

'The future of the coal industry looks bleak' from the Corriere della Sera (3 June 1967)

Caption: On 3 June 1967, the Milan daily newspaper Corriere della Sera reviews the crisis in the European coal-mining industry and is pessimistic about a revival in the coal industry.

Source: Corriere della Sera. 03.06.1967, n° 130; anno 92. Milano: Corriere della Sera. "L'industria del carbone è oramai senza avvenire", p. 6.

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At least in European countries

The future of the coal industry looks bleak

Production costs in many areas are already double the retail price — The retraining of miners — Thermal units based on atomic power will become increasingly competitive

From our special correspondent

Paris, 2 June.

The future of the coal industry and miners' jobs looks bleak, at least in Europe. The British and Germans are already feeling it and, belatedly, the French are beginning to feel it too. France nationalised its mines after the last war, spending billions to re-equip and modernise them. From a human perspective the outcome was a success: in the past twenty years, there have been no mining disasters. This has been the case in Northern France, where deposits are of similar in nature to those of the adjacent Belgian mines which, in contrast, can count the victims of collapses and explosions in their thousands. From an economic perspective, however, the situation is catastrophic.

Coal mining costs the French state 3 500 million francs per year in subsidies, and it is predicted that this sum will rise to 5 000 million by 1970. All the experts agree, writes the daily newspaper *Les Échos*, that the pits at Saint-Étienne, Gard, Aquitaine and Pas-de-Calais will have to be closed as soon as possible, and production cut back at Lorena. But what will happen to the hundred thousand miners who are to be laid off? We are faced with a redeployment problem of immense proportions.

Production costs, in many coal-mining areas, are already double the retail price, and it will of course be the taxpayer who foots the bill for the discrepancy. Economists insist on the need for a clear, well-thought-out study leading to the immediate implementation of a working plan that can then be integrated into the general economic programme. Britain and Germany have already set out along this path, one that must be taken if progress is to be made. First and foremost it will be necessary to retrain and relocate the workforce; then to invest the money, at present tied up in subsidies for miners, in an alternative energy industry. The only possible alternative is the nuclear industry.

Currently the government is tackling the problem by setting production limits. According to economists this strategy is flawed. Instead, there should be the strictest possible limits on subsidies, and these limits should be reduced each year, condemning the coal industry to an inevitable end. That process should, however, be drawn out in order to keep pace with development in the nuclear industry as well as the retraining of miners. However the matter is viewed, it is vital to proceed cautiously with a fixed plan, in the light of prices on the international market, shifts in demand and the overall development of industrial resources.

Today, French coal costs one centime per thermal unit, while coal is sold on the world market for forty per cent less. It is forecast that a nuclear-based thermal unit will soon cost half the present price of a coal-based unit, at least in the United States. Even if this does not happen immediately in Europe, failure to make immediate plans would be a catastrophe, economically speaking.

The solution to the problem, given its social aspects, becomes more difficult in a period of rising unemployment, particularly in the metallurgical industry. The unions are up in arms and are calling on the government to convene a conference on employment in order to take stock of the situation and formulate a policy. Three hundred steelworkers lose their jobs each week, and on average do not find another job for four months. In two years, the number of such workers listed on the unemployment register in the Paris region rose by as much as 41 %. This is the inevitable consequence of mergers, concentration and the rationalisation of production methods.