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MR. BRUNNER'S CEREMONIAL ADDRESS ON THE 25TH ANNIVERSARY OF THE JOINT COMMITTEE FOR THE HARMONIZATION OF WORKING CONDITIONS IN THE COAL-MINING INDUSTRY SAARBRUCKEN, 19 OCTOBER 1979

As Mr. Brunner stated in his ceremonial address, job security in the coal-mining industry was greater than at any other time in the last twenty years. He ventured the forecast that, in five years' time at the latest, coal would replace petroleum products - and perhaps also natural gas - to an appreciable extent. Prices and conditions of supply on the world oil markets would then not only justify using coal to obtain oil, petrol and gas but would also make this an economic possibility.

Europe was aware of this and it was not without reason that DM 2 500 million a year were now being invested in the coal-mining industry. Although the investment budget of the oil-processing industry had been cut by a quarter, that of the coal-mining industry had been increased by 30%.

This year's coal market trends were far better than some people had expected only a few months ago, he added. Normalization had already begun. The reduction of stocks helped to cut costs and reassure workers.

Nobody wished to play down the worries about economic viability which would remain for a short while, Mr. Brunner said. It was, however, misguided to wish to keep coal from the world market out of the EEC. If coal was to play a leading role in Europe's energy supplies, imported coal was essential. Obtaining oil, gas and petrol from coal requires considerable consumption which our own sources will soon be unable to cover. Immediate supplies of coal from the world market could not then be expected, since the world coal market is tight, and corresponds to only 10% of production at the most. Everybody would therefore be well advised to cultivate links with the large coal-exporting countries now.

A considerable amount of short-term activity was being conducted in the Community to stabilize coal sales. Already a sum of DM 1 000 million was being spent and this would be boosted even more. Mr. Brunner described the common European energy market, which also operated when the supply situation was critical, as the European Community's major contribution to promoting sales.

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Soon, however, the real problem would be that of production because new pits were expensive, attention needed to be paid now to creating the financial conditions for expanding coal production. The European Community was working on this. Direct investment aids and interest relief were being considered. Advantage should also be taken of the Community's excellent credit rating on the international capital markets. A European energy loan could channel eurodollars and oil revenue into high-technology energy investment.

Coal too would be unable to face the future with past and present methods, Mr. Brunner stressed. Coal's greatest opportunity lay in the development and use of new technologies. When the oil ran out, coal would have to be ready to step in to provide petrol, gas and industrial feedstocks.

In the European Community 70% of total research funds - DM 3 500 million over the next four years - were being used to develop future energy potential. DM 250 million will be available for introducing the new coal technology on to the market. Mr. Brunner was confident that the European Community would be able to cope with the changes in the world economy in the seventies and eighties. Coal would play a key role.