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\*\* NO EUROPEAN COMPUTER FIRM HAS YET REACHED THE THRESHOLD OF ECONOMIC VIABILITY, despite substantial government assistance. This was stated by Mr Spinelli, Member of the Commission of the European Communities with special responsibility for industrial affairs and research, in his reply to an oral question by Mr Hougardy, a Member of the European Parliament, concerning the Community-sponsored coordination of the European computer market. Mr Spinelli said that the Commission would shortly put forward specific PROPOSALS for this sector.

ANNEX 1 gives a brief summary of the statement by Mr Spinelli to the European Parliament on 18 January 1972.

\*\* MARKETS FOR SOLID FUELS in the European Community decreased by 10% in 1971 with respect to 1970. This is the largest contraction recorded for five years. ANNEX 2 gives some statistical data on COAL INDUSTRY ACTIVITY IN THE COMMUNITY in 1971.

\*\* At its meeting on 17-19 January 1972, the European Parliament adopted a resolution on the proposal by the Commission of the European Communities concerning the RAISING OF LOANS FOR A COMMUNITY CONTRIBUTION TO THE FINANCING OF NUCLEAR POWER PLANTS (see "Industry, Research and Technology, Nos. 109 and 119). In this resolution,

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

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the European Parliament welcomes the Commission's proposal, in which it sees an important measure, not only for the safeguarding of energy supplies, but also for the improvement of Community supply structures, which the European Parliament has repeatedly recommended. It feels, however, that the purpose of this decision will be better served if some of the prior conditions for the grant of loans are laid down more clearly and others, on the contrary, are left to the Commission's discretion.

\*\* The European Parliament also adopted a resolution on the draft directive which the Commission of the European Communities forwarded to the Council of Ministers last June concerning the HARMONIZATION OF LEGISLATION IN THE MEMBER STATES' RELATING TO DETERGENTS (see "Industry, Research and Technology", No. 104). In its resolution, the European Parliament states that this draft directive is a valuable initiative which should not only permit the removal of trade barriers in the detergent sector but also limit the harmful effects of detergents on human health and the environment, especially water. The European Parliament expresses its deep concern at the tendency, in the ceaseless quest for new washing agents, to ignore their harmful effects on human health and the environment. It feels that the general ban on detergents with a surface-agent biodegradability rate of less than 80% should be compulsory for the Member States, and not merely optional, as the Commission's draft proposes. It also thinks it essential to ban the use of certain types of detergents (forming about 15% of the Community market) until the biodegradability of their surface agents can be effectively controlled. The European Parliament urges that research should be vigorously pursued at Community level to develop effective methods of detecting harmful substances and protecting the environment in general and water in particular from the harmful effects of surface agents and additives contained in detergents.

\*\* The Commission of the European Communities proposes shortly to submit a programme for Community action to deal with the whole problem of AIR POLLUTION BY MOTOR VEHICLES. The programme aims at maximum possible harmonization of the national legislations on the subject and might lead to the extension of the directive of 20 March 1970, which laid down maximum permissible rates for carbon monoxide and unburnt hydrocarbons, to other pollutants from motor vehicle exhaust gases.

In order to be able to draft a well-founded proposal, the Commission recently ordered a bibliographical study to provide a critical evaluation of the data contained in the recent scientific and technical literature on pollutants, particularly non-gaseous pollutants emitted in exhaust gases, and laboratory research studies on the physicochemical properties of organic and inorganic lead compounds emitted in exhaust gases and present in the atmosphere.

At the same time, in connection with its work on the removal of technical barriers to trade, the Commission is actively studying the implications in the health, technical and economic fields of POSSIBLE VARIATIONS IN THE COMPOSITION OF MOTOR FUELS. To this end it has begun consultations with the experts of the Community Member States. A number of meetings have already been held and the pace of work has been accelerated.

\*\* The Commission of the European Communities has decided to commission a preliminary study on the possibilities of THE USE OF EUROPEAN SATELLITES FOR EDUCATIONAL TELEVISION PROGRAMMES IN AFRICA. The use of modern audio-visual methods, in particular television relayed by telecommunications satellites, could provide a solution to the problems raised by the large-scale educational needs with which the developing countries are confronted.

The study, which is to consider the problem from the standpoints of requirements, techniques and costs, has been awarded to Eurospace, a study bureau set up by a group of leading European aerospace firms, banks and press agencies with the aim of promoting space activities in Europe.

\*\* The Commission of the European Communities is to commission a study on the CREATION OF A CENTRE FOR OBSERVING THE MARKET SITUATION IN TEXTILES at Community level. The Commission proposed the creation of such an organization in a document on the textile industry policy published last July (see "Industry, Research and Technology", No. 109). The fluctuations in the textile industry are very marked and the serious depressions suffered every two or three years cause acute difficulties even for the most modern companies. It is true that steps have been taken at national level to keep the textile situation under review, but the increasing integration of the Community market necessitates the COORDINATION OF ALL NATIONAL EFFORTS by a central organization in a position periodically to issue statistical and commercial information on recent developments and short-term market prospects.

\*\* Three new research projects on the TECHNICAL CONTROL OF AIR POLLUTION IN THE STEEL INDUSTRY have recently been granted financial aid by the Commission of the European Communities:

- (a) A particularly important research project on the dedusting of brown smoke from a Kaldo steelworks by a technique combining the low-load loss Venturi process with a new high-speed electrostatic dedusting process, submitted by the Société des aciéries de Lorraine "SACILOR", is to receive a grant of 216,053.11 units of account.
- (b) A research project on the comparison of measurable numerical concentrations of free silicosis-producing silica in the atmosphere of steelworks is to receive a grant of 13,600

units of account; the project was submitted by the Toxicology and Industrial Hygiene Laboratory of the Industrial Clinic, University of Milan.

- (c) A research project on the determination of the number of quartz particles (silicosis agents) of 0.5-5  $\mu$ m diameter contained in a dust sample, using interference microscopy methods, submitted by the Institute for Health Technology, TNO, Delft, is to receive a grant of 10,773.48 units of account.

These grants will be given under the second research programme on the technical control of air pollution in steelworks, to which the Coal and Steel Community (ECSC) decided in 1967 to allocate four million units of account. The number of research projects assisted is now 36, and the total aid granted 2,450,488.13 units of account.

- \*\* The Commission of the European Communities has recently expressed an opinion, in accordance with Article 41 of the Euratom Treaty, on the project for building a NUCLEAR POWER PLANT AT UNTERWESER, Germany, communicated to it by the Nordwestdeutsche Kraftwerke Aktiengesellschaft (NWK).

The Unterweser Plant will be the most powerful nuclear power plant in the world and will incorporate the latest advances in pressurized water reactor technique. Its net output will be 1,230 MW. It will be owned by the Nordwestdeutsche Kraftwerke AG and the Preussische Elektrizitäts AG and the industrial designer will be the Kraftwerk-Union.

- \*\* The Commission of the European Communities recently decided to authorize a study in the ENERGY SECTOR designed to provide a quarterly review of United States coal exports, and a study of the energy market in the Comecon countries up to 1985.

\*\* The proceedings of the colloquium on the HEALTH IMPLICATIONS OF THE STORAGE OF RADIOACTIVE SUBSTANCES on and in the ground, held at Cherbourg-La Hague, France, on 14 and 15 April 1970, have recently been published by the Commission of the European Communities under the number EUR 4736. This publication is being sold by the Official Publications Office of the European Communities (Post Box 1003 - Luxembourg 1).

TOWARDS A EUROPEAN COMPUTER POLICYSummary of a statement by Mr Spinelli to the European Parliament

No European computer firm has yet reached the viability threshold, despite substantial government aid. This fact was emphasised by Mr Spinelli, the Member of the Commission of the European Communities with special responsibility for industrial affairs and research, when replying at the meeting of the European Parliament on 18 January 1972 to an oral question by Mr Hougardy on Community coordination of the computer market.

The shaping of a common strategy to enable Community computer companies to expand is currently being thoroughly investigated by the departments of the Commission, which will submit proposals to this end sometime this year. However, it is already possible to give a broad sketch of the objectives and methods of such a strategy, making a clear distinction between the hardware and software sectors, where the situations show considerable differences:

1. The hardware industry is characterized by the preponderance of American technology, particularly in large installations. The support granted by certain Member States to their own hardware companies encourages fragmentation without enabling them to compete with foreign groups of incomparably greater scope and efficiency.

The Commission considers that a European policy in this sector should include both encouragement to companies to recombine cross frontiers in order to achieve a competitive position on the world market and also the creation of the necessary facilities to enable the subsidiaries of foreign companies to contribute to the implementation of Community objectives and rules, particularly concerning technological or regional development, without there

being any question of imposing on them restrictions or discriminations which moreover are not authorized by the Treaty.

Finally, the scope of government backing should be defined by mutual agreement in order to arrive at common objectives and to prevent national financial aid from hampering reorganization on a European scale; to this end the Community's legal and financial resources need to be strengthened.

2. In the software industry, where development in the Member States is recent and uneven, a large number of companies, sometimes with very small resources, have sprung up in recent years and are meeting various aspects of market requirements in a fragmentary, though often very efficient way. Owing to the high quality of European scientists, the Community should be in a position to compete effectively with foreign companies in this field, not only in Europe, but also outside. The lines which should be followed would appear to be the following:

- (a) A survey should be made of the software requirements of the public services, and efforts should be made at Community level to identify specialized computer programs (packages) of a multinational nature which could therefore be used collectively. In this way a significant saving of resources could be effected and problems such as data banks, which will have a considerable impact on the society of the future, could be tackled on a Community scale.
- (b) Software companies should be promoted by the creation of favourable legal, fiscal, and economic conditions.
- (c) Efforts should be made to train highly-qualified computer personnel with sufficient independence of certain aspects of the training given by industrial companies.

Finally, it is an essential aim of computer policy, as of industrial policy in general, to create with the least possible delay the legal instruments for the encouragement of the necessary industrial regroupings. The Commission's proposals concerning the statute for the European "company" (24 June 1970) and the creation of joint undertakings (14 September 1971), like the project for the "groupement d'intérêt économique" currently under study (see "Industry, Research and Technology", Nos. 62, 112, 116 and 119), are part of the same pattern and would facilitate the reorganization of the activities of companies still subject to national law, in line with the economic facts of the enlarged market.

COAL INDUSTRY ACTIVITY IN THE COMMUNITY IN 1971Statistical data

A recession in production, a further reduction in the labour force and a slight rise in output, such are the salient features of the Community coal industry in 1971. The rise in scrapped capacity and a steep increase in stocks further underline the deterioration in the mining situation. A declining market and the continuing growth of other energy sources have determined this trend. Markets for solid fuels (excluding lignite) in the Community decreased by about 10% below the 1970 level. It was the worst recession recorded for five years.

Community coal production (excluding small mines) fell to 165 million tons, i.e., a drop of 3%, or 5.6 million tons, from the 1970 level; this figure includes 4.4 million tons for France alone (-12%) and 0.7 million tons for the Netherlands (-17%).

Coal production

million tons

Year	Germany	France	Italy	Netherlands	Belgium	Community
1970	116.8	37.4	0.3	4.5	11.4	170.4
1971	116.8	33.0	0.2	3.8	11.0	164.8
Variation %	-	-11.6	-18.0	-17.2	-3.3	-3.2

The reduction in the number of underground workers employed continued in 1971, though at a lower rate than in previous years. This reduction ranged from 2% in Germany to 18% in the Netherlands.

Underground workers on the books

(annual average)

thousands

Year	Germany	France	Italy	Netherlands	Belgium	Community
1970	137.7	65.7	0.8	7.2	25.7	237.2
1971	135.2	60.1	0.7	5.9	24.0	225.9
Variation %	-1.8	-8.5	-12.5	-18.1	-6.6	-4.8

With a rate of 2% for the Community, the increase in productivity was the lowest since 1957. However, while the increase was still about 2% in Germany and the Netherlands, the underground output per manshift fell steeply in Italy (-21%) and slightly in France (-0.7%) and Belgium (-0.3%).

The capacity scrapped is equal to the previous year's production. The rate of closures again increased. The capacity scrapped in 1971 was four million tons, as compared with one million tons in 1970.

Losses in capacity through closures

	number of pits affected		capacity scrapped 10 <sup>3</sup> tons	
	1970	1971	1970	1971
Germany	-	2	-	2,442
France	2	3	490	896
Netherlands	1	1	390	506
Belgium	1	2	164	252
Total	4	8	1,044	4,096

After three consecutive years of taking tonnages from stock, the total pithead stocks increased in 1971, reaching 13 million tons by the end of the year as compared with 10.3 million tons 12 months earlier.

The pithead list prices did not increase as much in 1971 as in previous years. Prices for coking fines and blast furnace coke increased by only 4-11% as against an average increase of one-third in 1970. Anthracite prices rose by 3-8%.

The fall in coke production observed for the first time since 1966/67 and the sharp increase in stocks are primarily due to a weakening of the steel market. Production fell by 2.4 million tons in Germany and 1.7 million tons in France as compared with 1970. The furnace coke stocks in the Community nearly regained the 1966

level, being 6.9 million tons at the end of 1971 as compared with only 1.3 million tons at the end of 1970.

The production of coal briquettes in the Community fell by 2.1 million tons (22% of the 1970 figure) to the low figure of 7.6 million tons. This represents a 60% drop as compared with 1963 (18.6 million tons), and clearly shows that solid fuels are being replaced by other sources of domestic energy. This fact is further underlined by the fall in the production of lignite briquettes (1971 = 8.0, 1970 = 9.8, 1963 = 17.4 million tons).