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10

october 1977

## THE SITTINGS

LUXEMBOURG, 10th – 14th OCTOBER 1977

### THE WEEK

On December 16th last year the European Parliament, acting within its powers under Rome Treaty Article 203, decided to include an appropriation for helping non-associated developing countries in the Community's budget for 1977. The sum was modest, the purpose reasonable. Parliament accordingly waited for the money to be used. But this week, on enquiring of the Commission if this item in the budget had been executed, Parliament learned that the expenditure hinged on a Council decision. Until it was forthcoming, there would be no legal base for spending money under this head (Article 930 of the budget).

Parliament's budgetary experts — Martin Bangemann, Lord Bruce, Michel Cointat, Erwin Lange, Heinrich Aigner and Michael Shaw, for example — were somewhat taken aback to hear Commissioner Christopher Tugendhat argue that Parliament's powers were not open to question but that the budget did not always suffice as a legal base for action. The reaction was unanimous : this point must be cleared up soon. As Michael Shaw, rapporteur for the 1978 budget, said : 'We must try to get the practice, and indeed the law, both clarified and improved ... there is an urgent need to define the word "implementation" much more clearly.'

Leaving aside Parliament's budgetary powers, there was concern this week over Parliament's powers of control too. In July 1973 the Commission began making regular statements to the House on the action it had taken further to Parliament's resolutions, many of which call for changes in Commission proposals. It was therefore a cause for concern when it was announced on Monday that the Commission had no statement to make this week. Georges Spénale stressed the importance of such statements to Parliament in

enabling it to exercise its power of control. As Sir Geoffrey de Freitas said : 'May I ask the Commissioner whether he will convey to his colleagues the restrained but very critical temper of Parliament this afternoon ... surely we can get better service from our friends and colleagues at the Commission.'

Powers apart, the week's major debate concerned the enlargement of the Communities, particularly to include Greece, Portugal and Spain. Here the House was virtually unanimous in welcoming the prospect. Although many speakers recognized that there would be problems, several quoted the late Anthony Crosland, who once said that the political benefits outweighed all the practical difficulties. And many saw enlargement as an opportunity to strengthen, not weaken, the Community. Geoffrey Rippon was firm on this point : 'I repudiate any argument to the effect that enlargement is to be welcomed because it will dilute the Community,' he said.

The other main debate concerned the regional fund, now up for renewal. The Commission's plans for the fund's future were strongly criticised. Mr Michael Herbert said : 'While the fund has not been a total failure, neither has it been a success. The gap between the poorer and richer regions has widened over the past two and a half years; the very high level of unemployment still exists and emigration continues to take place. The Regional Fund was supposed indeed to help solve all these problems in the past two and a half years; it has not even kept them under control. This is very easy to understand if you look at the fund in terms of the transfer of resources. A mere 40 per cent of the fund represents the net transfer from the richer to the poorer regions; the other 60 per cent is merely a recycling of resources within the Member States.

Looking at the Regional Fund in this light, it is clear that a lot of improvement is needed. Unfortunately in putting forward its guidelines for Community regional policy the Commission has failed to grasp this situation.'

**MONDAY, 10th October 1977**

The President informed the House that the Commission had no statement on action on Parliament's advice. This announcement caused concern.

### **Railway costing**

Commission's proposal for common rules in railway costing (Doc. 214/77)

Mr Osborn's report (Doc. 287/77). Motion approving Commission proposals agreed to without amendment.

Speaking for his colleague Mr Osborn (Br,EC), Mr Evans (Br,S) asked the House to approve Commission proposals to introduce common criteria for costing goods traffic operations on the Community's railway networks. One immediate advantage of this will be to facilitate the allocation of revenue shares as between railways in international freight operations. Mr Burke, for the Commission, thanked the House for its support.

### **Social Fund**

Commission proposals (Doc. 313/77) on extending the scope of the Social Fund

Mr Adam's report (Doc. 314/77)

Motion approving Commission proposals agreed to.

Last March the Commission submitted a review of the rules governing the tasks and operations of the European Social Fund, originally set up under Article 123 of the Rome Treaty to 'improve employment opportunities' for Community workers. Most Social Fund help – which, in 1977, amounts to 617 MUA (257m pounds) – goes towards financing job retraining schemes.

In its review the Commission singled out a number of areas in which it felt the Fund's scope should be extended. Social Affairs Committee rapporteur Rudi Adams (Ge,S) tonight asked Parliament to approve two Commission proposals aimed at doing precisely that.

The first concerns help for women wanting to return to work. There are at present some 2.2 million women in the Community who are out of work – 39 per cent of total unemployed. The Commission is proposing that assistance be given to job retraining schemes for women aged over 25, and to help train vocational guidance counsellors for women. This, the Commission believes, will cost around 8 MUA (3.3m pounds) over the next three years (until 1980) – though Mr Adams doubts that this will be enough and wants an undertaking that more money will be made available if the need arises.

The second proposal lists five areas of the Community deemed to have 'particularly serious and prolonged' unemployment problems. These are: Greenland, the French Overseas Departments (Martinique, Guadeloupe, Réunion and Guiana), Ireland, Northern Ireland and Italy's Mezzogiorno. At present, all projects are financed fifty-fifty by the Commission and the national authority responsible for the project concerned. In future, however, the Fund will pay for 55 per cent of the cost of schemes in these areas.

Reaction from the floor of the House was positive, if at times less than enthusiastic. Gwyneth Dunwoody (Br), for the Socialist Group, described the help for women as a 'drop in the ocean', and other speakers agreed. But there was less agreement about the age women should be to benefit: Communists and European Progressive Democrats wanted 18 or 20, and Elaine Kellett-Bowman, for the European Conservatives preferred 35.

Commissioner Henk Vredeling, replying, said women nowadays tended to return to work younger after starting their families. Hence 25 in the proposal. As for the adequacy of the funds, the Commission could only spend as much as the national authorities spent. And experience had shown that that often wasn't much.

### **Widening waterways**

Mr Cousté's question about Community help to finance the widening of waterways (Doc. 260/77)

Mr Burke replied that Commission proposals are now before the Council

In reply to a question from Mr Cousté (Fr) and Mr Bouquerel (Fr) for the European Progressive Democrats, about Community help towards financing the widening of waterways, Mr Burke said that the Commission had made proposals for a Community regulation to this effect but that he could say little more until

such time as the Council took a decision about it. He recognized the value of the Rhine-Rhône link (now envisaged by means of a canal between the Rhine and the Doubs, a navigable subsidiary of the Saône) but felt unable to comment on other projects such as the Seine-Est and Seine-Nord links. Although both Mr Cousté and Mr Bouquerel argued the cost-effectiveness of the investment involved, Mr De Clercq had his doubts. He was also concerned about the impact on the boatmen's livelihood of the proposed Rhine-Main-Danube link. Mr Müller-Hermann (Ge,CD), for his part, looked for a definition of 'Community interest'.

In a supplementary question Mr Cousté asked whether there were any entry in the budget to cover expenditure of this kind, for he appreciated the limits to which European Investment Bank and Regional Fund interventions were subject. Mr Burke said there was a token entry.

## **TUESDAY, 11th October 1977**

The House decided the following items should be treated as urgent: a motion on the enlargement of the Community (to be taken on Wednesday instead of the oral question on this point) (Doc. 323/77); a motion on the recent floods in North-West Italy (to be taken on Thursday) (Doc. 324/77); an oral question on negotiations with the Soviet Union on fisheries (to be taken with the other oral question on fisheries on Wednesday) (Doc. 325/77); Mr Notenboom's report on introducing VAT (to be taken on Thursday) (Doc. 274/77).

### **Generalised preferences**

Commission's generalised tariff preferences proposals for 1978 (Doc. 245/77)

Miss Flesch's report (Doc. 302/77)

Motion approving Commission proposals agreed to.

As in previous years the Commission is now making proposals for the review of the generalised preferences scheme first introduced by the Community on July 1st 1971. The benefits of the scheme are extended to all the Group of 77 countries (actually 114 in September 1976) regarded as still being in the throes

of development i.e. that have not reached the economic take-off point when their economic momentum becomes self-generating. The scheme is part, a very important part, of the Community's overall development policy and has, over the years, represented a substantial sacrifice of Community customs revenue. (304m EUA or 127m pounds for 1978, eg.). This year the Commission is adopting a cautious approach, particularly on sensitive imports like textiles, iron and steel products, petroleum products, footwear, wood and plywood. In the case of these products, the 'ceilings' will remain unchanged. Even so, the total value of the scheme amounts to 6,400m EUA, an increase of 2.5 per cent on the 1977 figure of 6,230m ua (in itself a 39 per cent increase over 1976).

Miss Colette Flesch (Lu,L) asked the House to approve the proposals although both she, as rapporteur for the Committee on Development and Cooperation, and subsequent speakers for other committees and for the Political Groups, all had a few hard words to say about the way the scheme is working out. At the close of the debate Mr Wilhelm Haferkamp, Vice-President of the Commission, said he would take all the observations of the House into account.

Parliament's criticisms, as expressed in the debate, concern (1) the list of beneficiary states : Mr Ralph Howell (Br,EC) wanted to know why Rumania was on the list, for example, and Albania not? Kuwait, he pointed out, was on the list too. It was illogical to the point of being meaningless. (2) the extent to which the beneficiary states are taking advantage of the scheme. The statistic that impressed many Members was the figure of 60 per cent, representing the extent to which the scheme was being made use of. Here Communist spokesman Mr Renato Sandri (It,CA) pointed out that five countries were gaining 50 per cent of the benefits of the scheme and 10 countries together about 70 per cent. (3) the fact that the countries most in need of help got the least benefit from the scheme, a point made with some force by Mr Jan Broeks (Du,S). (4) the complexity of the scheme itself which might explain why it was not made full use of, a point made by nearly all speakers (5) the fact that other developed countries were doing less to help the developing countries than the Community – and there were several references to Japan here – and Mr Sandri reminded the House that the USA limits the benefits of the scheme to exclude countries liable to set up cartels or introduce nationalisations (6) the need to remember the Lomé countries and maintain a difference in degree of benefits extended, a point made by Mr Pierre-Bernard Cousté (Fr,EPD) and John Corrie (Br,EC) who drew attention to the anomalous position of Turkey which, although associated, was actually benefiting less.

These criticisms apart, there was sympathy for the Commission's predicament in the present-day climate. Mr Mario Martinelli (It,CD) and Mr Martin Bangemann (Ge,L), among others, said the Community had no choice but to look to its own sensitive industries. Though Mr Bangemann did suggest that some room should be made for the manufactures of the developing countries as part of a Community restructurization policy. In sum Parliament supported the Commission's bid to reconcile what Lord Ardwick (Br,S) described as four parallel aims : protecting our own industries, finding jobs for our unemployed, fulfilling our moral obligations to the developing countries and, at the same time, maintaining our own exports. The Community was the world's biggest exporter, he emphasized and thus had every interest in maintaining free trade.

In reply Mr Haferkamp promised a thorough review of the list of beneficiary states but advised the House that this would be a medium to long-term operation. Meanwhile, he reminded the House, the scheme did affect 80 per cent of the population of the developing countries.

### **Agreement with Lebanon**

Commission's proposal for a cooperation agreement with Lebanon (Doc. 304/77)

Mr Martinelli's report (Doc. 312/77). Motion calling for early ratification of the agreement agreed to.

On 3rd May 1977 the Community signed an agreement providing for economic and technical cooperation with Lebanon within the context of its Southern Mediterranean policy. The agreement is to extend to 31st October 1981 and to be backed up by loans and grants totalling 30m EUA.

The House felt that assistance towards the reconstruction of Lebanon after two years of civil war should be the Community's first priority and called for the granting of Lebanon's request for 100m EUA for this purpose. In reply Commissioner Wilhelm Haferkamp expressed the hope that national governments would press the Council to ratify the agreement. Concerning the provision of a Commission delegation in Lebanon the Commissioner said he was at present considering ways of optimising Community representation abroad.

*At 3.00 p.m.*

## QUESTION TIME

### QUESTIONS TO THE COMMISSION

#### *Green currency system (Ralph Howell)*

Commissioner Richard Burke told the House that the complete elimination of the system of 'green currencies' was unlikely so long as monetary instability persisted. But the Commission would be putting forward proposals to reduce the size of the monetary compensatory amounts involved.

#### *Customs remission on citrus imports from Israel (Erik Blumenfeld)*

The Commission had already made proposals to implement an 80 per cent customs tariff reduction on imports of Israeli oranges and lemons, Mr Burke told the House. It was now awaiting a decision by Council.

#### *Tachographs (John Osborn)*

Britain, Ireland and Denmark are required to legislate on the compulsory fitting of tachographs ('the spy in the cab') to lorries by the end of this year. Neither the UK nor Ireland will meet this deadline, and Commissioner Burke told the House that no derogations had been or would be granted. He admitted it could become necessary to take these countries to court if they failed to comply.

#### *Trade with Japan (Willie Hamilton)*

Commissioner Wilhelm Haferkamp confirmed that the Community's trade deficit with Japan was likely to be \$5 billion. Trade figures should not however be the sole criterion for determining trade policy, he said. He agreed with Tam Dalyell (Br,S) that President Jenkins could usefully make a detailed statement on the visit he is at present undertaking in Japan.

## *Protection of workers against vinyl chloride monomers (Protogene Veronesi)*

Protogene Veronesi (It,CA) was not satisfied with Commissioner Henk Vredeling's assurance that the Commission was following technical progress made in the field of protection of workers against vinyl chloride monomers. The USA had stringent control measures.

### **Voting**

The House agreed, without amendment, to the motions contained in the following reports :

- Mr Osborn's motion on railway accounts (Doc. 287/77)
- Mr Adams's motion on extending the scope of the Social Fund (Doc. 314/77)
- Miss Flesch's motion on generalized preferences (Doc. 302/77)
- Mr Martinelli's motion on Lebanon (Doc. 312/77)

### **Implementing the budget**

Political Groups' question to the Commission about the execution of the 1977 budget (Doc. 295/77)

Mr Tugendhat agreed that the Commission is bound to act on all items in the budget but can sometimes only do so if it has the proper legal basis for doing so in the form of a Council decision

Article 203 of the EEC Treaty gives Parliament the 'last word' on non-compulsory expenditure in the Community's budget. Under this article Parliament last year entered numerous appropriations for use in fields ranging from research and training to financial cooperation with developing countries and aid to disaster victims. How much of this money, questioners from five of Parliament's political groups wanted to know, had the Commission spent?

In reply, Commissioner Christopher Tugendhat gave the House precise details of what expenditure had and had not been made. He agreed that the Commission, whose job is to 'implement the budget', was bound to act on all items entered in the budget. But it could sometimes only do so if it had the proper legal basis in the form of a Council decision.

It was this point that formed the crux of the debate. Do Parliament's budgetary powers amount to anything if its decisions can only be implemented on the basis of a Council decision – which the Council may not take?

The issue is clearly extremely complicated. Erwin Lange (Ge,S) wanted to know how far Council could undermine the Parliament's powers by not acting. Martin Bangemann (Ge,L) wondered whether the Council was not obliged to act on what was in the budget. Michel Cointat (Fr,EPD) felt Council had to act once it had approved the budget. Lord Bruce (Br,S) said that Council had already made a mockery of Parliament's powers by failing to take the necessary decisions. In Mr Tugendhat's view, Parliament's powers themselves were not in question – it was just that the budget alone did not always suffice as a legal basis for action. But all speakers agreed with Michael Shaw (Br,EC) on the need for clarifying the whole question – which Heinrich Aigner (Ge,CD) described as 'one of the most vital issues we've debated in the last ten years'.

## Cyprus sherry

Commission proposal on a tariff quota for Cyprus sherry (Doc. 169/77)

Mr Hansen's report (Doc. 290/77). Motion rejecting Commission proposals with amendment changing motion to approval agreed to.

For a transitional period which ended on 30 June 1977 the UK and Ireland were allowed to import 'sherry' from Cyprus free of customs duties. The Commission has proposed that a tariff quota of 100,000 hectolitres now be applicable to the whole Community. On behalf of the rapporteur, Marcel Brégégère (Fr,S) expressed the misgivings of the Committee on Agriculture about the allocation of the quota among the Member States, and the designation of products covered by the quota – in the other seven countries only Spanish liqueur wines qualify as sherry.

In reply Commissioner Richard Burke urged the House to accept the proposals. The Cyprus economy was at stake, he said. He refuted the allegation that the Commission had been too vague in either its definition of the product or in its proposals to grant subsidies for similar Community wines exported between Member States. He assured Paul De Clercq (Be,L) that the Commission had recommended that the Council ratify the general agreement with Cyprus.

## **Nuclear techniques in agriculture**

Commission's proposals to appropriate 1 m.u.a. for application of nuclear techniques in agriculture (Doc. 196/77)

Mr Ney's report. (Doc. 310/77) Motion requesting Commission to withdraw its proposals agreed to.

Mr Hans-Jürgen Klinker (Ge,CD), for the Committee on Agriculture, called on the Commission to withdraw its proposals, in view of which Mr Burke said: 'the Commission wishes to review the proposal.'

## **Soya beans and castor seeds**

Commission proposal to provide incentives for growing soya beans and castor seeds (Doc. 238/77, 240/77)

Mr de Koning's report (Doc. 311/77) Motion approving proposals agreed to.

The Community imports some 9,000 million tonnes of soya beans and 5m tonnes of cake from the USA and 2m tonnes of beans and 1 million tonnes of cake from Brazil. To make the Community less dependent on imports and to promote new crops in the South is the aim of the proposal. Mr Jan de Koning (Du,CD) asked the House to approve it.

## **WEDNESDAY, 12th October 1977**

The House decided that the following items should be treated as urgent: a motion tabled by the Committee on Budgets on the Court of Auditors (to be taken on Wednesday afternoon together with Parliament's Opinion on the same subject) (Doc. 329/77); a motion on terrorism tabled by Mr Ludwig Fellermaier (Doc. 327/77), and a motion on terrorism tabled by Mr Egon Klepsch, Mr Jean Durieux and Mr Gabriel Kaspereit (Doc. 328/77/Rev.) (both to be taken on Wednesday afternoon).

## **Enlarging the Community**

Political groups' motion on the enlargement of the Community (Doc. 323/77) agreed to.

Under Article 237 of the EEC Treaty 'any European state may apply to become a member of the Community.' Greece (12.6.75), Portugal (28.3.77) and Spain (28.7.77) have done so, and a motion tabled by Parliament's six political groups calls on the Commission to 'report regularly on the stage reached in the negotiations'.

Vice-President Natali agreed that the Commission would indeed do so. But the motion also provided the opportunity for Parliament to discuss the whole issue of enlargement, and what it would mean both for the Nine and the three applicant states. Twenty-two MPs took part in the four-and-a-half hour debate.

Members were virtually unanimous in their basic support for enlargement (the only exceptions being Marcel Lemoine (Fr,CA) and Uwe Jensen (Da,EPD), who thought the applicants should be told to wait for up to 20 years before admission). Several speakers pointed out that any European state was eligible for membership, Lord Bethell (Br,EC) quoting the Rome Treaty preamble calling for 'an ever-closer union among the peoples of Europe'.

So it was not a question of 'whether', but at most of 'how' and 'when', as Mr Pierre Krieg (Fr,EPD) pointed out. There were many problems, political, economic, agricultural – but several speakers insisted that they should and could be solved. Such problems as olive oil and wine, Mr Geoffrey Rippon (Br,EC) said, were best left to be dealt with at official level. He rejected the notion that the enlargement of the Community would also lead to its weakening, a point echoed by numerous speakers. On the contrary, Alfred Bertrand (Be,CD) said, this was a threat that could best be met before enlargement by strengthening the Nine's internal cohesion.

Another way of lessening the economic impact of enlargement was to provide massive aid to the applicant countries prior to accession: Jean Durieux (Fr), for the Liberals, stressed the fact that strengthening the applicants' economies would at the same time strengthen their democracies. Mr Hans-Joachim Hoffmann (Ge,S) agreed, calling for a 'medium-term plan for the South'. Mr Rippon called for a 'European Marshall Plan'. Portugal, with over 900,000 returnees from its former colonies, was in a particularly critical economic situation. Portugal's GNP, Mrs Kellett-Bowman (Br,EC) said, was less than half that of Ireland.

And Community funds would be stretched after accession, speakers pointed out. As to overall cost, Mr de Koning (Du,CD) asked if the figures of 300 mua (125m pounds) for Greece, 500 mua (208m pounds) for Portugal and 1000 mua (417m pounds) for Spain were correct? This said, enlargement was politically vital, and a number of speakers echoed the late Anthony Crosland, former British Foreign Secretary and President of the Council, who said that the political benefits of enlargement would always outweigh the practical difficulties.

That was the consensus of the debate: that whatever the problems, a bigger Community meant a better Community. And if the Nine could only strengthen their own cohesion, enlargement would be of tremendous benefit.

Replying to the debate, Council President Simonet agreed that the Community was open to newcomers, and must remain open. There were problems, but that was what the negotiations were for – to reveal them and, if possible, to solve them. He agreed too that a Community of twelve would do well to have a majority voting system in Council if decisions were to be taken – but first Council would have to decide, unanimously, on just what issues could be dealt with in this way.

For the Commission, Vice-President Natali said that the Nine had problems, and enlargement would undoubtedly exacerbate them. But it would also provide a golden opportunity for us to take stock, to reconsider our ideas on crucial issues such as economic and monetary union, to rearticulate our goals, to reform the Community's structures. Enlargement meant difficulties, but we could face them.

During the debate President Colombo interrupted the proceedings to extend a warm welcome to the members of the Danish Folketing's Scrutiny Committee on European Affairs, which is at present visiting the European Parliament.

The President announced, with great regret, that Mr Jean Duvieusart, a former president of the European Parliament, died at his home in Belgium yesterday. He was 77.

## QUESTION TIME

### QUESTIONS TO THE COUNCIL

#### *The European passport (Pierre-Bernard Cousté)*

Mr Simonet told Mr Cousté (Fr,EPD) that he had had a 'cordial and constructive' meeting with the British authorities about the European passport. The difficulty was they had no identity card; they were therefore approaching the problem prudently but positively. Mr Tam Dalyell (Br,S) asked whether the reasons given by the British were reasons or excuses. 'They are excuses trying to appear in the guise of reasons' said Mr Simonet. Mrs Gwyneth Dunwoody (Br,S) insisted the European idea was a concept and not a passport. Mr Simonet suggested the passport was a tangible way of getting the European idea over.

#### *Community regional policy (Donal Creed)*

Mr Simonet told Charles McDonald (Ir,CD) in answer to Mr Creed's question that he hoped recent proposals from the Commission for the improvement of the Community regional policy would, after consideration by Parliament and the Economic and Social Committee, be adopted by the Council by the end of the year.

#### *Soviet fishing in EEC waters (Winnie Ewing)*

Mr Simonet told Mrs Ewing (Br,Ind) that he had received no reports of Soviet vessels illegally fishing in EEC waters. In any case such matters were the responsibility of the coastal states concerned. He told Mark Hughes (Br,S) that fishing by Soviet factory vessels was not illegal but felt that the Community could usefully conduct negotiations on the subject.

#### *Enlargement of the Community*

Mr Simonet denied that preconditions for Greek accession had been laid down in June 1975 during Mr Garrett Fitzgerald's Presidency of the Council. If Mr Fitzgerald made such a statement before the Irish Dáil it was strictly, Mr Simonet said, as Irish Foreign Minister.

### *Energy (Lord Bessborough)*

Mr Simonet told Lord Bessborough (Br,EC) that the Council is due to discuss in November recent Commission proposals on the use of coal in electricity generation and on aid for financing cyclical stocks of coal.

### *Outcome of the annual meeting of the IMF and the World Bank (Niels Anker Kofoed)*

Mr Simonet told Mr Kofoed (Da,L) that on 17 October 1977 the Council planned to take into account the conclusions of the IMF and the World Bank in order to establish guidelines for future economic cooperation.

### *Relationship with the Catalan Region (Tam Dalyell)*

Mr Simonet told Mr Dalyell (Br,S) that the Community has no policy regarding relationships with autonomous regions within Member States and therefore did not feel that the Generalitat, the Catalan autonomous government in Barcelona, would present problems if Spain joined the Community.

### *Other questions*

On the holding of the Council's legislative sessions in public (John Corrie) Mr Simonet would not budge; on regional policy (Ronald Brown) Mr Simonet said this was a matter for the Commission; on moves towards a common classification of research and development expenditure (John Osborn) Mr Simonet said he would ask the Commission for proposals; and on the Italian textile industry, Mr Simonet again argued this was a matter for the Commission.

## **QUESTIONS TO THE FOREIGN MINISTERS OF THE NINE MEMBER STATES OF THE EUROPEAN COMMUNITY MEETING IN POLITICAL COOPERATION**

### *Status of Gibraltar (Willie Hamilton)*

Mr Simonet told Mr Hamilton (Br,S) that this was a bilateral matter.

## *Soviet Jews (Winnie Ewing)*

Mr Simonet told Mrs Ewing (Br,Ind) that it was impossible to separate the question of Soviet Jews from the wider issue of human rights in general.

### **Voting**

The House agreed to the following motions:

- Mr Frankie Hansen’s motion on Cyprus Sherry (Doc. 290/77). However, an amendment was agreed to changing the sense of Mr Hansen’s motion from rejection to approval of the Commission’s proposal (Doc. 169/77)

President Colombo then adjourned the sitting (at 4.25 p.m.) to enable the Bureau to consider a question of procedure. President Colombo declared the sitting resumed at 6.05 p.m.

- Mr Camille Ney’s motion on nuclear techniques in agriculture (Doc. 310/77).
- Mr Jan de Koning’s motion, somewhat amended, on soya beans (Doc. 311/77)
- Political groups’ motion on the enlargement of the Community (Doc. 323/77).

The House agreed to refer two motions on terrorism to the Political Affairs Committee. It also agreed to deal with an oral question on the date of direct elections to the European Parliament at a subsequent session.

### **Court of Auditors**

Budgets Committee motion on the Court of Auditors (Doc. 329/77)

President Colombo’s motion on the appointment of the members of the Court of Auditors (Doc. 301/77)

Mr Erwin Lange (Ge,S), chairman of the Budgets Committee, moved a motion calling on the Court of Auditors, immediately after its constitution, to hold

discussions with the European Parliament on 'the functional aspects of external control in the Community with a view to achieving optimum cooperation between the various bodies'.

Speakers in the debate welcomed the constitution of the Court of Auditors. In answer to a question from Mr Tam Dalyell, Council President Simonet assured the House that Parliament would be able to call upon the Court to investigate any matter where it suspected irregularities may have occurred.

The House then agreed to both motions.

### **Fisheries policy**

Mr Ernst Müller-Hermann's question to the Commission about fisheries policy (Doc. 296/77).

Mr John Prescott's question to the Commission about negotiations with the Soviet Union on fisheries (Doc. 325/77).

Commissioner Vice-President Natali replied that agreement with Norway could be expected soon; discussions with Iceland were in preparation, and a first meeting had been held with Canada.

Mr Natali assured the House that Vice-President Gundelach was currently endeavouring to find solutions to the problems presented by fishery negotiations with third countries in preparation for the Fisheries Ministers meeting on 24 October. He reported to the House that he hoped an agreement with Norway would be concluded within a month, and that similarly an agreement with Spain was also nearing completion. Commission and Council representatives had visited Iceland in June and were now preparing for a meeting of experts to discuss fish reserves. The situation in the North-West Atlantic was critical, he said, and Mr Gundelach had met the Canadian Minister of Fisheries on 29 September to try to reach an agreement on fishing policy.

The House agreed on the necessity for questions of fishing policy to be treated as matters of urgency. Mark Hughes (Br,S) pointed out that the livelihood of some fishing communities, such as those of Hull and Grimsby, depended upon action being taken before 1st January 1978. Could the agreement with Norway not be completed before November, he asked.

John Corrie made a plea for inshore fishermen. It was necessary to find other fishing grounds further afield as there was no longer room in home waters. The Commission, he went on, should stand by its herring ban in the North Sea, and should allow no industrial fishing at all. The Commission should also look into the pollution and damage to boats and nets caused by oil rigs.

Mrs Winifred Ewing (Br, Ind) asked why no solution could be found for a simple matter such as negotiations concerning the Barents Sea. What were we expected to do to conserve species of fish in grave danger?

Michael Yeats felt that more progress had been made in external fishing policy than had been made in the Community fishing sector. This was a highly emotive issue, he said.

In reply Mr Natali hoped the Commission would be able to submit proposals to the Council by 24 October but doubted that the Council would be able to reach a decision on that date.

#### **THURSDAY, 13th October 1977**

The House decided that the Christian Democrat motion on the Multifibre Agreement should be taken after Mr Noè's report.

#### **Regional Fund**

Commission proposals for the Regional Fund from 1978 on (Doc. 183/77): Mr Noè's report (Doc. 307/77): motion calling for amendments to the Commission proposals agreed to with amendments.

The Preamble to the 1955 Treaty of Rome spelled out the desire of the founding Member States to 'strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness of the less-favoured regions'. To further this objective the Paris Summit of 1972 called for the setting up of a Regional Fund. This finally took shape in 1975 and became a permanent feature of Community policy. But this ongoing policy contained one impermanent feature i.e. the amount of money allocated in the budget for Regional Development

each year. In the first instance 1,400,000 u.a. (583,338 pounds) were allocated for the years 1975, 1976 and 1977. So the Commission's proposals are that the Regional Regulation be amended in the light of experience gained and particularly in respect of the way in which money is distributed. Instead of allocating all funds on a quota basis between Member States, the Commission is now proposing to include an ex-quota appropriation. It proposes including 600m u.a. (250 million pounds) on a quota basis and 150m u.a. (62.5 million pounds) on a non-quota basis.

Today's debate on the Commission's proposals also gave Parliament an opportunity to say what it had valued and found at fault with the previous regulation and what it sought to see improved in the amended form.

While there was a measure of approval for the Commission's desire to extend the scope of the Regional Fund – and here Mr Noè (It, CD) spoke of going on from the simple management of a Regional Fund to developing a full-scale Regional Policy – there was a lot of criticism as to the way the Fund had actually operated. Mr Michael Herbert (Ir, EPD) for example, took exception to the idea of national quotas, the partial repayment clause, the failure to guarantee additionality and the lack of adequate publicity. He had found fault with these features in the original Regulation and was unhappy to see that they had not been dealt with. And Mrs Elaine Kellett-Bowman (Br, EC) drew attention to the anomalous way the fund operated in practice. It was absurd, she argued, for an industrial estate to qualify for aid but not the road leading up to it.

But the chief criticism of the Regional Fund over the last three years was that it had done little or nothing to stop the gap widening between the rich and poor regions – a point made with some force by Mr Noè and Mr Früh. Mr Früh (Ge, CD) argued that if the gap widened still further it could undermine the operation of the Common Market. And Mr Evans (Br, S) asked why, if all Member States were engaged in trying to restore the balance nationally the same could not be attempted at Community level. But then doubts were expressed by Mr Brugger (It, CD) for example as to whether the amount of money available would be enough to make any real impact.

Mr Herbert had pointed out that the loss to Ireland attributable to monetary compensatory amounts was almost equal to its total receipts under the Regional Fund. And other speakers such as Mr Cifarelli (It, L), Mr Mascagni (It, CA) and Mr Noè (It, CD) doubted whether the Regional Fund could achieve much unless it were dovetailed with other Community funds and integrated in the whole

policy structure of the Member States and the Community. This said, and with the need for a large scale Regional Fund being established, Mr Evans (Br, S) expressed concern that the Council might fail to take a decision on the Regional Fund in time for it to begin its new operations in January 1978. He underlined the fact that the Regional Policy is an on-going commitment deriving from an on-going regulation.

In contrast to this general concern was concern of a different order: this was expressed by Mr Tam Dalyell (Br, S) who wanted to know how expenditure of Community funds on Regional Development could be properly controlled. And Mr Charles McDonald (Ir, CD), on the same point, thought there was a lack of evidence of additionality in the use of the Fund in many states. Mr McDonald also thought more help should be given to Northern Ireland – which was fast becoming ‘the forgotten region’ of the Community – in the context of aid to border areas. Mr Giovanni Bersani (It, CD), recalling Mr Horst Gerlach’s report, also felt too little was being done to help border regions.

After Lord Bessborough (Br, EC) had paid tribute to the efforts of the people of Friuli in re-building their devastated area, Commissioner Giolitti replied to the debate. The key issue in regional policy was imbalance – not only imbalance between regions, but also imbalance between Community policy priorities. The CAP still took the major share of the budget, and as long as the Council was unwilling to allocate more to the Regional Fund it was difficult to foresee how meaningful action could be taken. Given the necessary funds, the main thrust of the Community regional policy, Mr Giolitti said, must now be combat the causes of regional imbalance, not simply to deal with their effects. And the way to do this was through restructuring.

## QUESTION TIME

### QUESTIONS TO THE COMMISSION

*Travel in the Community (Sir Geoffrey de Freitas)*

Commissioner Davignon told Sir Geoffrey de Freitas (Br, S) that the Commission had no powers to implement a tourist policy; but he agreed that more should be done to facilitate travel within Europe.

*Recruitment of young research workers at the Joint Research Centre (Luigi Noè)*

Antonio Giolitti told Luigi Noè (It, CD) that because the Council of Ministers had decided that a reduction of the staff of the JRC was necessary it was impossible to undertake recruitment of new staff in any age group.

*Subsidies for organizations of European interest (Mrs Vera Squarcialupi)*

Lorenzo Natali told Mrs Vera Squarcialupi (It, CA) that a list of organizations to receive subsidies had been included in the 1977 budget and the same would be the case for 1978.

*Information on direct elections (Andrea Mascagni)*

Lorenzo Natali told Andrea Mascagni (It, CA) that the Commission had requested 5 m.u.a. to be used for a direct elections information programme to be broken down according to the Commission's information programme approved by Parliament on May 12 1977.

*Common sheep policy (Thomas Nolan)*

*Common organization of the market in sheepmeat (Charles McDonald)*

Lorenzo Natali told Michael Herbert (Ir, EPD), in answer to Thomas Nolan's (Ir, EPD) question on a common sheep policy, that the Commission had sent proposals to the Council of Ministers in September 1975 and that there had been no agreement within the Council. He told Charles McDonald (Ir, CD) that proposals concerning the sheepmeat market with third countries would be submitted to the Council as soon as possible and he hoped for a decision by the end of the year. Points raised by Members: Mr Herbert felt it was vital to have a policy by 1 January 1978; Mr McDonald thought Member States should have preference over third countries; Mrs Winnie Ewing (Br, Ind) said special attention should be given to Scotland; Liam Kavanagh (Ir, S) felt there was a need for safeguards against dumping by New Zealand.

*Conditions of employment of Sri Lanka tea-workers (Bob Edwards)*

Viscount Davignon told Bob Edwards (Br, S) that no negotiations with Sri Lanka were in progress at present. He took Mr Edwards's point about ensuring

that any benefits accruing from increased tea exports were passed on to the population at large. Mr Edwards described the condition of tea plantation workers as 'among the most depressed in the world.'

### *Japanese penetration (Tom Normanton)*

Viscount Davignon told Tom Normanton (Br, EC) that the Commission had acted in the Japanese ball bearings case because the facts warranted such action. It would act in the same manner in any similar case. As for the Community's having a comprehensive policy for industry, Viscount Davignon told Mr Normanton he could not agree with him more. But it was no easy task.

### *Pigmeat industry (Mrs Winnie Ewing)*

Viscount Davignon told Mrs Ewing (Br, Ind) that Mr Gundelach would not be able to visit Scotland in the immediate future 'to obtain first hand information about the problems of the pig-producing industry' as Mrs Ewing suggested. He assured Mrs Ewing, on the other hand, that pig prices were rising (71.45 pounds per 100 kg in September as against 62 pounds per 100 kg in March) and that the Commission's assessment was that prospects were good. Replying to a supplementary question on the television advertising campaign in the United Kingdom in respect of Danish bacon, Viscount Davignon said he had no reason to believe that the Danish Government was involved in financing it.

### *Other questions*

Commissioner Giolitti told Elaine Kellett-Bowman (Br, EC) that the Commission would soon be submitted a proposal on medical treatment for the self-employed; Mrs Karen Dahlerup Andersen (Da, S) that the Commission's Women's Bureau was understaffed; Christopher Price (Br, S) that he would gladly visit the London borough of Hackney to assess the impact of regional policy on inner-city areas; Jan Baas (Du, L) that some 2,250,000 hectares of olive plantations in Italy has been surveyed from the air.

### **Voting**

The House then voted on the motion in Mr Noè's report. This was agreed to, subject to some amendments from the Budgets Committee which the rapporteur

accepted. The motion broadly approved the Commission's proposals for an amended regional fund regulation but called for a number of changes to it.

The House voted to defer the oral question about the F-16 aircraft until November.

## **Multifibre Agreement**

**Mr Müller-Hermann's motion on the Multifibre Agreement (Doc. 332/77)**

The Multifibre Agreement (MFA), signed on 20 September 1973, was designed to promote the orderly development of trade in textiles between the developed and developing world. It allowed a 6 per cent annual growth in developing countries' exports of textiles.

The MFA expires on 31 December 1977, and the Commission is now seeking to extend it. However, with the loss of over half-a-million jobs in the Community's textile and clothing industries over the past five years, there is pressure to stabilize textile imports at their present levels.

Mr Müller-Hermann's motion calls for support of the Commission's efforts to find a middle way between safeguarding jobs in the EC and at the same time acknowledging 'responsibility for the preservation of free world trade.'

It was the issue of protectionism that dominated the debate. Speakers agreed that, in principle, protectionism was unacceptable. Mr Ernst Müller-Hermann (Ge, CD) felt it could best be avoided through reciprocity in trade in textiles, while Tom Normanton (Br, EC) called for a 'regulatory mechanism'. Commissioner Davignon said it was difficult to explain to the developing world that there might be a need for 'semi-protectionism'. He promised to discuss the matter again with Parliament later in the year.

## **Hallmarks**

Commission proposals concerning hallmarks (Doc. 466/75)

Mr Nyborg's report (Doc. 315/77). Motion rejects Commission proposals.

Mr Kai Nyborg (Da, EPD) argued that a Community hallmark would only add to the confusion on the precious metal market and be of little help to the consumer. Viscount Davignon took note of his comments and advised the House that the Commission would withdraw its proposal.

## **Aid for Turkey**

Community aid for Turkey (Doc. 225/77)

Mr Spicer's report (Doc. 330/77. Motion welcoming protocol agreed to.

There was a great deal of sympathy for Turkey expressed in this evening's brief debate: Mr Marcel Vandewiele (Be, CD), for Mr Spicer, welcomed the third protocol (introduced under the Community's association with Turkey) which will be worth 310 mua (129 million pounds) over the period up to October 31st 1981 (90 mua (37 million pounds) EIB loans and 220 mua (91 million pounds) in special loans). What was regrettable was that the additional protocol had yet to be ratified under the Second Protocol. When this is effected, some 47 mua (19 million pounds) will be made available. Why, asked Mr Vandewiele, was ratification necessary? Could not the necessary appropriations be agreed between Parliament and Council in the normal budgetary manner? Lord Castle (Br, S) also underlined the importance of helping Turkey. Everyone stood to gain from an expansion of trade and he reminded the House of Turkey's position at the 'ideological crossroads of the world'.

## **Floods in Italy**

Mr Noè's motion (Doc. 324/77) calling for emergency aid and appropriate measures to mitigate the damage sustained agreed to.

## **Community's own resources**

Commission proposals concerning the Community's own resources (Doc. 274/77)

Mr Notenboom's report (Doc. 326/77). Motion calling for amendments to Commission proposals agreed to.

**FRIDAY, 15th October 1977**

## **Saving energy**

Commission's proposals for saving energy (Docs. 161/77 and 162/77)

Mr Pintat's report (Doc. 309/77). Motion approving Commission proposals agreed to.

The Commission is putting forward proposals for two directives (which are binding on the Nine as to ends but not as to means) designed to help Europe use less energy. The first concerns heat generators in new buildings. By January 1st 1979 all heat generators installed in new buildings will have to be approved by the national authorities. Their approval will be dependent on the generator's compliance with the new standards: e.g. burners for high/low/off modulating controls with a turndown to at least the range of 60-100 per cent of full load.

The second directive concerns old buildings, the idea being to insulate them so that they waste less heating. This would involve 30 per cent of the EC's 90m houses at a cost of 2,000 EUA (1,316 pounds) per house and 20 per cent of the EC's 3.6m office buildings, hotels, schools, hospitals, etc. at a cost of some 20,000 EUA (13,160 pounds) per building.

As to deadlines, the Commission is proposing that not less than 20 per cent of existing public buildings should be modernized by the end of 1982, 30 per cent of homes by the end of 1985 and 20 per cent of commercial and office premises by the end of 1985.

Mr Zywiets (Ge, L), for the Energy Committee, welcomed the Commission's proposals but other speakers had their doubts. Mr Dalyell (Br, S) took up the Commission's claim that modernizing buildings, further to the proposed directive, could create a great many jobs (700,000 jobs each year for six and a half years). He agreed that roof insulation could be done by semi-skilled workers but wall insulation was a skilled job: the result here could be a labour and materials shortage. Similarly Mr Albers (Du, S), for the Legal Committee, questioned the wisdom of making the modernization of old buildings a binding commitment. It might oblige people to effect the relevant work against their will. The Legal Affairs Committee called for the rejection of the Second Directive.

## **European Cooperation Agency**

Miss Flesch's question to the Commission (Doc. 298/77)

In May 1977 the European Parliament approved a Commission proposal to set up a European Cooperation Agency, the main purpose of which was to ensure that developing countries took full advantage of the generalized preferences scheme. The Council has not approved this proposal, and Parliament's Development and Cooperation Committee asked when new proposals would be submitted.

In reply Commission Vice-President Natali said he expected that the new proposals would be ready by the end of this year.

### **Eating apples**

Commission proposal suspending customs duties on imported dessert apples (Doc. 319/77)  
Mr Houdet's report (Doc. 331/77). Motion approving Commission proposal agreed to.

This year's Community harvest of dessert apples – 5.2 million tonnes – is 22 per cent below the average for the years 1972-76. The Commission is proposing to suspend the Community's common customs tariff (applicable at the rate of 14 per cent) for imported dessert apples until the end of the year so as to keep consumer prices at a reasonable level.

Mr Mark Hughes (Br, S), for the rapporteur, said that between 40 and 50,000 tonnes of imports would be involved. Mr Noè (It, CD) objected that it might be wiser to wait until the final production level in Italy was known before taking a decision. Mr Liogier (Fr, EPD) thought producers should be allowed to make up for this year's poor crop through higher prices. Housewives would buy pears to make up for any deficiency. Mrs Kellett-Bowman (Br, EC) thought the Commission's proposal was the only way to prevent becoming a 'Sunday's only' luxury.

### **Voting**

The House then agreed to the motions in the reports by Mr Broeksz (beef imports from ACP: Doc. 303/77); Mr Müller-Hermann (Multifibre Agreement: Doc. 332/77); Mr Spicer (Financial protocol under association with Turkey:

Doc. 330/77), subject to Mr Hansen's amendments; Mr Notenboom (the Community's own resources: Doc. 326/77); Mr Pintat (Energy saving: Doc. 309/77); Mr Houdet (duty waivers on apple imports: Doc. 331/77); Mr Noè and other Members calling for emergency help for the victims of the recent floods in Northern Italy.

Vice-President Carlo Meintz then gave details of the next sittings: on Monday, October 24th the House will sit from 5 p.m. to 10 p.m., on Tuesday, October 25th from 10 a.m. to 1 p.m. and 3 p.m. to 6 p.m. and on Wednesday, October 26th from 10 a.m.

**Abbreviations:** Br British, Ir Irish, Be Belgian, Da Danish, Du Dutch, Fr French, Ge German, It Italian, Lu Luxembourg, S Socialist, CD Christian Democrat, L Liberal and Democrat, EC European Conservative, EPD European Progressive Democrat, CA Communist and Allies, EC European Community.

## SUMMARY OF THE WEEK

**Monday, 10th October – Friday, 14th October 1977**

(Document numbers in brackets)

### *Monday's business, 10th October*

The House sat from 5.10 p.m. to 8.05 p.m.

- **Railway costing**  
Commission proposals on common rules for railway costing (Doc. 214/77)  
Mr Osborn's report (Doc. 287/77). Motion approved Commission proposals subject to technical amendment.
- **Social Fund**  
Commission proposals to extend the scope of the Social Fund to help retrain unemployed women of over 25 wishing to return to work and provide more money for job training schemes in areas of most serious unemployment (Doc. 313/77). Mr Adam's report (Doc. 314/77). Motion approved Commission proposals.
- **Widening waterways**  
Mr Cousté's question to the Commission on Community help towards financing the widening of waterways (Doc. 260/77). Mr Burke replied that Commission proposals to this effect are now before the Council.

### *Tuesday's business, 11th October*

The House sat from 10.00 a.m. to 12.50 p.m. and from 3.00 p.m. to 6.10 p.m.

- House agreed on urgency of debating: the enlargement of the Community; the recent floods in North-West Italy; fisheries negotiations with the Soviet Union and VAT.

- Generalised preferences  
Commission's generalised tariff preferences proposals for 1978 (Doc. 245/77). Miss Flesch's report (Doc. 302/77). Motion approved Commission proposals.
- Agreement with Lebanon  
Commission's proposal for a cooperation agreement with Lebanon (Doc. 304/77). Mr Martinelli's report (Doc. 312/77). Motion called for early ratification of the agreement.
- Question Time  
Questions addressed to the Commission about the green currency system, citrus imports from Israel, tachographs, trade with Japan and protecting workers against health hazards. (Doc. 308/77)
- Voting  
The House agreed to the motion in the reports by Mr Osborn (railway accounts) (Doc. 287/77); Mr Adams (extending the scope of the Social Fund) (Doc. 314/77); Miss Flesch (generalised preferences) (Doc. 302/77) and Mr Martinelli (Lebanon) (Doc. 312/77)
- Implementing the budget  
Political Groups' question to the Commission about the execution of the 1977 budget (Doc. 295/77). Mr Tugendhat agreed that the Commission is bound to act on all items in the budget but can sometimes only do so if it has the proper legal basis for doing so in the form of a Council decision.
- Cyprus sherry  
Commission proposal on a tariff quota for Cyprus sherry (Doc. 169/77). Mr Hansen's report (Doc. 290/77). Motion rejected Commission proposals.
- Nuclear techniques in agriculture  
Commission's proposals to appropriate 1 mva for application of nuclear techniques in agriculture (Doc. 196/77). Mr Ney's report (Doc. 310/77). Motion requested Commission to withdraw its proposals.
- Soya beans and castor seeds  
Commission proposal to provide incentives for growing soya beans and castor seeds (Docs. 238/77, 240/77). Mr de Koning's report (Doc. 311/77). Motion approved proposals.

*Wednesday's business, 12th October*

The House sat from 9.00 a.m. to 1.45 p.m. and from 3.00 p.m. to 8.15 p.m.

- House agreed on urgency of debating motion on the Court of Auditors and two motions on terrorism.

- Enlarging the Community

Political Groups' motion on the enlargement of the Community (Doc. 323/77)

- Question Time

Questions addressed to the Council about the European passport, Community regional policy, Soviet fishing in EEC waters, enlargement of the Community, energy, the annual meeting of the IMF and World Bank, the relationship between EC institutions and the Catalan Region, and other questions. Questions addressed to the Foreign Ministers of the Nine Member States of the European Community meeting in political cooperation about the status of Gibraltar and Soviet Jews. (Doc. 308/77)

- Voting

The House agreed to an amended version of the motion in the report by Mr Hansen (Cyprus sherry) (Doc. 290/77), and to the motions in the reports by Mr Ney (nuclear techniques in agriculture) (Doc. 310/77) and Mr de Koning (soya beans) (Doc. 311/77). It also agreed to the political groups' motion on enlargement of the Community.

- The House referred two motions on terrorism to the Political Affairs Committee.

- Court of Auditors. The House agreed to two motions (Docs. 329/77, 301/77).

- Fisheries policy

Mr Müller-Hermann's question to the Commission about fisheries policy (Doc. 296/77), and Mr Prescott's question to the Commission about negotiations with the Soviet Union on fisheries (Doc. 325/77). Mr Natali said agreement with Norway near, discussion with Iceland in preparation, and a first meeting had been held with Canada.

*Thursday's business, 13th October*

The House sat from 10.00 a.m. to 1.15 p.m. and from 3.00 p.m. to 6.55 p.m.

- The House agreed on urgency of debating motion on Multifibre Agreement.
- Regional Fund  
Commission proposals for the Regional Fund from 1978 on (Doc. 183/77). Mr Noè's report (Doc. 307/77). Motion called for amendments to Commission proposals
- Question Time  
Questions addressed to the Commission about travel in the Community, recruitment of young research workers, subsidies for organizations of European interest, information on direct elections, common sheep policy, Sri Lanka, Japanese penetration, pigmeat industry and other questions. (Doc. 308/77)
- Voting  
The House agreed to the motion in Mr Noè's report on regional policy (Doc. 307/77).
- Multifibre Agreement  
Mr Müller-Hermann's motion on the Multifibre Agreement (Doc. 332/77)
- Hallmarks  
Commission proposals concerning hallmarks (Doc. 466/75). Mr Nyborg's report (Doc. 315/77). Motion rejected Commission proposals.
- Aid for Turkey  
Community aid for Turkey (Doc. 255/77). Mr Spicer's report (Doc. 330/77). Motion welcomed proposal.
- Floods in Italy  
Motion on floods in north-west Italy. Mr Noè's motion (Doc. 324/77) calling for emergency aid and appropriate measures to mitigate the damage sustained.
- Community's own resources  
Commission proposals concerning the Community's own resources (Doc. 274/77). Mr Notenboom's report (Doc. 326/77). Motion called for amendments to Commission proposals.

*Friday's business, 14th October*

The House sat from 9.00 a.m. to 11.15 a.m.

- Saving energy  
Commission's proposals for saving energy (Docs. 161/77, 162/77). Mr Pintat's report (Doc. 309/77). Motion approved Commission proposals.
- European Cooperation Agency  
Miss Flesch's question to the Commission (Doc. 298/77).
- Eating apples  
Commission proposal suspending customs duties on imported dessert apples (Doc. 319/77). Mr Houdet's report (Doc. 331/77). Motion approved Commission proposal.
- Voting  
The House agreed to the motions in the reports by Mr Broeksz (beef imports from ACP) (Doc. 303/77); Mr Müller-Hermann (Multifibre Agreement) (Doc. 332/77); Mr Spicer (Financial protocol under association with Turkey) (Doc. 330/77) subject to Mr Hansen's amendments; Mr Notenboom (Community's own resources) (Doc. 326/77); Mr Pintat (energy saving) (Doc. 309/77); Mr Houdet (duty waivers on apple imports) (Doc. 331/77); Mr Noè and other Members calling for emergency help for the victims of the recent floods in Northern Italy (Doc. 324/77).

## **THE SITTINGS**

**LUXEMBOURG, 24th – 26th OCTOBER 1977**

### **THE WEEK**

The European Parliament gave a first reading this week to the Council's draft budget for 1978. This was first submitted to the House by Mark Eyskens, Council President, on 13th September (see "The Sittings" for September).

The draft budget then went to the Budgets Committee who considered it carefully at a series of meetings, taking special account of views submitted by Parliament's other specialist committees. Budgets Committee rapporteur, Michael Shaw, then summed up these various conclusions in a report (Doc. 341/77) which he submitted to the House on Monday. The essence of this report was : 'It can hardly be possible to regard the draft budget as a basis for the work of the European Parliament on the preparation of the 1978 budget.' Mr Shaw accordingly asked the House to endorse a number of amendments the effect of which is not simply to restore the sums the Commission included in its preliminary estimates, but to make sure that the Community is able to pay for the policies it is already pursuing and even to enable it to make some impact in such new policy areas as energy saving. The draft budget now goes back to the Council which will be making its views known after its next Budget meeting on November 22nd.

### **MONDAY, 24th October**

#### **Parliament debates Council's draft budget for 1978**

Parliament is devoting the whole of its three days of sittings here in Luxembourg this week to considering changes being called for in the Council's draft budget for 1978. As compared with the preliminary estimates of 11,849,755,054 EUA

(7,716,394,594.5 pounds), the draft budget now stands at 11,959m EUA (7,787.5m pounds). Approximately 324 changes have been mooted and will be voted on on Wednesday at the close of the debate. If the House endorses the Budgets Committee's proposals regarding the draft budget the European Parliament will then be calling for a budget of 13,969,662,699 EUA (9,096,848,774.3 pounds), including a reserve of 1,395m EUA (908.4m pounds) to cover the eventuality of farm price increases next year.

Speaking for the Council, Mr Eyskens told the House that the draft budget already represented a substantial increase over last year in respect of expenditure not necessarily resulting from the Treaty and that the amendments Parliament was considering would virtually restore the budget to what the Commission had originally proposed. But Mr Shaw, rapporteur for the 1978 budget, argued that the Council was taking austerity too far: 'It can hardly be possible to regard the draft budget as a basis for the work of the European Parliament on the preparation of the 1978 budget. The Council has used Article 203 of the EEC Treaty in an irresponsible way which seems to be inspired by the idea that it can cut back the preliminary draft budget in the anticipation that the European Parliament would restore appropriations in respect of several Community policies in a serious and responsible manner.

This negative attitude on the part of Council was particularly apparent in the domains of research, energy, industry and transport. In these spheres, the Council has systematically refused to provide appropriations which would permit of a progressive development of Community policies'.

### **Announcements**

Mr Spénale gave the House the names of the new Dutch Members of the House: Willem Albers(S), Jan Baas(L), Cornelis Berkhouwer(L), Jan Broeks(S), Piet Dankert(S), Aart Guertsen(L), Mrs Annie Krouwel-Vlam(S), Johannes Lambert(S) and Schelto Patijn(S); he gave the House the names of the new members of the Court of Auditors: Mr Angioi, Mr Gaudy, Mr Johansen, Mr Leicht, Mr Lelong, Mr Mart, Mr Middelhoek, Mr Murphy and Sir Norman C. Price; and he advised the House that Petitions 15/77 and 17/77 have been forwarded to the Commission.

**Mr Spénales explained the arrangements for the budget debate.**

*Draft budget of the European Parliament : Mr Cointat's report: Motions tabled ask House to accept amendments to original estimates*

Mr Cointat, in introducing the estimates of income and expenditure of the European Parliament for 1978 pointed out that these did not cover the eventuality of direct elections.

*Mr Eyskens' introductory statement on behalf of the Council*

Mr Eyskens, the Belgian Minister for Finance and current President of the Council, apologized to the House for being obliged to leave at 6 p.m. this evening, but promised to be back at 10 a.m. tomorrow. He spoke highly in his introductory remarks of the seriousness with which the European Parliament had approached its task. But he noted the effect of the amendments and modifications now being proposed was virtually to restore the budget to the shape originally proposed by the Commission. He argued that the amendments Parliament was considering would represent an even bigger increase in expenditure than the one the Council had already agreed to.

Mr Eyskens said he would shortly be meeting President Colombo to agree on a procedure for conciliation on nine or ten points and he hoped that a meeting would take place for this purpose on November 7th.

*Other sections of the budget*

Mr Cointat then commented briefly on the sections of the budget concerning the Council, the Economic and Social Committee, the Court of Justice and the Court of Auditors.

*Mr Shaw's introductory statement on the draft budget for 1978*

Mr Michael Shaw (Br,EC), rapporteur for the Committee on Budgets, said that Parliament had worked hard in its consideration of the draft budget for 1978. But he added, 'We were greatly disappointed in the changes that had been made by Council to the Commission's preliminary draft. These changes seemed to largely to destroy the political pattern of developing Community projects that

were envisaged in that preliminary draft'. He thought the Council's attitude had been over-conditioned by the climate of severe economic stringency in the Nine Member Countries and that as a result the Council had given priority to economic stringency at the expense of economic coherence.

But, he pointed out, the economic climate had changed and in any case the size of the Community budget was small. 'If we are to fulfil Community policies that have been hammered out during the year then we must be prepared in the budget to meet their cost, remembering that a substantial part will not be additional cost to the Community overall since it will be in support of policies better done by the Community than by individual states.

Whilst never forgetting the need for proper discipline and control, I maintain as forcefully as I can, that the policy of economy at all costs is not only wrong in the circumstances of this budget, but could, in fact, be seriously harmful to the long-term interests of our Community'.

He went on to explain that his committee had made amendments aimed at clarifying receipts to show that the funds are from the outset Community funds and not contributions from Member States.

With regard to staffing, the Commission had asked for 531 additional posts and had been granted a total of 126 by the Council. The Committee had looked carefully into this and felt there was a need for more executive and clerical staff. There was, he said, a strong case for a Community recruitment agency to avoid duplicated advertisements.

Expenditure on agriculture in the draft budget was now to be over 76 per cent. One should remember, Mr Shaw pointed out, that the CAP was the first Community policy to be implemented and that it shouldered expenses that would otherwise have to be met nationally. If the Council, however, had been more aware of the needs in other areas – regional, social, technological – the proportion spent on agriculture would have been reduced. There was still a great need for flexibility in agricultural policy. He supported Erwin Lange's attempt to remove the annual need for a supplementary budget in respect of agriculture. Parliament did not yet know what rights it had with regard to transfers from Chapter 100 but he felt that it should have at least the right of consultation regarding compulsory expenditure.

On the European Social Fund the Committee had been guided by the Social Affairs Committee. Their aim was to restore payments for aid to agriculture and

textiles, measures for the young, the handicapped, migrant workers, women, (particularly those unemployed), and measures to improve employment prospects in particular regions and sectors. The Community should be seen to be actively involved in the stimulation of employment, he added. As a representative of public opinion, the Parliament must act positively.

The Council's cuts in expenditure on the Regional Fund were unjustified and his Committee was pressing for the 525m EUA (341.87m pounds) originally requested by the Commission.

Summing up, Mr Shaw said he welcomed the Commission's triennial financial estimates for the years 1978-80 prepared in the context of the Preliminary Draft Budget. Such estimates made for continuity and coherence in the formulation of policy. The Commission in a recent analysis had warned that the employment situation could worsen by 1980. Therefore, he concluded, there was an urgent need for greater investment and for restructuring and retraining policies.

In reply Commissioner Tugendhat spoke of the constructive role Parliament had to play in the budgetary procedure. The Committee on Budgets had not merely asked for the reinstatement of global figures but had examined each proposal in detail. He regretted that in its resolution Parliament was critical of the Commission and Council in its handling of the structural aspects of the budget. The Commission was legally in a difficult position, he said.

Mr Lange (Ge,S) stressed the need to do away with supplementary budgets. To this end he proposed the inclusion of a substantial reserve to cover the eventuality of farm price increases in 1978.

Mr Aigner (Ge,CD) spoke of the political resolve underlying the budget debate. A majority in Parliament was the means of overcoming the Council's blockade. This would become more marked with direct elections.

### *General debate on Section III*

'The longest running farce in the whole of Europe'. This was Lord Bruce of Donington's reaction to the budget. Cuts had been made in so many areas that frankly there was not much left that was satisfactory. A large part of the 70 per cent plus which was to be spent on the CAP was to be used for the stocking of surplus produce. He questioned whether the Commission was fully supporting the views of Parliament in its negotiations with the Council.

In reply Commissioner Tugendhat assured the House that he had made no deals with the Council. Everyone understood the realities of Treaty rights. If the Commission asked for a whole loaf but was only offered a quarter of a loaf what was the Commission to do? One must be realistic and make the best of what one can get, he continued.

Lord Bruce of Donington (Br,S) intervened to say that a vote in Parliament was the best weapon.

Mr Aigner took up this point. He spoke of Parliament's power to reject the budget as a 'mini-deterrent' which the House should not hesitate to use. The Council was anonymous, he continued. The public did not know who the Finance Ministers were. It was the Council who should be in the dock. The finance ministers acted out of the knowledge that they had to survive back home; half of them did not know what they were talking about. With regard to the cuts in the Social Fund, for instance, Commission and Council must make a public display of solidarity. Parliament should not accept being sandwiched out of negotiations and his group was prepared to fight tooth and nail.

Mr Bangemann (Ge) and Mr Durieux (Fr) spoke for the Liberals. Mr Bangemann appealed for greater budgetary integrity – the budget should include all expenditure, he said – and budgetary clarity. From this point of view he was dubious as to the legal and practical aspects of both Mr Lange's proposal to increase EAGGF support commitments by 20 per cent, and Mr Spinelli's proposal to place a ceiling on farm support spending. Mr Durieux was critical of the fact that the CAP was the Community's only real common policy. Looking at the budget's paltry 400m EUA (260.47m pounds) for the Social Fund, he said, gave one the impression that we must be in a period of full employment. One could certainly criticize a budget for being inflationary, but this one was the precise opposite.

Mr Cointat (Fr), for the EPD group, said the budget provided virtually nothing for energy, nothing for research, and less than nothing for data-processing. Mr Spinelli's proposal to place a ceiling on EAGGF support spending, he said, would 'jeopardize the fundamental principles of Community solidarity' and endanger the very process of European integration. His colleague, Mr Terrenoire (Fr), spoke of the danger of maintaining the system of green currencies and mcas.

For the Communists and Allies, Mr Altiero Spinelli said it was vital that the budget be regarded as a policy, not an accounting instrument. On the question

of EAGGF expenditure there was a clear choice if you wanted to avoid a supplementary budget, he said: either put in a reserve, as Mr Lange was suggesting, or impose a ceiling on expenditure. He favoured the latter course.

### *Staff and operating expenditure*

Mr Ralph Howell (Br,EC), speaking on his own behalf, stressed the need to 'contain bureaucracy'. Commission, Council and Parliament itself, he said, should try to get by with smaller increases in staff numbers if bureaucracy was not to grow uncontrollably, 'This is a disease we must work to cure', he said.

Replying, Mr Tugendhat agreed that bureaucracy should be contained. But unless the Commission had sufficient staff it could not hope to carry out its tasks. The Transport DG, for example, had already been forced to abandon several projects for lack of manpower.

### *Energy*

Speaking to the Energy Committee's amendments, both Lord Bessborough (Br,EC) and Mrs Walz (Ge,CD) asked for Parliament's support for amendments already backed by the Budgets Committee. The sense of these is to restore to the budget sums needed to help the Community towards its goal of reducing dependence on imported energy to 50 per cent by 1985. But, as Lord Bessborough pointed out, this target already seemed to be in doubt. The Community had imported 61.4 per cent of its energy in 1975. So it was hardly the time to cut back on such expenditure as this.

Still on energy, Mr Spinelli put a number of specific questions to Mr Tugendhat concerning various items in the energy budget that the Council had deleted.

Mr Meintz (Lu,L) then introduced the debate on the social section of the budget. His committee wanted to preserve the same balance in regard to the Social Fund as the Commission and, in addition, to concentrate its influence on the four sectors of helping job-seekers, the campaign to deal with poverty, housing for the handicapped and migrant workers and the exchange of young workers.

**TUESDAY, 25th October**

**Continuation of budget debate**

*Energy*

The Council's draft budget has reduced the Commission's preliminary estimates for this sector by more than one-third – from 382.3m EUA (248.9 million pounds) to 244.5m EUA (159 million pounds).

Mr Tom Normanton (Br), on behalf of the European Conservative Group, said that the Community was neither spending enough on research, nor was it getting value for the money it did spend. He compared the Community's nine individual Member States, each pursuing research activities independently of one another, with the United States, whose unity made it easier to spend more rationally. He contrasted America's commitment of 2.4 per cent of GNP for landing a man on the moon to the Community's 0.0001 per cent of GNP for fusion plasma research.

Mr Luigi Noè (It, CD) urged the House to agree to three draft amendments – one for increasing Euratom control staff (draft amendment No 118), the others for improving safety controls at the JRCs (draft amendment Nos 105/rev. and 106/rev.). He was supported here by Mr Gerhard Flämig (Ge, S), who stressed that the Community could only honour its obligations to uranium exporting countries if it was able to provide adequate controls for safeguarding uranium – and this included protecting JRCs from possible terrorist attacks.

Mr Ernst Müller-Hermann (Ge, CD), draftsman of the opinion of the Economic and Monetary Affairs Committee, made five points: (1) the Community budget was not merely an accounting exercise; (2) Community expenditure was only legitimate if it replaced, and did not duplicate, national expenditure; (3) though modest to begin with, the preliminary draft budget had been unjustifiably cut by the Council; (4) the Council's actions, as shown in its treatment of the budget, did not tally with its expressed intentions; (5) the Economic and Monetary Affairs Committee stood squarely behind the Commission.

Replying, Commissioner Tugendhat welcomed Parliament's draft amendments which went, he said, a good way towards restoring the situation. The Council's draft budget would actually have forced the Commission to cut back on existing activities: if Parliament's amendments went through, there would at least be

enough to enable the Commission to initiate a number of new projects in the energy field.

### *Direct elections*

For the Political Affairs Committee, Mr Willem Schuijt (Du, CD) emphasized that there was a general consensus on the need for a special effort as regards direct elections and that this should be reflected in the budget. Mr Lucien Radoux (Be, S) agreed with him.

### *Social sector*

The Commission included 556,974,500 EUA (362,033,425 pounds) for the social sector in its preliminary estimates for 1978. The Council cut this by 143,272,500 EUA (93,127,125 pounds) to 413,702,000 (268,906,300 pounds) in its draft budget. Amendments put forward by Parliament's Committee on Social Affairs, Employment and Education and endorsed by the Budgets Committee would reinvest the budget with the strong social emphasis it originally had. The European Parliament is being asked to endorse one amendment (137) calling for 118m EUA (76.8 million pounds) for measures to improve the employment situation in certain regions, economic sectors or groups of companies and another (133) to include 68m EUA (44 million pounds) for measures to help young people. Other amendments would provide some 20m EUA (13 million pounds) for handicapped persons and another 19m EUA (12.35 million pounds) in form of aid to the agricultural and textile sectors.

All three speakers on this section of the budget, Mrs Gwyneth Dunwoody (Br, S), Mrs Elaine Kellett-Bowman (Br, EC) and Mr Ferruccio Pisoni (It, CD) argued the case for these amendments with some force.

In reply, Mr Tugendhat thanked Parliament for its support, adding his hope that the Council would approve the Commission's proposals for a new Social Fund in time for this to come into operation next year.

### *Regional policy*

The Commission's preliminary estimates included a sum of 600m EUA (390 million pounds) for regional policy. The Council cut this back by 210m EUA (136.5 million pounds) to a figure of 390m EUA (253.5 million pounds) in the

draft budget. Mr Fernand Delmotte (Be, S), speaking for the Committee on Regional Policy, said his committee was tabling a single amendment calling for the restoration of the appropriations originally envisaged. He was supported in this by the Regional Committee chairman, Mr John Evans (Br, S), who described the Regional Fund as the heart of the budget and by Mr Karl Fuchs (Ge, CD), who shared Mr Evans's view that the whole credibility of the Community was at stake here.

Both Mr Russell Johnston (Br, L) and Mr John Corrie (Br, EC) joined Mr Evans in condemning the Council's cuts in the regional fund. Commissioner Giolitti, in reply, thanked Parliament for its support in reinstating appropriations cut out of the preliminary draft budget by the Council. Referring to an amendment moved by Mr Corrie to set up a Commission Information Office in Belfast, he told the House that his Commission had already decided on the principle of doing this.

### *Environment*

Mr Aldo Ajello (It, S), for the Environment Committee's draftsman Mr André Guerlin (Fr, S), spoke to several amendments which the committee was tabling.

The President advised the House that tomorrow's sitting will begin at 9.30 a.m. Mr Michael Shaw's (Br, EC) report further to tonight's Budgets Committee will be taken first. Voting will begin at 10.00 a.m.

Budgets debate (continued)

### *Agriculture*

Mr Hans-Jürgen Klinker (Ge, CD), for the Agriculture Committee, endeavoured to set the Community's expenditure in agriculture in perspective. The real net cost of the EAGGF Guarantee Section is 4,839m EUA (3,151 million pounds) or 42.75 per cent of the 11,959m EUA (7,789 million pounds) draft budget and the draft budget accounts for only 0.73 per cent of the Community's GDP (0.53 per cent in 1974) and is still only 2.63 per cent of total national budgets.

Market support in 1978 will be as follows:

	<i>m EUA</i>	<i>million pounds</i>
Milk sector	2,924	1,904
Cereals	1,281	834
Sugar	673	438
Oils and fats	396	258
Beef and veal	391	255
Tobacco	237	154
Fruit and vegetables	154	100
Wine	136	89
Pigmeat	89	58
Flax, hemp, seeds, hops, silkworms and dehydrated fodder	62	40
Rice	33	21
Eggs and poultrymeat	25	16
Fisheries	18	12

NB:

Refunds on goods obtained by processing agricultural products (cereals, milk, butter, sugar or molasses)	80	52
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Mr Mark Hughes (Br, S) was unimpressed. None of the suggestions being put forward concerning the CAP, whether it be Altiero Spinelli's (It, CA) bid to place a ceiling on market support spending, Mr Erwin Lange's (Ge, S) move to include a 1.3 billion EUA (846,542 million pounds) reserve to cover next year's farm price increases, or Mr Hans-Jürgen Klinker's (Ge, CD) amendment that would take mcas out of the agricultural budget would resolve the two fundamental problems of the farm budget: the uncertainty surrounding CAP spending and the imbalance between CAP spending in Northern Europe and that in the South. The impending proposals from Mr Finn Gundelach on mcas alone would already have a major impact on the budget: these would be announced within the next week or ten days, Mr Hughes said. And these problems were serious because their effect was to put the CAP beyond the reach of budgetary control by Parliament.

At the same time, to correct the imbalances in the Community he urged the Commission to produce a green paper on a rural development fund. For as long as people could read – as they could in today's newspaper – of Community money being spent destroying cauliflowers, the CAP would be very difficult to defend. For the moment, he concluded, the budget was simply maintaining an absurd status quo.

Mr Roger Houdet (Fr), for the Liberals, expressed some surprise at the section on the CAP in Mr Shaw's motion. He reminded the House that the CAP had been the Community's only policy for some twelve years. The proportion of the CAP to the total would change as the regional and social policies developed. He strongly defended the agricultural budget, as did both Mr Isidor Früh (Ge, CD) and Mr Albert Liogier (Fr, EPD). Mr Liogier was particularly disturbed at the co-responsibility levy on dairy farmers. He drew attention to the volume of fats and oils the Community imports and the quantities of vegetable protein, both far in excess of the Community's dairy product output, he said.

James Scott-Hopkins (Br, EC) said that expenditure on the CAP was not too great. Expenditure on other areas of Community policy was too small because the Commission and Council had been too timorous in these spheres. He had been horrified at the way the Community had dealt with surpluses. The Community should study ways of disposing of surplus produce to special groups such as pensioners, hospitals and the armed forces. Erwin Lange's (Ge, S) proposal to increase the EAGGF by 25 per cent was wrong, he said; and to put a ceiling on the CAP, as Altiero Spinelli (It, CA) suggested, was impractical. He also saw a need for a Rural Development Fund. This required a greater degree of flexibility.

Giuseppe Vitale (It, CA) made the point that a limit should be set for defining excesses and surpluses. With enlargement there would be surpluses of olive oil, wine and tobacco. The Italians had been told that they should use funds better but it was the regulations which made spending ineffective.

Giosuè Ligios (It, CD) spoke of the powerlessness of Parliament to change the philosophy of the budget. There was, for instance, intolerable competition in the agricultural sphere and many cattle had had to be slaughtered.

Commissioner Christopher Tugendhat replied that mcas should be phased out. He also welcomed the introduction of the European Unit of Account.

### *Development and cooperation*

The Council's draft budget had reduced planned expenditure for helping developing countries from 633m EUA (412 million pounds) proposed by the Commission in its preliminary estimates to 300m EUA (195 million pounds).

Christopher Price (Br, S) said that cuts made should be restored if the Community was not to be seen as a 'rich man's club'. He had heard a rumor that

one of the reasons for the cuts in the food aid programme had been the good harvest in India and other Eastern countries. This was absurd, he said, as a single good harvest could merely be a means of building up stocks or increasing nutritional levels. Four areas of expenditure were particularly important: cereals, skimmed milk, aid to non-associated countries and cooperation with non-governmental organizations such as Oxfam.

Mr Jan Broeksz (Du, S), Mr Pierre Deschamps (Be, CD), Miss Colette Flesch (Lu, L) (chairman of the Committee on Development and Cooperation) and Lord Reay (Br, EC) supported what Mr Price said. The priorities, speakers thought, were food aid (including skimmed milk powder) and help for non-associated developing countries.

Mr Erwin Lange (Ge, S), Budgets Committee chairman, repeated his call for a special budget reserve in Chapter 100 to obviate the need for a supplementary budget to meet the cost of next year's farm price increases. Mr Tam Dalyell (Br, S) referred to Commissioner Tugendhat's remark yesterday that half, or even a quarter of a loaf, was better than no loaf at all when dealing with the Council. The analogy was wrong, Mr Dalyell said, and drew one of his own: half a motor car – or one with its ignition system missing – was not better than no motor car at all. The effect of the Council's cuts in the energy sector, for example, could well prevent some projects from getting under way at all.

Mr Christopher Tugendhat replied for the Commission. Mr Mark Eyskens replied for the Council.

### **WEDNESDAY, 26th October**

The European Parliament concluded its three days of sittings here in Luxembourg today by a voting on 238 amendments to the Council's draft budget for 1978. Some 134 amendments were adopted (i.e. more than 100 Members voted in favour of them). The effect of these amendments is to add 618m EUA (402.4 million pounds) to the Council's figure of 11,959m EUA (7,787.5 million pounds) to give a new total of 12,577m EUA (8,189 million pounds). The main amendments: –

	<i>m EUA</i>	<i>million pounds</i>
Food aid 1978 skimmed milk powder programme – to cover supply of 200,000 tonnes	189	123
Regional Fund	135	88
Measures to improve the employment situation in certain regions, economic sectors or groups of companies	68.5	44.6
Measures for young people (Social Fund)	36	23
Reorganization and redevelopment operations in crisis sectors	15	9.76
Aid to the agricultural and textile sectors	13	8.46
Measures for handicapped persons not eligible under Article 4 of the Social Fund	10.5	6.83
Prospecting for hydrocarbons	9	5.86
Measures for immigrant workers	8	5.2
Use of coal in power stations	8	5.2
Projects in the hydrocarbons sector	7	4.55
Research, technology in industry	5	3.25
Measures for handicapped persons	3	1.95

The main modification agreed to was one tabled by Mr Spinelli (It, CA) and colleagues calling for a real ceiling on commitments under the EAGGF guarantee section. The motion on the draft budget tabled by Mr Shaw was agreed to after being slightly amended.

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