

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 235 final.

Brussels, 29 April 1982

Proposal for a

COUNCIL DECISION

with regard to a contribution to the
European Coal and Steel Community out
of the general budget of the European Communities

(submitted to the Council by the Commission)

COM(82) 235 final.

The Commission welcomed the Decision taken by the Council on 23 February 1982 to provide a legal base for execution of the 62 million ECU entered in Chapter 54 of the General Budget for 1981 by supplementary and amending budget No 2/81 (OJ L 371, 28 December 1981, page 44), to finance social measures linked with restructuring of the steel industry.

Subject to completion of procedures for the carryover of these appropriations initiated by the Commission on 25 March 1982 (COM(82) 163 final), this Decision will supplement the Decision of 7 December 1981 taken by representatives of the Governments of ECSC Member States meeting within the Council, endowing the ECSC with national contributions to a total of 50 million ECU to ensure once and for all the full financing of requirements for 1981 which came to 112 million ECU.

The 100 million ECU (50 million ECU for 1982 and 50 million ECU for 1983) needed to cover Community financing of the remainder of the special temporary aids programme, the importance of which was recognized by the Council at its 717th meeting (26 June 1981), must now be made available.

Since there is no possibility of financing this exceptional expenditure from traditional resources of the ECSC operating budget, the options for financing this additional expenditure are limited to :

- a transfer from the general budget to the ECSC ;
- an additional contribution from Member States.

In the context of the budgetary procedure for 1982 the budgetary authority, by entering 50 million ECU in Chapter 65 of the general budget, endorsed the principle of a transfer from the general budget to the ECSC. The Commission considers that the same approach should be adopted to the contribution for 1983, for this is a Community financing technique which furthermore is specially welcomed by Parliament and administratively speaking involves much less cumbersome and lengthy procedures.

The Commission, therefore, intends to enter an endowment of 50 million ECU in the same Chapter in its preliminary draft budget for 1983.

Authorization of the two transfers (50 million ECU for 1982 and 50 million ECU for 1983) calls for a Council Decision under the procedure of Article 235 EEC. A draft is annexed to this communication.

Since a decision to this effect is an integral part of the measures approved by the Council in relation to steel policy before the end of June 1982, the Commission proposes that the Council adopts the attached decision as a matter of urgency.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 235 thereof,

Having regard to the proposal from the Commission,

Having regard to the Opinion of the European Parliament,

Whereas the difficulties currently facing the Community's iron and steel industry have made it necessary to adopt a restructuring programme under the ECSC Treaty ;

Whereas this programme consists of a series of measures to rationalize production and raise the level of productivity of the industry to the level where it can compete on the world market, in accordance with the general objectives for steel within the meaning of Article 46 of the ECSC Treaty ;

Whereas this series of restructuring measures necessarily includes social policy measures to alleviate the effects on employment; whereas, in this connection, it is advisable to have recourse to the full range of readaptation aids provided for workers in the industry by Article 56(2) of the ECSC Treaty ;

Whereas, in its Resolution of 26 and 27 March 1981 on steel recovery policy, the Council re-emphasized the desirability of taking such measures ;

Whereas, in the present circumstances, the financial means provided for by the ECSC Treaty do not provide adequate cover for financing these measures ;

Whereas the secondary effects of the situation, if not remedied, would be liable to aggravate considerably the Community's general employment situation and to impair the harmonious development of economic activities, and whereas this would undermine the achievement of one of the Community's main objectives ;

Whereas the Commission has submitted a request for an exceptional temporary contribution from the general budget to allow the Commission to implement successfully the social measures under the restructuring programme for the steel industry and to cope with the consequences of the introduction of a system of production quotas; whereas a first contribution of 62 million ECU was approved by Council Decision No 82/164/EEC of 22 February 1982; whereas further contributions should be made to the ECSC from the General Budget of the European Community,

HAS DECIDED AS FOLLOWS :

Article 1

Contributions may be granted to the European Coal and Steel Community out of the general budget of the European Communities to cover Community financing of special temporary allowances in favour of workers in iron and steel firms and iron ore mines in the Community whose jobs are directly or indirectly abolished or threatened in consequence of a restructuring plan adopted by the undertaking, the group of undertakings, or the public authorities in accordance with general objectives for steel.

Article 2

The amount of the contributions referred to in Article 1 shall be fixed within the framework of the annual budgetary procedure.

Done at Brussels,

For the Council
The President

