

EUROPEAN COAL AND STEEL COMMUNITY

HIGH AUTHORITY

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PRESS RELEASE

TENTH SESSION OF THE COUNCIL OF ASSOCIATION

Luxembourg, 19th July 1960:

The Council of Association between the United Kingdom Government and the High Authority of the European Coal and Steel Community met today in Luxembourg for its tenth session.

In a discussion on the coal situation it was noted that there had been an improvement in the demand for coal, both in the Community and in the U.K. At the end of 1960 in the Community stocks at pitheads were expected to be about the same as at the beginning - about 31 million tons. In the U.K. stocks were likely to fall by some 2 million tons.

The Council of Association considered long-term forecasts for coal. It was estimated that requirements of primary energy would increase over the next 15 years both in the Community countries and in the United Kingdom, as a result of the rapid expansion predicted for their economies. The increase would be covered mainly by oil, natural gas and nuclear energy.

Demand for coal was likely to remain at about its present level - at around 200 million tons for the U.K. and 250 million tons for the Community - with its increased use by power stations and coke ovens being roughly sufficient to balance the reduction in consumption by other users.

Both sides stressed the importance of measures to improve the efficiency of coal production and to make coal increasingly attractive to consumers; the Council approved arrangements for promoting the exchange of information on these subjects.

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The High Authority outlined the present state of the Community's work on the coordination of energy policies in the Six countries.

The Council discussed the Belgian import restrictions and agreed that further consideration should be given to the question. A Delegation from the Belgian Government took part (under Article 7 of the Agreement of Association) in the discussions on this point.

The Council also examined the situation of the steel market, which continued to develop favourably. In the Community the average monthly output of ingot steel in the first five months of 1960 was 23 per cent greater than in the corresponding period of 1959. In the same period output in Great Britain reached an annual rate of roughly 24 million tons of ingot steel, an increase of 30 per cent.

The Council decided to compare methods of forecasting long-term demand for steel in the Community and the United Kingdom. It also instructed its Steel Committee to study the rationalization of standards and dimensions for rolled steel products, and the expected future demand and capacity for wide strip for production of sheet and other products.

In the absence through illness of the President of the High Authority, the High Authority Delegation was led by the senior Vice-President, Monsieur Dirk Spierenburg, who presided at the meeting. The other members were Monsieur Albert Wehrer, Monsieur Pierre-Olivier Lapie, and Dr. Fritz Hellwig, Members of the High Authority.

The Rt.Hon. Richard Wood, M.P., Minister of Power, led the United Kingdom Delegation. The other United Kingdom representatives were the Rt.Hon. Frederick Erroll, M.P., Minister of State, Board of Trade, Sir James Bowman, Chairman of the National Coal Board and Sir Cyril Musgrave, Chairman of the Iron and Steel Board.

The Belgian Government Delegation was led by the Secretary General of the Ministry of Economics, Monsieur Craene.