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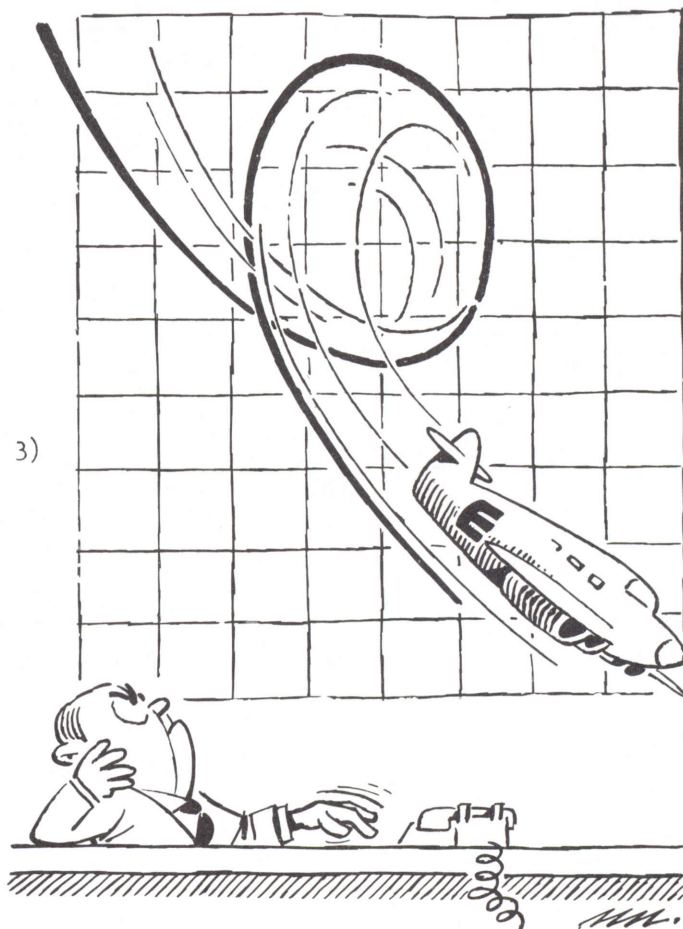
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** Despite the fact that the number of aircraft in service and on order throughout the world continues to increase, the EUROPEAN AIRCRAFT INDUSTRY'S share of the market in civil aircraft

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is declining steadily. In the face of direct competition from the American aircraft industry, its share of the world market has dropped to less than 5% for long-haul and less than 10% for short- and medium-haul aircraft.

ANNEX 1 describes the situation.

- ** Liévin, 1974: 41 dead. Chesterfield, 1973: 18 dead. Marcinelle, 1956: 261 dead. A miner's life is in danger from the moment he arrives at the pithead. What can be done to improve MINES SAFETY in the Community?

ANNEX 2 describes the Community's concern for safety in mines and in other industries.

- ** According to graphs and notes on the ECONOMIC SITUATION in the Community published by the European Commission, the particularly marked drop in industrial production in the final quarter of 1974 continued in the first two months of 1975. Building activity was given a slight boost by the particularly mild winter. There is a fair chance that the decline in stock levels and final demand in some manufacturing industries and in the distributive trades has already bottomed out or will do so shortly. In Germany, France and Belgium, managements were a little more sanguine in their assessment of future production trends. As to unemployment it would appear that in the Community as a whole the demand for manpower is generally no longer contracting as rapidly as previously. The easing in the upward movement of consumer prices experienced by most member countries towards the end of last year did not continue in January. The rise in the cost of living accelerated again very distinctly in the first few weeks of the year. The Community's trade balance has continued to improve in recent months despite a general lack of buoyancy in exports.
- ** The common agricultural policy has had the effect of shielding European consumers and producers from FLUCTUATIONS IN WORLD PRICES for agricultural products. This is true of all products for which the Community's degree of self-sufficiency is 80% or more. During the last quarter of 1974, the world wheat price stood at 158.75 u.a./metric ton (1 u.a. = US \$1.2); the Community price was 128.88 u.a./metric ton, in other words a difference of about 30 u.a./metric ton. The world sugar price had risen to 1 000 u.a./metric ton, while the Community price remained at 310 u.a./metric ton, a difference of 690 u.a./metric ton. Since the beginning of 1975 however world prices have been falling and the Community has reintroduced a levy of approximately 11 u.a./metric ton on wheat. The current world sugar price has fallen to 635 u.a./metric ton, while the Community price has remained more or less stable.
- ** The first channel on FRENCH TELEVISION (TF1) is to screen a thirty minute CONSUMER INFORMATION programme entitled "Le fil des jours" (Day by Day) every Tuesday from 6.15 to 6.45 p.m.

- ** PRIVATE EUROPEAN INVESTMENT IN THE UNITED STATES increased noticeably in 1974. According to figures produced by the US Department of Commerce (for the first nine months of 1974) investments amounted to US \$963 million. This shows an increase of over 33.3% on the figure for the corresponding period of 1973, during which private investment from European sources amounted to US \$722 million.
- ** In 1974 a total of 43.73 million u.a. (1 u.a. = US \$1.2) was spent by the European Social Fund on assisting the HANDICAPPED. The figure for 1973 was 31.30 million u.a. Since June 1974, the European Commission has been able to give financial support to short-term demonstration projects aimed at improving the quality of vocational rehabilitation facilities. In 1974 aid under this heading amounted to 1.41 million u.a.
- ** A Community plan of action on SCIENTIFIC AND TECHNICAL INFORMATION AND DOCUMENTATION has been adopted by the Council of Ministers on a proposal from the European Commission. Over three years, 6.6 million u.a. (1 u.a. = US \$1.2) will be devoted to achieving three main objectives, namely:
- . development of information systems in specific sectors; one such system has been operating in the nuclear sector since 1971, as has a documentation centre in the metallurgy sector; similar systems are to be developed for environmental protection, biomedicine and agriculture;
 - . development of a common information network; the aim here is to create a system whereby the existing information systems in the Member States can be interlinked;
 - . development of new methods in the field of information technology; the main aim here is to overcome the problems arising from language differences and from the presence of differing systems.
- ** The European Commission has launched a new quarterly information bulletin entitled "VOCATIONAL TRAINING". Each issue will discuss measures decided upon at Community level and legal and contractual measures taken by the Member States in the field of vocational training. The bulletin will also contain analyses and views which could influence the development of vocational training, a description of new methods and techniques and finally a bibliography of European publications in the field. "Vocational Training" is edited by the Directorate-General for Social Affairs, Vocational Guidance and Training Division, 200 rue de la Loi, 1049 Brussels and is on sale at the Publications Office of the European Communities, Boite postale 1003, Luxembourg.
- ** The European Commission is well aware of the dangers of high levels of MERCURY IN FOOD. It is working in collaboration with national experts on a proposal to harmonize legislation in this field. It has already consulted the Community's Scientific Committee

on Food on the issue. The Committee felt that the permissible weekly intake specified by the Joint Committee of Experts set up by the Food and Agricultural Organization (FAO) and the World Health Organization (WHO) could be regarded as an acceptable limit to the mercury content which could be tolerated in food without endangering human health. The Scientific Committee on Food urged those responsible to see to it that these standards are respected.

** The "Report on the Development of the SOCIAL SITUATION in the Community in 1974" has just been published by the European Commission. It supplements the Eighth General Report on the Activities of the European Communities. It has been translated into all official languages of the Community and is obtainable from the Publications Office of the European Communities, Boîte postale 1003, Luxembourg.

THE EUROPEAN AIRCRAFT INDUSTRY

Despite the fact that the number of aircraft in service and on order throughout the world continues to increase, the European aircraft industry's share of the market in civil aircraft is declining steadily. In the face of direct competition from the American aircraft industry, its share of the world market has dropped to less than 5% for long-haul and less than 10% for short- and medium-haul aircraft.

An exact picture of the situation of fleets is afforded by the number of aircraft in service and on order at a given date. The change in position between June 1973 and May 1974 is shown below.

	<u>Number of aircraft</u>				<u>Value (Mio EUR)</u>			
	<u>1973</u>	<u>%</u>	<u>1974</u>	<u>%</u>	<u>1973</u>	<u>%</u>	<u>1974</u>	<u>%</u>
Long-haul (US)	1 624	35.5	1 711	35.2	13 447.7	49.5	17 543.5	51.9
Long-haul (European)	63	1.4	66	1.3	465.6	1.6	513.7	1.5
Short- and medium-haul (US)	2 315	50.6	2 482	51.1	11 930.3	43.9	14 258.8	42.2
Short- and medium-haul (european)	572	12.5	602	12.4	1 343.6	4.9	1 466.5	4.4
	<u>4 574</u>	<u>100.0</u>	<u>4 861</u>	<u>100.0</u>	<u>27 187.2</u>	<u>100.0</u>	<u>33 782.5</u>	<u>100.0</u>
1 EUR = US \$1.2								

The value distribution of fleets varied a great deal between 1970 and 1974: there was a 15.9% decline in the relative value of the United States fleet, a 4.7% increase in the relative value of the European fleet and an 11.2% increase in the relative value of the "rest of the world" fleet.

The world market was shared as follows in 1970 and 1974:

	<u>Market size</u>			<u>Market share of aircraft from</u>					
				<u>EEC</u>			<u>United States</u>		
	1970	1974	Change	1970	1974	Change	1970	1974	Change
EEC	14.7	17.9	+ 3.2	33.0	20.2	- 12.8	67.0	79.8	+ 12.6
Other European countries	6.3	7.8	+ 1.5	23.1	6.7	- 16.4	76.9	93.3	+ 16.4
Europe	(21.0)	(25.7)	(+ 4.7)	30.1	16.1	- 14.0	69.9	83.9	+ 14.0
United States	63.9	48.0	- 15.9	2.1	-	- 2.1	97.9	100.0	+ 2.1
Rest of the world	15.1	26.3	+ 11.2	12.2	6.3	- 5.9	87.8	93.7	+ 5.9
Total	100.0	100.0		9.5	5.9	- 3.6	90.5	94.1	+ 3.6

The opinion expressed at the end of 1973 still holds good in the spring of 1975. It was felt then that, since the situation had continued to deteriorate, the logical consequence of the endeavours of the European aircraft industry and of the governments of Member States to offer a range of new civil aircraft must be to respond to the competition by exploiting the large relative importance on the world scale of the value of the European market. It is not enough to say that the size of the European market warrants the existence of a European aircraft industry; it is necessary for the industry to take advantage of the size of the market.

This is true not only in the short-term but also in the long-term: with the stabilization of European percentage demand, the increase in percentage demand by the rest of the world and the fall in United States percentage demand, the negative trade balance on new civil aircraft from the Community will tend to increase in the next decade.

For long-haul aircraft, the disproportion between the size of the European market (28.8% of the world's long-haul fleet) and the European aircraft industry's share of the world market (2.8% for long-haul aircraft) is astounding.

The following table shows the situation for long-haul aircraft:

%

	<u>Market size</u>		<u>Market share of aircraft from</u>			
	<u>1973</u>	<u>1974</u>	<u>EEC</u>		<u>United States</u>	
			<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>
EEC	22.0	21.3	10.1	8.8	89.9	91.2
Other European countries	8.0	7.5	-	-	100.0	100.0
Europe	(30.0)	(28.8)	7.4	6.6	92.6	93.4
United States	44.4	39.0	-	-	-	-
Rest of the world	25.6	32.2	4.3	2.9	95.7	97.1
Total	100.0	100.0	3.3	2.8	96.7	97.2

The situation is equally alarming for short- and medium haul aircraft:

%

	<u>Market size</u>		<u>Market share of aircraft from</u>			
	<u>1973</u>	<u>1974</u>	<u>EEC</u>		<u>United States</u>	
			<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>
EEC	14.3	14.0	47.4	40.0	52.6	60.0
Other European countries	8.1	8.1	14.0	13.9	86.0	86.1
Europe	(22.4)	(22.1)	35.3	30.4	64.7	69.6
United States	62.1	58.4	0.1	0.1	99.9	99.9
Rest of the world	15.5	19.5	13.4	12.7	86.6	87.3
Total	100.0	100.0	10.1	9.3	89.9	90.7

The military aircraft market has hit the headlines recently. The two tables below show the position of the European fleet and the fleets of the main regions of the world on 31 December 1972:

	European-designed aircraft		American-designed aircraft		Total (Mio EUR)
	Value (Mio EUR)	%	Value (Mio EUR)	%	
Belgium	154.9	33.6	305.8	66.4	460.7
Denmark	49.2	32.9	100.5	67.1	149.7
France	1 661.3	93.1	122.2	6.9	1 783.5
Germany	1 347.6	39.3	2 077.4	60.7	3 425.0
Ireland	1.4	100.0	-	-	1.4
Italy	690.0	63.0	405.2	37.0	1 095.2
Netherlands	87.2	23.6	282.3	76.4	369.5
United Kingdom	1 680.5	69.4	740.1	30.6	2 420.6
EEC	5 672.1	58.5	4 033.5	41.5	9 705.6

	European-designed aircraft		
	Number of aircraft	Value (Mio EUR)	% of total European aircraft
USA	26	108.3	3.7
Canada	5	4.6	0.2
Latin America	480	170.4	5.9
Europe other than EEC	2 868	1 445.6	49.8
Middle East and North Africa	979	482.8	16.6
Africa south of Sahara	322	75.9	2.6
South Africa, Rhodesia	484	351.6	12.1
Asia	822	161.4	5.6
Australia	207	83.3	2.9
Oceania	48	18.7	0.6
Total	6 211	2 902.6	100.0

The Council of Ministers, on a proposal from the European Commission, has decided that there is to be concerted action and consultation between the Member States of the Community on industrial policy in the aircraft industry (see I&S No 11/75). The launching of construction programmes by undertakings obviously depends on public funds. Member States must therefore coordinate their national policies to avoid unnecessary duplication, improve the choice of programmes and find the best means of ensuring their realization.

MINES SAFETY IN THE COMMUNITY

The final toll of the mine disaster which occurred in Liévin in the north of France on 27 December 1974 was forty-one dead from asphyxiation and six survivors with serious burns - in all forty-seven victims of a gas explosion that ignited a fire and filled the mine with smoke. It is the latest in a series of mining tragedies following on the heels of the accident at the Markham mine in Chesterfield in the United Kingdom where, on 30 July 1973, the principal cable of the cage broke and sent twenty-nine miners to the floor 400 meters below killing eighteen of them. In 1956, at the Marcinelle mine in Belgium, 261 miners were killed following a gas explosion. Since 1960, six miners per thousand have been killed each year in the Community.

The life of pit workers is in danger from the moment they arrive at the pithead until they re-emerge, covered in coal dust, into the open air. On their way down and on their way up weakened brake cables on the cages can snap; once inside the mines, they can at any moment come across hidden pockets of gas, see the walls collapse or find themselves trapped by fire, ignited by combustible gases. These are the risk which the Community's 700 000 miners run every day, a further hazard being they are bound to develop respiratory disease and visual or nervous defects.

It was these working conditions which prompted the Member States of the European Community and the High Authority of the ECSC to set up the Mines Safety and Health Commission following the Marcinelle disaster. Its function is to make extensive studies of safety and hygiene in mines and to investigate the situation in each Member State so that safety recommendations can be drawn up for legislative action.

The quality of the studies undertaken in this area led the Council of Ministers to extend the mandate of the Mines Safety and Health Commission to all extractive industries from 1 April 1974. Its key functions are carried out by groups of specialists who study in detail the dangers inherent in mining work: ventilation, electricity, transport cables, fires, landslips, etc. Other expert groups collect and analyse Community statistics relating to mining. Yet others study and compare existing safety arrangements to indicate priority areas in which the Community institutions can act to improve accident prevention.

Over the last five years the European Commission has provided 4.5 million units of account to finance a research programme entitled "Hygiene in the Mines" aimed at combatting the prevailing dangers of gas explosions, coal dust and unsafe climatic conditions.

In October 1974, the Centre d'Etudes et de Recherches des Charbonnages de France (CERCHAR) in Paris and the Versuchsgrubengesellschaft in Dortmund requested financial aid from the European Commission to pursue further research on the causes and prevention of mine fires and explosions. The Commission responded favourably with aids totalling 60% of the projects' costs, giving FF 1 320 000 to Cerchar and DM 468 to the Dortmund group.

In June 1974 the European Commission decided to support a further research programme, this time a three-year National Coal Board programme involving the treatment of wood in mines designed to prevent the rapid spread of fires. The NCB also plans to develop portable and permanent detectors of carbon oxide in mines to isolate potential fire hazards.

Safety at work is a constant concern of the European Communities and in 1974 an Advisory Committee on Safety, Hygiene and Health Protection at Work was set up and given a mandate which covers all industries other than the extractive industries.