

## 2. THE EUROPEAN CHEMICAL INDUSTRY

Chemicals, including almost all the relevant components of the broad industrial category, is an area of considerable European strength. Table 3 is somewhat difficult to interpret since the EC countries covered by the data vary somewhat from series to series and from year to year. However, the position of the industry is clear. EC production exceeds that of Canada and

the United States combined (Figure 9). The process of restructuring after the recession allowed production to rise while total employment in the industry remained more or less static. Capital investment rose rapidly after the recession of the early 1980s. And the EC industry as a whole runs a continual trade surplus with the value of exports approximately double the value of imports.

TABLE 3

EC Chemical Industry: Main Indicators, 1980-87  
(Production, Investment and Trade in Million ECU)

	<u>Total Production</u>	<u>Total Investment</u>	<u>Extra-EC Exports</u>	<u>Extra-EC Imports</u>	<u>Employment (1 000)</u>
1980	155 600	7 426	27 329	12 665	2 097
1981	174 404	7 512	32 923	14 029	2 040
1982	183 703	7 457	34 273	15 884	1 961
1983	199 780	7 886	39 581	18 167	1 912
1984	209 641	8 218	47 705	22 099	1 905
1985	223 219	10 553	49 136	24 642	1 905
1986	199 162	12 024	51 656	25 331	1 910
1987	N/A	12 782	45 883	23 591	1 908

Source: *Panorama of EC Industry 1989* (NACE 485).

N/A: Not applicable.

Note: The series for total production and employment exclude (i) fibres; (ii) Portugal; (iii) for 1984 and 1985 Spain; (iv) for 1986 Spain, Netherlands and Greece. The series for total investment (i) includes fibres for the U.K., West Germany, Netherlands, Denmark, Italy, Portugal; (ii) includes rubber and plastics manufacturing for Belgium, Spain; (iii) excludes Portugal for 1986; (iv) excludes Portugal and Ireland for 1987. The series on trade (i) excludes Greece; (ii) includes Spain and Portugal in 1985 and 1986 alone; (iii) includes fibres for the U.K., West Germany, Netherlands, Denmark, Italy, Portugal; (iv) includes rubber and plastic manufacture for Belgium and Spain.