

# EURATOM

The European Atomic Energy Community

INFORMATION SERVICE

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## EURATOM READY TO FINANCE RESEARCH

### TO INCREASE OUTPUT OF SENN NUCLEAR POWER PLANT

WASHINGTON, D.C., February 12 -- The Commission of the European Atomic Energy Community (Euratom) has given approval to a research program proposal designed to increase by 65% the output of a nuclear power reactor to be constructed under the U.S.-Euratom Joint Power Program, it was announced in Brussels today.

The Italian Company "SENN" will build a 150 megawatt boiling water type reactor on the Garigliano River between Rome and Naples under the Joint U.S.-Euratom Program for building nuclear power plants in the European Community countries. The plant will come into operation in 1963. Based upon a proposal from SENN, Euratom has agreed to finance research and development operations centering on the Italian reactor to boost its output to an estimated 230 megawatts, an increase of 65% in available power. Euratom spokesmen pointed out that the R&D program, if successful, would bring about an appreciable reduction in the cost of the power produced by the SENN plant and also introduce general improvements in the technology of water type reactors.

The decision, it was reported, paves the way for a research contract between SENN and Euratom which can be included in the U.S.-Euratom Joint Research and Development Program.

Over the same period, the Community's trade with the rest of the world has also increased rapidly:

<u>Imports</u> (in millions of metric tons)	<u>1952</u>	<u>1957</u>	<u>Increase</u>
Hard coal	22.3	44.0	+ 97.3%
Iron ore	13.5	24.5	+ 81.4%
Scrap	0.4	4.2	+ 822%
Steel products	0.8	1.6	+ 100%

  

<u>Exports</u> (in millions of metric tons)			
Hard coal	4.4	5.0	+ 13.6%
Coke	5.2	4.2	- 19%
Iron ore	0.6	1.0	+ 66.6%
Steel products	6.6	9.6	+ 45.4%

Prices have risen during the transition period, but within moderate proportions. The increase in the price of coal is largely explained by the nature of the coalmining industry and its rising costs: increased steel prices, on the other hand, reflect the conditions of the world market from 1954 onwards.

Since 1953, when the Common Market was opened, average coal prices<sup>\*</sup> have developed as follows:

- French coal (pithead prices) :	+15%
- German coal (pithead prices) :	+18%
- American coal (FOB price) :	+10%
- UK coal (inland price) :	+34%

Since May 1953, the home prices of merchant bars<sup>\*</sup> have developed as follows:

- in the Community :	+10%
- in the United Kingdom :	+31%
- in the United States :	+34%

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\* It should be noted that Community prices of both coal and steel at the opening of the Common Market were higher than those ruling in the UK and the US.

Long-term policy

The High Authority's long-term "General Objectives" were published in October 1956; and by means of annual surveys of current investments, the High Authority is able to discover those points at which the stimulus of its action is particularly necessary.

The most recent Investments Survey, published at the end of 1957, reveals a considerable increase in investment on steel, and a renewed rise, since 1956, in coal investments :

(in millions of dollars)

	Actual investments					Investments planned at the beginning of 1957	
	1952	1953	1954	1955	1956	1957	1958
Coalmines	505	461	450	416	426	620	597
Steel industry and iron-ore mines	574	570	483	555	620	862	593
Total	1079	1031	933	971	1046	1482	1190

Despite higher investments compared with earlier years, coal production is developing less rapidly than the Community's needs. <sup>long-term</sup>

In the steel industry, the development of steel production plant and pig-iron production plant causes some anxiety about long-term supplies of scrap for steel mills.

(in millions of tons)

	Effective capacity, 1960 (on investments planned at beginning of 1957)	1960 needs shown by General Objectives (1)
Hard coal	270	306
Coke	88	87
Iron-ore (ferrous content)	30	47(2)
Pig-iron	55	58(2)
Crude steel	71.5	73.5

(1) Including needs for export. Figures given are average for coal and maximum for steel, coke, iron-ore and pig-iron.

(2) Provided that scrap imports are held at between 1½ and 2 million metric tons.

## Labour policy

During the transition period, the High Authority has made use of all the means of action given it by the Treaty in the field of social policy.

In particular, some 25,000 workers have benefited from readaptation aid - financial assistance, retraining, etc - to tide them over the transfer to new jobs when their existing employment either ceased or changed its nature owing to modernization of firms adapting themselves to the Common Market.

On September 1, 1957, the Treaty's provisions for free movement of labour came into force when a European labour passport was made available to 52 categories of skilled coal and steel workers. On December 9, 1957, a European Social Security Convention was signed to co-ordinate national social security systems for the benefit of all Community workers taking jobs within the Community outside their own country. This Convention which applies to workers even outside the field of coal and steel, will ensure that mobility of labour within the Community is not hampered by workers' losing the benefits they would normally have enjoyed in their own countries.

The High Authority has also promoted research into industrial hygiene and safety, for which it has set aside 4.2 million dollars. In October 1957, in addition, it proposed to Member Governments measures to be taken to improve vocational training.

After the Marcinelle mining disaster in August 1956, the High Authority, with the agreement of the Council of Ministers, called an international conference on safety in coalmines, attended by workers, employers, and governmental representatives from the six Community countries, together with participants from the United Kingdom and the International Labour Office. In September 1957, a permanent body presided over by the High Authority was set up to keep constant watch on the problem of mine safety and to continue the work of the conference.

The High Authority has also contributed to investments in the social field by means of loans and direct payments for the building of workers' houses. By 1960, 60 million dollars of funds advanced by the High Authority will have been used to aid the construction of an estimated total of 38,000 dwellings.

In addition, the High Authority has made a substantial contribution to knowledge of the Community's social problems by publishing independent Community-wide studies of employment levels, wages and earnings, family budgets, working conditions, readaptation, labour legislation etc, and by showing the main lines of development in these fields, particularly in the sphere of wage trends.

Some first results drawn from the High Authority's study of wage trends are shown in the table below. Owing to the differences

between national methods of calculation, it is impossible to make valid comparisons between countries on the basis of these figures, which are indicative only for the individual countries concerned. In Italy and Germany, the figures given show a yearly average; in Belgium, Luxembourg and the Netherlands they represent October earnings, in France they cover earnings for September. Except in France and Italy only men's wages are taken into account. The figures for coalminers' earnings in Germany include the value of coal supplied to miners, and - for 1956 only - the special miners' bonus. Finally, the figures quoted for Belgium do not take into account the reduction of working hours in 1956.

Average gross hourly earnings

	<u>1955</u>	<u>1956</u>	<u>Increase</u>
<u>Germany (Fed. Rep.) (in Pfennigs)</u>			
Coalmines	220.2	282.9	+ 29%
Steelworks	212.8	259.2	+ 22%
<u>Industry as a whole</u>	<u>183.5</u>	<u>213.0</u>	<u>+ 19%</u>
<u>Belgium (in Belgian francs)</u>			
Coalmines	29.69	39.38	+ 33%
Steelworks	30.36	34.68	+ 14%
<u>Industry as a whole</u>	<u>25.49</u>	<u>30.31</u>	<u>+ 19%</u>
<u>France (in French francs)</u>			
Coalmines	173	212	+ 19%
Steelworks	156	210	+ 35%
<u>Industry as a whole</u>	<u>142</u>	<u>184</u>	<u>+ 30%</u>
<u>Luxembourg (in Belgian francs)</u>			
Coalmines	42.53	45.37	+ 7%
Steelworks	33.07	37.34	+ 13%
<u>Industry as a whole</u>	<u>30.65</u>	<u>33.07</u>	<u>+ 8%</u>

	<u>1953</u>	<u>1956</u>	<u>Increase</u>
<u>Italy (in lire)</u>			
Coalmines	229.60	268.06	+ 17%
Steelworks	184.45	204.96	+ 11%
<u>Industry as a whole</u>	<u>171.09</u>	<u>200.42</u>	<u>+ 17%</u>

	<u>1953</u>	<u>1956</u>	<u>Increase</u>
<u>Netherlands (in florins)</u>			
Coalmines	1.53	2.01	+ 27%
Steelworks	1.50	1.88	+ 25%
<u>Industry as a whole</u>	<u>1.18</u>	<u>1.56</u>	<u>+ 32%</u>