Brussels, 8 December 1978

EXTRACTS FROM A SPEECH BY VICE-PRESIDENT VREDELING, ON 8 DECEMBER IN NANTES, BEFORE THE COUNCIL OF EUROPEAN COMMUNES

Before a Conference of the Council of European Communes in Nantes, Vice-President Vredeling today stated his understanding for the desires expressed by Italy and Ireland at the European Council in Brussels as regards their joining the European Monetary System.

"After all, the EMS is an invention of the rich countries in the Community and the poor countries might well expect to receive help with the efforts which they will have to make in order to follow the same path", said Mr Vredeling.

He explained that the poor countries had with reason always made their entry into the EMS dependent on a relatively substantial transfer of funds. "They rightly put forward the point of view that the parallel studies must be transposed into parallel measures. It is a fact that the effectiveness of the transfer of funds is to a very great extent a determining factor in the question of whether the EMS will remain an end in itself, or whether it will open the way to a genuine Economic and Monetary Union". In Mr Vredeling's opinion, in view of what had gone before, it was no wonder that the differences of opinion at the European Council came down to precisely this problem. He was disappointed that the EMS would be launched in a relatively truncated form to begin with and expressed the hope that a satisfactory solution would still be found enabling Italy, Ireland and the United Kingdom to join. Vice-President Vredeling considered this to be all the more necessary since otherwise there was "a real danger that we would soon have a Europe moving at two speeds", which in his opinion "would be a very disillusioning outcome for the German-French initiative which had begun so hopefully".

In his speech Vice-President Vredeling also referred to the Tripartite Conference which took place on 9 November in Brussels. He said that he understood how disappointed the trade union movement was concerning the progress made at the Conference, but nevertheless thought that the negative description presented of the results of the Conference was rather overstated.

He pointed out once again that the policy line of the document which the Commission had presented to the Conference had been approved, including the measures on the reduction of working time. In addition, the European Council in Brussels had further confirmed this approval. Mr Vredeling agreed most vehemently with the Council's recommendation that contacts at European level between the two sides of industry should be continued: "It is clear that in this connection the Heads of Government wish to follow precisely the same line followed by the Commission."

At the same time Mr Vredeling pointed out that the communiqué of the European Council refers to the proposals being drawn up by the European Trade Union Confederation to improve the working methods of the Tripartite Conference.
"The European Ministers and - I assume - the Commission, must, according to this communique, examine the proposals in order to reach agreement with the two sides of industry on further action. The European Council is obviously not very happy with the fact that a Tripartite Conference of the kind which we have just held can fizzle out like a damp squib - without any clear and binding agreements being made".

Still on the subject of the November Tripartite Conference the Vice-President made the following observation: "We should not lose sight of the fact that two of the main protagonists in the Tripartite Conference were West Germans whose approach was largely determined by their specific national situation and in particular by their own special role in that situation.

I am referring on the one hand to the Chairman of the Conference, Minister Lambsdorff, who is well known for his sceptical attitude towards the possibilities of work-sharing, and on the other of the spokesman for the trade union movement at the Conference, Mr Vetter, who, in his capacity as a trade union leader in the West German context, has to campaign for a reduction in working time and as a consequence is in direct opposition to the German employers - so direct that at the present time a large-scale strike is going on in the steel industry in West Germany. You can imagine that this situation did not have a favourable effect on the climate of discussions in the Conference. The discussions suffered to a certain extent as a result of the industrial situation in West Germany. Since the Chairman obviously felt unable to adopt a conciliatory attitude towards Mr Vetter, the employers had no opportunity to show precisely the considerable degree of latitude which their position probably conceals. As a result the Conference did not produce the degree of unanimity which it might have done", said Vice-President Vredeling.