

European Parliament Information

The Sittings

March 1979



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THE SITTINGS

STRASBOURG, 12th – 16th MARCH 1979

THE WEEK

The European Parliament's chief concern here in Strasbourg this week has been with farm prices. On Tuesday, it spent some six hours debating the Commission's proposals and on Thursday nearly two hours hammering out a motion summing up its views – in addition to the many hours spent in consideration of these proposals in committee.

The nub of the Commission's farm price proposals is a bid to freeze them at their present level in an attempt to contain and if possible, reduce the surpluses of skim milk powder, butter, rye and sugar the Community is at present having to contend with. It is also proposing a levy on milk production (called a coresponsibility levy) to enable the Community to cope with its biggest surplus of all, liquid milk production. As Commissioner Finn Gundelach said, in so many words, we cannot go on overproducing like this. He referred to the increase of three million tons in the surplus already existing in liquid milk, to the 600,000 tons of surplus rye, the 250,000 tons of surplus butter, the 600,000 tons of surplus skim milk powder and the 1½ million tons of sugar available for export.

These proposals attracted a great deal of criticism and Parliament asked the Commission to reconsider them. Parliament rejected the idea of a price freeze as unjustified and called for an increase in farm prices of at least three per cent, except in the case of products of which there is a structural surplus.

The week's other main business: reelection of Emilio Colombo as President of Parliament; debates on the Paris summit of 12 and 13 March, on Greek accession to the EC and on EC relations with Turkey.

Monday evening (5 – 7.20 p.m.)

Parliament assembled here in Strasbourg this afternoon to hold its last sitting of the 1978-1979 session. Points on the agenda: Mr Damseaux's report on savings, which called for tax relief rather than indexation as the best method to combat erosion of savings through inflation; Mr Notenboom's report on VAT on art and antiques (Seventh Directive); and Mr Yeats's report revising Parliament's Rules in preparation for direct elections.

Tuesday morning (10 – 11 a.m., 11.45 – 1.20 p.m.)

As anticipated, Mr Emilio Colombo was re-elected President of the European Parliament by acclamation this morning. The following were elected Vice-Presidents: Mr Spénale, Mr Meintz, Mr Scott-Hopkins, Mr Bordu, Mr Yeats, Mr Adams, Mr Deschamps, Mr Berkhouwer, Mr Zagari, Mr Lücker, Sir Geoffrey de Freitas and Mr Holst. The House also voted to renew the committee memberships as they stood.

The House then went on to discuss the staff the new Parliament is going to need and various other increases in expenditure the present Parliament is going to have to face. Some EMPs had their doubts but the majority view was that a £20m increase from £62m to £82m in the EP's budget was justified.

Tuesday evening (3 – 7.25 p.m.)

Parliament this afternoon discussed two reports dealing with the Community's oldest associates – Greece and Turkey: In a motion on Greek accession, Mr Amadei welcomed the 'real prospect' of Greece's entry into the Community and speakers were virtually unanimous in expressing the hope that this would take place without delay. On Turkey, speakers appealed for a greater effort by the Community and the West to help the country overcome its grave economic problems, which, if left unresolved, threatened to drive it into isolation and instability.

Wednesday morning (10 a.m. – 1.05 p.m.)

Commissioner Fin Gundelach came before the House this morning to argue the case for keeping farm prices at their present level for the new farm year beginning on 1st April. This price freeze would be coupled with other measures, such as a tax on milk production (a co-responsibility levy, as it is being called) and special measures to help farmers in poorer regions. These measures, said Mr Gundelach, were intended to help the Community to come to terms with the intractable problem of surpluses, particularly of milk, rye and sugar. Mr Gundelach's proposals did not go down very well and were criticised, for differing reasons, by nearly all speakers.

Wednesday evening (3-8 p.m. & 9-10.45 p.m.)

Replying to this afternoon's resumed debate on farm prices, Mr Pierre Mehaignerie, French Minister for Agriculture and Council President, told the House that most Member States were in favour of a cautious prices policy, only the United Kingdom being in favour of a freeze. The Council, he said, was somewhat behindhand in its discussion of farm prices because its time so far had mainly been taken up with related monetary problems. Here, he said, the agreement of 6th March to the effect that new mcas would be the exception and would be phased out over two years was encouraging. The Council would be resuming its discussion of farm prices in Brussels on 26th - 27th March.

Thursday morning (10 a.m. - 1.10 p.m.)

In a statement to the House this morning on the meeting in Paris earlier this week of the European Council, Jean François-Poncet, Council President and French Foreign Minister, said that EMS, the economic and social situation, agriculture, energy policy and relations with Africa and the Arab states had been the main talking points. First reactions in the ensuing debate were generally positive.

Thursday evening (3 - 9 p.m.)

Mr Albert Liogier's motion on farm prices was agreed to virtually unchanged this evening after a series of amendments, most of which were tabled by the Socialist Group, had been rejected. The main point of these amendments was to endorse the Commission's stand against any increase in farm prices, a view strongly opposed by Mr Liogier.

His motion rejected the price freeze as unjustified and called for an increase of at least three per cent, except in the case of products of which there is a structural surplus. The motion also endorsed a European Conservative call for an EC rural policy to be financed by a rural fund.

Friday morning (9 a.m. - 1.30 p.m.)

Parliament's crowded agenda this morning included Mr Bangemann's report on the EP's budget guidelines for 1980, which calls for budgetization of loans and EDF aid, earlier EP-Council conciliation and budgetary emphasis on sectoral policies, including steel. Other items: thermonuclear fusion, management of food aid and hijacking. Vice-President Carlo Meintz interrupted the sitting to announce the death of Jean Monnet.

MONDAY, 12th March 1979

Saving savings

Mr Damseaux's report (Doc. 662/78)

Inflation, which effectively reduces the value of people's savings, is particularly damaging to the small saver. One way to preserve the value of invested money would be to tie interest rates to the prevailing inflation rate, but Mr Damseaux, for the economic and monetary committee, regards this as only a palliative because of its cost and the risk it would involve of relaunching inflation. The best way to protect savings, he feels, is to provide people with more information about diversifying their savings, to introduce some form of tax relief for small savers and to consider other alternatives to indexation.

Mr Notenboom, for the Christian Democrats, said his group was very concerned about the repercussions of indexation on inflation. However, it was vital to encourage savings, inflation notwithstanding, and tax relief was a good way of doing this.

Mr Leonardi, Communist spokesman, said the key to protecting savings lay in putting an end to inflation.

For the EPD group, Mr Cointat felt Mr Damseaux's report was 'too timid'. Some form of indexation was necessary, he believed.

Replying for the Commission, Mr Tugendhat welcomed the motion and agreed that the problem deserved attention.

The House approved the motion.

VAT on used goods

Mr Notenboom's report (Doc. 647/78)

The Commission considers that used goods – including antiques and works of art – are subject to VAT when resold because they can be deemed to have entered a 'new commercial cycle'. It would be unfair, however, to charge the full rate because the price of the item inevitably contains an element of residual tax. The Seventh Directive on VAT lays down that dealers reselling collectors items and antiques should pay VAT on 30% of the selling price. Special provisions apply to certain other categories of used goods, eg cars.

Mr Notenboom (Du, CD), for the economic and monetary committee, stressed that too rigid a system would be ignored by small traders, where much of this type of business was conducted. He asked the Commission to make various amendments to its proposal.

Both Mr Dalyell and Lord Ardwick wondered why the Commission felt the Community needed a directive in an area where national rules worked perfectly well. Mr Spicer agreed: 'What has this got to do with creating a European Community?' he asked. This type of proposal tended to bring the EC into disrepute.

Mr Tugendhat, for the Commission, said the directive was based, in part, on a specific request from Parliament dating from 1974. The Council had made a similar request. There had been wide consultation in drawing up the directive, Mr Tugendhat said. To Mr Spicer, he pointed out that VAT legislation was relevant in relation to the common market, which was a central feature of the Community.

The House approved Mr Notenboom's motion.

New Parliament's rules

Mr Yeats's report (Doc. 667/78)

The new 410 Member European Parliament will have virtually the same House rules, when it meets on 17th July, as the present 198 Member EP whose term of office ends in June. The minor technical changes called for by the European Elections Act of 20th September 1976 have to be voted through by at least 100 EMPs.

The changes concern Rule 1(3): meeting without requiring to be convened; Rule 3(1): verification of credentials; Rule 4: duration and expiry of Members' terms of office; and Rule 6(1): constituent meeting.

The House approved Mr Yeats's motion.

TUESDAY, 13th March 1979

Election of officers

Oldest Member Takes the Chair

Parliament's year ended yesterday, on 12th March, the new year beginning today, as required by the rules, on the second Tuesday in March. The term of office of Parliament's elected officers having expired, the Chair was taken this morning by the oldest member, Marcel Brégégère.

Addressing the House briefly, before turning to the business of electing officers, Mr Brégégère recalled the importance of the ideas and values underlying Europe's thrust towards greater cooperation, both among its Member States and with the world at large.

Given the challenges facing the Nine, these ideas and values alone could enable the Community to fulfil its ambitions.

Emilio Colombo re-elected President

On a proposal from Jean-François Pintat, that Mr Colombo be elected president by acclamation, Mr Brégégère invited Mr Colombo to take his place in the Chair. Thanking the House, Mr Colombo appealed particularly to the media for their cooperation in promoting the common cause.

Election of Vice-Presidents

The following were then elected Vice-Presidents by acclamation:

Georges Spénale (Fr, S)
Carlo Meintz (Lu, L)
James Scott-Hopkins (UK, EC)
Gérard Bordu (Fr, CA)
Michael Yeats (Ir, EPD)
Rudolf Adams (Ge, S)
Pierre Deschamps (Be, CD)
Cornelis Berkhouwer (Du, L)
Mario Zagari (It, S)
Hans-August Lücker (Ge, CD)
Sir Geoffrey de Freitas (UK, S)
Erik Holst (Da, S)

Committee memberships renewed

The House then voted to renew the present committee memberships.

The House then rose from 11 – 11.45 a.m.

More staff for EP

Mr Ripamonti's report (Doc. 641/78)

To cope with the work involved in running a larger European Parliament, the present secretariat will need to be slightly bigger. Budgets committee rapporteur Camillo Ripamonti (It, CD) accordingly tabled a motion this morning calling for the relevant staff increases.

These comprise 107 supplementary permanent posts, 2 temporary posts and 185 posts which the new Parliament will be able to take advantage of should it consider this necessary.

But extra staff (calling for 10,997,200 EUA or £6,927,422) is not the whole story. Other items in this supplementary budget include extra appropria-

tions to cover: invitations to journalists, particularly those from the regional press (item 2720, +7,000 EUA or £4,410); greater expenditure on newspapers and periodicals (items 2252 and 2253: 37,600 EUA or £23,685); extra expenditure in connection with meetings (items 1170 and 1172: 218,500 EUA or £137,640).

While spokesmen in this debate agreed on the need for the new Parliament to have an adequate staff, there were Members, such as Brøndlund Nielsen (Da, L) and Tam Dalyell (UK, S), who had misgivings about the increases proposed.

Mr Dalyell reminded the House that the staff had been increased by 243 in 1978 and wondered if 107 more posts were really needed. These increases compared badly with those Parliament agreed to in respect of the Commission's staff.

Committee chairman Erwin Lange took the point but urged Parliament, in balance, to accept the proposals before the House. Mr Georges Spénale (Fr, S) agreed with him.

Mr Ripamonti's motion, incorporating the relevant increases in the European Parliament's budget for 1979, will be put to the vote on Thursday morning.

The increases in Parliament's budget will be 31,326,995 EUA (£19,733,689) to give a new total for 1979 of 130,920,900 EUA (£82,470,479).

The House approved the motion.

QUESTION TIME

Questions to the Commission

Axle-weights (John Osborn)

The Council for the Protection of Rural England was one of the groups consulted by the Commission in drawing up its latest proposals on the weight of commercial vehicles, Mr Vredeling said. The Commission had striven to balance economic factors with safety and environmental ones.

Dangerous products (Lord Kennet)

The Commission will send a proposal on the exchange of information on dangerous drugs to the Council in the second half of this year, said Mr Natali.

Oil tanker pollution (Winnie Ewing)

Marine pollution problems were aired after Mr Natali said the Commission had no plans for an ecological study of the Moray Firth. Mrs Ewing said the Cromarty Petroleum Co seemed to be using sub-standard tankers. Mr Prescott said the Commissioner should realize there was a correlation between the washing of oil tanker tanks at sea and pollution of fish grounds. Mr Dalyell, Lord Bruce of Donington, Mr Spicer and Mr Brown pressed for implementation of conventions on marine pollution.

Employment of handicapped (Guillaume Schyns)

Six of the Nine EC countries had laws obliging employers to take on handicapped workers in proportions ranging from 2% of the workforce in Luxembourg to 15% in Italy, but these quotas were not fully respected in any Member State, Mr Vredeling said. West Germany was the country with the most stringent rules on the application of the law in this area. The other three countries which had legislated were the UK, France and the Netherlands. Belgium had a law imposing the obligation on employers in principle, but Mr Vredeling knew of no set quota.

Romanian relations (Lucien Radoux)

Current negotiations with Romania were aimed at achieving an agreement on industrial products, said Mr Haferkamp. They were not linked to EC negotiations with COMECON. Extension of the existing textile accord was not planned.

Budget rules

Mr Shaw's report (Doc. 642/78)

Commissioner Christopher Tugendhat said today that the budget scene would not seem the same, in the new parliament, without Michael Shaw. For Mr Shaw has made it clear he will not be standing in the June elections. Before going, however, he wished to urge the House to tie up one or two points in the rules governing the budget regarding which Parliament and Council do not see eye to eye. He asked budgets committee chairman Erwin Lange to write to the Council urging that the conciliation procedure (the formality for bringing the two sides of the budgetary authority together) be opened regarding authorization for borrowing and lending and the indicative nature of figures shown in research and investment programme decisions. Erwin Lange agreed. He reminded the House of the Council's concern, expressed when the first financial regulation (ie rules for the budget) was framed, that Parliament should not use its budgetary

powers in such a way as to encroach on the Council's legal powers. It was equally to the point, said Mr Lange, to ensure the Council did not use its legislative powers in such a way as to encroach on Parliament's budgetary powers. Mr Shaw tabled a motion calling for conciliation discussions on these points by 30th April.

The House approved the motion.

Greece in the EC

Mr Amadei's report (Doc. 670/78)

In a 14-point motion, Giuseppe Amadei, for the political committee, welcomed the 'real prospect' of Greece becoming the tenth full member of the Community on 1 January 1981. Now that the negotiations were complete and the rules for accession had been laid down, it was necessary to implement what had been agreed in as advantageous a manner as possible for all concerned.

Spokesman for the political groups were unanimous in welcoming the report. Bob Edwards pointed out that, but for the seven years of the colonels' regime, Greece would probably already be a member of the Community.

Lord Bethell felt that pressure from the Community had been instrumental in toppling that regime. 'Greece, he said, gave us not only the word Europe, but also the word democracy', It had earned its credentials to become the EC's tenth member.

Mr Berkhouwer (Du, L) referred to the institutional problems, particularly the question of majority decision-taking in the Council.

Mr Eberhard (Fr, CA) raised the only sceptical note – he felt Greek accession was in the interests of neither Greece nor the Community. Tam Dalyell felt that the financial implications of Greek accession had not been properly dealt with: 'the Community's pocket is not bottomless' he said. We should not foster illusions as to the EC's ability to give aid.

Mr Brugha (Ir, EPD) said EC membership had had a very positive impact on the Irish economy, and the same could happen to Greece.

Mr Blumenfeld (Ge, CD) was concerned that the inevitable economic problems that Greece and the Community would have to face were being glossed over. Jim Spicer (UK, EC) said the EC had, first and foremost, a political commitment to Greece and the other applicant states.

In reply, Vice-President Natali agreed that the preparations for Greek entry had been time-consuming, but the time had not been wasted. The negotiations had been extremely complex. He hoped the necessary treaty would be signed by the end of May 1979, and if the national ratification procedures were carried through rapidly Greece could be a member on 1

January 1981. He expressed optimism that many of the problems associated with Greek entry could be resolved during the transitional period.

The House approved the motion.

EC-Turkey relations

Mr van Aerssen's report (Doc. 644/78)

Introducing Mr van Aerssen's report on a review of the EC-Turkey Association, Hans-Edgar Jahn (Ge, CD) suggested that the need to improve EC-Turkey relations had recently taken on a new significance in the light of events in Iran.

The major economic problem facing Turkey was its massive balance-of-payments deficit, Mr Jahn said. This had led to a drastic increase in the rate of unemployment. The external economic relations committee was disappointed that the Community had as yet made no funds available to ease the situation, Mr Jahn said.

However, Turkish red tape made foreign investment extremely complex, and it lay with the Turkish authorities to remedy this situation. Representations had been made to this effect.

More help would do much to quieten anti-Western feelings in Turkey, Mr Jahn went on. The planned fourth Financial Protocol was a step in the right direction. But this, amounting to US \$600m, was inadequate. Something akin to a Marshall Plan for Turkey was needed if the country was not to be driven into isolation and instability.

Socialist group spokesman and chairman of the EEC-Turkey Joint Parliamentary Committee Mr Hansen (Lu, S) said he found the situation in Turkey alarming. A 70% inflation rate, shortage of medical and other goods, frequent power cuts, etc, were making life extremely difficult, especially in Turkey's poorest regions. In this situation, Mr Hansen said he felt ashamed at the meagre aid being granted by the West. We had a responsibility to help a friend in need, he said. 'Unless we take wide-ranging and generous action soon, we shall not only betray Turkey but also damage an element in the stability of the Western world', Mr Hansen said.

Russell Johnston (UK, L) described EC attitudes to Turkey as 'short-sighted'. These were particularly difficult to understand in view of the relatively insignificant concessions needed to help. If Turkey succumbed to 'political and economic chaos', the Community would deserve much of the blame.

Jim Spicer, for the European Conservatives, said he fully shared the views expressed. We had to help Turkey into a position where it could eventually

become a member of the Community. 'We are not talking about Turkey alone, but about our own way of life', he said.

Replying for the Commission, Vice-President Haferkamp stressed the efforts made by the Turkish government to place the EEC-Association on a new footing. He saw EC action having the best chances of success if taken in cooperation with other international institutions: the Community, alone, could do little to alleviate Turkey's balance-of-payments situation. The Commission had made proposals in the agricultural and social sector and as regards economic cooperation. The third financial protocol had now been ratified and was being implemented: preparations for the fourth were already under way.

The House approved the motion in Mr van Aerssen's report.

WEDNESDAY, 14th March 1979

Farm prices

Mr Liogier's report (Doc. 675/78)

The European Parliament began its annual debate on farm prices this morning against a background of disagreement, not to say controversy, between the Nine about the whole Common Agricultural Policy (CAP). The disagreement has centred on three main points:

- (a) the fact that the CAP accounts for 74% of the Community's total budget for 1979 (£6.3bn out of £8.5bn) at a time when some Member States feel far more should be spent helping the six and a half million people in the Community who are out of work;
- (b) the fact that 45% of CAP money goes on export subsidies in the form of monetary compensatory amounts, which some Member States feel must be phased out as a matter of priority, and
- (c) the fact that over 30% of CAP spending is on buying up surplus products and paying for their storage and sale at subsidised prices.

Commission's proposals

To enable the Community to come to terms with the farm markets, the Commission is proposing an overall freeze on farm prices for the year beginning on 1st April. It is proposing ad hoc arrangements to phase out monetary compensatory amounts (mcas) and, to deal with surpluses, it is proposing a new form of the co-responsibility levy in the case of milk – this tax being designed to curb excess production – and to make various adjustments within sectors such as rye (where the market is over-supplied) with the same end in view.

Mr Liogier calls for 3%

Opening today's debate, agriculture committee rapporteur Albert Liogier (Fr, EPD) said there was a great deal of unrest in the farm markets, particularly in the pig-farming sector. This was due, he argued, to the EC's failure to abide by the basic principles of Rome Treaty article 39: common prices, financial solidarity and Community preference. He instanced the volume of soya and cassava imports for feedstuffs.

He did not see what the Commission proposals would do to counter these threats to the whole CAP: he came out against any price freeze; called for a faster phase out of mcas than the four-year period proposed (and urged a revised method of calculating mcas for pigmeat); and opposed the co-responsibility levy.

Where are we going with the CAP?

The Commission's proposals were unacceptable in their present form. The only good thing about them was their socio-structural and food aid aspects, he said. The principles of the CAP had to be defended and even developed by bringing potatoes and ethyl alcohol, for example, within its scope. He asked the Commission 'where are we going with the CAP ... is agriculture to be Europe's "oil"?'

No EP control over CAP spending

Speaking for the budgets committee, James Scott-Hopkins (UK, EC) began by deploring Parliament's total lack of control over expenditure under the CAP. This said, he welcomed the price freeze proposed. He noted there would actually be a saving of some 80m EUA (£50.4m) in 1979 – so no supplementary budget would be needed – and this too was to be welcomed.

What was far less encouraging was the Parliament's lack of control over CAP spending as a whole or indeed over the co-responsibility levy.

He also criticised the imbalance between the guidance and guarantee sections of the CAP and the inclusion of food aid in the agricultural package. But the real challenge for the future was to ensure the new EP gained some control over the farm price bill.

Is the green pound being devalued?

Speaking next for the European Conservatives, Mr Scott-Hopkins said he was strongly in favour of a price freeze for products in surplus; on mcas, he asked whether it had actually been agreed that the UK green pound was to be devalued by 5% by the end of March; on the co-responsibility levy, he said this was intolerably unfair in its application to the UK.

All but 0.8% of UK farmers would be unaffected compared with 17% who would be excluded from its effect in Germany and 27.5% in Italy. The UK would be paying 43.3% of the total levy as against 9.2% from France. If there were to be a levy, let it apply to all.

Margarine tax lunatic

As for the surpluses, the Commission's proposals were not good enough. Taxing margarine, for example, was 'lunatic'. The only answer was to get farmers to switch over to other productions – and, here, Mr Scott-Hopkins returned to his idea of a rural fund to achieve this aim.

Other committee spokesmen

For the consumer affairs committee, Peter Würtz (Ge, S) said he was in favour of a price freeze. Prices had been too high for too long.

For the development committee, Pierre Croze (Fr, L) called for a greater food aid effort, both to reduce surpluses and increase aid, especially to the poorest of the ACP.

'Very poor price review'

Such was Ralph Howell's opinion of Mr Gundelach's proposals. He pointed out that there had been an overproduction of milk of 10.8% in 1974, 12.2% in 1975, 14% in 1976 and 18% in 1978 and, according to estimates, there would be an overproduction of 34% in 1985. And the proposals before the House would do nothing to solve the problem. The answer was not a co-responsibility levy of questionable legality (how would it stand up in the Court of Justice, he asked) but a milk register to contain dairy output.

We can't go on over-producing like this

In reply, Commissioner Finn Gundelach agreed with Mr Scott-Hopkins in deploring Parliament's lack of control over the agricultural policy. He then went on to defend the Commission's proposals by returning to a familiar theme: the Community's agricultural production was increasing at a time when consumption was stagnating with the result that very expensive surpluses were accumulating.

He was amazed, he said, by what appeared to be a widespread willingness to ignore the facts of the market. There had, for example, been an increase in the surplus milk production of 3m tons in 1978; there were 1½ tons of EC sugar available for export; there were 600,000 tons of surplus rye, 250,000 tons of surplus butter and 600,000 tons of surplus skimmed milk powder.

To remedy this, the Commission was proposing a price freeze coupled with structural measures. Here he took issue with Mr Liogier's figures for farm incomes. These had gone up by 3.3% in real terms every year since 1968. Of course there were poor farmers in poor regions but the Commission was proposing special measures on their behalf along the lines of the 3,000m EUA (£2,024) aid for the Mediterranean region over the next five years.

Coupled with the price freeze was a completely remodelled co-responsibility levy whose key feature was that it would be variable. He accepted criticisms made of the Commission's proposals on this point and said he would go for a simpler basis.

As for mcas, it would be possible for these to be phased out more quickly if Member States wished. At the moment the plan was for a 5% devaluation of the green currencies in the UK and Italy and a 0.5% devaluation in Ireland. He said the United Kingdom had a reserve on this point.

In reply to Mr Howell's question about where the money from the co-responsibility levy would go, he said it would be used for the benefit of the industry. But he rejected Mr Howell's plea for production quotas. He saw them as part of a planned economy which he could not accept.

Uncommon CAP

Mark Hughes (UK) for the Socialist Group, said it was impossible to raise farm prices and cut surpluses at the same time. The Socialist Group would support an overall price freeze.

The Common Agricultural Policy, he went on, was neither common (prices differed from country to country, producer costs fluctuated dramatically), agricultural (it had failed to even out social imbalances, or keep consumer prices down), nor, indeed, a policy (national measures often contradicted Community provisions).

The Socialists would vote against the proposal for a margarine tax – margarine was an agricultural product just like butter.

Christian Democrat spokesman Isidor Früh (Ge) said that a key purpose of the CAP was to keep Europe independent of imported supplies, which could be cut off in the same way as oil: the need for self-sufficiency – even in animal feeds – spoke for encouraging Community production at the expense of imports. His group was broadly in favour of the Liogier proposals.

QUESTION TIME

Questions to the Commission

EC relations with India (Bob Edwards)

Roy Jenkins reported that the Commission recently started exploratory talks on a wider economic cooperation agreement with India that would also cover science and technology. It would soon be asking the Council for the go-ahead for full negotiations.

Open-door policy (Ib Stetter)

The Commission had asked the French Government to comment on its door approval procedure, Mr Brunner said, and the reply was that no discrimination was involved against imported doors, since the requirements were the same for all. The Commission was studying this reply and would be considering whether further action was necessary.

Answering questions (Michael Yeats)

About one in twenty written questions by Member of Parliament to the Commission was being answered within the agreed one-month period, Mr Yeats complained in a supplementary. Having already mentioned staff shortages, Roy Jenkins agreed that this ratio, if correct, was 'not good enough'.

Information campaign (Kai Nyborg)

The 40 speakers on the speaker's panel run by the EC's Copenhagen office are not information officers, Roy Jenkins said. They spoke on their own responsibility and were paid only expenses and, rarely, small fees. If two of the 40 were candidates in direct elections this did not necessarily imply political bias.

Whisky flood (John Corrie)

The two spirits with big sales outside the Community are whisky, bringing in 500m EUA a year, and cognac, accounting for 140m, Mr Gundelach said, telling Mr Corrie that the Commission saw a chance of progress in getting further barriers to the import of whisky into third countries removed. He could not give Mr Howell an assurance there would be no trade-off involving turkey meat imports to the EC.

Teaching languages (Sir Geoffrey de Freitas)

The Commission sent the Council a proposal on exchanges among school administrators, language teachers and teenagers last June, Mr Brunner said.

Farm prices

In the resumed debate on farm prices there was continuing criticism for varying reasons, of the Commission's proposals. Hans-Joachim Hoffmann (Ge, S) took issue with the idea of 'average' farm incomes: they varied in a ratio of 10 to 1 as one went from the North to the South of the Community.

'Completely unacceptable'

Michael Herbert (Ir, EPD), on the other hand, found the whole price package unacceptable. And why had the Commission made no reference to New Zealand butter imports or to cheap feed imports from the USA. Like several speakers, he thought the co-responsibility levy would fail. Surely the answer was to switch over from milk to beef?

Communist spokesman Giuseppe Vitale (It, CA) welcomed the Commission's idea of a price freeze but deplored the lack of any real strategy. And he reminded the House that 80% of the surpluses were produced on the prosperous farms.

Giosuè Ligios (It, CD), while agreeing on the need to reduce surpluses, thought that existing surpluses could be better managed. A price freeze was not the answer, he felt.

André Soury (Fr, CA) concurred: such a freeze would spell disaster for small farmers, especially in France.

Pierre Croze (Fr, L) suggested acting now to conclude long-term export contracts for farm products (eg. with China) to help deal with the surpluses problem.

'Why must politics always take priority over charity?' asked Patrick Power (Ir, EPD), who argued that better use could be made of surpluses by giving them to the world's needy. Lord Bruce of Donington (UK, S), referring to the British insistence on a price freeze, pointed out that the UK was a net contributor to the EC budget to the tune of 1,000m EUA a year.

Income gap

Mr Teun Tolman (Du, CD) said surpluses were better than deficits. But John Corrie (UK, EC) said we had 'no God-given right' to go on producing food which nobody wanted to eat. Whatever concern we felt about poor farmers, 'we can never close the income gap between the farmer with 2 hectares and the one with 400 hectares'.

Ireland, said Charles McDonald (Ir, CD), needed the CAP's intervention mechanisms for its farmers to survive.

The Conservatives, said Elaine Kellett-Bowman, would like to see Europe's small dairy producers supported by a 'rural fund' rather than by their larger and more efficient colleagues.

Georges Spénale (Fr, S) felt that, if mcas were to be phased out, farmers in strong currency countries should receive no price increases, while those in weak currency countries should get increases.

Liam Kavanagh (Ir, S) agreed that Ireland, with 25% of its population engaged in agriculture, had done particularly well out of the CAP. Like other speakers, he had his doubts about the milk co-responsibility levy.

Mr Albert Liogier and Mr Finn Gundelach replied briefly to the debate.

The House approved the motion in Mr Liogier's report, slightly amended.

Fisheries agreements

Mr Corrie's report (Doc. 7/79)

Asking the House to approve Commission proposals for fisheries agreements with Norway, Sweden and Canada, Mr John Corrie (UK, EC) took advantage of the opportunity to put a few questions to Commissioner Gundelach. These concerned the fact that the Community was not represented on the international whaling body; the fact that Norway was now able to fish for more mackerel in the Shetlands; and fishing in the Skagerrak.

In reply, Mr Gundelach agreed the EC should be represented on the International Whaling Commission; the increase in Norway's mackerel quota was apparent rather than real; and the allowing of herring fishing in the Skagerrak would have a minimal effect because no winter fishing was allowed.

Mr John Prescott (UK, S), endorsing Mr Corrie's report asked about tariffs on plaice from Iceland, currently at 15%.

In reply, Mr Gundelach said this was one matter that could be taken up at GATT where an agreement should be concluded within the next few weeks although it might be better to grant concessions on a quota basis. The only other speaker in the debate was Hans-Jürgen Klinker (Ge, CD) who drew attention to the continuing distress being caused by the lack of a common fisheries policy.

The House approved the motion.

Inshore fishing

Mr Corrie's report (Doc. 8/79)

Welcoming the Commission's proposals to help inshore fishermen, including an increase from 5 to 15m EUA (£3.4 to £10m) in this year's appropriations, Mr Corrie asked what he thought the chances were that this proposal could be accepted by the Council.

Mr Prescott asked whether areas like Humberside could stand to benefit from these measures.

In reply, Mr Gundelach said the aid was intended primarily for inshore fishermen and would go mainly to areas in Ireland, Scotland and the Mezzogiorno. But help might be available from the 70m EUA (£47m) set aside for individual policy projects under the 1978 farm price deal.

The House approved the motion.

EC-China relations

Lord Kennet's question (Doc. 661/78)

Lord Kennet (UK, S) asked Mr Jenkins about relations with China following his visit there.

In reply, Mr Jenkins said he thought there were great opportunities for increased EC exports to China, from, say, 10½ bn US \$ now to 25-30bn US \$ in 1985.

China, too, would want to export more, including non-ferrous metals, to Europe. China's modernisation could be the major economic event in the last quarter of the twentieth century: Mr Jenkins had frequently spoken of the need for a new stimulus to growth to get our economies moving again.

Mr Jenkins then made four points:

1. There would be a meeting between EC and Chinese officials on 3rd April.
2. There would be a Chinese business week in Brussels in 1980.
3. A major trade centre was to be opened in Peking.
4. The EC would help China with science, technology and a scholarship programme.

China was very interested in Europe, very well-informed and very open to Europe: all of which was in sharp contrast to the China of a few years ago.

Lord Bessborough (UK, EC) then put down a motion (for the CD, EC and Liberal groups) calling for a standing conference on EC-China relations.

Ruairi Brugha (Ir), EPD spokesman, welcomed developments in relations with China but had a warning about her bid to increase her textile imports to the EC. This deserved to be treated with caution.

Tam Dalyell (UK, S) asked if it were wise for Western mining firms to try to go? On greater Chinese exports, this hinged on textiles which was a sensitive point.

Maurice Dewulf (Be,CD) asked about agriculture: would it be covered?

In reply, Mr Jenkins told Mario Martinelli (It, CD) that China had been enthusiastic about a trade week. He hoped there might be an EC office in Peking in due course.

On textiles he had told the Chinese how sensitive this was. On the other hand the EC was likely to sell far more to China in the next few years than vice-versa.

There was scope for selling mining machinery in China. There were two million coal miners there, though productivity was low. The EC was hoping to sell some wheat to China but it was unlikely there would be much growth in this trade.

The House approved Lord Bessborough's motion after amendment.

Farm cost control

Mr Eberhard's question (Doc. 649/78)

In reply, Mr Gundelach said the Commission had made some studies into competition in agriculture and it had the power to see to it that firms did not take unfair advantage of their hold on the market. It was also looking into costs added to farm products after they left the farms (the farmer usually got no more than 30%).

Tomatoes

Mr Corrie's question (Doc. 654/78)

Mr Corrie complained the scheme for aid to tomato processors was encouraging weak concentrates rather than strong ones.

In reply, Mr Gundelach said the growers now had a minimum guarantee price for tomatoes on sale to processors. He agreed the present scheme, giving aid for pastes with a 28% - 30% dry matter content, was working to the benefit of lower quality pastes. He would rectify this within the next few days to stimulate the production of better quality tomato pastes.

THURSDAY 15th March 1979

European Council in Paris

Council and Commission statements

Mr Damseaux's question (Doc. 655/78)

Mr Mascagni's question (Doc. 656/78)

In his statement to the House this morning on the European Council meeting in Paris on Monday and Tuesday of this week, French Foreign Minister and Council President, Jean François-Poncet turned first to the question of the European Monetary System.

Reminding the House that EMS had entered into force on 13th March, Mr François-Poncet described it as 'a truly major event in the life of the Community'. Its central feature, the ECU, was a 'major innovation' and was a first step towards a common European currency. He hoped the UK would be able to join the system soon.

Budget

The European Council had not discussed the question of the 1979 budget, the President said. However, a 'Budget Council' would be examining the issue on 20th March, and he hoped a solution could be found on the basis of the Commission's new proposals.

Economic situation

The European Council had begun its meeting by considering the economic and social situation in the Community. While looking forward to enhanced economic growth in 1979, lower inflation and improvements in the balance of payments situation, the Council feared that the employment situation would remain a matter of concern.

The heads of government felt stress should be placed on combatting youth unemployment, restricting overtime and improving job chances for women. More effective use should also be made of the EC's Social Fund. The overall economic situation should be helped by the setting up of EMS, which would aid efforts towards greater economic convergence within the Community.

Agriculture

In discussing the CAP, the Council had reaffirmed its commitment to the policy while recognising its shortcomings. It had advocated a price policy 'suited to the circumstances' and more emphasis on structural policy, especially in the poorer regions.

Energy

The Council had set as its aim in the energy sector limiting oil imports in 1985 to the 1978 levels. By then, reliance on energy imports should be down to 50% (63% in 1973). Achieving this aim would require further development of indigenous hydrocarbon resources, increased use of solar and geothermal energy and a strengthening of the nuclear energy programme.

The heads of government also called for total EC oil consumption in 1979 to be kept down to 500m tonnes. Reduction in consumption should be comparable in all Member States, and greater efforts made to achieve a convergence of energy policies. This would involve, inter alia, stepping up the dialogue on energy problems at international level. The Council hoped that the US and Japan would match the Community's efforts.

Dialogue

President Giscard d'Estaing had proposed the holding of a meeting between the European, African and Arab states: these groupings were economically complementary and shared a 'will to independence'. The heads of government had approved this initiative, Mr François-Poncet said.

Tripartite Conference

For the Commission, President Roy Jenkins also began by welcoming implementation of the EMS. But its success, he said, would depend partly on progress in achieving greater economic convergence.

Two other key points discussed at the Paris meeting, Mr Jenkins said, had been unemployment - here he stressed the importance of the Tripartite Conference - and the commitment to reduce energy consumption. He hoped this would be a step towards the creation of a common energy policy 'which we need in good times as well as bad times'.

On agriculture, Mr Jenkins said the Commission's latest proposals, submitted to Parliament yesterday, were a step towards achieving the aims espoused by the European Council.

EMS prospects

André Damseaux (Be) for the Liberal Group, then introduced his question on the wider and longer term prospects for EMS - particularly its role as precursor of full monetary union in the Community.

Socialist spokesman Edgard Pisani (Fr) said that the European Council meetings should not be allowed to usurp the decision-making role of normal Council of Ministers' meetings. Turning to EMS, he hoped the UK would soon find itself able to join the system 'for its own good and for that of the Community'. For the Socialists, the question of unemployment was central, and EMS would be judged, in part, by the contribution it made to producing an economic climate conducive to the creation of new jobs.

As regards energy, Europe was 'the most threatened continent in the world'; more use should be made of Europe's coal, Mr Pisani thought. That said, he welcomed the Council's outline for an energy policy. The CAP was in need of overhaul, he went on. This did not mean questioning the principle of the policy, but reviewing its practice. As it stood, it was losing its credibility. One possibility might be to adopt a more flexible approach based on different groups of products.

Alfred Bertrand, for the Christian Democrats, agreed with 80% of Mr Pisani's speech: if his views were those of his group, he would have little fear for the future of Europe.

The European Council had on the whole proved its worth, though the Treaty had not been changed to accommodate it. But some were using it for the purposes of domestic electioneering, which was regrettable.

Europe was vulnerable because it was short of energy. And here he wanted to know what was to become of the Euro-Arab dialogue.

He also wanted further details about the European Council's plans for agriculture. How far was the Council prepared to go along with Mr Callaghan's demands for a complete review of the CAP, for example?

Like earlier speakers, Jean-François Pintat (Fr), for the Liberals, hoped that the UK would soon join the EMS. That said, his group welcomed the decisions taken particularly as regards mcas.

Energy

'Energy is for Europe what oxygen is for the human body' Mr Pintat said, welcoming the initiatives on energy taken in Paris. Further development of nuclear power and alternative energy sources was vital, he thought. But a

Community energy policy, to be successful, had to be something more than the mere sum of national policies.

Mr Charles Fletcher-Cooke (UK), for the Conservatives, pointed out that the UK had in fact acceded to most parts of the EMS - the UK had made its reserves available to the system, for example. 'Britain already has one foot over the door's threshold', Mr Fletcher-Cooke said and he hoped the other foot would follow shortly.

Unfair

The CAP, he went on, had undeniable merits, but it was 'unfair' to some Member States and would ultimately fail unless corrections were made.

Communist spokesman Renato Sandri (It) was doubtful about the French President's proposal for a 'trialogue' between the EC, Africa and the Arab states - the Community should cooperate with all parts of the third world, he felt.

Ruairi Brugha (Ir), for the EPD group, said he was glad the EMS had been 'relegated to the realms of lost ambitions?' Ireland, he said, regarded the system as a challenge; he regretted the fact that the UK was not, as yet, a full participant.

Danish independent Ib Christensen would have preferred a looser form of monetary cooperation than EMS. More priority, he thought, should be given for combatting unemployment.

In other interventions, French Communist member Jaques Eberhard expressed fears that the EMS would lead to German dominance of the Community. Mr Noé spoke of the contribution of nuclear energy to the energy supplies. On the same point, Mr Gert Petersen insisted that the European Council could not dictate to Denmark what its nuclear policy should be. He was, moreover, sceptical about the Council's plans for combatting unemployment - the same remedies had failed in the past, why should they succeed now?

Poor continent

Vice-President Ortoli, for the Commission, said he thought EMS would force Member States to make greater efforts to converge their economic policies - this was a technical, but also a political, necessity. Europe was not a rich continent, he said, but a poor one forced to export to make its living and to be able to afford the energy on which its livelihood depended.

The success of EMS would now depend on our economic success, Mr Ortoli said. Progress had been made as regards economic convergence, the figures made this clear.

Council President, Jean François-Poncet said the European Council had a triple vote: that of initiating, providing new impulses and resolving deadlocks which had arisen in the normal Council.

On EMS, the President expressed optimism that the system would meet the expectation placed in it. A zone of monetary stability was one of the pre-conditions for combatting inflation, maintaining economic growth and reducing unemployment, he said.

QUESTION TIME

Questions to the Council and to the Foreign Ministers of the Nine

Parliament's seat (Piet Dankert, Ludwig Fellermaier, Schelto Patijn, Manfred Schmidt, Horst Seefeld, Peter Würtz).

Eight questions on the seat of the European Parliament were waiting for Mr Pierre Bernard-Reymond, Minister of State in the French Foreign Affairs Ministry, today when he took the floor, first as acting President of the Council and later as spokesman for the Foreign Ministers of the Nine.

His main message was that, given the lack of accord among the Nine governments on the final seat, it was up to the countries with obligations under the existing provisional arrangements to get on with providing adequate facilities, even if this meant duplication of effort in Luxembourg and Strasbourg.

After giving answers in this sense, wearing his Council hat, to Mr Schmidt and Mr Würtz, Mr Bernard-Reymond told Mr Fellermaier he could not reply to his question about a newspaper report saying France and Luxembourg were negotiating about the Parliament seat since this matter was not within the competence of 'the Foreign Ministers meeting in political cooperation'.

There was controversy about this position, which affected another five questions which had been tabled, by Mr Dankert, Mr Fellermaier, Mr Patijn, Mr Schmidt and Mr Seefeld.

Earlier, in a supplementary to Mr Würtz's question, Sir Brandon Rhys Williams had asked if France and Luxembourg would not get together and agree 'which will abdicate and on what terms'. Mr Bernard-Reymond said he would transmit this idea to the interested parties both in the Council and in the states concerned.

Number of Council meetings (Horst Seefeld)

The French Presidency has not been dilatory about convening Council meetings, Mr Bernard-Reymond said. The number arranged was about the same as when other countries had been in the chair. Asked by Osborn if this was still enough, given the problems outstanding, he added that it was not enough to hold a meeting to solve a problem.

EC at international summits

Question to Commission (Doc. 650/78) and Foreign Ministers (Doc. 651/78) by Italian Christian Democrat Members.

Luigi Granelli was concerned that it might be undermining the Community for some EC heads of state to attend international summits when others do not.

In reply, Council President Pierre Bernard-Reymond reminded the House of the ongoing political cooperation between the Nine and of the channels of communication between them.

For the Commission, Vice-President François-Xavier Ortoli reminded the House of the role played by the Community institutions at conferences of industrialised nations.

Common industrial policy

Mr Ansquer's question (Doc. 589/78)

On behalf of the EPD Group, Vincent Ansquer asked the Council to look into the possibilities of setting up a CIP (common industrial policy) along the lines of the CAP, i.e. a single market, Community preference, financial solidarity, etc.

Thomas Nolan (Ir, EPD) endorsed his colleague's remarks.

In reply, Mr Bernard-Reymond said he shared the concern expressed but could not agree that the Community had no policy bearing on industry. He referred to the anti-crisis plan for steel, its policy on textiles, its common rules for competition and the development of its common market.

The EC had not been indifferent to the fate of such sectors as shipbuilding and footwear. And it had sought to promote cooperation in data-processing and aeronautical engineering.

He doubted, however, whether one should attempt to go too far in transposing the rules of the Common Agricultural Policy to industry at large.

FRIDAY 16th March 1979

Budget for 1980

Introducing Parliament's budget policy guidelines for 1980, Mr Bangemann stressed that, while not wishing to bind the directly-elected Parliament, work on the 1980 budget had to start now. (Mr Bangemann, if directly elected, may be EP rapporteur for the 1980 budget.)

The guidelines for 1980 were divided into three sections: general problems of budgetary and financial policy (including the call for the budgetization of loans and EDF aid); institutional questions (including the call for an early start to conciliation between Parliament and Council; and sectoral guidelines (including special help for the steel sector).

Lord Bruce, for the Socialists, spoke of the case for 'putting the squeeze' on CAP spending. Only when the Community was ready to 'progress beyond the narrow confines of the farmyard' would there be a case for increasing the Community budget, which was at present financing the storage of surplus foods to the tune of 1,500m EUA annually.

Describing the 1980 guidelines as 'low-profile', Communist spokesman Altiero Spinelli spoke of avoiding a repetition of the deadlock between Parliament and Council that occurred in respect of the 1979 budget - why had the Bangemann report not raised this point? And why, in talking about sectoral guidelines, did the report make no criticisms of inadequate budgetary provisions in many such sectors in this year's budget.

Mr Camillo Ripamonti saw the Community's budget as an indication of its political will, or lack of it.

Sir Brandon Rhys Williams called for an end to restrictions on the export of capital from the UK, which could make London a real European money centre.

For the Commission, Mr Guido Brunner said he welcomed many of Mr Bangemann's suggestions - e.g. budgetization of loans and EDF, greater use of the EUA as an accounting unit. He hoped import levies on steel could be used to contribute directly to financing the ECSC budget.

The House approved the motion after amendment.

Budget rules

Mr Lange's motion (Doc. 682/78)

Erwin Lange (Ge, S), budgets committee chairman, tabled a motion arguing that whatever arrangements the Council may decide for its own internal procedure, under Rome Treaty article 203 (the budget article), these arrangements must not affect Council's relations with Parliament.

For the Socialists, Lord Bruce (UK) endorsed the motion. French Communist spokesman Jacques Eberhard (Fr), on the other hand, found it quite unacceptable, a view not shared by his Italian colleague Altiero Spinelli.

The House approved the motion.

Thermonuclear fusion

Mr Noè's report (Doc. 581/78)

The Commission is proposing a five-year research programme into nuclear fusion (involving construction of the JET device in Culham and associated activities). This will cost the EC some 150m EUA (£100m).

Reporting for Parliament's energy committee, Mr Luigi Noè (It, CD) welcomed the programme and called on the Council to approve it forthwith.

In reply, Commissioner Brunner said the Commission intended to keep its options open which included research into laser fusion. Fusion would give mankind a new energy source, and in working towards its achievement the EC remained willing to cooperate with third countries.

The House approved the motion with amendment.

Seizure of books

Italian Communists' question to the Commission (Doc. 660/78)

Further to a question put at Question Time in February, Altiero Spinelli and his colleagues sought further clarification about the seizure by German customs authorities last October at the German-Swiss frontier of several copies of two books intended for exhibition at the Frankfurt book fair.

In reply, Mr Brunner described the incident as 'relatively minor'. Investigations had shown that the customs official concerned had acted correctly, if somewhat unfortunately.

Saving energy

Mr Lambert's report (Doc. 671/78)

To help those who want to save energy, the Commission is proposing more information be made available about domestic appliances. The idea is that if the housewife is thinking of buying a cooker, she will be able to study a label on each of the different makes telling how much energy the cooker

uses. Energy committee rapporteur Johannes Lamberts (Du, S) asked the House to approve the proposal subject to amendment.

John Osborn (UK), for the European Conservatives, welcomed the bid to measure energy consumption.

The House approved the motion.

Nuclear power stations

Mr Vandewiele's question (Doc. 657/78)

Mr Hans-Werner Müller (Ge, CD) raised the question of the two nuclear power stations France is building close to its border with Belgium and Luxembourg/Germany. He wanted to know what information the Commission had with regard to France's policy on siting such complexes close to EC frontiers.

In reply, Mr Brunner said the Commission had made proposals and would continue to press for agreement at Council level.

Food aid

Mr Lezzi's report (Doc. 669/78)

Development committee rapporteur Pietro Lezzi (It, S) welcomed a Commission proposal for a regulation on the management of food aid but regretted that the Commission had failed to take Parliament's own views (see Doc. 414/78) into account.

For the budgets committee, Erwin Lange (Ge, S) urged that food aid have its own proper place in the budget. Mrs Gwyneth Dunwoody (UK, S) deplored delays in the provision of food aid. When food was needed, it was needed at once. Food aid was, furthermore, a matter the European Parliament ought to be far more concerned with.

In reply, Mr Brunner agreed the EC's approach to food aid needed reappraising. He agreed it needed to be in its own section of the EC budget.

The House approved the motion with amendment.

Hijacking

Mr Fletcher-Cooke's report (Doc. 663/78)

In a motion on hijacking, Charles Fletcher-Cooke (UK, EC), for the political committee, called on member governments to subscribe to the commitments entered into at last summer's Bonn summit. These include the pledge by the seven participating nations to cancel all flights to any country refusing to extradite or prosecute hijackers or return hijacked aircraft.

Mr Brunner said the Commission gave the motion some reserved support.

The House approved the motion slightly amended.

Human rights in Iran

Liberal, CD and Conservative motion (Doc. 5/79)

Mr Martin Bangemann (Ge, L) introduced the motion, which expressed grave concern at the summary trial and executions taking place in Iran.

Mrs Gwyneth Dunwoody (UK, S) drew special attention to the position of women in Iran.

Mr Hans-Edgar Jahn (Ge, CD) said between 50 and 69 people had now been executed without proper trial.

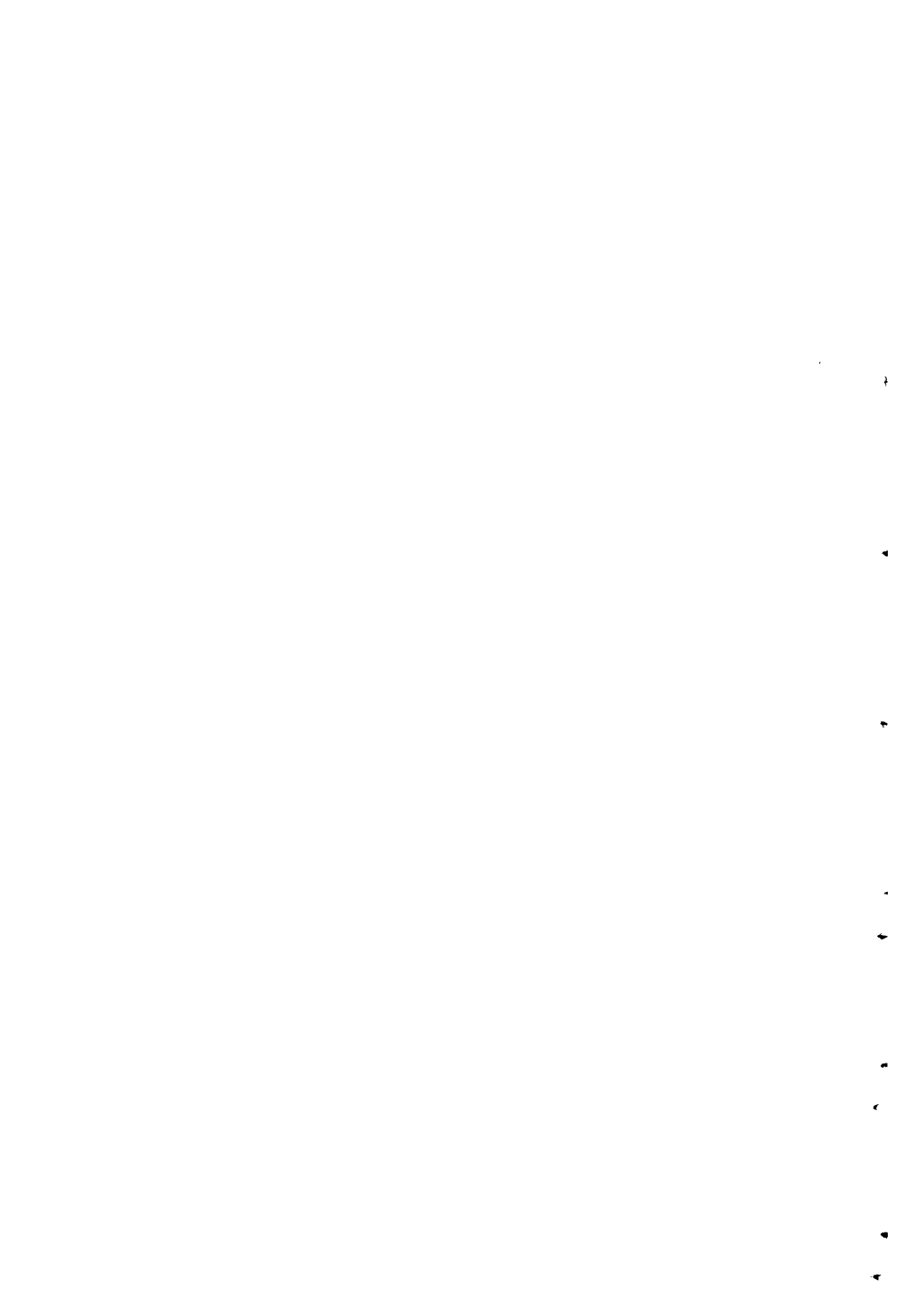
Mr Fletcher-Cooke said the new Iranian régime was clearly 'out of control'.

Commissioner Brunner agreed that the Community must make its protests heard.

The House approved the motion.

Safe containers

Mr Albers' report (Doc. 640/78) on safety norms for containers was approved by the House.



RESOLUTIONS ADOPTED IN MARCH 1979

Parliament gave its unqualified approval to five Commission proposals

- Inshore fishing industry (Doc. 8/79)
- Disaster-stricken communes in Italy (Doc. 610/78)
- Moroccan Wines (Doc. 614/78)
- Market in oils and fats (Doc. 631/78)
- International Convention for Safe Containers (Doc. 640/78)

Parliament gave its qualified approval to one Commission proposal

Fisheries - Norway, Canada and Sweden by Mr Corrie (Doc. 7/79)

The EP considered that the licensing of Norwegian vessels should be extended to all Community fishing zones, but expressed concern at the increased pressure on mackerel stocks resulting from Norway's shrimp quota being reduced; it asked that the fishing for Norway put in the vicinity of Shetland be forbidden and requested that the Commission draw up a report on the mink whale fisheries.

Parliament called for amendments to six Commission proposals

Seventh Directive on turnover taxes by Mr Notenboom (Doc. 647/78)

The EP proposed various amendments, in particular

- calling for a more flexible system for the calculation of the taxable amount; and
- exempting original works of art, collectors' items and antiques from tax on importation.

Financial Regulation of 21 December 1977 by Mr Shaw (Doc. 642/78)

The EP proposed amendments to Art. 1 and called for conciliation to be commenced by 30.4.79 on the issue of the indicative nature of figures shown in programme decisions on research and investment and the appropriate provisions in regard to the authorization of borrowing and lending operations.

Agricultural prices by Mr Liogier (Doc. 675/78)

The EP called for a price increase of at least 3%; this would compensate for the dismantling of MCA's, which it believed could reasonably be brought about in 4 years. It called for an immediate review of the method of calculating MCA's and invited the Commission to state its medium and long-term aims for the future development of the common agricultural policy. It commented on the proposals concerning the various agricultural sectors and finally called upon the Commission to review its proposals.

Thermonuclear fusion by Mr Noè (Doc. 581/78)

The EP considered it irresponsible to delay further the implementation of the proposed programme on which the success of JET depends; it proposed a number of amendments concerning the estimated cost of the project, its duration and the date by which a review proposal should be submitted to Parliament.

Indication of energy consumption of domestic appliances by Mr Lamberts (Doc. 671/78)

The EP feared that an indication of consumption in kwh might not be sufficiently comprehensible to the ordinary consumer and called on the Commission to consider some other, ampler and clearer form of information for future directives. In its amendments it proposed that Member States must comply with the directive within 2 years (Art. 2) and that it should be compulsory for Member States to introduce the obligation to attach labels (Art. 3).

Food aid by Mr Lezzi (Doc. 669/78)

The EP proposed that the legal basis should be Art. 235 only, as this would stress that food aid is non-compulsory expenditure; it also proposed amendments to Arts. 7 and 8 insisting that the Commission has the last word in food aid and that the Committee on Food Aid should be advisory only.

Parliament also adopted ten other resolutions

Formation and protection of savings by Mr Damseaux (Doc. 662/78)

The EP considered that indexation of savings might involve re-launching inflation; it therefore asked the Commission to consider other arrangements for protecting returns on savings and called on it to establish at Community level better protection for the smaller saver.

Adapting Parliament's Rules of Procedure to the Act of 20.9.76 by Mr Yeats (Doc. 667/78)

The EP adopted the necessary formal adaptations of its Rules of Procedure to the Act of 20.9.76

Accession of Greece to the Community by Mr Amadei (Doc. 670/78)

The EP welcomed the prospect of Greece becoming a full member by 1.1.81 at the latest; it considered it necessary to provide for a transitional period of at least five years, longer for certain sensitive sectors or certain products; it asked that immediate aid be granted for the profound structural reforms needed in Greek agriculture and called for appropriate measures to assist the Mediterranean regions of the present Community.

Recommendation from the EEC-Turkey Joint Parliamentary Committee by Mr van Aerssen (Doc. 644/78)

The EP approved the Joint Committee's Recommendation and commented on the review of the Association, Turkey's current economic difficulties and certain political questions of common interest.

Draft supplementary estimates No 1 of the European Parliament for 1979 by Mr Ripamonti (Doc. 641/78)

The EP adopted its supplementary estimates No 1 for 1979 at 30,630,995 EUA and added to its establishment plan 107 permanent posts and 2 temporary posts, together with 188 blocked posts (including 3 deputy directors-general), to be released by the directly elected Parliament.

EEC/China relations by Mr Martinelli, Lord Bessborough and Mr Berkhouwer (Doc. 6/79)

The EP called on the Community to develop a system for long-term cooperation with China; it proposed the establishment of a Standing Conference on EC/China relations, and requested the Commission to set up a joint committee of experts to tackle economic problems and to appoint a Community delegation to China.

Budgetary guidelines for 1980 by Mr Bangemann (Doc. 672/78)

The EP called for the Community's borrowing and lending operations to be entered in the general budget in the form of a capital account budget; budgetization of the EDF; greater permeability between the finances of the ECSC and the general budget; strengthening of the Community's financial autonomy; better balance between agricultural expenditure and other appropriations.

Article 203 of the EEC Treaty (Doc. 682/78)

The EP declared that it had no objections to internal rules for one part of the budgetary authority on the application of Art. 203 of the EEC Treaty; it could not, however, agree to any unilateral fixing of procedures under Art. 203 which, through its external repercussions, would undermine the powers of the other part of the budgetary authority.

Hijacking by Mr Fletcher-Cooke (Doc. 663/78)

The EP repeated its condemnation of terrorism; it expected all the Member States to subscribe to the statement on hijacking made by the 'Seven' in Bonn on 17.7.78 and asked the Foreign Ministers to keep it informed regularly of the progress in this matter.

Human rights in Iran by Mr Berkhouwer, Mr Klepsch and Mr Rippon (Doc. 5/79)

The EP called on the Foreign Ministers to make clear to the Iranian authorities the grave harm to the international standing of the new Iranian Government if the present excesses continue, bearing in mind that the Iranian revolution was in theory directed against the violation of human rights practised by the previous regime.

In Memoriam

On Friday 16th March, the European Parliament learned with very great regret of the death of Jean Monnet. He was 90.

Jean Monnet was the author of the Schuman Plan which was launched on 9th May 1950 and which led to the foundation of the European Coal and Steel Community (ECSC) in 1952. He served as President of the ECSC's High Authority in 1952 before going on to chair the Action Committee for the United States of Europe, an office he held from 1955 to 1975.

Flags on all European Community buildings are flying at half-mast.

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