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Measures to be recommended to enable local authorities to meet the new responsibilities arising from the establishment of the European Coal and Steel Community

Report¹

Committee on Regional Planning and Local Authorities

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A. Draft Recommendation

The Assembly,

Considering that the effects, both present and future, of the European Coal and Steel Community on certain population centres in Member States, possibly entailing the partial or total disappearance of the principal activities of certain municipalities and sometimes of whole regions, the depopulation of certain mining areas, the short or long-term unemployment of large sections of their population and, finally, the influx into the more productive areas of fresh manpower, give rise to difficult problems of adjustment and housing;

Considering how important and arduous are the new tasks confronting, either now or in the future, local authorities in such areas, since they must face up to certain problems arising within the sphere of their concern and affecting those whose interests they represent, whether it is a question of promoting new forms of economic activity in conformity with Article 56 (&) of the Treaty establishing the E.C.S.C., of assisting people temporarily deprived of employment and necessarily undergoing vocational re-training or resolved to settle down elsewhere, or, finally, of solving the housing difficulties caused by the influx of new population;

Believing that, whereas coal and steel problems in member countries of E.C.S.C. are the proper province of the organs of the Community, the consequences of the activities of E.C.S.C. on the life, structure and duties of European municipalities fall within the competence of the Council of Europe, which, by the establishment of the Special Committee on Municipal and Regional Questions, is the sole political body in Europe able usefully to deal with local problems resulting from the operation of European institutions;

Being convinced that the experiment represented by the European Coal and Steel Community is of major importance for the future unification of the fifteen member countries, and being desirous that this first experiment shall not have the effect of encouraging certain present-day tendencies towards centralisation and concentration which run counter to the essential characteristics of Western civilisation, based as it is on local self-government and the diversity and harmonious geographical distribution of all forms of activity;

Desirous that, within the scope of this new institution, local authorities may profitably exercise their special function as a convenient and authoritative intermediary between man and mechanised industry, particularly by intervening with all the deliberation and understanding necessitated by such delicate matters as the transfer of population, employment or readaptation;

Finding that the Statute of the E.C. S.C., subject to certain conditions, does not preclude such intervention by local authorities, which might well play a useful part in the operation of the Community, for instance in the housing of coal and steel workers, in their re-adaptation, in providing assistance to those who agree to be transferred to other regions, or in setting up new industries capable of absorbing local workers who have become unemployed;

Believing that it is primarily a matter for representatives of local communities, whose principal industries, whether mines or steel works, may cease operation or curtail their activities to an alarming extent as a result of measures taken by the High Authority, to organise, promote and direct, in their area, new activities capable of assuring not only the productive reemployment of local workers under the conditions laid down in Article 56 of the treaty setting up the E.C.S.C, but also the economic survival of their region, and that the Governments concerned, as well as the High Authority, should draw up plans for new industries with due regard to the views of the local authorities ;

Considering that the re-adaptation of workers unemployed as the result of the introduction of new processes or equipment or of methods of concentration must be closely harmonised with local conditions, in particular with available employment in other industries in the area, and that the High Authority, subject to the agreement of the Council of Ministers of E.C.S.C. may, in the words of its own members speaking to the Committee on Social Questions of the Consultative Assembly on 29th January, 1954, co-operate with local authorities in the organisation and financing of vocational training centers ;

Bearing in mind that the High Authority of the E.C.S.C, according to the statements of its Members, in particular before the Social Affairs Committee of the Common Assembly on 7th January, 1954, so far as workers' housing is concerned, is endeavouring in the various member countries to encourage the construction of dwellings, and, further, recalling statements by the same Members of the High Authority before the Committee on Social Questions of the Consultative Assembly on 29th January, 1954, in accordance with which, subject to the unanimous concurrence of the Council of Ministers, as stipulated in Article 54 (paragraph 2) of the treaty setting up the E.C.S.C, the High Authority may assist in financing works and installations undertaken by local authorities and in the housing of workers in the coal and steel industries ;

Convinced that effective assistance to transferred workers could be provided by local authorities, which, in order to solve the delicate problems of adjustment and avoid the dangers attendant upon the uprooting of workers from their normal environment, could establish close and unbroken contacts and indeed many ties of friendship between native and adoptive municipalities or regions, by application of the "pairing" system ;

Firmly supporting, in general, the principle that no measure which commits a local authority should be taken by any central Government without prior consultation with the representatives of that authority,

Recommends that the Committee of Ministers should obtain the assurance of the Governments concerned that they will :

1. In regard to the creation of new industries capable of assuring the re-employment of workers
 - a. draw up programmes for the transformation or creation of industries capable of assuring the re-employment of workers (see Section 23 (3) of the Convention containing the Transitional Provisions) in close co-operation with the local authorities concerned, either through the medium of inter-municipal syndicates or of regional adjustment committees to be established for the purpose, composed of workers' and employers' representatives of the various sectors of the local economy as well as the local intelligentsia, and directed by municipal officials of the areas where the coal or steel industries are faced with difficulties ;
 - b. entrust such intermunicipal syndicates or regional committees with the task of directing and supervising in their own areas the execution of these programmes ;
2. In regard to re-adaptation
 - a. delegate by preference to the local authorities (municipalities and regional councils) of these areas, the responsibility of organising vocational training centres for the re-adaptation of local labour required to change employment ;
 - b. invite the High Authority to grant to such local training centres the financial assistance laid down in Article 56 of the Treaty and in Section 23 of the Convention containing the Transitional Provisions, under the conditions specified therein ;
3. In regard to the homing of workers
 - a. empower local authorities (municipalities and regional councils) in those coal and steel-producing areas where a demand for labour exists to establish contact with the High Authority so that those who so desire may, with the financial assistance of the High Authority as laid down in Article 54 (paragraph 2) of the Treaty setting up the E.C.S.C, be authorised to build houses for coal and steel workers on the same terms as contractors, co-operative societies and private firms and, indeed, with a priority over the latter ;
 - b. invite the High Authority to approve measures already instituted by such local authorities in regard to workers' housing ;
 - c. arrange for wide representation of local authorities in the joint committees set up in each basin to examine, as planned by the High Authority, the comparative cost of building workers' dwellings in the various regions of the Community ;
 - d. invite the joint committees to establish close contact with the municipality on whose territory the committee is to build ;
4. In regard to psychological problems raised by transferred workers
 - a. encourage the municipalities concerned to take the necessary steps either to prepare the workers for moving to other districts — their agreement having been obtained — or to welcome workers from other areas, in a spirit of understanding favourable to the solution of the social and psychological problems resulting from migration ;
 - b. encourage the municipalities, in particular in the areas where the workers formerly lived, by means of a judiciously considered "pairing" system, to establish close relations with their counterparts in the reception areas, to foster constant exchanges and, in a general manner, sundry ties of friendship which will contribute towards dispelling the feeling of homesickness and isolation, always deplorable in its results ;
 - c. afford every possible assistance and facility to such "pairings";

- d.* authorise the High Authority to sponsor such measures and such "pairings" and supply the requisite material assistance, and authorise it, in general, to establish the necessary contacts with the municipalities concerned, so that the difficult but essential work of adapting the transferred workers to their new surroundings may be brought to a successful conclusion ;
- 5. In general
 - a.* take the necessary steps to ensure that no measure likely to involve the major interests of a local community, municipality, département or region shall be instituted by the High Authority or by themselves without prior consultation with the appropriate local authority ;
 - b.* institute an immediate study of the measures necessary to secure the representation or participation, as the case may be, of local authorities affected by the activities of the E.C.S.C. in the latter's Consultative Committee or, failing that, in the consultations for which provision is made under Article 46 of the Treaty.

B. Draft Order

The Assembly instructs the Special Committee on Municipal and Regional Affairs, in conjunction with the Secretariat-General and the Working Party of Associations of Local Authorities of Member States advocated in its Recommendation 53, and which it considers should be established at an early date, to take steps to inform local authorities concerned of the possible consequences of establishing the common market and of the assistance which, with the consent of their Governments, they could obtain from the High Authority with regard to the new tasks devolving upon them as a result of the activities of the European Coal and Steel Community.

C.

1.

1. Your Committee on Municipal and Regional Affairs², was instructed by you at its inception to see to it that the policy of European unification did not develop without the co-operation of the local authorities and, more important still, did not undermine the prerogatives and independence of those thousands of local communities which are the bedrock of our Western society.

2. On 30th September, 1952, with the same purpose in mind, the Assembly included in its Agenda the question : "Preliminary study of measures which might be recommended to enable local authorities to meet the new responsibilities likely to arise from the establishment of the European Communities", and referred it to the Committee on Municipal and Regional Affairs for a Report.

3. Experience of the first eighteen months of the first European Community — the Coal and Steel Community — has revealed the wisdom of the Assembly in initiating this study, for the conclusions of the Committee are available at the very moment when serious local problems are about to arise or have already arisen in seven of the member countries represented here from the establishment of the common market for coal and steel and are now requiring a solution.

4. It was to be expected, and has now been confirmed by events, that such a concrete experiment, affecting the very foundations of modern life, as the establishment of a common market for coal and steel could not be carried out without there being repercussions upon the local authority — that basic unit of our social life, which is so sensitive to human affairs.

5. The situation today is that the fate of whole communes and even areas is dependent upon action taken by the High Authority. Towns in the Cévennes, Provence, Sardinia and the Bo-rinage are faced with the possible elimination of many of their sources of livelihood and the consequent need for sections of their population to emigrate. Other towns, on the other hand, will soon be subjected to an influx of workers in need of houses, assistance and readaptation. Generally speaking, all the municipalities in our coal and iron fields and our industrial cities are, to a greater or lesser extent, perturbed at the prospect of large sections of their population being faced with increasing difficulties in two vital spheres of life : their work and their home.

6. The Committee of Ministers has informed the Assembly, in its Message, of its decision to include in the Council's programme of work the problem of the adaptation of the individual to the new circumstances arising from growing industrialisation. The Committee will realise, we are convinced, how closely this problem is linked with that now under consideration. The Assembly itself has already given evidence of its concern in this respect by setting up a Committee on Municipal and Regional Affairs. It thus gave proof of its conviction that present trends towards increased industrialisation and the achievement of European unity call for renewed attempts to develop the local authority and afford it that independence which has ever guaranteed a balanced integration of the individual in the body social.

7. By setting up this Committee, the Assembly also asserted its competence to consider problems raised in the sphere of local government by the advent of European unity. If the immediate problems connected with coal and steel in member countries of E.C.S.C. remain the concern of organs of this institution, so do the possible repercussions of its work upon the life, structure and functions of the European local authorities fall within the province of the Council of Europe. The Assembly has a twofold right to consider the question : the Council of Europe has the right to judge of the general consequences of EOSC activities, and has also special competence to consider the impact of European unification upon local authorities. How could it be otherwise, when the basic principles of our Western civilisation may be challenged by the trends of so far-reaching an experiment ?

8. There is a saying that totalitarianism begins when a Government official in some distant capital is master of the fate of a village which he has never seen. It would be particularly tragic for the whole Western community if the first radical experiment in European integration were to accentuate the fatal tendencies of modern life towards centralisation and concentration, in complete contradiction to some of the basic characteristics of our society; the autonomy and independence of local communities and the diversity and harmonious geographical distribution of human occupations.

2. See 4th Session, 1952 : 23rd Sitting, 23rd September, 1952 and [Doc. 89](#) (1952) (Report calling for the creation of a Special Committee, on Municipal and Regional Affairs, submitted by M. Chaban-Delmas on behalf of the Committee on Rules of Procedure and Privileges).

9. On the other hand, it would be, most comforting to know that this new institution was taking advantage of the special aptitude of the local authorities for acting as a wise intermediary between the individual and the machinery of centralised authority, and, more particularly, for intervening, with all due tact and understanding, in such matters as population transfers, employment or technical retraining.

10. By and large, the establishment of a common market for coal and steel in seven of our member countries presents local communities predominantly occupied in the coal and steel industries with new problems and new duties. Abiding by its instructions from the Assembly, your Committee has attempted to define these problems, in the hope that it will thus enable the Council of Europe to assist such local authorities to the extent that they are entitled to expect.

11. These problems may be divided into two broad categories, according to whether the immediate effects of the common market on the work of the local authorities prove beneficial or otherwise and are conducive to their development or decline.

2. New tasks falling to the local authorities of regions whose coal and steel industries are likely to disappear, decline or be transformed

12. In some areas, the introduction of technical innovations in certain sectors of the community, the regrouping or transfer of certain production centres and the disappearance of under-productive enterprises, whether this be required, or brought on, by the establishment of the common market, will give rise to difficult problems as regards the re-employment of local manpower. In some cases it will be a question of preserving the whole regional economy. The local authorities concerned cannot remain passive in the face of such prospects.

13. Although it is explicitly stated in Article 56 of the Treaty that the High Authority must grant unemployment assistance in the form of indemnity payments to tide the worker over until he has obtained new employment, and although some workers will accept the prescribed transfer to other areas of the Community, it will, nevertheless, be the duty of conscientious local authorities to assume certain responsibilities including, we believe : the vocational retraining of released workers who are unwilling to leave their home district and the organisation of new activities capable of ensuring not only their re-employment, but also the economic survival of the area.

2.1. Organisation of new activities

14. It is upon the representatives of local communities whose coal or steel industries close down, decline or become radically transformed as a result of action by the High Authority that the main onus will rest of organising, stimulating and attracting to their districts the "new and economically sound activities" referred to in Article 56 of the Treaty and Section 23 of the Convention, the purpose of which is to ensure the productive re-employment of the workers and, indeed, in some cases, the economic survival of the area.

15. In this connection, Article 56 states as follows : "If the introduction of technical processes or new equipment, within the framework of the general programmes of the High Authority, should lead to an exceptional reduction in labour requirements in the coal or steel industries, creating special difficulties in one or more areas for the re-employment of the workers released, the High Authority, on the request of the Governments concerned :

- a. will consult the Consultative Committee :
- b. may facilitate, in accordance with the methods provided for in Article 54³, the financing of such programmes as it may approve for the creation, either in the industries subject to its jurisdiction or, with the concurrence of the Council, in any other industry, of new and economically sound activities capable of assuring productive employment to the workers thus released."

3. "The High Authority may facilitate the carrying out of investment programmes by granting loans to enterprises or by giving its guarantee to loans which they may obtain elsewhere. With the concurrence of the Council acting by unanimous vote, the High Authority may assist by the same means in financing works and installations which contribute directly and principally to increase production, lower production costs or facilitate marketing of products subject to its jurisdiction." (Article G4 of the Treaty instituting the Coal and Steel Community.)

16. As stipulated in Section 23, paragraph 3, of the Convention, such programmes must be submitted by the Government concerned⁴. The competent central authorities must therefore get into touch with the local authorities concerned so that there is plenty of time to prepare these plans for conversion or for the creation of new activities.

17. It is essential that such authorities should work in close contact with the local authorities concerned. The "Regional Improvement Boards" should include, under the aegis of the local authorities, representatives of the workers' unions, the Chambers of Commerce and of Agriculture, the employers' federations and, generally speaking, persons representing all local walks of life and shades of opinion. To place this co-operation on a regular basis, they should be given two tasks: in the first stage that of drawing up draft programmes for the creation of new activities in the territory under their jurisdiction; at a later stage that of directing and supervising the execution of these programmes, as established in agreement with the Government concerned and accepted by the High Authority.

2.2. Technical re-training

18. Section 23 of the Convention containing the transitional provisions lays down that the High Authority may contribute, with the participation and at the request of the Governments concerned, to the financing of technical retraining for coal and steel workers obliged to change their employment.

19. Since such re-training must be closely related to local conditions, and more particularly to the demand for labour and the development prospects of the local industries, the Committee considers it most desirable that this task should be entrusted to local authorities willing to assume this responsibility.

20. With the financial assistance of the High Authority and the Governments concerned, it would be possible to set up "regional technical re-training centres" for local workers obliged to change their employment. These would be managed by "municipal syndicates" working in association with representatives of the local employers' federations and workers' unions. The High Authority should be invited by the Governments to grant financial assistance to these local re-training centres under the conditions laid down in Article 56 of the Treaty and Section 23 of the Convention⁵.

21. Your Rapporteur, as a member of the Committee on Social Questions, raised this question at the meeting held on 29th January at Luxembourg between the Committee on Social Questions and representatives of the High Authority and was answered by M. Finet as follows : "Under the terms of the Treaty, the High Authority can deal only with Governments, but this does not mean that co-operation with local authorities in this matter is entirely excluded. If problems of re-adaptation should arise in a given area, and the Government concerned were to ask the High Authority to make suitable arrangements with local or departmental institutions to deal with those problems, I can see no reason for declining to deal with anyone but the Governments. Central administrations are not not always aware of the possibilities for re-adaptation in all areas. To take an exaggerated example, it would be perfectly possible to re-train miners from the Provence basin as shepherds. There is probably no training centre for shepherds in Paris, but there might well be one in Provence. If it ever became necessary to turn miners into shepherds, obviously the High Authority would make the appropriate arrangements with the regional or departmental authority rather than with the central administration."

4. Section 23, paragraph 3 : "According to the procedure specified in Article 54, the High Authority shall facilitate the financing of approved programmes submitted by the Governments concerned for the transformation of enterprises or for the creation, either in the industries coming under its jurisdiction or, with the concurrence of the Council, in any other industry, of new, economically sound activities capable of providing productive employment for workers who have been released."

5. Under Article 56 of the E. C. S. O. Treaty: " If the introduction of technical processes or new equipment within the framework of the general programmes of the High Authority should lead to an exceptional reduction in labour requirements in the coal or steel industries, creating special difficulties in one or more areas for the re-employment of the workers released, the High Authority, on the request of the interested Governments:" (c) Will grant non-reimbursable assistance to contribute to : " the financing of technical re-training for workers who are led to change their employment. " Under Section 23 of the Convention : " 4. The High Authority shall grant non-reimbursable assistance for the following purposes : (d) to contribute to the financing of technical retraining for workers obliged to change employment."

3. New tasks devolving upon local authorities of regions whose coal and steel industries are likely to develop

22. On the other hand, such regions as the Ruhr, Lorraine, Campine and Dutch Limbourg are going to be subjected to an influx of additional manpower coming partly from declining areas (the Cévennes) and partly from over-populated areas (Italy). This influx is already causing housing and assimilation difficulties and will continue to do so. Local authorities are even less willing to remain indifferent to such developments, in that these new difficulties often aggravate a situation which already requires the utmost effort on the part of all. There are some cases so serious that any deterioration of the situation would jeopardise the welfare of the whole population, both native and immigrant. An idea of the present housing conditions of all too many "immigrants" may be gained from two documents.

23. The first is the reply of the competent departments of the High Authority to a question put by the Social Committee of the Common Assembly : ' ' Strictly speaking, no separate housing estates have been built for the immigrants. The fact is that the foreign workers normally live apart from the local population for a considerable time, roughly coinciding with the assimilation period and amounting perhaps to a few years. There are several reasons for this : the difficulty of communicating with a population which speaks a different language, the refusal to adopt local customs and, above all, the fact that immigrants are housed in camps for what should be a very short period but actually proves to be a fairly long time. This situation is particularly acute in Belgium, where there are camps occupied entirely by immigrant workers, with or without their families. The only remedy is to intensify the building of workers' houses, so that the immigrants may be spread over the rest of the population and so helped towards a stable existence. ' ' For further details of the state of some these camps, we would refer to the bulletin published by Agence Europe on 27th February, 1954 recording "the perturbation" of members of the Common Assembly when, on a tour of investigation, they first set eyes on the hutments provided for Italian workers in Lorraine and Belgium.

24. The second document is an extract from a report in *Le Monde* of 5th February, 1954, which deals with the conditions encountered by certain redundant mineworkers from the Cévennes on arrival in Lorraine⁶ : "Near the Metz road at Forbach stand the brick buildings of the Guise barracks. "When we arrived, they raised the barrier of the former sentry post which shuts off the vast enclosure. The second floor of a detached building has been placed at the disposal of the "Cévenols". Its immense staircase and corridors are a prey to draughts, but the rooms have small stoves to warm the atmosphere. Here we found five or six beds between the sort of metal lockers one sees in the changing-rooms of sports pavilions. The clothes pegged on the walls were protected from the plaster by newspapers. Washing was hanging on clothes lines stretched across the corners between the lockers. In another room two miners, just back from work, were making coffee and talking in hushed voices, to avoid waking a comrade who was on night shift. "It was the same thing back home. Only we were not so far from the mine. Here it is a brisk half hour's walk, and that's hard work when you've got to get up at three in the morning." But a number of these men from the Cévennes had brought with them a bicycle or motor bike in addition to two or three suitcases. The lists of belongings even revealed a few sewing machines and wireless sets... As we walked up and down the Cité Guise, which can house five hundred unmarried workers, the mining engineer gave details of future plans. "When we know where we are about the army transferring this property, we shall be able to get on with improvements. We shall build a clean and up-to-date canteen over here, we shall enlarge the windows over there..." This might possibly happen soon."

25. The following figures will give some idea of the magnitude of the problems arising from the migration of manpower in the coal and steel industries: 28,000 Italians (27,801) emigrated to Belgium during 1952 and settled in the mining provinces of Hainaut, Liège and Limbourg. On 31st December, 1953, the Belgian coalfields were employing more than 44,600 Italian workers including : 14,800 in the Charleroi basin, 10,400 in the Liège basin, 7,900 in the Mons basin, 6,700 in the central Hainaut basin, 4,900 in the Limbourg coalfield. By that date, more than 14,100 women with about 22,400 children had rejoined their husbands. It is noteworthy that miners' families are allowed to join the head of the family only when the latter has acquired suitable lodgings. It is estimated that 2,600 miners are accommodated in hutments and some of these are accompanied by their families⁷. In France, 237 miners have moved from the Cévennes to Lorraine since

6. The special correspondent of *Le Monde*, M. José Lestours, wrote on 5th February, 1954 "The redundant mineworkers of the Cévennes have found in Lorraine new work and a roof over their heads — at the cost of feeling uprooted."

7. This information is taken from the June, 1954, issue of the ILO review *Industry and Labour* and from the report of the Social Committee of the Common Assembly concerning the tour of investigation into workers' housing carried out from 14th to 21st February (*Doc. No. 6*, 1953-54).

January, 1954, and this number will doubtless increase to 600 by the end of the year. According to the bulletin of Agence Europe dated 19th March, 1954, a total of five thousand miners will be obliged to move to Lorraine from the coalfields of Central and Southern France during the next three years.

3.1. Building

26. Local authorities must be empowered as soon as possible to respond to the appeals of the High Authority, which is seeking to encourage initiative in the various member countries for the construction of workers' houses (see statements by the High Authority, notably to the Social Committee of the Common Assembly, 7th January, 1954).

27. Your Rapporteur was able to put the following question to representatives of the High Authority during the aforementioned joint meeting held at Luxembourg on 29th January, 1954: "What would be the attitude of the High Authority were the initiative to be taken by municipalities proposing to erect dwellings for coal and steel workers resident in their area?" This elicited the following reply, as reported in the Minutes of the meeting: M. Finet: "The short answer to M. Radius' question is that the High Authority could deal only with Governments. But there is a way out of this legal difficulty. The second paragraph of Article 54 allows the High Authority, with the consent of the Council of Ministers, to assist, by the means specified in the first paragraph, in financing works and installations undertaken by local authorities 'which contribute directly and principally to increase production, lower production costs or facilitate the marketing of products subject to its jurisdiction'. Consequently, continued M. Finet, if they were shortly faced with initiatives by local authorities intended to ease the housing shortage and provide accommodation for the manpower required in the coal and steel industries, they could, assuming the Council of Ministers were unanimously in favour, guarantee loans contracted by local authorities, or even grant loans to them direct. There was nothing in the Treaty to rule out this possibility, but it was formally laid down that the unanimous consent of the Council of Ministers was required. As parliamentarians his audience would appreciate the difficulty of getting six Governments to agree on granting financial assistance to a particular local authority. M. Giacchero remarked that miracles might always happen to which. M. Finet made the rejoinder that they might at least hope so.

28. It is important therefore that the Consultative Assembly should appeal to the seven Governments concerned to empower any local authorities (municipalities or regional councils) who so desire to apply to the High Authority for permission to build houses for coal and steel workers, asking for the financial assistance defined in Article 54, paragraph 2 of the E.C.J3.C. Treaty⁸. Moreover, the High Authority might be invited by the Governments concerned, or at any rate by those represented on the special Council of Ministers, to authorise such projects on the same basis as private firms, or even on a preferential basis, and to grant such authorities the loans or guarantees required to finance their building programme.

29. It will be noted that the words "preferential basis" have been added there. The fact is that we cannot but share the misgivings which M. Wigny revealed to the Common Assembly on 16th June, 1953. Referring to the critical problem of the miners' villages, M. Wigny stressed that "a housing policy raises not only technical but also human and social problems. Some firms in Belgium have built workers' villages which are cheerful and bright with flowers. But this solution no longer finds favour with the worker of today, for he does not want to remain dependent on his employer when he leaves the mine or the factory. Paternalism in every sphere is out of date."⁹

30. There would be another advantage in entrusting the building of workers' houses to the municipalities, for this would break the vicious circle which was thus described in the report of the Common Assembly's Social Committee on the Second Report of the High Authority: "To encourage a foreign worker to settle down in the country where he has found employment, conditions must be provided in which he can overcome the general difficulties of assimilation abroad. In particular, they must:

- 30.1. enable him to establish a home (housing) ;
- 30.2. afford him prospects of a career;
- 30.3. give him the certainty that his social security benefits will not have lapsed if ever he leaves his country of adoption.

8. Article 54, paragraph 2 is worded as follows : "With the concurrence of the Council, acting by unanimous vote, the High Authority may assist by the same means in financing works and installations which contribute directly and principally to increased production, lower production costs or facilitate marketing of products subject to its jurisdiction." . • Under paragraph 1, the methods available to the High Authority for carrying out investment projects are by "granting loans' and by giving its guarantee to loans obtained elsewhere.

9. Extract from the Official Report of the Sitting of 10th June, 1953 held by the Common Assembly of the E. C. S. C.

The obstacle to the first point seems to be that firms seldom find economic justification in investing money in workers' houses, in view of the fact that the latter are liable to leave the firm after two or three years' work. Here we are up against a vicious circle which can only be broken if an authority unconnected with the firm provides the means of building houses, which would be set aside not for particular workers, but for the labour force as a whole.¹⁰ The local authorities, acting as the "authority unconnected with the firms", would provide the very solution required. The building of workers' houses by the local authorities would enable completed houses to be reserved for miners and steel workers, where this is implicit in the assistance of the High Authority, and would give the workers the feeling that they were part-owners, if not owners, of their houses, provided that they were citizens of the community to which they belonged and that regulations were laid down giving them personal responsibility for the management and upkeep of the property.

31. Lastly, if the local authorities concerned are to be in a position to take part in the building campaign of the High Authority, they should immediately be granted representation on the joint regional committees which are or must be set up in each basin to carry out the High Authority's survey of the comparative building costs of workers' houses in the various regions of the Community.

3.2. Moral problems arising from the transfer of manpower

32. In its report on the first progress report of the High Authority, the Social Committee of the Common Assembly had specifically urged that the human aspect of the problem of workers' migration should not be overlooked and had stressed the duty of helping migrant workers in the early days of their new employment..

33. During the debate in the Common Assembly following the above mentioned report¹¹ some speakers also called attention to the moral assistance needed by this migrant population and the general difficulties caused by divergences between the customs of their country of origin and those of the receiving country. M. Boggiano Pico, for example, concluded a speech on these lines by appealing to the President of the High Authority not to neglect this vital problem.

34. The Special Committee on Municipal and Regional Affairs cannot do other than endorse this point and ask the Assembly to give it all the attention it deserves. It is essential to work out a general policy for assisting transferred manpower, by which these delicate problems of adaptation may be solved.

35. Here again, the Committee is convinced that action by the local authorities would go a long way towards a solution. Already it is proposed to set up local committees in the regions concerned to supervise the transfer of miners from the Centre and South of France to Lorraine. According to Agence Europe (bulletin of 19th March, 1954) these local committees would see to it that reception conditions in Lorraine were suitable.¹²

36. These committees, in which representatives of the local authorities should play a leading part, should not confine their action to the reception period but should persevere until the newcomers are suitably adapted to their new surroundings and have established good relations with their new fellow-citizens. In the interests of avoiding too sharp a break with their country of origin and in order to mitigate a feeling of uprootedness, which might have disastrous consequences, the Special Committee on Municipal and Regional Affairs would draw the attention of the local authorities concerned to the advisability of establishing and developing close and permanent relations between the communes and districts of origin and those in which the workers have settled. The organisation of "pairing" between these townships or provinces, including periodical exchange visits, holiday exchanges of school children, sports meetings, etc., would avoid too sudden a break with their former "homeland" and have a most beneficial effect on the morale of those transferred. The patronage and financial assistance of the Governments and the High Authority would play a decisive part in the success of such a venture.

37. Such are the new tasks and functions devolving on local authorities, in the view of the Special Committee on Municipal and Regional Affairs, as a result of the institution of E.C.S.C. The Committee is convinced that it reflects the views of the Assembly in expressing the opinion that local authorities must be responsible for dealing with all that affects the lives and economic interests of those they administer, wherever these concern the closing down of important sectors of local industries and their transformation, unemployment or partial transfer of manpower, inadequate housing conditions for certain classes, uprooted or maladjusted "minorities" etc., and where these affect the community as a whole. It is also one of the essential tasks of local authorities in a general way not only to adapt to local conditions, to interpret and give effect to

10. See pp. 12 and 13 of the Report of the Social Committee (Doc. No. 18, 1953-1954).

11. See paragraph 29 above.

12. In the Centre and the South, local committees would help redundant workers who refuse to move to Lorraine in their search for new employment.

the decisions of a remote central administration, to bridge the gap between the latter and the ordinary citizen, but also to see that he is assimilated into the community while at the same time ensuring the continued existence and preserving the integrity of the local community.

38. All Governments respectful of these principles should take the necessary measures to ensure their application to present conditions. This would contribute to giving a promising initial impetus to the first European Community and avert the deplorable struggle predicted by Daniel Halévy in the following lines : "Even to-day we can imagine the great struggle which would rend Europe... On the one hand, the onward march of the mighty State machine, manoeuvred by other Eobespierres and other Jules Guesdes, swallowing all in its path of blood and tears and ready to slaughter mankind before giving np any idea of creating their happiness. On the other hand, one would see the trade unions at war with their anonymous employer; the small industrial co-operatives, masters of light industry, resisting their threatened engulfment and, in the midst of the battle, the federation of municipalities rallying the new Guelphs against the new Ghibellines, as in the Middle Ages. For be sure they will re-emerge, these ancient institutions. Alarmed by the threat of a centralisation and bureaucracy unprecedented in history, mankind will eventually seek a more flexible, more closely knit, less oppressive civilisation. Man will try to live more humanely, not in herds of fifty or a hundred million... The battle has now begun."

39. When enumerating each of the relevant points and describing each task to be performed, this Report has already defined the measures which the Committee, on the recommendation first of the Assembly and then of the Committee of Ministers, hopes the Governments will adopt. The Committee considers that two further series of general measures should also be brought into play.

40. The purpose of the first would be to give general effect to the principle enunciated above, stating that no measure affecting the future of a local community should be taken by any central authority without prior consultation of its elected representatives. The Committee feels that no measure likely to involve the interest of a municipality, département or province should be taken by the High Authority or the Governments without steps being taken first to ascertain the view of its qualified officials. The Committee accordingly proposes that the Assembly request the Committee of Ministers to ensure that Governments concerned should here and now undertake the study of requisite measures for securing the representation or participation of local authorities affected by the activities of E.C.S.C. in the latter's Consultative Committee or, failing that, in the consultations for which provision is made under Article 46 of the Treaty.

41. The purpose of the second series of measures would be to acquaint local authorities concerned of the full facts concerning this entirely new problem. These authorities must first of all be informed of the facilities afforded to them under the ECSC Treaty¹³, and secondly, of the action they might usefully take within the framework of such prerogatives. One first effective step would be to circulate to municipalities a document based on the conclusions of this Report. This problem might be considered in the course of a session of the permanent Working Party (composed of representatives of the Associations of Local Authorities of Member States and representatives of the Special Committee on Municipal and Regional Affairs, the establishment of which was advocated by the Assembly in its Recommendation 53). Such Associations could then inform their members of what they had learned and of the solutions then proposed.

42. The Special Committee on Municipal and Regional Affairs therefore submits the following draft Recommendation and Order to the Assembly.

13. The articles of the E. O. S. O. Treaty and paragraphs of the Convention constituting the Transitional Provisions relating to questions raised in this report are the following : (a) E. C. S. C. Treaty : Articles 46, 47, 54, 56. (6) Convention constituting the Transitional Provisions : paragraph 23.