

'Belgium and the Schuman Plan' from La Tribune des services publics (1951)

Caption: In 1951, the Belgian monthly magazine La Tribune des services publics presents the Schuman Plan to pool European coal and steel production as a solution to the economic difficulties faced by the coal industry in Belgium.

Source: La Tribune des services publics. Mensuel de la Centrale. 1951. Bruxelles. "Le Plan Schuman et la Belgique", auteur:Lambert, Paul.

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Last updated: 05/07/2016

Belgium and the Schuman Plan

The Schuman Plan was initialled in Paris on 19 March by the representatives of France, Germany, Italy and the three Benelux countries.

This does not mean that the parliaments will necessarily approve the text, nor even that the governments are totally committed to it. One or other of the countries may ultimately refuse to enter the coal and steel 'pool'. But that would be deeply regrettable. The idea of European integration can afford no more setbacks.

Here in Belgium, the plan has been strongly criticised, especially by the financial and Communist press.

But the truth is that the Schuman Plan offers Belgium an unexpected opportunity to achieve a reasonable settlement of one of the most serious problems facing it.

Steel is not the issue. Our steel industry is a world leader. Even if it had to pay 200 francs more per tonne for its coal than its competitors — as it would continue to do without the Schuman Plan — it would still stand up to the competition. The problem is our collieries.

We must face facts, however unpleasant. With or without the Schuman Plan, some of our collieries will have to be closed down because of rapid exhaustion and astronomical production costs. The question is whether, at the same time, the requisite measures will have been taken for the miners involved to find suitable employment. As we shall see, the Schuman Plan provides guarantees on this point: the Belgian Government, by itself, provides none.

It would be absurd to think that Belgium can afford to ban foreign coal and continue for a lengthy period to pay much more for its coal than its neighbours do. The high price of coal has a direct or indirect impact on all manufacturing industry. Our cost of living, our export and business opportunities and, indeed, our whole economy suffer as a result.

Is this a negligible burden? Just take a look at the average 1950 prices for coal and coking smalls in a few European countries.

Germany	399	404
Great Britain	334	350
Netherlands	368	500
France	495	529
Belgium	685	640

The situation was different before the war, but that was mainly because our miners were badly paid. They now get normal wages, but they are by no means overpaid. Some newspapers have created the wrong impression by publishing figures for miners' pay per tonne extracted in various countries.

The figure given for Belgium is much higher than all the others, with the implication that our miners are too demanding. A statistical lie is a statement of fact that is correct in itself but is presented in such a way that the unwitting reader draws the wrong conclusion. In the case in point, the figures published simply reflect the low output of Belgian mines. It does not follow that the income of Belgian miners is the highest in Europe. Despite the sharp devaluation of sterling, the weekly wage of British miners, expressed in Belgian francs, is higher than that of their Belgian counterparts.

In absolute figures, Belgian miners do earn more than their German, French or Dutch counterparts. But, here too, the Schuman Plan will work in our favour, since the equalisation measures will produce 'upward harmonisation' of social conditions in the various countries involved, necessarily resulting in a gradual increase in the wages paid in neighbouring countries.

The Schuman Plan makes special arrangements for Belgian coal, as it also does for Italian steel.

It provides us with a twofold guarantee. First, we shall have a five-year transitional period, which may be extended by a further two years, in which to effect the requisite adjustments in an orderly manner without causing social unrest. Second, the reduction in Belgian coal production will be pegged at a moderate percentage for a lengthy period

What will happen during the transitional period?

The Belgian market will continue to be insulated from the Common Market, and Belgian prices will be higher than foreign prices. But Belgian prices will not stay as they are. They will drop immediately to the level of the production costs expected at the end of the transitional period. To the immediate benefit of Belgian consumers. And to the benefit of the Belgian steel industry, which will obtain its coal at a price that puts it on an equal footing with its competitors.

How will the disparity between these lower prices and current costs be offset? By the resumption of government subsidies. But this will be achieved through international solidarity: the High Authority will raise a per tonne levy on the producers (German and Dutch) who are placed at an advantage and use it to subsidise Belgian coal production.

Meanwhile, Belgian collieries will restructure and speed up the acquisition of new equipment with the technical and financial aid of the Community. Adjustment will not be sudden. The general rule is that 'net Belgian coal production need not be reduced each year by more than 3 % as compared with the level of the preceding year.'

Nor will the workforce be left to fend for itself. The measures envisaged are so important that we shall quote the Treaty:

'The High Authority shall take part in studying the possibilities for re-employing redundant workers in existing undertakings or through the creation of new activities.'

'It shall facilitate ... the financing of programmes submitted by the governments concerned ...'

'The High Authority shall provide **non-repayable aid** towards: (a) the payment of tideover allowances to workers, where undertakings are closing altogether or in part; (b) the payment of allowances to undertakings to enable them to continue paying such of their workers as may have to be temporarily laid off as a result of the undertakings' change of activity; (c) the payment of resettlement allowances to workers; (d) the financing of vocational retraining for workers having to change their employment.'

What will happen at the end of the transitional period? Belgium will enter the Common Market, and the price of Belgian coal will be fixed at the level of international competition, or within limits set for all countries by the High Authority. It is, however, possible that our production costs will still be too high. In which case the Belgian Government will be allowed, even then, 'to grant subsidies covering the extra operating costs due to the natural conditions of the coalfields up to a total of 23.5 million tonnes.' Our current production is approximately 29 million tonnes, and our output was 23.5 million tonnes, in 1923.

Were we wrong to describe the Schuman Plan as an opportunity for Belgium?

Paul Lambert