

'France, Germany and Italy categorically reject High Authority plan' from Le Monde (16 May 1959)


Caption: On 16 May 1959, the French daily newspaper Le Monde comments on the decision taken by the Council of Ministers of the European Coal and Steel Community (ECSC) to refuse the High Authority the right to declare a ‘manifest crisis’ in the European coal sector.

Source: Le Monde. dir. de publ. Beuve-Méry, Hubert. 16.05.1959, n° 4 451. Paris: Le Monde. "La France, l'Allemagne et l'Italie repoussent définitivement de plan de la Haute Autorité", auteur:Laybourn, Norman , p. 1.

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European coal crisis

France, Germany and Italy categorically reject High Authority plan

Temporary aid measures adopted for Belgium

From our special correspondent Norman Laybourn

Strasbourg, 15 May – **At the ECSC Special Council of Ministers, held in closed session at the Maison de l'Europe, France, Germany and Italy categorically rejected the plan put forward by the High Authority for tackling the coal crisis. However, agreement was reached in the evening on a range of special measures to help the Belgian collieries worst hit by the crisis.**

The decisions were taken at two meetings lasting nearly seven hours in all. Although both meetings were heated, there was evidence in the second session of a general determination to find a practical solution for Belgium.

The Belgian Minister for Economic Affairs, Mr van der Schueren, had, in fact, indicated that if no decision was reached on a solution to the European coal crisis, Belgium would segregate its coal market from the Community.

Mr Jeanneney: we refuse to grant High Authority new powers

France, the Federal Republic of Germany and Italy voted against the detailed plan put forward by the High Authority and against declaring a 'manifest crisis' which would have allowed the ECSC executive to introduce production and import quotas (1). Belgium, the Netherlands and Luxembourg voted in favour. At first, the Luxembourg representative agreed conditionally, and it was only as a result of repeated requests made by the President-in-Office of the Council of Ministers, Mr Jeanneney, that Mr Elvinger, the Luxembourg Minister for Economic Affairs, eventually came to a firm decision.

Mr Jeanneney also stated at a press conference early that evening that most Members of the Council of Ministers did not consider the crisis to be widespread and expected the situation to improve in the near future. Replying to a question, the French Minister said he did not personally believe that the Council had been trying to withdraw from the High Authority the powers provided for in Article 58 of the Treaty relating to a 'manifest crisis'. It had simply refused the ECSC executive authorisation to exercise new powers in order to implement a plan which it regarded as too dirigiste.

According to the French Minister, most Members of the Council took the view that fixing production quotas would be detrimental to the development of undertakings. It was not the role of a supranational authority to restrict production by individual undertakings, as the High Authority was proposing in its plan.

Mr Jeanneney added that each of the Six was free to decide its own trade policy and therefore still had the option of restricting imports on an individual basis.

High Authority: national crisis measures not adequate

Members of the High Authority were clearly disappointed by their crushing defeat yesterday. Paul Finet told journalists it was regrettable that the High Authority's efforts had not succeeded, even though it felt that it had gone as far as it could in its proposals, if they were to be really effective.

Although individual action by Community Member States to resolve the crisis (the cancellation of import contracts, the reduction of imports, working hours and production, and the introduction of improvement schemes) is likely to help restore the balance between supply and demand, the High Authority believes that the coal market is still at risk, as is clear from the steady accumulation of stocks at the moment.

The High Authority's view is that the problems can only be resolved by Community measures, as provided

for in the Treaty. If the situation does not improve over the summer, the High Authority is also reserving the option of putting forward a further proposal to the Council of Ministers for introduction of the measures rejected on Thursday.

Aid measures adopted for Belgium

At all events, the ECSC executive has issued a statement saying that it believes it has a duty to take any other measures that might be needed to alleviate the most immediate effects of the Ministers' vote, particularly with regard to the situation in Belgium.

With that in mind, yesterday evening the High Authority submitted a proposal to Ministers for the following measures to help Belgian mines, on which the Council gave its opinion:

(1) Assistance to partially unemployed Belgian miners will continue. Mr Jeanneney said that the appropriations for that purpose were being increased from 2 to 5 million dollars, which would allow supplementary unemployment benefits (20 % of previous wages) to be paid until September.

(2) Belgian undertakings will operate new tariffs for the sale of their coal under stricter High Authority supervision, enabling them to compete with other coalfields in the pool. The Belgian Government will be authorised to grant subsidies for that purpose.

Commenting on that measure, Mr Jeanneney said that the High Authority would grant Belgian miners approximately 1 thousand million francs in aid, in addition to the subsidy from the Belgian Government. According to the French Minister, the Council had decided on this point only in principle, and it would state its position at a later date on the Belgian mine improvement schemes and arrangements for the use of the appropriations (for instance, to determine which undertakings would receive them), which the High Authority would be considering in the meantime.

(3) The High Authority will pay a share of the labour costs resulting from the staggered closures of undertakings affected by the Belgian Government's improvement schemes (2).

(4) Lastly, the High Authority will draw up the programme to be submitted at a forthcoming conference of the six governments at which all future action on the restructuring of the Belgian coal industry will be considered. Mr Finet explained that the conference would be held in the next four months, during which time the Belgian aid measures would be implemented.

(5) Finally, the High Authority suggested that storage aid for Belgian mines should be continued. However, that proposal was not approved by the Council.

While the High Authority was engaged in its difficult negotiations with the Council of Ministers, the Parliamentary Assembly was coming to the end of its sitting, also in the Palais de l'Europe. Speaking on a point of order, Alain Poher, Chairman of the Christian Democrat Group, told members of the Assembly of his concern at the situation of the coal market, and expressed his belief that it could endanger the very future of the European Communities. He added that if the current situation deteriorated, the Assembly should be convened in advance of the next sitting (scheduled for 22 June) to give all its Members a chance to air their views. We learned shortly after that the Chairmen of the Assembly's two other political groups also anticipated that there would be an extraordinary sitting in the near future.

Assembly threatens to take unilateral decision on its seat

During the part-session, the Assembly adopted several draft resolutions, one of which concerned the seat of the European institutions. It again urged the governments to come to a speedy decision on a single seat for the Community institutions. If they were unable to reach a general decision, they should at least decide where the Parliamentary Assembly was to sit.

The Assembly also asked a delegation to inform the governments that if they had not reached a decision on the seat of the Assembly 'within a reasonable period', the Assembly itself would decide where to hold its part-sessions and where to establish its permanent secretariat.

Finally, the Assembly expressed its support for the creation of a 'European university' to promote scientific and technical advances, the social sciences and economics, philosophical and historical research, and the formulation and development of Community law with a view to the development of the European Communities and associated overseas countries.

(1) A 'manifest crisis' could have been declared if just one of the major European coal producers (France or Germany) had voted against.

(2) It was apparently this Luxembourg aid that Mr Jeanneney was referring to when talking about the reduction in the Belgian tariffs.