 6	112.324	122.115	97.030	- 20,5	- 13,6
United Kingdom (1)	24.882	20.723	-		
(2)	24.754	20.633	18.465	- 10,5	- 25,4
Ireland	106	108	78	- 27,8	- 26,4
Danmark	419	493	506	+ 2,6	+ 20,8
EUR 9	137.603	143.349	116.079	- 19,0	- 15,6

* For information

- Based on official statistics (some months of 5 weeks - the other are of 4 weeks)
- Official statistics adjusted to calendar months.

Table 2

ANNEX I

EUR 9 - TREND ON NEW ORDERS RECEIVED FOR ECSC STEEL PRODUCTS,
 BY MONTH SINCE JANUARY 1975 -
 COMPARISON WITH 1973 AND 1974

Months	Years			Variations (+ -)	
	1973	1974	1975	1975/1974 %	1975/1973 %
	A. Received in the Community				
I	8.829	8.217	5.858	- 28,7	- 33,7
II	8.136	8.240	5.212	- 36,7	- 35,9
III	9.107	8.765	5.624	- 35,8	- 38,2
I + II + III	26.072	25.222	16.694	- 33,8	- 36,0
IV	7.234	7.929	6.216	- 21,6	- 14,1
V	8.640	8.554	5.588	- 34,7	- 35,3
VI	7.944	7.529	5.818	- 22,7	- 26,8
IV + V + VI	23.818	24.012	17.622	- 26,6	- 26,0
VII	7.676	8.040	6.073	- 24,5	- 20,9
VIII	6.585	5.824	3.809	- 34,6	- 42,2
IX	7.442	6.488	5.651	- 12,9	- 14,1
VII+VIII+IX	21.703	20.352	15.645	- 23,1	- 27,9
X	8.067	5.085	5.787	+ 13,8	- 28,3
	B. Received from Third Countries				
I	2.091	2.106	1.691	- 19,7	- 19,1
II	1.697	1.799	1.573	- 12,6	- 7,3
III	1.587	1.978	1.854	- 6,3	+ 16,8
I + II + III	5.335	5.883	5.118	- 13,0	- 4,1
IV	1.335	1.661	1.310	- 21,1	- 2,8
V	1.630	2.156	1.353	- 37,3	- 17,0
VI	1.696	1.714	1.423	- 17,0	- 16,1
IV + V + VI	4.661	5.531	4.086	- 26,1	- 12,3
VII	1.468	1.886	1.214	- 35,6	- 17,3
VIII	1.750	1.802	947	- 47,4	- 45,9
IX	1.763	1.482	1.573	- 6,1	- 10,8
VII+VIII+IX	4.981	5.170	3.832	- 25,9	- 23,1
X	1.756	1.287	1.201	- 6,7	- 31,6
	C. TOTAL (A + B)				
I	10.920	10.323	7.549	- 26,9	- 30,9
II	9.833	10.039	6.785	- 32,4	- 31,0
III	10.694	10.743	7.478	- 30,4	- 30,1
I + II + III	31.447	31.105	21.812	- 29,9	- 30,6
IV	8.569	9.590	7.526	- 21,5	- 12,2
V	10.270	10.710	6.941	- 35,2	- 32,4
VI	9.640	9.243	7.241	- 21,7	- 24,9
IV + V + VI	28.479	29.543	21.708	- 26,5	- 23,8
VII	9.144	9.926	7.287	- 26,6	- 20,3
VIII	8.335	7.626	4.756	- 37,6	- 42,9
IX	9.206	7.970	7.224	- 21,5	- 9,4
VII+VIII+IX	26.685	25.522	19.477	- 27,0	- 23,7
X	9.823	6.372	6.988	+ 9,7	- 28,9

* For information

TABLE 3

Annual rate of utilisation of maximum production potential

	FR Germany	France	Italy	Holland	Belgium	Luxembourg	EUR 6	U.K.	Ireland	Denmark	EUR 9
1967	76,9	82,6	82,9	97,3	78,4	79,2	80,1				
1968	86,0	84,1	86,6	96,3	83,5	85,0	85,7				
1969	89,6	91,0	81,4	96,3	89,6	93,3	89,0				
1970	84,8	91,0	81,3	95,0	85,0	90,7	86,2				
1971	69,7	84,0	77,1	90,8	79,5	85,6	76,5				
1972	76,7	87,0	78,4	94,3	90,8	88,2	81,5				
1973	84,2	90,0	74,9	92,0	92,1	91,3	85,1	92,7	92,8	80,9	86,3
1974	87,7	85,6	78,6	95,5	88,8	97,3	86,4	77,8	88,0	95,5	85,0
1975											
1st quarter	72,0	72,0	73,3	91,0	78,0	75,2	73,8	88,3	80,0		76,0
2nd quarter	64,5	64,0	67,8	73,9	68,2	72,5	66,2	67,5	82,5		66,5
3rd quarter	60,4	54,8	58,6	68,3	43,3	56,1	57,0	57,8	77,5		57,2
4th quarter	56,9	61,8	63,0	71,9	59,8	62,9	60,3	65,2	85,5		61,1

Table 4

Trend of Industrial Production, and of Crude Steel Production in the
Community (1963 = 100)

	Index of Industrial Production	Changes en %	Index of Crude steel Production	Changes en %
1965	112		118	
1966	116	+ 3,6	114	- 3,4
1967	118	+ 1,7	119	+ 4,4
1968	128	+ 8,5	130	+ 9,2
1969	140	+ 9,4	140	+ 7,7
1970	147	+ 5,0	143	+ 2,1
1971	150	+ 2,0	133	- 7,0
1972	157	+ 4,7	144	+ 8,3
1973	170	+ 8,3	156	+ 8,3
1974	171	+ 0,6	161	+ 3,2
1975	155 *)	- 9,3	129	-19,9

*) First nine months

Table 5-1

(revised 9.12.75)

Merchant bars

Trend in basis prices

Price per tonne

Period	Belgique FB	Danmark DKr.	Deutschland DM	France FF	Ireland £.irl.	Italia Lit.	Luxembourg FLux.	Nederland Hfl.	United Kingdom £.st.
January 1970*	6.900	-	450	<u>585</u>	-	78.000	6.900	460	-
January 1971*	5.800	-	475	<u>638</u>	-	80.000	6.750	485	-
January 1972*	6.500	-	475	<u>660</u>	-	80.000	6.750	485	-
January 1973*	7.000	1.065	510	<u>745</u>	65 ^(°)	93.000	7.100	485	64.10 ^(°)
July 1973*	7.700	1.250	550	845	65	118.000	8.600	545	<u>64.10</u>
January 1974*	9.000	1.400	585	898	88	130.000	9.000	625	<u>70.50</u>
July 1974*	10.600	1.650	660	<u>1.078</u>	112	185.000	12.000	625	97.70
January 1975**	10.600	1.650	710	1.158	129	185.000	12.000	<u>625</u>	114.00
October 1975**	8.600	<u>1.250</u>	660	938	129	165.000	10.200	625	114.00
November 1975**	<u>8.600</u>	1.350	660	988	129	165.000	10.200	625	120.000
MARKET PRICES									
Deliveries***									
October 1975	7.400		480	840		120/130.000			114.000
December 1975	7.800		510	890		130/150.000			120.000
January 1976	8.200		540	925					120.000

Temporary rebates, if applicable, deducted

(°) from April 1973

* list prices representative of market

** list prices not representative of market

*** Commission survey

 : lowest prices

Table 5-2

(revised 9.12.75)

REINFORCING BARS

Trend in basis prices

- Price per tonne -

Period	Belgique FB	Danmark DKr.	Deutschland DM	France FF	Ireland £.irl.	Italia (Brescia) Lit.	Luxembourg FLux.	Nederland Hfl.	United Kingdom £.st.
January 1970*	6.500	-	450	593	-	80.000	6.950	425	-
January 1971*	5.800	-	455	638	-	60.000	6.700	430	-
January 1972*	4.750	-	455	638	-	55.000	6.700	430	-
January 1973*	5.300	1.065	455	708	65(°)	65.000	7.050	485	60.90(°)
July 1973*	8.500	1.250	500	848	65	115.000	8.500	610	60.90
January 1974*	9.800	1.400	585	898	88	160.000	9.700	675	73.75
July 1974*	12.300	1.750	755	1.208	112	190.000	12.500	840	103.00
January 1975**	12.300	1.750	710	1.208	129	160.000	12.500	720	115.20
October 1975**	6.800	1.100	555	973	129	110.000	8.500	550	115.20
November 1975**	7.100	1.200	555	973	129	110.000	8.500	525	115.20
MARKET PRICES Deliveries ***									
October 1975	6600/6800		460(IIIa)	830		100.000			115.20
December 1975	6.000		510(IIIa)	850		100.000			115.20
January 1976	7.100		530(IIIa)						115.20

Temporary rebates, if applicable, deducted
(°) from April 1973

* list prices representative of market

** list prices not representative of market

*** Commission survey

□ : lowest prices

PLATE EX QUARTO

Table 5 - 3

(revised 9.12.75)

Trend in basis prices

- Price per tonne -

Périodes	Belgique FB	Danmark DKr.	Deutschland DM	France FF	Ireland £.irl.	Italia Lit.	Luxembourg FLux.	Nederland Hfl.	United Kingdom £.st.
January 1970*	7.750	-	540	<u>738</u>	-	91.000	8.200	520	-
January 1971*	7.350	-	575	<u>800</u>	-	91.000	8.200	520	-
January 1972*	7.250	-	575	860	-	98.000	8.700	<u>520</u>	-
January 1973*	<u>6.900</u>	1.065	590	860	-	102.000	9.300	520	69.50(*)
July 1973*	8.750	1.220	630	980	-	130.000	9.900	590	<u>69.50</u>
January 1974*	11.000	1.600	690	1.180	-	136.000	11.750	700	<u>76.45</u>
July 1974*	15.000	2.200	755	1.370	-	192.000	15.000	875	<u>102.35</u>
January 1975**	15.000	2.200	845	1.490	-	208.000	15.000	875	<u>126.95</u>
October 1975**	9.000	<u>1.225</u>	605	1.490	-	208.000	15.000	875	126.95
November 1975**	9.000	1.325	620	1.490	-	208.000	15.000	875	126.95
MARKET PRICES Deliveries ***									
October 1975	7.500		550	830	-	145.000			126.95
December 1975	8.300		560	870		160.000			126.95
January 1976	8.500								126.95

Temporary rebates, if applicable, deducted

(°) from April 1973

* list prices representative of market

** list prices not representative of market

*** Commission survey

 : lowest prices

Table 5 - 4

(revised 9.12.75)

GOLD ROLLED SHEET

Trend in basis prices

- Price per tonne-

Period	Belgique FB	Danmark DKr.	Deutschland DM	France FF	Ireland £.irl.	Italia Lit.	Luxembourg FLux.	Nederland Hfl.	United Kingdom £.st.
January 1970*	8.200	-	565	<u>778</u>	-	101.000	8.250	519,90	-
January 1971*	8.200	-	600	<u>846</u>	-	101.000	8.250	559,90	-
January 1972*	8.700	-	615	893	-	104.000	9.000	<u>559,90</u>	-
January 1973*	9.000	-	650	973	-	118.000	9.350	<u>605</u>	81.65(°)
July 1973*	10.000	-	695	1.018	-	143.000	10.350	670	<u>81.65</u>
January 1974*	11.600	-	740	1.128	-	152.000	11.900	760	<u>89.60</u>
July 1974*	12.600	-	790	<u>1.218</u>	-	188.000	12.900	800	112.60
January 1975**	12.600	-	790	1.400	-	<u>188.000</u>	12.900	800	128.60
October 1975**	12.600	-	690	1.400	-	188.000	12.200	800	<u>118.60</u>
November 1975**	10.250	-	690	1.400	-	188.000	12.200	800	<u>123.00</u>
MARKET PRICES									
Deliveries ***									
October 1975	8.000	-	510	1.000	-	145.000			118.60
December 1975	8.500	-	590	1.000	-	150.000			123.60
January 1976	8.700	-	640		-				123.60

Temporary rebates, if applicable, deducted
(°) from April 1973

* list prices representative of market

** list prices not representative of market

*** Commission survey

 : lowest prices

Table 6

(revised

9.12.75)

BASIS PRICE OF EXPORTS TO THIRD COUNTRIES

- Illustrative Prices -

FB/tonne FOB Anvers

Period	Merchant Bars	Reinforcing Bars	Plate ex Quarto	Cold Rolled sheet
January 1970	6.550	6.500	8.000	8.250
January 1971	5.250	5.000	6.400	6.500
January 1972	4.800	4.300	5.600	5.700
January 1973	5.500	5.200	5.700	6.800
July 1973	7.800	8.000	8.750	10.000
January 1974	10.200	11.500	13.000	12.000
July 1974	13.500	13.000	17.000	12.500
January 1975	7.750	7.250	9.500	8.500
October 1975	7.600	7.100	8.100	8.200
Nov-Dec. 1975	8.200	7.300	7.800	8.500

Source : Publications of the Trade Press.

Table 7

Changes in steel prices and in prices of industrial products,
in the Community in its original composition

Period	Wholesale prices of steel Products	Wholesale prices of Industrial products
1953 - 1970	+ 27,5	+ 31,6
1970 - 1973	+ 19,7	+ 20,0
1973 - 1974	+ 31,0	+ 23,9
1974 - 1975	- 35 to - 45	+ 7,0

Table 8.

Evolution de l'Emploi dans l'Industrie sidérurgique de la Communauté au sens du Traité CECA

Entwicklung der Beschäftigung in der Eisen- und Stahlindustrie in Sinne des EOKS-Vertrags

Trends in Employment in the Iron and Steel Industry as covered by the ECSC Treaty

Prévisions/Vorschau/Forecast - Novembre/November 1975

Ouvriers + employés/Arbeiter + Angestellte/Workers and Staff

	D	F	I	B	Lux.	NL	GB	DK	IRL	EUR 9
Effectifs inscrits au cours du mois ingeschriebene Beschäftigte am Monatsende Number on the payroll at end of Month	215.185 (216.491)	145.800 (146.400)	92.500 (93.100)	59.662 (60.252)	20.581 (21.034)	25.475 (25.562)	187.359 (189.204)	2.555 (2.626)	729 (815)	750.246 (755.484)
Licenciements au cours du mois Entlassungen während des Monats Redundancies during the Month	745 (655)	30 (75)	420 (570)	85 (182)	8 (7)	134 (157)	613 (518)	10 (3)	28 (48)	2.073 (2.215)
Réduction de la durée du travail Einschränkung der Arbeitszeit während des Monats Reduction of working hours during the Month										
- Effectifs touchés - Betroffene Beschäftigte - Numbers of persons affected	69.208 (62.721)	94.000 (13.500)	3.050 (1.050)	28.003 (24.997)	- (-)	9.516 (11.230)	4.602 (4.874)	50 (60)	(-)	208.429 (118.432)
- Heures de travail non effectuées - Nicht geleistete Arbeitsstunden - Working hours lost	2.321.955 (1.912.274)	2.910.000 (275.000)	158.000 (117.500)	1.590.240 (159.1008)	- (-)	225.580 (233.028)	85.649 (99.346)	1.500 (2.000)	(-)	7.292.924 (4230.156)

Données pour septembre 1975 entre parenthèses/Angaben für September 1975 in Klammern/Data for September 1975 in brackets.

Table 9

External Trade of the Community in ECSC Steel Products

(in 1.000 tonns of rolled products)

Country	Exports		Imports	
	1973	1974	1973	1974
Total	21.251	26.378	7.970	5.534
of which				
Norway	255	913	395	250
Sweden	1.192	1.205	924	696
Switzerland	1.473	1.331	65	56
Austria	236	281	744	755
Spain	905	930	821	379
Eastern Europe	2.764	4.328	1.744	1.308
U.S.A.	5.117	5.351	324	321
Brazil	431	1.253	34	0
Japan	4	7	1.156	698

Table 10

External trade in ECSC steel products of the old Community of six
(in 1000 tons of finished products)

	1 9 7 4		1 9 7 5	
	Imports	Exports	Imports	Exports
1st Quarter	1.068	4.919	909	5.620
2nd Quarter	1.035	5.642	1.161	5.060
3rd Quarter	899	6.400	*) 1.183	*) 3.544
January - September	3.002	16.961	*) 3.253	*) 14.244

*) excluding the Netherlands

Table 10 a

Imports, into the old Community of six, of ECSC rolled products
(x 1000 tons)

	1974	1975	Changes %
January	398	261	- 34,4
February	307	260	- 15,3
March	363	388	+ 6,9
April	368	312	- 15,2
May	350	352	+ 0,6
June	317	497	+ 56,8
July	313	433	+ 38,3
August *)	284	350	+ 23,2
September *)	270	400	+ 48,1

*) excluding the Netherlands

Table 10 b

Exports from the old Community of six of ECSC rolled products
(x 1000 tons)

	1974	1975	Changes %
January	1.517	1.864	+ 22,9
February	1.503	1.886	+ 25,5
March	1.899	1.870	- 1,5
April	1.933	1.856	- 4,0
May	1.913	1.688	- 11,8
June	1.796	1.522	- 15,3
July	2.211	1.345	- 39,2
August *)	2.042	1.175	- 42,5
September *)	1.849	1.024	- 44,6

*)

Tableau 10 e

Imports from third countries (1000 t)

	Deutschland	France	Italia	Nederland	UEBL	United Kingdom *)	Communauté **)
1974 I - XII	1.777	549	973	237	403	1.554,0	5.493
1975 I - III	517	125	141	69	57	370,5	1.280
I - VI	1.121	305	341	134	169	823,5	2.894
I - IX	1.734	439	672		256	1.200,0	
I - XII							
1975 I	127	43	49	25	17	130,3	391
II	126	50	50	11	23	124,9	385
III	264	32	42	33	17	115,3	503
IV	154	59	56	10	33	167,3	479
V	174	46	73	22	37	130,8	483
VI	276	75	71	33	42	154,9	652
VII	233	64	91	18	27	119,2	552
VIII	195	32	90		33	127,2	
IX	185	38	150		27	130,4	
X							
XI							
XII							

Exports to third countries

1974 I - XII	10.271	4.347	2.378	1.462	5.463	2.658,0	26.579
1975 I - III	2.101	1.041	780	260	1.438	685,3	6.305
I - VI	3.872	2.142	1.536	570	2.566	1.330,0	12.016
I - IX	5.135	2.773	2.295		3.415	1.898,0	
I - XII							
1975 I	720	325	223	110	486	247,7	2.112
II	840	260	245	59	482	208,0	2.094
III	541	456	312	91	470	229,6	2.100
IV	679	414	190	92	481	189,1	2.045
V	601	347	270	126	344	227,8	1.916
VI	491	340	296	92	303	228,0	1.750
VII	442	230	270	42	361	214,6	1.560
VIII	406	180	304		285	186,6	
IX	415	221	185		203	167,0	
X							
XI							
XII							

*) Source: Iron and Steel Statistics Bureau/U.K.

**) Excluding Ireland and Denmark.

Table 11

IMPORTS INTO MEMBER STATES
from the most important third countries
(1000 of ECSC rolled products)

to \ from	Total 3rd countries	Japan	East Euro- peans	Sweden	Spain	Norway	Austria	USA	
BLEW	73	377	160	135	42,6	90,6	-	8,6	27,2
	74	244	124	48	34	13,9	1,3	10,6	22,7
	75*	257,9	174,4	20,8	16,9	4,6	0,6	19,3	4,1
West Germany	73	2.831	467	657	275	256	57,8	455,2	89,9
	74	1.777	201	441	283	120	32,8	470,9	23,6
	75*	1.734	386	347	206	86	n.d.	n.d.	n.d.
FRANCE	73	655	86	172	133	141	17,3	31,6	30,2
	74	548	33	121	155	158	15,8	26,1	8,9
	75*	383	70	66	84	118	10,3	25,9	2,7
ITALY	73	1.725	236,8	494,2	33,6	181,4	0,2	181,2	125
	74	1.343	217	414,6	53,9	43	0,1	158,9	176,3
	75**	413,6	108,8	142,4	17,6	8,6	n.d.	n.d.	n.d.
Netherlands	73	301,5	30,3	54	9,7	51,8	119,4	18,5	5,5
	74	238,8	19,2	22,4	13,7	8	153,7	19,4	6,5
	75*	104,8	33,4	28,5	9,4	5,9	6	13,9	0,4
UK	73	1.733	199	212	298	103	110,3	44,8	44
	74	1.554	248	109	264	53	57,3	69,8	83
	75*	1.201	361	55	140	78	n.a.	n.a.	n.a.

* January to September

** 1st half year

Table 12
 EXPORTS FROM MEMBER STATES
 to the most important third countries
 (1000 t of ECSC rolled products)

from to		Total third countries	USA	East Euro- peans	Switzerl.	Sweden	Spain
BLEU	73	4.458,8	978,2	867	294,7	265,3	80,7
	74	5.368,6	1.200,4	1.305,6	192,7	332,7	79
	75*	3.363	255	732	122	222	232
West Germany	73	18.291	1.834	863	493	354	244
	74	16.833	1.807	2.057	531	404	336
	75***	3.908	485	1.098	157	204	209
FRANCE	73	3.602	835	310	462	163	135
	74	4.512	1.109	402	391	193	207
	75**	2.267	257	219	138	95	173
ITALY	73	1.279	104,6	161	103,9	-	30
	74	2.637,9	272,9	366,8	93,6	-	80,4
	75***	1.536	n.d.	n.d.	n.d.	n.d.	n.d.
Netherlands	73	1.573,4	597,2	100,9	81,6	174,3	236,3
	74	1.219	525,4	83,5	96	170,3	66,9
	75*	737,5	272,5	40,8	32,8	103,6	60,4
UK	73	2.580	767,3	104,2	37,1	128,3	181,7
	74	1.854,5	437,4	105,4	25,7	79,4	160,8
	75***	1.330	n.d.	n.d.	n.d.	n.d.	n.d.

* January-October
 ** January-July
 *** 1st half year

TABLE 13

Comparison of basis prices: Community-USA-Japan

Price per tonne

Period	Germany DM	Belgium FB	France FF	Italy Lit.	Luxembourg FL	Netherlands Hfl.	United Kingdom L.St.	USA \$	Japan Yen
	<u>Wire rod</u>								
April 1973	545	7.750	840	101.000	7.700	545	64.85	202	38.650
2nd quarter 1974	715	12.250	1.205	197.000	12.000	895	111.80	255	50.685
October 1975	480*	7.700*	950*	130.000*	7.700*	525*	111.80*	278	65.990
December 1975	500*	8.000*	960*	135.000*	8.000*	545*	117.50*	278	65.990
	{ = \$ 190	{ \$ 202	{ \$ 215	{ \$ 197	{ \$ 202	{ \$ 202	{ \$ 237	{ \$ 278	{ \$ 216
	<u>Colled rolled sheet</u>								
April 1973	695	9.600	1.018	129.000	9.850	670	81.65	218	61.580
2nd half 1974	790	12.600	1.308	188.000	12.900	800	128.60	286	63.910
October 1975	510*	8.000*	1.000*	145.000*	8.000*	550*	118.60*	302	66.500
December 1975	590*	8.500*	1.000*	150.000*	8.500*	580*	123.60*	302	64.000
	{ = \$ 225	{ \$ 215	{ \$ 225	{ \$ 220	{ \$ 215	{ \$ 215	{ \$ 250	{ \$ 302	{ \$ 210

* = Actual market prices (source: Commission enquiry)

14th November 1975

Summing up by the Chairman of the Results of the Consultation

Following the consultation that has taken place in OECD, at the request of the Commission of the European Communities, in the framework of the Ministerial Declaration of 30th May, 1974, on the situation of the iron and steel industry in the Community, the participating countries

- express their satisfaction that full use has been made of the general consultation procedures of the OECD;
- note the difficulties, in the context of the present international economic situation, that face the iron and steel industry in the European Community and, in varying degree of seriousness, in some other countries;
- recognise that any unilateral action having the effect of restricting imports presents a danger of chain reactions which could only aggravate the situation in general, and welcome the fact that in the iron and steel sector the competent authorities of the EEC (ECSC) have been able so far to avoid any action which would restrict imports;
- recognise that the continuation of the policy of avoiding any unilateral action will be facilitated by an appropriate effort of international co-operation between the countries concerned;
- agree to continue, as necessary, the consultation and the exchange of information in the OECD;
- reaffirm their adherence to the Ministerial Declaration of 30th May, 1974.

PRACTICALITIES
OF SETTING UP A SYSTEM OF MINIMUM PRICES
FOR STEEL PRODUCTS

1. The minimum prices would be basis prices, for basic qualities, and each price would be valid throughout the Community.
2. Any basis price below such a minimum price would have to be raised at least up to the minimum price in the relevant ECSC producer's price list, without modifying the basing point system.
3. The minimum prices would be expressed in all currencies in the Community, at the rate of exchange currently in use for defining the European unit of account.
4. Minimum prices would be set for the following products :
 - Hematite foundry pig iron
 - Semis for rolling - billets
 - Hot-rolled coil
 - Ribbed concrete reinforcing bars IIIa
 - Merchant steel
 - Broad flange beams
 - Standard sections
 - Wire rod
 - Hoop and strip
 - Heavy plates
 - Plate, ex coil
 - Plate, ex quarto
 - Hot-rolled sheet
 - Cold-rolled sheet.

The Commission would be empowered to alter this list should the need arise.
5. The Decision should provide that extras could not be cut and rebates could not be increased from those in the current producers' price lists.

6. ECSC products not given a minimum price could nevertheless not be sold at a price lower than the minimum price of any product from which they were made.
7. It would be vital at the same time to oblige producers to pass on to their agents their duty to respect the minimum prices (article 63 (2)).
8. Alignment on the price lists of other Community producers would still be allowed, as would alignment on the price lists of producers in the EFTA countries with which the Community has concluded free trade agreements that include rules on price non-discrimination.
9. Alignment on the prices of third country offers below minimum prices, would have to be banned. The EFTA countries mentioned in Point 8 above would not be considered to be third countries for this purpose.
10. There would be a time limit for the validity of these measures.

There would have to be provision for reviewing the level at which the minimum prices were set in order to take account of market trends.

Apart from this requirement to keep the measures up to date, the Commission will in any case reexamine the situation (1 - 2 - 3) months after the measures were introduced.
11. In any event the whole system could be cancelled before it had run full term should it be apparent from the general development of the situation that the measures were no longer appropriate.