

European Parliament Information

The Sittings

June 1978



THE SITTINGS

STRASBOURG, 12th – 16th JUNE 1978

THE WEEK

Question Time on Wednesday saw the last appearance before the House of Mr K B Andersen, Danish Foreign Minister and current President of the Council, who on 30th June vacates the Chair in favour of his German successor. Mr Andersen has, over the last six months, won both the respect and the affection of the House in the conduct of his office, and the European Parliament will be sorry to see him go.

Mr Andersen's term of office has seen a date finally set for the first direct elections to the European Parliament (7th-10th June 1979); progress on negotiations with Greece and the launching of the new credit facility people refer to as the 'Ortoli loan'. What EMPs have found less encouraging has been the lack of progress on energy or on fisheries policy.

Another focal point for Parliament's discussions this week has been the degree to which the Community can or should be involved in arms procurement, in foreign policy issues like the recent events in Kolwesi, or in the research and development side of advanced technology. Not all EMPs are of the same mind on these issues.

Nor were all EMPs of the same mind this week on the Commission's new milk marketing board proposals. Mr Scott-Hopkins welcomed the proposals as being likely to promote liquid milk consumption. There were, after all, two million too many cows in the Community. But Mr Herbert (Ir, EPD) was anxious about the effects of the Commission's proposals of free trade in dairy produce within the Community. And Mr Früh (Ge, CD) said that if other Member States were to set up similar organizations it would hardly promote the interests of the common agricultural policy.

Monday evening (5 p.m. to 8.55 p.m.)

Safety and the status of the Italian language were the main points in Monday evening's agenda. Parliament welcomed the Commission's proposals for a safety-at-work programme and its interim proposals on safety at sea. But Mr Spicer was disappointed the Commission was able to promise no immediate action on fire regulations for hotels. On Italian, several EMPs were concerned about its status as a Community language. Mr Vredeling for the Commission reassured them. In reply to a point raised by Mr Dalyell he added the Commission had taken no decision about Community languages after enlargement.

Tuesday morning (10.15 a.m. to 1.15 p.m.)

The industrial policy aspects of defence took up most of Tuesday morning. Some EMPs (Christian Democrats, Liberals, European Conservatives) argued that Europe is not getting enough defence for its money but others (European Progressive Democrats, Socialists and Communists) were reluctant to envisage a Community involvement in arms procurement.

Tuesday evening (3 p.m. to 8.25 p.m.)

Mr Gundelach's statement on the 1978-79 farm price review was the main point of interest in this afternoon's business. He seemed pleased with the final outcome: the Council had come very close to accepting the Commission's proposals for an average 2 per cent rise in farm prices (deciding finally on 2.1 per cent) and the adoption of the Commission's Mediterranean proposals were, he felt, a breakthrough. What was less encouraging was the Council's rejection of an automatic phase-out of the monetary compensatory amounts, the means by which common farm prices are kept common. The 'real' gap between the highest prices in the EC and the lowest is now 47 per cent.

Wednesday morning (9.30 a.m. to 1 p.m.)

Four main themes ran through this morning's joint debate on Mr K B Andersen's statement summing up the Danish presidency and the situation in Africa: there was praise for Mr Andersen himself and the openness with which he had

approached Parliament; agreement that the setting of the date for the first European elections had been the major event of the past six months; general disappointment that the Nine had made no progress over such important issues as fisheries policy or energy; and, on Africa, the question of just how far Europe's role on the continent should be political rather than purely economic.

Wednesday evening (3 p.m. to 9.25 p.m.)

In a four-hour debate on fishing this evening, Parliament heard Commission Vice-President Finn Gundelach express pessimism at the prospect of an early agreement on an internal Community fisheries policy. Nor were there any further proposals that the Commission could make to win UK agreement. Many of the speakers in the debate took the British attitude to task: intransigence on fishing was symptomatic of a generally negative approach to the Community.

Thursday morning (10.05 a.m. to 1.05 p.m.)

Parliament's main business this morning was a debate on the Community's relations with the Comecon countries further to Commission Vice-President Haferkamp's visit to Moscow at the end of May. Mr Schmidt, for Parliament's External Economic Relations Committee, put down a motion calling for trade deals between individual Member States and Comecon countries to be brought under a common, Community, dispensation. Mr Haferkamp welcomed this report. The aim, he said, must be to normalise East-West trade. The EC had agreements with 111 countries but none as yet with Comecon. He was hopeful that the meeting with Comecon experts, to be held in Brussels in July, and the meeting at political level scheduled in Brussels in October would bring progress towards such an agreement.

Thursday evening (3 p.m. to 9.40 p.m.)

The dominant themes of this evening's debate were trade and the rules for trade: the prospects for the current, drawn-out, GATT negotiations; the desirability of a code of conduct for multinational trading corporations; the implications of the 'Chiquita judgement' for the Commission's proposed merger rules and so forth. And there was a fairly general consensus on the need to uphold the Community's traditional trading principles. The House also briefly debated the Commission's revised proposals on the Milk Marketing Boards.

Friday (9.05 a.m. to 12.40 p.m.)

Parliament's crowded agenda this morning covered items ranging from agriculture (pigmeat, Alpine cattle, grapes from Cyprus) to adult education, telex charges and alleged bribery. On this last issue, which concerned allegations that ITT has used bribery in its European operations, Mr Brunner said the Commission was powerless to act unless substantial evidence was submitted.

MONDAY, 12th June 1978

Commission statement on action taken further to debates in Parliament

In May this year the European Parliament gave its opinion on twenty Commission proposals, eleven of which signified straightforward approval and nine of which called for the relevant proposals to be amended. Mr Vredeling told the House today that the Commission would accept Parliament's amendments in the case of four of the nine concerned but could not do so in respect of the other five. Lord Bruce asked whether the Commission could in future make such statements in writing – they would be much easier to follow. President Colombo indicated a new procedure was being envisaged and that he was awaiting the Commission's response on this subject.

Parliament supports safety-at-work proposals

Mrs Squarcialupi's report (Doc. 97/78). Motion tabled asked Parliament to approve a 3,225,000 EUA accident-prevention programme.

There was unanimous support in Parliament this evening for the Commission's safety-at-work proposals. These call for a Council resolution which, said Commission Vice-President Henk Vredeling, will be followed by directives to give safety proposals the force of law.

The Commission's proposal for a Council resolution (COM(77) 657 final) sets out six aims:

- (1) to ensure safety becomes an integral part of industrial activity,
- (2) to lay down limits for exposure to pollutants and harmful substances,
- (3) to monitor workers' safety and health more closely,
- (4) to look into the causes of accidents and diseases and risks connected with work,
- (5) to co-ordinate and promote research into occupational health and safety,
- (6) to develop health and safety by education and training.

Vera Squarcialupi (It, CA), rapporteur for Parliament's Public Health Committee, welcomed the Commission proposal which will cost 825,000 EUA in 1978, 1.1m EUA in 1979 and 1.3m EUA in 1980.

Among the points EMPs underlined were the sheer cost of accidents at work (Mr Feit), the importance of having independent health inspectors (Mr Ellis), the difficulties of defining the degree of injury suffered (Mrs Ewing), the consequences for dependents of injuries sustained by the breadwinner (Mr Brugha), and getting noise recognised as a cause of injury (Mr Brown).

In reply Mr Vredeling thanked Members for their comments and the House for its support. He took Mrs Squarcialupi's point about involving both sides of industry in safety at work. He announced that a consultative committee on toxicology would be set up.

Mr Vredeling felt confident the Council would accept the resolution proposed and said that directives giving safety rules the force of law would be submitted later.

Heart disease and life-style

Mrs Annie Krouwel-Vlam's (Du, S) question (Doc. 139/78)

Today's sedentary life-style, together with eating and smoking habits, had pushed up the rate of cardio-vascular disease, Mrs Krouwel-Vlam told the House. The economic and human cost of heart disease was high: did the Commission not agree that information and educational measures should be coordinated on the grounds that prevention was better than cure?

In reply, Vice-President Henk Vredeling said the Commission was aware of the importance of the problem, and had put in hand a survey on eating and smoking habits which would be discussed by the Council of Health Ministers when they met in November. However, the Treaty did not give the Commission any powers in the health field – it was up to the Council to ask for proposals.

Mr James Spicer (UK, EC) found the Commissioner's reply disappointing. Why a survey when everyone already knew the answer it would come up with: that we all ate and drank too much? People should be encouraged to exercise regularly. Mrs Vera Squarcialupi (It, CA) agreed that gymnasiums would be welcome, but prophesied an outcry if people didn't have parking facilities outside their place of work.

Hotel fire precautions

Mr James Spicer's (UK, EC) report (Doc. 95/78)

Hotel fires had frequently claimed human lives and it was time minimum fire safety standards in the Community were harmonized, Mr Spicer told the House. As a first step, his motion suggested a draft directive so that instructions for action in case of fire were posted in all hotel rooms, fire extinguishers placed in public areas and emergency exits clearly marked. Later, minimum safety standards should be enforced at Community level: it was undermining of competition for some countries to have stricter – and more costly – regulations than others.

The Commission, said Mr Vredeling in reply, was drawing up a 'basic document' on fire safety, including data on fireproof materials, fire doors, construction methods, exits, extinguishers, etc. This would be discussed by experts, and a decision would then be taken on what further action appeared necessary, and whether hotels should be singled out for special attention. The Commission's lack of manpower, however, made rapid progress unlikely.

Mr Spicer found this reply unsatisfactory: a draft directive of the sort he was proposing would take two people an afternoon to draw up, he said – and was the sort of measure designed to catch the public imagination as well.

Status of Italian as a Community language

Italian MPs of all political persuasions including Mrs Maria Luisa Cassanmagnago Cerretti, Mr Protogene Veronesi and Mr Michele Cifarelli were united this evening in expressing their concern as to the status and future of their language in Community usage. For the Commission Mr Vredeling said that Italian was an official language and was to be regarded as equal in status to the other five Community languages.

There remained the problem of creating a delicate balance, he said, between the ideal of open government and the needs of efficiency. Mr Dalyell pointed out that when the Parliament began, only 12 interpretation operations were involved when Members spoke. This had grown to 30 in 1973 when the British, Danes and Irish had brought two more languages with them. It could grow to 72 when Greece, Portugal and Spain joined. Did the Commission intend this to happen?

Mr Vredeling said the Commission had taken no decision at all on this point.

Parliament's powers regarding non-automatic carry-overs

Lord Bruce of Donington's (UK, S) report (Doc. 122/78). Motion tabled drew attention to an anomaly with respect to Parliament's budgetary powers.

While approving a request that certain sums be carried forward from the 1977 to the 1978 financial year, Lord Bruce, budgets committee rapporteur, drew attention to the anomaly created when sums are put in the budget by parliamentary amendment and the sums are not then actually committed.

Marine pollution

Parliament welcomed interim Commission proposals (Doc. 147/78).

Safety at sea

Lord Bruce this evening asked the House to approve a series of interim Commission proposals on safety at sea (Doc. 162/78).

TUESDAY, 13th June 1978

Cooperating in arms procurement

Mr Klepsch's report (Doc. 83/78). Motion tabled called for an action programme to develop conventional armaments as part of a common industrial policy.

The House was deeply divided over a motion tabled by Mr Egon Klepsch (Ge, CD) for the Parliament's political committee and strongly backed by the economic committee, calling for cooperation in arms procurement. Europe, as Mr Tom Normanton (UK, EC) put it, was not getting enough defence for its money. This view was supported by Christian Democrats, European Conservatives, Liberals and Italian Communists (who saw an EC involvement here as a natural development of an EC industrial policy) but was attacked by Socialists, European Progressive Democrats and French Communists who were unwilling to envisage any EC involvement in sectors impinging on defence policy.

QUESTION TIME

QUESTIONS TO THE COMMISSION

Electricity from satellites (Mrs Hanna Walz)

Commissioner Vredeling told Mrs Walz that many of the technical problems related to launching a power station into orbit had not been solved, and the Commission would therefore await developments. As far as he knew, none of the EC's Member States were at present engaged in research in this field. One estimate put the cost of such a project at about 1.25 billion pounds.

Invitation to Chairman Hua (Lord Bessborough)

Commission President Jenkins said he had been invited to pay an official visit to China and expected to do so at the beginning of next year. That, he thought, would be the appropriate occasion to invite Chairman Hua to visit Europe.

Harmonising travel documents (Sir Geoffrey de Freitas)

Commissioner Davignon told Sir Geoffrey de Freitas that a number of problems remained with regard to the harmonisation of travel documents, including the security and anti-terrorist aspects. In several supplementaries, speakers asked about the fate of the uniform European passport and about the increased frontier formalities associated with the export and import of goods. Commissioner Davignon said there was still no agreement in the Council on a number of technical aspects relating to a European passport and he was pessimistic that agreement could be expected in the near future. He suggested Members might do well to raise this and related issues in their national parliaments.

Steel jobs (Mr Hans-Joachim Hoffmann)

Asked what the Commission was doing to stop the overhaul of the steel industry leading to widespread unemployment, Viscount Davignon said his aim was to make the industry competitive again. This involved modernising plants, creating

alternative jobs and interim measures to reduce the strain of the overhaul. But ultimately the future of the industry depended on cutting capacity and increasing productivity.

Tobacco addiction (Mr Bob Edwards)

Mr Vredeling was collecting data on tobacco addiction further to the Council's decision on 13th December 1977. Mrs Dunwoody drew attention to the EC subsidies being paid to tobacco growers and Lord Kennet asked whether the global cost of tobacco addiction was not now higher than the total income from tobacco taxes in the Nine.

Vote

The House agreed to motions on:

Safety and health at work (Squarcialupi report – Doc.97/78)

Fire safety regulations (Spicer report – Doc. 95/78)

Transfer of appropriations (Bruce report – Doc. 149/78)

Marine pollution (Bruce interim report – Doc. 147/78)

Safety in shipping (Bruce interim report – Doc. 162/78).

The House also agreed to a motion tabled by Mr Fellermaier on human rights in Argentina which had been held over since the May session. On a proposal from Mr Prescott, point 3 of the motion, concerning a hearing on human rights violations, was deleted.

Arms procurement

In a very carefully worded reply to this morning's debate on arms procurement policy, Viscount Davignon said the Commission would consider making proposals in sectors where savings could clearly be made without prejudice to national sovereignties or to national defence policies.

Considerable discussion followed showing how sharply divided Parliament is over the whole question of a Community involvement in sectors impinging on defence.

Parliament's 1979 estimates up 10.4 per cent on 1978

Mr Ripamonti's report (Doc. 156/78).

Introducing Parliament's preliminary draft estimates for 1979, Mr Camillo Ripamonti (It, CD) stressed that special account had had to be taken of direct elections. The budget not only had to ensure a continuation of present operations, but do what it could to prepare for the work of the new, directly-elected Parliament.

The main increase – the 1979 estimates are 10.4 per cent up on the 1978 figure – is for staff, particularly in the translation and information services.

Budget Committee chairman Erwin Lange (Ge, S) stressed that the estimates were merely a preliminary draft. The final version would be decided on in the autumn. Mr Lange also saw the likelihood that the Parliament's directly-elected successor would have to adopt a supplementary budget to cover expenses at present impossible to foresee.

For the Christian Democrats, Mr Richie Ryan (Ir) emphasised the need for strengthening the information service. At present, he said, 'the roar of Parliament is heard only as the squeak of a mouse' in the Member States.

Mr Michel Cointat (Fr), for the European Progressive Democrats, described the estimates as 'realistic'. He also underlined the importance of an effective information service for the run-up to direct elections. Referring to the question of Parliament's seat, he pointed out that expenditure on rents remained excessive.

Finn Gundelach's statement on farm prices for 1978-79

The Council's decision on farm prices for 1978-79 had been 'extraordinarily close' to the Commission proposals which had, in turn, been broadly endorsed by the European Parliament. The Commission had called for a 2 per cent price increase and the Council had decided on one of 2.1 per cent. The package involved 19 prices, ten of which the Council had accepted, one of which it had decreased and eight of which it had increased slightly.

The effect of these price increases would vary, being slight in the 'snake' countries and higher in countries with high inflation rates: 8 per cent in Ireland,

10 per cent in France and the United Kingdom and 14 per cent in Italy. Even here the increase would be slight in real terms. And Mr Gundelach asked whether it was reasonable to pursue a policy of moderation in farm prices if restraint were not being practised in other sectors of the economy.

The true effect of the price review had been put out of focus by the use of 'green currencies'. He had given up the idea of an automatic phase out of mcas but hoped that at least Member States would not pre-empt the farm price review by making changes in green rates at other times of the year.

Mr Gundelach described the Council's acceptance of the Commission's Mediterranean package as a breakthrough which might prove historic. This was no handout but an attempt to secure a transfer of resources as between wealthier and less prosperous regions.

Fats market

Mr Cifarelli's report (Doc. 154/78). Motion tabled approved a Commission proposal making it clear that olive producers as opposed to olive oil producers are to get the benefits of subsidies under regulation 136/66. There was no debate.

The economics of monetary compensatory amounts

Sir Brandon Rhys Williams's question to the Commission (Doc. 120/78)

Speaking for Parliament's economic committee, Sir Brandon Rhys Williams asked Mr Finn Gundelach what the Commission could tell the House about the economics of mcas. Mr Gundelach replied that it was difficult to quantify the economic effects of the system. It took its origins in the original decision of Member States to shield farm prices from the consequences of devaluations or revaluations of their currencies. This decision had been a fundamental mistake, he said. But once taken, the Community had had no choice but the system of mcas to protect the market from chaos.

The Commission was trying to apply the system in the least damaging way possible: the gap between the lowest and highest prices on 2nd May 1978 was 47.4 per cent. It had made proposals to phase the gap out, i.e. to reintroduce common prices but, he regretted, the Council had not adopted them.

Mr Gundelach added that only progress towards economic and monetary union offered any hope, in his view, of doing away with the system. Sir Brandon thanked him for his reply. There was considerable unease about mcas and he reserved the right to raise the matter again once he had had the opportunity to consider Mr Gundelach's reply in detail.

All-party motion on EC aid for flood victims in Germany

Mr Bangemann told the House that the damage done by recent floods in Baden Württemberg, Bavaria and Rhineland Palatinate was provisionally estimated at between 200 and 300 m EUA but the final cost might be as high as 500 m EUA (336 million pounds).

WEDNESDAY, 14th June 1978

Council statement by K B Andersen/motion on Africa

President Andersen sums up as the Danish presidency ends and Parliament debates the events of the last six months with Africa being the main point of interest.

President K B Andersen, Danish Foreign Minister and President of the European Community's decision-taking Council until 30th June, told Parliament today that he had produced no miracles in his six months in office. He had not promised any. On the other hand, it was possible to speak of some progress. A date for direct elections to the European Parliament had been set (7th – 10th June 1979), a new 1 billion EUA loan facility (known as the 'Ortoli facility') had been agreed and progress towards enlargement made. Negotiations with Greece were well-advanced and those with Portugal would begin in the Autumn.

Mr Andersen's statement met with a mixed response. There was praise for the Council President himself. He had set a very good tone in EP-Council relations. The conciliation procedure was starting to work well. But the Council had failed on fisheries policy and it had failed on energy.

On Africa, there was general concern about the recent events in Zaire and a good deal of discussion about the arrangements to obtain when the Lomé Convention

between the European Community and 53 African, Caribbean and Pacific states expires in 1980. Formal negotiations on the new arrangements will be starting soon.

Spokesmen for all Parliament's Political Groups put down a motion:

'The European Parliament,

- deeply concerned by the seriousness of the events which have taken place in several African countries in recent months,
- aware of the European Community's special responsibilities towards the African continent,

calls on the Foreign Ministers of the nine Member States of the European Community meeting in political cooperation to consider these problems and keep it informed of their conclusions.'

QUESTION TIME

QUESTIONS TO THE COUNCIL

Direct elections (Mr Richie Ryan)

Parliament and Commission were cooperating on information policy through a joint consultative committee, said Mr Andersen.

Aeronautical research (Lord Bessborough)

There was still disagreement in the Council on the Commission's proposal for an aeronautical research action programme. As for the 8m ua voted for this programme, these had only just been cleared (through the EP decision yesterday) for this year's budget. The way was now clear for a fresh attempt to get agreement in the Council. Mr Andersen took Lord Bessborough's (UK, EC) point about the urgency of the matter.

MCA distortions (Mr Ralph Howell)

Mr Andersen said the Council had no idea of the scale of any irregular dealings between Northern Ireland and Ireland as a consequence of the mca differential.

Mr Ralph Howell (UK, EC) said the present situation was ludicrous. What was the Council going to do about it? Mr Andersen said there was a general desire in the Council to phase out mcas but not all Member States wanted to do so at the same pace. Mr L'Estrange (Ir, CD) pointed out that Ireland did not create the border. It had cost Ireland 30 million pounds every year for three years: the whole system was operating in a manner prejudicial to Ireland's interests, especially as regards the vacuum-packed meat market. Was it fair to penalize a small country like this? Mr Andersen said he felt these were fights the Council should not get involved in.

European airspace (Mrs Gwyneth Dunwoody)

The Council had examined the Commission's communication on the creation of a European airspace, but there was a feeling that this was a matter which could not be treated on a purely Community-wide basis but had to be seen in a wider international context.

Jojoba plant (Tam Dalyell)

The Council had no information on the oil-producing properties of the jojoba plant, Mr Andersen told the House. It would be up to the Commission to make the relevant proposals. Mr Dalyell (UK, S) stressed that the plants use as a substitute for whale oil could not only save whales from extinction but also provide developing countries with a new foreign exchange earner.

Regional Development Fund (Charles McDonald)

The Council did not believe that the Regional Development Fund (RDF) was too small in relation to the task it had to accomplish, Mr Andersen said. This answer gave rise to considerable reaction from the House. Did Mr Andersen really believe it was enough to 'redress the imbalances in the Community'? Mr McDonald asked. The Council President pointed out that Parliament, as part of the budgetary authority, had to bear its share of responsibility – after all, the EP had the last say on the budget. Lord Bruce (UK, S) pointed out that the Commission's draft budget for 1979 was actually proposing a 150m EUA (100.8 million pounds) reduction over 1978 in the size of the RDF. Parliament had

nothing to do with that. Mr Andersen said he expected a decision on a new Fund regulation governing, in particular, allocation of funds, at the Council meeting on June 27th.

QUESTIONS TO THE FOREIGN MINISTERS

Community Consular office (Sir Geoffrey de Freitas)

There were no plans for setting up a joint consular office representing all nine Member States, Mr Andersen told Sir Geoffrey (UK, S), pointing out that even a more modest proposal for the Scandinavian countries to pool consular resources had foundered.

Action to help Jessica Katz (Mrs Gwyneth Dunwoody)

The Council favoured a low-key approach to the Soviet authorities on this issue, involving the possible treatment of a Russian baby in the United States. Lord Bruce (UK, S) felt a well-publicized appeal would be likely to have a greater effect on the Soviet authorities. Mr Andersen took the opposite view.

World Bank loans to Argentina (Mrs Karen Dahlerup)

The World Bank loan to Argentina had not been discussed by Foreign Ministers and there was therefore no common position on the issue. The Council had, however, made a joint protest to the Argentine authorities over human rights some six weeks ago.

Vote

The House then agreed to the motions tabled by:

Mr Klepsch (arms procurement) after amendment

Mr Cifarelli (oils and fats market)

Spokesmen for all groups (floods in Germany)

Fisheries policy

Mr Schmidt's report (Doc. 80/78)

Mr Corrie's report (Doc. 39/78)

Mr Hughes's question (other signatories: Mr Lemp and Mr Prescott for the Socialist Group) (Docs. 71/78 and 72/78)

Mr Corrie's question (for the European Conservatives) (Doc. 74/78)

Mr Ryan's question (other signatories: Mr McDonald, Mr L'Estrange, Mr Vandewiele and Mr Müller-Hermann) (Doc. 70/78)

Introducing his report on 'the legal basis and procedures for certain acts relating to the Community's fisheries policy', Legal Committee rapporteur Manfred Schmidt (Ge, S) drew attention to the Commission's practice of not specifying the Treaty article on which their fisheries proposals are based and thus avoiding the need to consult the European Parliament.

Mr John Corrie (UK, EC) then spoke on his report on inspection patrols off Greenland and Ireland. It was essential, he said, that a Community conservation policy for fish be properly controlled, and that meant Community participation in financing the vessels and aircraft needed. Under Commission proposals, the EC would pay half the bill for some of the equipment needed by Denmark and Ireland, and Mr Corrie argued for a greater contribution in certain cases.

The question of patrols was becoming increasingly urgent in the light of oil extraction activities and their effect on fishing, Mr Corrie said. In the long run, a European Maritime Agency should be set up to coordinate all surveillance activities.

Mr Hughes, Mr Corrie and Mr Ryan then formally moved their questions.

Mrs Dahlerup, for the budgets committee, commented on the budgetary aspect of the Commission proposals. Committee members had felt a 50 per cent EC cover for surveillance costs was less than generous. Greenland and Ireland should not get less than 35 m EUA for patrolling waters in the EC interest.

Replying for the Council, Mr Svend Jakobsen, Danish Fisheries Minister, outlined the negotiations in progress with third countries. As regards consulting Parliament on fisheries policy proposals, the Council would consult the House where the treaty required it to do so or when issues were of some importance, it being for the Council to decide which matters merited this qualification.

Pessimistic

Mr Gundelach then took the floor to tell the House of the prospects for next week's Council meeting on fisheries policy. He reminded Parliament that eight of the nine Member States had intimated they could accept a fisheries policy package put forward by the Commission on 31st January 1978. The United Kingdom was unable to do so. On all main points the position today was still the same. There had been two brief meetings of the Council to discuss fisheries policy since then, on 3rd and 24th April and Mr Gundelach had been asked to look into the possibilities of bridging the gap between the eight and the United Kingdom. He had no reason to believe the Commission could now submit proposals which could be accepted by all nine Member States.

The lack of internal agreement meant that arrangements with third countries had to be made pragmatically and for short terms only. Such practices could not go on indefinitely. He dwelled on the consequences of the failure of the Nine to agree: if they did not, there was no possibility for individual Member States to negotiate fishing rights with third countries. This was not in accordance with the Treaties, and the Commission would take any offender to court.

Mr Gundelach hoped agreement would be reached in the Council, but he did not sound optimistic.

Much of the ensuing debate was concerned with the British attitude to a fisheries policy, several speakers accusing the United Kingdom of 'intransigence'. On this point Mr Mark Hughes (UK, S) and Mr John Prescott (UK, S) warned against making fishing a British election issue. But all speakers were agreed on the need for rapid agreement and an end to the present uncertainty.

Replying to the debate, Council President Mr Svend Jakobsen said he had heard the message. The Danish presidency, in what was left of its term, would do all in its power to find a compromise to the stalled negotiations.

THURSDAY, 15th June 1978

The Community's relations with Comecon

Mr Schmidt's report (Doc. 89/78).

Mr Manfred Schmidt (Ge, S), for the external economic committee, put down a motion calling for all trade arrangements with Comecon countries to be brought under a Community dispensation. Up until now Member States had tended to conclude bilateral agreements covering their trade with individual East European countries. They had competed with each other to offer the best possible credit terms and were thus forfeiting the advantages to be gained by the Nine acting together.

This was only one disappointing aspect of East-West trade. Others were the small scale of the trade itself. The Comecon countries (USSR, Cuba, Mongolia, Romania, Bulgaria, Hungary, Czechoslovakia, Poland) accounted for only 7 per cent of EC exports. In 1976 these amounted to 12,523m EUA (8.41 million pounds) as compared with imports into the Community of 11,331m EUA (7.61 million pounds); the degree of indebtedness to Community countries of Comecon; and the ambiguous status of Comecon itself.

The House therefore welcomed what the Commission Vice-President had to say about his visit to Moscow at the end of May. As a result some progress towards the normalisation of East-West trade relations, including a wider range of human contacts, might now be possible.

A delegation of Comecon experts were coming to Brussels in July and this would be followed by a meeting at political level in October. The ultimate result might be a Community agreement with Comecon as a whole. It was, after all, abnormal that the EC should have agreements with 111 countries but not with its nearest neighbours.

Multilateral negotiations in GATT

Mr Cousté's report (Doc. 86/78)

Introducing Mr Cousté's report, Mr Ruairi Brugha (Ir, EPD) reminded the House of the slow progress so far in the current 'Tokyo round' of negotiations in GATT. Monetary uncertainty, the energy crisis and the fact that two-thirds of

participating states in the talks are developing countries were all factors which had hampered results.

Existing GATT agreements had to be preserved before there could be further liberalisation. Both Japan and the USA had violated GATT rules in the past, and they, together with other non-Community countries, were the least willing to make compromises now.

The Community, for its part, had behaved extremely honourably in the talks so far, and must continue to put pressure on other industrialized countries to open their markets and reject protectionism. In particular, there must be agreement on revising Article 19 of GATT, the safeguard clause, to make possible the selective application of safeguard measures against offending countries.

Speakers in the debate regretted the lack of tangible progress in the GATT talks and called on the Community to take a lead in getting agreement. The central issue had been and remained the spectre of protectionism: as the world's largest trading power, the EC had a special interest in combatting this trend and assuring the widest possible measure of free trade.

In his reply to the debate, Commission Vice-President Haferkamp said the issue was one involving the Community's credibility. It was our responsibility and our duty to ensure respect for the international rules of trade as embodied in the GATT, and it was towards that aim that the Community should continue to work.

QUESTION TIME

QUESTIONS TO THE COMMISSION

Housing in Ireland (Mr Liam Kavanagh)

President Roy Jenkins told Mr Kavanagh (Ir, S) that the figures used in the report on the social situation in 1977 referring to housing in Ireland had been compiled from official Irish statistics and did not constitute any kind of value judgment.

Trade talks with Australia (Mr Alan Fitch)

Mr Haferkamp told Mr Fitch (UK, S) that the proposed trade talks had been postponed on a request from the Australian side. Mr Fitch said he regretted Prime Minister Fraser's description of the EC as 'a narrow, self-interested trade group trying to make the world dance to its own tune'. Mrs Gwyneth Dunwoody (UK, S) felt the CAP was responsible for the present poor relations between the two sides.

Energy and the developing countries (Mr John Osborn)

The Community was helping to finance at least 10 solar energy projects in ACP countries and other projects concerned with producing ethynol from sugar cane, Mr Jenkins said.

Use of Greek after enlargement (Lord Reay)

Mr Jenkins told Lord Reay (UK, EC) that Greek would become an official Community language after accession. In answer to several supplementaries on the subject, Mr Jenkins drew a distinction between official languages and working languages. While EMPs, for example, must have the right to speak in their own language in Parliament, it may be possible to cut down on the number of working languages used in the translation of certain documents, say. The Commission itself often held discussions in a limited number of languages on the basis of documents printed in only one or two languages. There could be no question about official languages, but there was room for flexibility in the case of working languages.

Vote

Parliament agreed to motions on:

Parliament's budget for 1979 (Mr Ripamonti)

The political situation in Africa (six political groups)

Legal case for fisheries policy (Mr Schmidt)

Patrolling fishing waters (after amendment) (Mr Corrie)

The dialogue between institutions on the budget (Mr Cointat)

EC relations with Comecon (after amendment) (Mr Schmidt).

Code of conduct for multinationals

Mr Bertrand's question (Doc. 69/78)

The Christian Democrat Group asked the Commission what measure of control was exercised over the activities of multinationals in the various Member States. The group felt binding rules were indicated. Mr Haferkamp explained the relevant measures already taken in the EC, adding that the OECD voluntary code of 1977 appeared to be working quite well. The problem was one of balancing the needs of adequate control against the need to create the right climate for investment.

Market domination

Mr Haase's question to the Commission (Doc. 141/78)

Various Socialist Members asked the Commission about the implications of the Court's judgment against the Chiquita banana company for the Commission's proposals for merger rules. Mr Haferkamp, outlining the terms of the judgment, said new criteria would have to be taken into account. But this would not mean amending the proposals. He hoped a Council decision on these proposals would follow.

Group accounts

Mr Schwörer's report (Doc. 103/78)

Replying to a debate on the Commission's seventh directive on group accounts this evening, Mr Burke said it was the corollary to the fourth directive which he had good reason to believe would be adopted by Council in the near future. Mr Hermann Schwörer (Ge, CD), rapporteur for Parliament's legal committee, called for amendments to the Commission proposal which will provide the legal framework for firms operating on a multi-member-state basis. Mr Burke told the House the Commission would probably wish to accept a number of the amendments called for.

Railway accounts

Mr Nyborg's report (Doc. 142/78)

On a related subject, the Commission is proposing to introduce the same rules for railway company accounts in all Member States. Mr Kai Nyborg (Da, EPD), for the regional committee, put down a motion asking the House to approve the proposals.

Regarding rail links, Mr Tam Dalyell (UK, S) took the opportunity to ask if the Ortoli loan could be used to finance the Channel Tunnel, an idea which was now coming to be regarded with increasing favour.

Mr Burke reserved his reply.

Directive on VAT

Mr Notenboom's report (Doc. 168/78)

Mr Harry Notenboom (Du, CD), for the budgets committee, tabled a motion expressing strong reservations about a Commission proposal allowing all the Member States except for Belgium and the United Kingdom to put off introducing the VAT directive until 1st January 1979.

Milk Marketing Boards

Mr Herbert's report (Doc. 167/78)

Mr Michael Herbert (Ir, EPD) tabled a motion for the agriculture committee asking the Council to take account of Parliament's views when adopting revised Commission proposals on the Milk Marketing Boards.

FRIDAY, 16th June 1978

Pigmeat

Mr L'Estrange's report (Doc. 171/78)

The Commission is proposing to alleviate the disadvantages suffered by pig farmers in countries with devalued currencies as a result of mca distortions by reducing the buying-in price for pig carcasses from 85 per cent to 78 per cent of the target price.

This proposal, which resulted from failure to secure agreement for a more general phase-out of the mca system, received lukewarm support in the House this morning. Mr André Soury (Fr, CA), who said he spoke on behalf of French pig farmers, introduced an amendment calling for the rapid abolition of mcas in the pigmeat sector. The present proposals were at best a stop-gap measure. Mr Ralph Howell (UK, EC) proposed setting up a pig marketing board.

Several speakers complained about the Council's delay in consulting Parliament, and Mr Mark Hughes (UK, S) pointed out that, whatever opinion the House gave, the Council would adopt the proposals.

In reply to the debate, Commissioner Brunner said the proposals were designed to stabilize the situation in the pigmeat sector.

Prepacked liquids

Mr Brown's report (Doc. 92/78)

There are, at present, too many sizes of liquid container, particularly for wine. The Commission is therefore proposing to limit the number of different sizes. The UK and Ireland will be allowed to express the relevant volumes in imperial units too if they wish.

Speakers supported the proposals, but there was some suggestion that the proposed directives on unit pricing would have much the same effect in enabling the consumer to see what he was getting for his money. However, Mr Tam Dalyell (UK, S) said the Scotch whisky producers' association favoured binding standardization of bottle sizes rather than unit pricing.

Mr Brunner replied.

Adult education

Mrs Kellett-Bowman's report (Doc. 158/78)

Mrs Elaine Kellett-Bowman (UK, EC), for Parliament's social affairs, employment and education committee, put down a motion calling for an appropriation of 350,000 ua (235.25 pounds) to be included for adult education in the 1979 budget.

In reply, Mr Brunner stressed the importance of education and personal contacts in helping Community citizens to understand the European society in which they lived.

Mountain cattle

Mr Tolman's report (Doc. 62/78)

Mr Teun Tolman (Du, CD) asked the House to approve the Commission's proposals on imports of mountain cattle breeds from Switzerland and Austria.

Farm imports from Cyprus

Mr Spicer's reports (Doc. 146/78 and 170/78)

Mr James Spicer (UK, EC) called on the House to approve two protocols on agricultural imports from Cyprus, and proposals opening quotas for wines and grapes from the island.

Mr Bob Edwards (UK, S) referred to the importance of EC help in restoring normality to the island.

Mr Brunner replied.

Customs clearance for stores carried in ships, planes or trains

Mr Nyborg's report (Doc. 129/78)

The Commission is proposing a regulation (EP Doc. 12/78, COM(78) 76 final, 2.3.78) to provide simple rules for carriers, and, at the same time, prevent smuggling.

Mr Kai Nyborg (Da, EPD) welcomed the proposals as a first step, but felt the long term aim had to be the abolition of duty-free shops in intra-Community travel.

Telex charges

Mr Seefeld's question (Doc. 137/78)

Mr Brunner told Mr Horst Seefeld (Ge, S) that talks were in progress on securing uniform telex rates.

Alleged bribery in Europe by the American International Telephone and Telegraph Cooperation

Mr Hamilton's question (Doc. 138/78)

Lord Bruce (UK, S), speaking for Mr Hamilton (UK, S), asked if the Commission would institute a thorough inquiry into allegations concerning the ITT. He was far from certain that ITT's modus operandi in Europe was consistent with the spirit and letter of the Community treaties.

In reply Mr Brunner said that unless substantial evidence was submitted, or a complaint by a company filed, the Commission could not act.

Otherwise it was a matter for the penal systems of the Member States. Lord Bruce said that enquiries could be instituted in the event of 'suspected' infringements. Mr Brunner said that this only applied if it could be established that competition had been undermined by bribery or other means.

Unfreezing of appropriations

Mr Shaw's report (Doc. 144/78)

Mr Michael Shaw (UK, EC), for the budgets committee, asked for 244,450 EUA to be unfrozen at Item 2100 (to cover rent of new offices)

Vote

The House agreed to motions on:

GATT negotiations after amendment (Mr Cousté's motion) (Doc. 86/78)

Group accounts (Mr Schwörer's motion) (Doc. 103/78)

Railway accounts (Mr Nyborg's motion) (Doc. 142/78)

VAT directive timing (Mr Notenboom's motion) (Doc. 168/78)

Milkmarketing boards (Mr Herbert's motion) (Doc. 167/78)

Pigmeat market (Mr L'Estrange's motion) (Doc. 171/78)

Prepackaged liquid containers (Mr Brown's motion) (Doc. 92/78)

Adult education (Mrs Kellett-Bowman's motion) (Doc. 158/78)

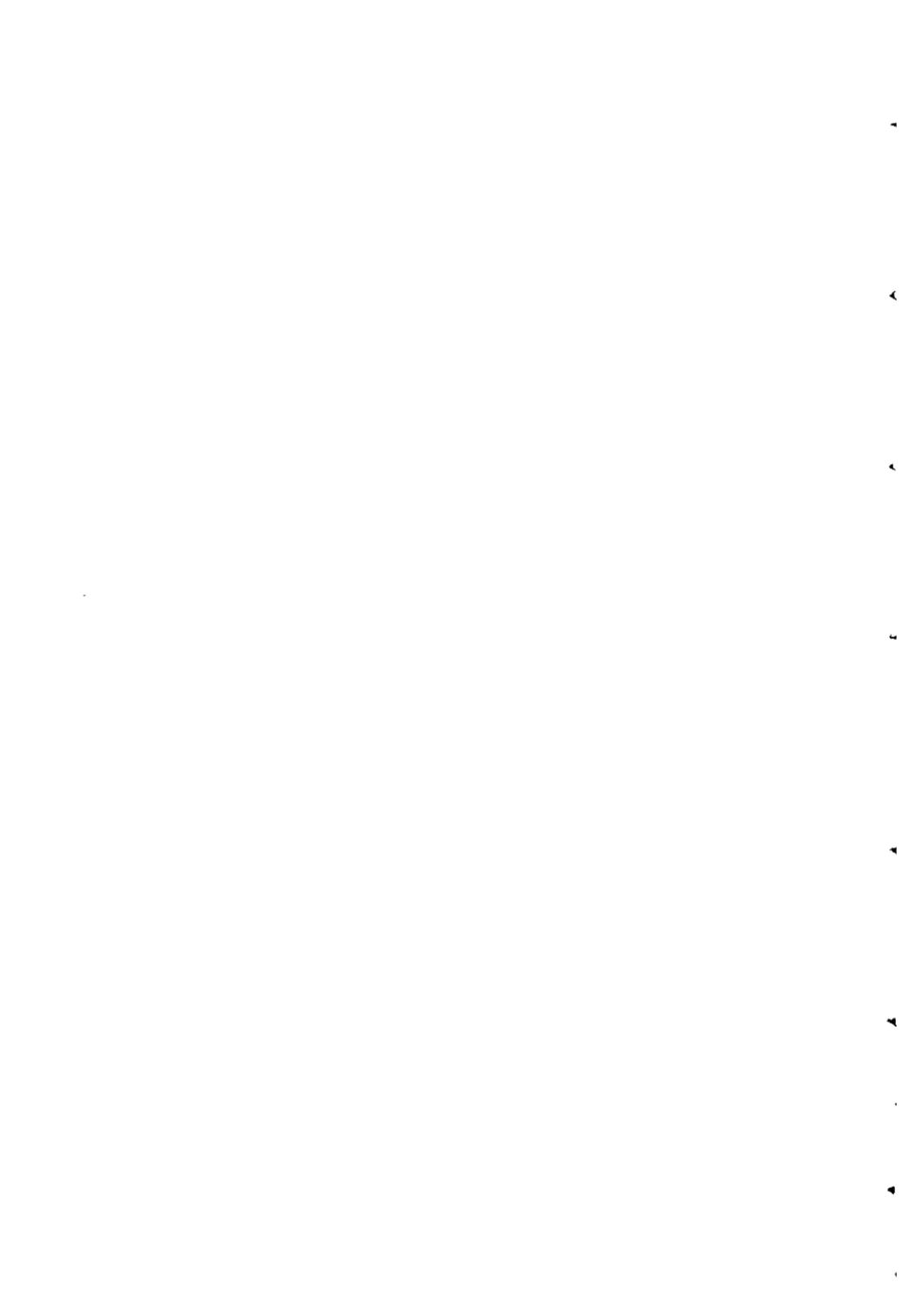
Alpine cattle imports quota (Mr Tolman's motion) (Doc. 62/78)

Supplementary protocol to Cyprus Agreement (Mr Spicer's motion)
(Doc. 146/78)

Quotas for imports from Cyprus (Mr Spicer's motion) (Doc. 170/78)

Duty-free goods on trains (Mr Nyborg's motion) (Doc. 129/78)

Unfreezing of appropriations (Mr Shaw's motion) (Doc. 144/78).



SUMMARY

12th June – 16th June 1978
(Document numbers in brackets)

Monday, 12th June 1978

5 p.m. to 8.55 p.m.

- Jean-Francois Pintat elected chairman of Liberal and Democratic Group in succession to Mr Jean Durieux.
- Action further to resolutions agreed to in Parliament. Lord Bruce again asked for these Commission statements to be in writing.
- Safety at work action programme proposals (Doc. 480/77) welcomed Mrs Squarcialupi's report (Doc. 97/78)
- EP's public health committee asks for action to curb toll of cardio-vascular diseases (Doc. 139/78). Mr Vredeling replied survey of eating and smoking habits in Nine in progress. Will be discussed by Council in November.
- Mr Spicer disappointed Commission unable to draft directive to meet hotel fire risk (Doc. 95/78).
- Italian EMPs concerned at status of Italian as a Community language (Doc. 571/77). Mr Vredeling replies all EC languages are equal.
- EP endorsed bringing forward appropriations from the 1977 budget to the 1978 budget (Docs. 122/78, 149/78)
- EP endorsed Commission proposals for dealing with oil spillage causing marine pollution (Docs. 121/78, 147/78)
- EP endorsed Commission safety at sea proposals (Docs. 161/78, 162/78)

Tuesday, 13th June 1978

10.15 a.m. to 1.15 p.m. and 3 p.m. to 8.25 p.m.

- Parliament debated a motion calling for cooperation on arms procurement. EMPs sharply divided. Some concerned Europe not getting enough defence for its money; others unwilling to see EC go into defence (Docs. 481/76, 83/78).
- Question Time
Questions to the Commission on satellites, China, travel documents, steel jobs and tobacco addiction.
- Vote
The House agreed to motions on safety at work, fire safety in hotels, transfers of appropriations, marine pollution, safety in shipping, and human rights in Argentina.
- Parliament's estimates
Mr Ripamonti's report (Doc. 156/78). House gave general welcome to motion, calling for 10.4 per cent increase in Parliament's budget for 1979.
- Farm prices
Commission Vice-President Finn Gundelach expressed satisfaction at Council decision increasing farm prices for 1978-79 by 2.1 per cent.
- Fats market
Mr Cifarelli's report (Doc. 154/78)
- Monetary compensatory amounts (mcas)
Sir Brandon Rhys Williams's question (Doc. 120/78). Mr Gundelach said real gap between lowest and highest farm prices in the EC was now 47 per cent.
- Motion on EC aid to German flood victims (Doc. 163/78/rev.)

Wednesday, 14th June 1978

9.30 a.m. to 1 p.m. and 3 p.m. to 9.25 p.m.

- Council statement and Africa
Joint debate on the six months of the Danish presidency, due to end on June 30, and an all-group motion on Africa (Doc. 136/78)

- Question Time
Questions to the Council and Foreign Ministers of the Nine.
- Vote
The House agreed to motions on arms procurement (after amendment), oils and fats market and aid to German flood victims.
- Fisheries policy
Vice-President Finn Gundelach expressed pessimism at the likelihood of an early agreement on an internal fisheries policy. The UK criticised during debate for its 'intransigence'.

Thursday, 15th June 1978

10.05 a.m. to 1.05 p.m. and 3 p.m. to 9.40 p.m.

- Parliament debated EC-Comecon relations further to Mr Haferkamp's talks in Moscow at the end of May (Doc. 89/78)
- Parliament debated progress in GATT talks, speakers emphasising the need to avoid protectionism (Doc. 86/78)
- Question Time
Questions to the Commission
- Vote
Parliament agreed to motions on EP's budget, Africa, fishing, budget dialogue between the institutions and relations with Comecon
- Multinationals
Mr Bertrand's question (Doc. 69/78). Mr Haferkamp said OECD voluntary code working well.
- Market domination
Mr Haase's question (Doc. 141/78)
- Group accounts
Mr Schwörer's report (Doc. 103/78)

- Railway accounts
Mr Nyborg's report (Doc. 142/78)
- Directive on VAT
Mr Notenboom's report (Doc. 168/78)
- Milk Marketing Boards
Mr Herbert's report (Doc. 167/78)

Friday, 16th June 1978

9 a.m. to 12.40 p.m.

- Pigmeat
Mr L'Estrange's report (Doc. 171/78). Motion approved Commission proposals reducing buying-in price for pig carcasses.
- Prepacked liquids
Mr Brown's report (Doc. 92/78). Motion endorsed proposals to standardize bottle sizes.
- Adult education
Mrs Kellett-Bowman's report (Doc. 158/78). Motion called for adult education appropriation to be entered in 1979 budget.
- Mountain cattle
Mr Tolman's report (Doc. 62/78). Motion approved proposals for import quota for Alpine cattle.
- Cyprus
Mr Spicer's reports (Docs. 146/78, 170/78). Mr Spicer called for approval of proposals on agricultural imports from Cyprus.
- Customs clearance for trains, boats and planes
Mr Nyborg's report (Doc. 129/78).
- Telex charges
Mr Seefeld's question (Doc. 137/78).

– Alleged bribery by ITT

Mr Hamilton's question (Doc. 138/78). Mr Brunner said Commission could act only if there was substantial evidence.

– Vote

The House agreed to the motions in reports debated on Thursday evening and Friday morning.

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