

SESSION OF THE EUROPEAN PARLIAMENT

1976 - 1977

Sittings held in Luxembourg Monday 13th December to Friday 17th December 1976

THE WEEK

Perhaps never before did Parliament work as hard as it did this week. Nor sit as long: on two evenings the House debated until past eleven, and only once did tired Members call it a day before ten. And all to what avail? In some senses, the week was a clearing-up operation, a finishing of unfinished business. It was also a week of goodbyes: to the Dutch presidency of the Council, but also to the outgoing Commission and its President, François-Xavier Ortoli. In a farewell address to the House on Wednesday afternoon, Mr Ortoli defended the Commission's achievements over the past four years, but added: 'It (the Commission) is not like a fleet sailing in the sunshine, but rather a working fleet on the high seas, ploughing its way through the towering waves.'

For Christian Democrat Heinrich Aigner (Ge), however, the fleet did not even deserve to reach port. He and his group tried to sink it by tabling a motion of censure. (Parliament can unseat the Commission if a majority of all its Members and two-thirds of those voting support a censure motion): Although most of the House agreed with the CDs that the Commission had acted improperly in not supplying Parliament's public-accounts committee with a document it had requested, there was reluctance to resort to use of the ultimate weapon. In the event, Parliament agreed to a compromise motion deferring the censure vote until February.

In one of the week's major debates — on Community regional policy — Commissioner Georges Thomson took the opportunity to say his own goodbye

to the House. And he said he would be handing over to his successor a 'last will and testament' — a list of points which he saw as key to the future of regional policy. These included the need for closer and more direct links between the Regional Fund and those who were to benefit, strict application of the principles of 'additionality' (according to which RF money should be used in addition to, not instead of, national funds for regional projects), and greater flexibility in the amount of RF money that could be used for individual schemes.

Other important items in Parliament's week included a five-hour debate on the Commission's milk surplus proposals, and final adoption of the Community's 1977 budget. On milk, the Commission was proposing the introduction of a 'co-responsibility levy' on milk producers and a tax on vegetable oils (ie margarine). The House agreed to the levy, but not to the tax on margarine. And, after a final bout of 'concertation' (EC jargon for finding common ground) with the Council on Wednesday, Parliament fixed the Community's final budget for 1977 at 8.8bn ua (3,660 m pounds).

Concertation or collusion?

The 1977 Community budget was finally adopted by Parliament on Thursday afternoon, 16 December, but only after strong feelings had been expressed both on the floor of the House, in the Budgets Committee and between Council and Parliament in a 'concertation procedure' meeting. The budget is made up as follows (in millions of units of account):

	m ua	pounds m equiv
Agriculture	6,021	2,508
Social affairs	190	79
Regional Fund	400	166
Research energy	236	98
Development aid	270	112
Dual exchange rate	560	233
Administration	386	160
Collection costs	583	242
Reserve	4	1
	8,650	3,599
Other institutions	148	61
	8,798	3,660
	0,790	3,000

One hundred and fourteen Members raised their hands in favour once all the final amendments had been agreed on Thursday evening. One of the eight (seven against, one abstention) who did not, however, was the Budgets Committee's rapporteur Lord Bruce (Br, S), the abstainer. He did so because, in his view, the final deal done at a meeting between a Parliament delegation and the Council on the afternoon of the day before (Wednesday) amounted to collusion rather than concertation. He protested that the idea of pressing for only 15 mua (6.3m pounds) for aid to non-associate countries instead of 30 mua, and 5 mua (2.1m pounds) for help for disaster victims, which brought the extra the Parliament was asking down from 186 mua (77.5m pounds) to a figure more acceptable to the Council, seemed to have been neatly sewn up in advance in what he called Parliament's 'corridors of power'.

Referring in particular to a cut of 5 mua (2.1m pounds) made by the Council in appropriations in the hydrocarbon sector he said that President Spénale had told the Budgets Committee that without this concession to the Council he, as president, could not deliver a quorum in the budget vote. But, with the concession Lord Bruce said he had replied, that he, as Budgets Committee rapporteur couldn't advise people to vote 'in a way that is objectionable to his Committee', either. He considered, moreover, that it was time Parliament stood up to the Council and Commission.

It is significant, nevertheless, that for the first time, the Council had come to Parliament for the concertation procedure meeting and not, as previously, the other way round. The final figure agreed still represents in a large measure recognition of Parliament's authority including as it does several major amendments upheld by Parliament against Council's earlier wishes. At the same time it remains well within the limits of Parliament's own powers of discretion (245mua maximum) indicating a wish on the part of Parliament, as well as the Council to show moderation in the current difficult economic climate.

Parliament 'no' to fats tax

The dairy lobby failed in a renewed attempt on Monday December 13 to get the European Parliament behind the Commission's proposed tax on margarine. On a formal roll-call (unusual in itself, and doubly unusual on a Monday), the tax was rejected by a margin of seven votes.

The proposal - intended to balance the levy on butter surpluses - had been bitterly denounced by many Members during the September session; and had a

rough ride through the Agriculture Committee (which changed its own view at successive meetings when attendance altered). But it was the final report presented by Jan de Koning (Du, CD) on December 13 which provided the first real occasion for EMPs to stand up to be counted.

Literally, for apart from the usual show of hands, the voting procedure provides also for sitting and standing votes and, finally, for a roll call. The first two methods are far from satisfactory and the standing-sitting procedure on that occasion provoked a bitter squabble with Vice-President Michael Yeats (Ir, EPD) over whether a Conservative amendment had been carried or not. But when it came to the margarine tax, names were called and the line up showed a mix between national, constituency and party interest. All the British Members present voted against the tax while all the French, Irish and Danes were in favour. The other nationalities split, with the Germans and Dutch mainly against, the Italians and Luxembourgers mainly in favour, the Belgians split 50-50.

So Parliament made its views known by 41 to 34, with two Dutch abstentions. Perhaps that merely encouraged the Council of Ministers, for once more they could not agree either a week later.

It's over to you, Jenkins

The European Parliament has two sledge-hammers, the first is the power to sack the Commission, the second to reject the budget. Both were to hand during December session and some Members even thought of handling them. But they are so heavy that they need at least 100 Members to lift and to bring down on their respective nuts.

After the European Conservatives' abortive attempt last June to dismiss the Commission over the mounting powdered-milk mountain, an attempt to dismiss the Commission by the Christian Democrats in December, the very month that the Commission was retiring, was even less !:kely to succeed. Not that Heinrich Aigner (Ge), the prime mover, lacked a good case. Indeed, the refusal of the Commission to give up — or even to show — to Parliament's budgetary control sub-committee documents about over-payments for malt subsidies was clearly its own responsibility, whereas it had been able to divert responsibility during the Conservatives' assault on to the Council of Ministers.

But the warning shot went across the Commission's bows and although the motion of censure was formally withdrawn later in the week, President Spénale reported to the House that he would arrange to meet the new Commission as soon as possible in the New Year to discuss the matter. As President-elect Jenkins is reported as intending to put a major emphasis on relations with the European Parliament, he will be faced with a major issue of principle hardly before he has unpacked his bags.

Aggro on Green Pound again

The difference between the Green Pound and the 'real' Pound is worth 1.5 billion units of account (625 million pounds) to the UK in a full year, Commissioner Cheysson told Parliament at Question Time on Thursday, December 14. Unfair to British and Irish farmers, complained James Scott-Hopkins (Br) and Ralph Howell (Br) for the European Conservatives; on the contrary, a Green Pound devaluation would be a disaster, replied Lord Bruce, (Br, S). 'Is he seriously asking my country of less than three million people', broke in Charles McDonald (Ir, CD), 'to subsidise his consumers, all 50 million of them?', which in turn, during the emergency debate held the following day at the Conservatives' request, provoked new Member Frank Tomney (Br, S) to say: 'it is one thing to kiss the blarney stone. It is another to bring it here with you' – adding that a million Irish people were resident in England.

More news from the fish war

Parliament returned on Friday to the unsolved Community fishing question, and, like the Council (who again failed to agree on the following Monday), were clearly divided. This was despite the strenuous efforts of Mark Hughes (Br, S) supported by James Scott-Hopkins (Br, EC) to find a compromise along the lines of the Socialist plan of October. But Irish members still wanted a fifty mile exclusive zone; after all, said Brian Lenihan (Ir, EPD) other countries had coal and steel industries — Lorraine, the Ruhr, the Saar, the Irish had fishing. But this only brought a cry of 'we too' from Marcel Vandewiele (Be, CD) who, together with Niels Kofoed (Da, L) tried to sink the Hughes motion. Despite Altiero Spinelli (It) leading the Communists out of battle (abstaining) and an Irish inshore flanking amendment, they failed, however. Kai Nyborg (Da, EPD) also saw the debate in military terms but remarked 'what a time to table a motion!'

What a time indeed - a good traditional British naval tactic. Mustering superior numbers, it being Friday, they hust held the majority for Mark Hughes. A fresh battle is expected in January when Niels Kofoed is to present his report.

Eastern approaches

Has the Community finally got the Russians on the hook? This is the theme behind the Community's three month's notice to East European countries to get their fishermen out of the new 200-mile limit Community waters in the new year. But the Russian fish is wriggling, still refusing to recognise the Community as such, unlike China, Yugoslavia and Romania, and trying to equate its own Comecon organisation with the Community. The Nine are not having any of that; they are not comparable bodies in any way, they argue in public, aware — as are the Russians — that this stance has the private support of other East European countries, which prefer bilateral links with the West. But even if the Russians are forced to negotiate fishing rights with the Community, how many gunboats had the Commission?

Meanswhile, in a debate on East-West trade relations on 15 December Council President Brinkhorst reported that the major Community trade surplus with Comecon (reaching \$3.3 billion in 1975) was now declining, while the heavy debts incurred to meet the eastern countries' hard-currency deficits (estimated at between \$26 and \$35 billion) were now stabilising.

'One of nature's gentlemen'

For a man speaking from under the shadow of a pending censure motion, François-Xavier Ortoli, retiring French President of the Brussels Commission, acquitted himself of his farewell address with something like brio. But then, as everyone in the European Parliament seems to agree, he can look back over his four years in office with some satisfaction: the regional fund has been launched, the Lomé Convention signed and the British referendum successfully won. And these are all achievements in which he has played his part, not to mention the piloting through of changes in Parliament's budgetary powers and, awaiting ratification too, a decision that Europe's Parliament shall be elected directly in 1978. As Russell Johnston said, Mr Ortoli is to be congratulated on what he has achieved and 'for the manner in which he has achieved it ... Mr Ortoli is a man of tact, efficiency and kindness ... one of nature's gentlemen.'

Another non-event

Laurens Jan Brinkhorst told the House nothing that it did not already know about the year's third meeting of the European Council, the institutionalised form that European summit meetings have now taken. But to read, in newspapers, that nothing exciting had happened in The Hague on November 29-30 was one thing. To have the lack of achievement spelled out was almost an act of provocation. Alfred Bertrand, the Belgian ex-miner who leads the Christian Democrat Group, Jean Durieux, French leader of the Liberals and Sir Peter Kirk, European Conservative leader put down a motion recording their lack of enthusiasm, especially as regards the Nine's failure to find common ground for the North-South Conference in Paris. Equally deplorable, they felt, was the lack of any bid to lick the social problems the Community is now facing. Sir Peter Kirk has always had doubts as to the merits of these summits. 'It is a melancholy satisfaction to realise that those doubts have now been completely fulfilled', he concluded.

Compromise on tachographs

One of the more important reports ever to be presented on a Friday morning traditionally the preserve of UK Members waiting for the charter plane - was voted through Parliament on 17 December. It concerned the controversial Community rules on commercial drivers' hours - linked, inevitably, with the issue of tachographs or 'spies in the cab.' The Commission's new proposals will limit time spent continuously at the wheel by lorry drivers to 8 hours, and to 48 hours in any one week, and where there is not a proper 'control device', the rules will be enforced by a 450 km limit on distance. Horst Seefeld (Ge, S), for the Regional and Transport Committee, welcomed the proposals, and so did Parliament as a whole, with one crucial amendment. As the rapporteur pointed out, the UK, Ireland and Denmark are due to apply the existing 1969 regulations next year, but these are already obsolete. Hence the urgent need for the new proposals. In the light of the debate, therefore, a Conservative amendment to reject them altogether was withdrawn, and another amendment proposed by Mr Seefeld himself was inserted which would give the UK and Ireland a possible derogation from the new rules of between one and three years. Commissioner Vouel promised to go into the legal possibilities of such a move, and meanwhile Transport Committee chairman John Evans (Br, S) said he would do his best to get the British Transport and General Workers Union to accept tachographs for their own good.

Political files

At Question Time on Tuesday, December 14, Mr Mascagni (It, CA) put it to François-Xavier Ortoli, President of the Commission, that questionnaires recently distributed to Commission officials relating to their political views was a pointless infringement of officials' personal rights as upheld by the Treaty of Rome. But Mr Ortoli cited a Euratom regulation of 1958 as the legal basis for the enquiries, which currently involve some 450 officials having potential access to confidential documents.

He stressed that enquiries should continue to be undertaken in coordination with Member States' security forces and that information obtained would in no way constitute a 'Berufsverbot' or jeopardise an official's advancement prospects. Parliament did not, however, obtain permission to examine the questionnaire.

Steel, ships, cars and shoes

Issues of fundamental concern to the EEC, namely the flooding of the market with third country goods and the threat of aggravating the unemployment situation, were raised during the debate on John Osborn's (Br, EC) oral question on trade with Japan. All political groups agreed that priority should be given to the limitation of Japanese exports to the Community and for the expansion of the market in Japan for EEC goods. Commissioner Gundelach reported that Japan was to impose export restraints on steel producers. Two other major aspects of Japanese trade, shipbuilding and car production, were specifically seen in a British as well as a European Context. The Japanese shipbuilding industry, acknowledged Mr Gundelach, was adding to the worldwide over-capacity, and subsequent threat of unemployment, experienced in this sector. Although bilateral discussion were about to take place, prospects in this sector were less promising. It seemed, however, from statistics that Japanese car exports into Britain were not increasing.

In order to promote EEC exports to Japan, largely concentrated on the footwear and processed food industries, negotiations had commenced with a view to restructuring the Japanese markets. Japanese testing of EEC cars to be exported to Japan would begin on April 1 1977.

Budgetary powers

The Treaty of July 1975, which formalises Parliament's powers over the Community Budget, has now been ratified by nearly all the nine national parliaments. President of the Council Laurens Brinkhorst told Parliament on Tuesday, December 14, that ratification was complete in the UK, Denmark, Luxembourg and Germany. In Belgium it was through the House of Representatives, and in France through the Assemblée Nationale. In the Netherlands both chambers had approved it, and ratification was expected in the New Year, as it was in Ireland. The draft treaty had gone to the Italian Parliament in September. As well as confirming Parliament's power to reject the Community's Budget, the Treaty establishes new auditing procedures.

Mobilising the disabled

Community finance to develop a standard vehicle for the disabled — a prototype is on the drawing board at Manchester University Institute of Science and Technology — was a possibility raised at Question Time on Tuesday, December 14, by Sir Brandon Rhys Williams (Br, EC). At present though, it doesn't appear to be on. Commissioner George Thomson agreed that the integration of the disabled into the Community should be given high priority, but said that the Commission's policy was currently to promote more general programmes, such as a report on what Member States were doing themselves.

Turkey aid

The Community is to channel half a million units of account (208,000 pounds) through the Red Cross to help Turkey's earthquake victims, Commissioner Lardinois told Parliament on Monday, December 13. Some 60,000 people in the Van region are struggling for survival in temperatures of minus 15 degrees Centigrade, and to make matters worse (according to a letter in The Times) most of the victims are Kurds who do not even speak Turkish, the official language.

Steel production curbs

With production curbs in the air (if not actually being spelled out by a Commission which can do this if the steel industry is in a state of 'manifest

crisis'), several Members were anxious to know where the industry stood. Retiring Belgian Commissioner Henri Simonet indicated that the Commission was going to recommend voluntary curbs. This, he hoped, would restore the balance of the market.

Rule changes

On Thursday, December 16, Parliament voted through a number of rules changes, among them the composition of the Parliament's side at any 'concertation' meeting with the Council of Ministers. It will:

- 1. consist of nine Members;
- 2. reflect the political balance of Parliament as a whole;
- 3. include the chairmen and rapporteurs from the relevant committees, and
- 4. be led by the Parliament's President or one of the Vice-Presidents.

The 'concertation procedure', established on March 4 1975 is steadily growing in importance. It can be used not only in connection with the Budget, but on all proposals for legislation having financial consequences.

After Lomé

'Only a few points of discord remain', said Commissioner Cheysson after representatives and delegates from the 58 signatory states of the Lomé Convention and the observer states had attended a meeting of the Joint Committee of the Convention's Consultative Assembly in Lomé, Togo, from December 1-3 1976. The meeting, to discuss progress and problems in the working of the Convention and prepare for the next plenary Assembly, was also attended by the EC and ACP Council and Consultative Assembly Presidents, and European Parliament President Georges Spénale (Fr, S), and was chaired by the Joint Committee Presidents Kasongo Mukundji (Zaire) and Pierre Deschamps (Be, CD).

If recent meetings of UNCTAD and the North-South dialogue had illustrated the broad differences that exist between developed and developing countries, this meeting served to show that, for some 50 countries at least, there is abundant goodwill to tackle economic problems together. After considering a report by Lord Reay (Br, EC) which highlighted certain key questions, delegates discussed and agreed a common approach to solutions in the form of a joint declaration.

This will be the basis of discussions during the next plenary session of the Consultative Assembly, to be held in Luxembourg in June 1977. In particular, the Joint Committee welcomed three new ACP Members, the Comoro Islands, Seychelles and Surinam Republic and looked forward to the early accession of the Cape Verde Islands, Papua New Guinea and Sao Tome and Principe.

After expressing 'satisfaction' with the application of the Lomé Convention provisions, they agreed on the need for the Stabex system of stabilising export earnings to be improved and enlarged; to improve information and consultation; to increase industrial cooperation; to take up the question of sugar price and storage in 'a spirit of cooperation'; to seek extension of the special beef arrangements beyond 1977; to request implementation of the Lomé Convention banana protocol and to arrange for regular consultation with economic and social representatives to be coordinated with ILO meetings. The Committee also considered the effects of generalised preferences, regional and inter-regional cooperation, the situation in southern Africa, and how to improve on the 'insufficient results' in UNCTAD.

SUMMARY OF THE WEEK

MONDAY

- Parliament pays tribute to Albert Borschette, a former member of the European Commission who died on December 8th.
- Commission tells Parliament that EC will give half a million ua (208,335 pounds) to help Turkey's earthquake victims.
- Mr Frank Tomney takes his seat in the House. He succeeds Mr Michael Stewart.
- Mr Pierre Bertrand becomes a member of the Belgian Government.
- Heinrich Aigner tables censure motion.
- Parliament rejects margarine tax 41 to 34. Milk levy accepted.

TUESDAY

- George Thomson tells Parliament that of the 281 opinions given on Commission proposals over the last two years 207 have been favourable. 74 EP amendments were proposed and in 52 out of 74 cases the Commission accepted them partly or wholly. In only 22 cases has the Commission been unable to follow Parliament's amendments. In debates on these 22 issues the EP showed it appreciated the Commission's reasons for not following Parliament's advice.
- Parliament debates changes in its standing orders.
- Michael Shaw asks EP to accept compromise on financial regulation to govern budgets in 1978, 1979 and 1980.
- ECSC levy of 0.29 per cent of coal and steel production is approved.
- EC and EP accounts for 1972, 1973 and 1974 adopted.
- Revision of 1976 budget of 8.47bn ua (3.5bn pounds).
- EP agrees with regret to going on with 'tariff system' for road transport.

- Question Time: 16 questions to the Commission. Mr Ortoli answered 4, Mr Thomson 4, Mr Cheysson 5 and Mr Guazzaroni 3.
- Parliament debates EC budget for 1977.
- Parliament debates censure motion.

WEDNESDAY

- President welcomes Mr John Tomlinson MP, British Under-Secretary of State for Foreign and Commonwealth Affairs.
- Question Time: 6 questions to the Council. Mr Brinkhorst replied.
- Emergency debate on the Green Pound held at the request of the European Conservatives.
- Trade with Japan: EMPs voice exasperation of manufacturers about difficulties of penetrating Japanese market.
- Ortoli bids House farewell.
- Council statement on The Hague Summit.
- Socialists raise question of EC relations with Comecon countries.
- EP asks Council about the implementation of the European Community's November 1973 environment programme.

THURSDAY

- Parliament debates the steel crisis.
- Parliament debates Regional Fund's record for 1975. Commissioner George Thomson lists keys to success in regional policy for the future.
- Parliament approves 8.79 mua (3.666m pounds) budget for 1977.

Parliament voted to add 140 mua (58,333,800 pounds) to 1977 budget. This comprised 48.1 mua payment appropriations (plus Council's 10.1) and 81.7 mua commitment appropriations.

Thursday's vote:

	ua	pounds
Help for young people	60,000	25,000
Nuclear fuel cycle studies	60,000	25,000
Direct elections info.	600,000	250,002
Economic Analysis Instit.	800,000	333,336
Migrant workers housing	500,000	208,335
Job market trends	130,000	54,167
Job training for farmers	60,000	25,000
Hydrocarbons	3,000,000	1,250,010
Hydrocarbons	9,000,000	3,750,030
Uranium prospecting	1,000,000	416,670
JRC doc res	500,000	208,335
Data processing	2,835,800	1,181,592
Aerospace	8,000,000	3,333,360
Arch. heritage	40,000	16,666
Aid for disaster victims	5,000,000	2,083,350
Non-associates	15,000,000	6,250,050
Non-associates trade promotion	1,500,000	625,005
Total	48,085,800	20,035,910

Rules of procedure: two motions (conciliation and oral questions) agreed, one (petitions) deferred.

- Regional policy debate: Fernand Delmotte (Be, S), rapporteur, and Commissioner George Thomson sum up.
- Ghana debate ends in uproar as quorum rule invoked
- Craft trades industry: EPD question Commission

- House agrees to motion on the results of the meeting of the Council in the Hague 29/30 November 1976
- Financial regulation approved with reservations

FRIDAY

- House agrees to Ghana motion despite Socialist and Communist opposition to specific points.
- Fishing: EP urges agreement on interim policy.
- Survey of farm structures: EP urges common approach
- House agrees to Ney motion on veterinary problems without debate.
- House agrees, subject to one important amendment, to Commission proposals designed to balance supply and demand in the hops market.
- House agrees to proposals to cut back on grape production.
- New deadline for EAGGF aid applications agreed to.
- Inland waterway laying-up fund proposals agreed to.
- Compromise on the social legislation applicable to road transport accepted.
- The House then agreed, without debate, to the motions contained in the reports by Emile Muller (Fr, L), Gabriel Kaspereit (Fr, EPD), Colette Flesch (Lu, L), Pierre Krieg (Fr, EPD), Gerd Springorum (Ge, CD) and, after a brief debate, to Harry Notenboom's (Du, CD) motion on Community own resources.

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