

# European Community NEWS

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## EC GRAIN HARVESTS TO SHRINK IN 1975

Community grain stocks available for export will be lower this year, predicted EC Commissioner Claude Cheysson, speaking at an August 1 Brussels news conference. The forecasts for the coming harvest show a 10 per cent drop in the wheat crop (about 37 million tons, down from 41.6 million last year), and a fall of 6-to-8 per cent for barley (32.2 million tons this year, 34.7 million in 1974). In exports, Cheysson added, the Community will give priority to its food aid commitments and to its traditional customers. The Commissioner emphasized that no grain will be sold to Eastern Europe at bargain rates.

## NEW EUROPEAN EXPORT BANK?

Community exporters could use a European Export Bank to finance and insure joint ventures by companies in more than one Community country, according to a July 24 communication from the Commission to the Council of Ministers. The bank would supplement export financing by national agencies.

## TREATY INCREASES PARLIAMENT'S POWERS

A treaty giving the European Parliament greater budgetary powers, as well as establishing an EC Court of Auditors, was signed by member state representatives July 22 in Brussels. The treaty, which amends certain financial provisions of the existing EC Treaties, enables the Parliament to reject the EC

budget and ask for a new draft. The Parliament can now also modify certain credits, provided they don't increase overall expenditure in the EC budget.

The Court of Auditors will report yearly on all Community accounts. The Court will consist of nine members, appointed for a term of six years by the Council, and will be completely independent of any government. In the member states, the audit will be carried out in conjunction with national audit bodies.

## EC EDUCATION PLAN FOR MIGRANT CHILDREN

The children of the 6,250,000 migrant workers employed in the European Community should have the same educational opportunities as children of nationals of the host country, according to the EC Commission's draft directive on the education of migrant workers' children, published last month in Brussels. The draft calls for an "educational reception system" to teach migrants' children the language of the host country and to help them adjust to their new social and educational environment. According to the proposal, the language and culture of the children's native countries should be taught in school to avoid conflicts arising from the presence of one cultural environment at home and another at school. Teachers involved in this program would be required to become familiar with the psychology and culture of the children's native countries. There are approximately 1,500,000 4-to-18

year old children of migrant workers living in the European Community.

#### ACTION PLAN FOR TAXATION

The reactivation of tax harmonization measures necessary for the establishment of EC economic and monetary union is the subject of an action program for taxation, adopted by the Commission in July. The program, drawn up after consultation with professional, employers' trade union organizations, and national revenue departments, includes proposals for value-added taxes, excise duties and other indirect taxes, duty-free allowances for individuals, direct taxes, and international tax evasion and avoidance. The program's second part stressed the need to bring the member states' tax burdens closer together.

#### ALUMINUM PRODUCERS AGREEMENT CANCELLED

An aluminum producers' agreement violated EC competition rules, the EC Commission charged in Brussels last month. Known as the IFTRA Rule for Producers of Raw Aluminum, the agreement, since cancelled following Commission intervention,

was concluded by the world's main aluminum producers. Included were EC producers representing 85 per cent of the Community's productive capacity for primary aluminum. The Commission found that the IFTRA rules restricted price competition and illegally regulated the practice of dumping by private means. The rules also required the exchange of price information between competitors and permitted member firms to take joint action to hinder free competition, such as price cutting.

#### COMMISSION AUTHORIZES STEEL MERGER IN BRITAIN

Johnson and Firth Brown Ltd. (JFB), of Sheffield, England, will acquire the entire share capital of N. Greening and Sons Ltd., of Warrington, England, following Commission authorization last month. JFB is the holding company of a group of manufacturers of steel and steel products, including wire and wire rods, while Greening is the holding company of a group of manufacturers of wire and related products. The Commission found that this merger would not deter competition in the market for steel products.

PUBLICATION NOTICE -- The next issue of *European Community News* will be published September 12.

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