

Annex

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Report of Proceedings

on 22 and 23 March 1977

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NOTE TO READER

Appearing at the same time as the English edition are editions in the five other official languages of the Communities : Danish, German, French, Italian and Dutch. The English edition contains the original texts of the interventions in English and an English translation of those made in other languages. In these cases there are, after the name of the speaker, the following letters, in brackets, to indicate the language spoken : *(DK)* for Danish, *(D)* for German, *(F)* for French, *(I)* for Italian and *(NL)* for Dutch.

The original texts of these interventions appear in the edition published in the language spoken.

Resolutions adopted at sittings of 22 and 23 March 1977 appear in the Official Journal of the European Communities C 93 of 18. 4. 1977.

SITTING OF TUESDAY, 22 MARCH 1977

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IN THE CHAIR: MR COLOMBO

President

(The sitting was opened at 4.30 p.m.)

President. — The sitting is open.

1. Resumption of the session

President. — I declare resumed the session of the European Parliament adjourned on 11 March 1977.

2. Apologies

President. — Apologies for absence have been received from Mr Pierre Bertrand, Mr Johnston and Mr Emile Muller who regret their inability to attend this sitting.

3. Tribute

President. — Ladies and gentlemen, Parliament has once again suffered a sad loss. Mr Hervé Laudrin who had been a Member of the Assembly for 15 years, passed away on the night of 19-20 March.

President

Throughout his membership Mr Laudrin played an active part in our work, in particular as a member of the Committee on Social Affairs, Employment and Education, the Committee on Development and Cooperation, the Committee on Agriculture and the Conference of the Association.

On behalf of Parliament I have expressed our sympathy to the relatives of our late colleague and to the Group of European Progressive Democrats of which he was a member.

In memory of our colleague I would ask you to observe 1 minute's silence.

(The Assembly stood to observe 1 minute's silence)

4. Authorization of reports (reference to committee)

President. — At the request of the Committee on Regional Policy, Regional Planning and Transport, which has been authorized to draw up a report on improved efficiency of air traffic control, on which the Committee on Energy and Research has been asked for its opinion, the Committee on Economic and Monetary Affairs has now also been asked for its opinion pursuant to Rule 38 (3) of the Rules of Procedure.

5. Documents received

President. — Since the session was adjourned I have received the following documents :

(a) from the Council, requests for an opinion on :

— proposal from the Commission to the Council for :

— a regulation on the opening, allocation and administration of the Community tariff quota of 30 000 head of heifers and cows, not intended for slaughter, of certain mountain breeds falling within in subheading ex 01.02 A II (b) 2 of the Common Customs Tariff

— a regulation on the opening, allocation and administration of the Community tariff quota of 5 000 head of bulls, cows and heifers, not intended for slaughter, of certain Alpine breeds falling within subheading ex 01.02 A (II) (b) 2 of the Common Customs Tariff (Doc. 6/77)

This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture for its opinion.

— proposal from the Commission to the Council for

— a regulation concerning imports of rice from the Arab Republic of Egypt

— a regulation concerning imports of bran, sharps and other residues derived from the sifting, milling or other working of cereals originating in the Arab Republic of Egypt (Doc. 7/77)

This document has been referred to the Committee on External Economic Relations as the committee responsible

and to the Committee on Agriculture, the Committee on Budgets and the Committee on Development and Cooperation, for their opinions.

— the proposal from the Commission to the Council for a regulation on the opening, allocation and administration of a Community tariff quota for certain eels falling within subheading ex 03.01 A II of the Common Customs Tariff — (1 July 1977 — 30 June 1978) — (Doc. 10/77);

This document has been referred to the Committee on External Economic Relations as the committee responsible and to the committee on Agriculture for its opinion ;

— the proposal from the Commission to the Council for a regulation on financial and technical aid to non-associated developing countries (Doc. 11/77).

This document has been referred to the Committee on Development and Cooperation as the committee responsible and to the Committee on Budgets for its opinion.

(b) from the committees, the following reports :

— Interim report by Mr Seefeld, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on sea transport problems in the Community (Doc. 5/77);

— Report by Mr Kofoed, on behalf of the Committee on Agriculture, on the proposals from the Commission of the European Communities to the Council (Doc. 576/76) on the fixing of prices for certain agricultural products and on certain related measures (Doc. 9/77);

— Report by Mr Jahn, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the outcome of the 4th International Parliamentary Conference on the Environment held in Kingston (Jamaica) from 12-14 April 1976 (Doc. 12/77);

(c) from the Council :

— the Second Financial Protocol between the European Economic Community and Greece (Doc. 8/77)

This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Political Affairs Committee and the Committee on Budgets for their opinions.

6. Order of business

President. — The next item is the order of business.

At its meeting of 23 February 1977 the enlarged Bureau prepared the draft agenda which has been distributed.

In the meantime, however, new circumstances have arisen and at a meeting held at 10 a.m. this morning the enlarged Bureau decided to submit for the approval of Parliament the following amended draft agenda :

President

Tuesday, 22 March 1977, afternoon

- order of business
- debate and vote on the motion for a resolution tabled by Mr Alfred Bertrand on behalf of the Political Affairs Committee on the participation of the Community at the Western Economic Summit to be held in London on 6 and 7 May 1977
- debate on the report by Mr Kofoed, on behalf of the Committee on Agriculture on the proposals from the Commission of the European Communities to the Council on the fixing of prices for certain agricultural products and on certain related measures.

Wednesday, 23 March 1977, 10 a.m.

- debate on the motion of censure tabled by the Group of European Progressive Democrats.

11 a.m.

- resumption of the debate on the Kofoed report.

1 p.m.

- vote on the motion of censure
- vote on the Kofoed report

It is also proposed that, in order to reduce the duration of the vote on agricultural prices and thus enable the British delegates to leave Luxembourg not later than 4 p.m. authors of amendments should be asked to move their amendments during the general debate so that they do not have to speak again during the vote.

Are there any objections?

I call Mr Cointat.

Mr Cointat. — *(F)* Mr President I fully appreciate your concern to organize the proceedings in such a way as to allow our British colleagues to return to their country at 4 o'clock tomorrow. We are all agreed on this point, but if I have understood rightly you want our discussions to go on without interruption up to 10 o'clock this evening and also go on without interruption tomorrow at mid-day. The Members will have no objection because they can leave the House from time to time to take refreshment.

The officials, particularly those serving this part-session who are obliged to remain on duty the whole time, do not have the same latitude. Please allow me, therefore, to suggest that at least this evening, if not tomorrow, there should be a break of half or three-quarters of an hour which should not, after all, cause any great difficulty. I thank you on their behalf, Mr President.

President. — I call Mr Fellermaier.

Mr Fellermaier. — *(D)* Mr President, I feel that the interpreters in the cubicles would be better pleased if they knew that proceedings would come to an end exactly at 10 p.m. so that they could then take a well-earned supper rather than if we had a 30-minute break for a sandwich that would probably turn into an hour. This would be of no help to the Members or to

the officials in the cubicles. I am in favour of leaving the timetable in the form proposed by the President's office and agreed unanimously today — your group included, Mr Cointat.

(Applause from various quarters)

President. — I should like to assure you that the Bureau has also taken these factors into account so that, however demanding the work, it should not sap the strength of our excellent and capable staff.

Are there any other objections?

The agenda is thus agreed.

7. Allocation of speaking time

President. — For the debate of the Kofoed report on agricultural prices (Doc. 9/77) and for that on the motion of censure tabled by the Group of European Progressive Democrats (Doc. 3/77), I propose that speaking time be allocated as follows:

Kofoed report

Rapporteur :	30 minutes
Draftsman of the opinion of the Committee on Budgets :	15 minutes
Socialist Group :	60 minutes
Christian-Democratic Group :	50 minutes
Liberal and Democratic Group :	40 minutes
Group of European Progressive Democrats :	30 minutes
European Conservative Group :	30 minutes
Communist and Allies Group :	30 minutes
Non-attached Members :	15 minutes
Commission :	45 minutes

Motion of censure

Author :	20 minutes
Commission :	20 minutes
Political Groups :	20 minutes in total

Are there any objections?

That is agreed.

8. Participation of the Community at the Western Economic Summit in London

President. — I have received from Mr Alfred Bertrand, on behalf of the Political Affairs Committee, a motion for a resolution with request for urgent debate pursuant to Rule 14 of the Rules of Procedure, on the participation of the Community as such at the Western Economic Summit to be held in London on 6 and 7 May 1977 (Doc. 13/77).

Are there any objections to the request for urgent procedure?

The adoption of urgent procedure is agreed.

I call Mr Bertrand.

Mr Bertrand. — *(NL)* Mr President, on behalf of the Political Affairs Committee I would first and foremost like to thank the Bureau for agreeing to the commit-

Bertrand

tee's request to give the motion for a resolution priority on the agenda so that this extra-ordinary part-session can then be exclusively devoted to agricultural problems. The fact is that on Friday — the 20th anniversary of the signing of the Rome Treaty — the European Council will be meeting in Rome and it is absolutely necessary that this Parliament should be able to give its opinion, before that date, on the fact that the Community is being excluded, for the third time, from a European summit conference at which — it should be noted — mainly economic problems are to be discussed.

This is all the more regrettable in that, after the first exclusion of the Community at Rambouillet and its second at Puerto Rico, the European Council discussed the problem on 12 and 13 July in Brussels both on the grounds of protests from various Member States which were not present and because the Community as such was not represented. In consequence it was then decided that Community procedures and mechanisms must be observed at international conferences. Furthermore it was decided in Copenhagen and elsewhere that the Community must be able to speak with one voice on international matters. In view of all this, the Political Affairs Committee wants Parliament to urge that the Community, in the person of the President of the Council and the President of the European Commission, should be represented at the forthcoming economic summit conference in London. Secondly, Parliament urges all governments of Member States and the Council of the European Communities to take the necessary steps in order to make this possible, and here we address ourselves more especially to the President-in-Office of the Council of Ministers with the request that he should do what is necessary to implement the wish of the Community to be invited as such. This is the content of this motion for a resolution. I do not think any further explanation is necessary; all the stand-points are sufficiently familiar.

We are filled with indignation at the fact that, whenever it is a matter of economic problems, our Economic Community is not present as such at the discussions. The purpose of the resolution is to put an end to this abuse once for all and I hope that Parliament will approve it unanimously.

(Applause)

President. — I call Mr Gundelach.

Mr Gundelach. *Vice-President of the Commission.* — (DK) Mr President, the Commission does not wish there to be any doubt on this occasion that it always has been and always will be its view that at international conferences, to which some Member States have been invited and which deal with matters touching on the Community's sphere of responsibility, the

Community must be represented by its appropriate institutions. It is not simply a question of ensuring continued progress in the building of Europe; it is a question of upholding what has been achieved over the last fifteen years.

If — which will doubtless be the case at the forthcoming summit meeting in London — subjects which are directly Community matters, such as trade policy, energy and other economic questions, are discussed or debated with some Member States taking part, but not the Community's appropriate institutions, confidence in these institutions would be seriously weakened when they negotiate on Community interests on behalf of the Community. One of the buttresses of and one of the main arguments for European policies would be undermined. Over the next few days the Commission will therefore continue its efforts to ensure that the decision that the Community institutions shall not be represented in London, which seems more definite all the time, is not taken, and that the Community will indeed be represented, and welcomes the motion for a resolution tabled by Mr Bertrand as support for these efforts.

(Applause)

President. — Since no one else wishes to speak, I put the motion for a resolution to the vote.

The resolution is adopted.¹

9. *Fixing of prices for certain agricultural products and related measures*

President. — The next item is the debate on the report (Doc. 9/77) drawn up by Mr Kofoed on behalf of the Committee on Agriculture on the

proposals from the Commission of the European Communities to the Council on the fixing of prices for certain agricultural products and on certain related measures.

I call Mr Kofoed.

Mr Kofoed, rapporteur. — (DK) Mr President, I have the honour of submitting the report by the Committee on Agriculture on the Commission's proposal on agricultural prices. We must assess the price proposal in the context of the situation of the Community, and bear in mind that it is our duty to work towards the objectives of the common agricultural policy, which, according to Article 39 of the EEC Treaty, are to provide the conditions for fair earnings in agriculture and to ensure that supplies reach consumers at reasonable prices. I believe that Parliament wholeheartedly agrees with these objectives.

¹ OJ C 93 of 18. 4. 1977.

Kofoed

However, these objectives are not so easy to attain. If we consider the general economic situation in the European Communities, there are a great many problems which help to complicate matters for the agricultural policy. In 1977 we are still suffering the effects of a widespread recession; we still have problems of inflation to combat and we are having difficulties in achieving renewed economic growth and progress. 1976 brought a slight improvement and this can be expected to continue in 1977, but it looks as if — rightly — the individual countries will continue their efforts to limit money incomes with the aid of various forms of incomes policy, so that it is hard to forecast any growth in the consumption of foodstuffs in the coming year. In other words, any increase of agricultural production would have to find its outlet in exports from Europe to third countries.

It is in the light of this general economic situation that the Commission and Parliament have to try to formulate a view on the fixing of prices in the agricultural sector for the coming year.

When I turn to the Commission's proposal for a general price rise of 3%, I must say personally that this increase is less than what I would regard as reasonable in the present economic situation. The Committee on Agriculture, or at least a majority of that committee, is therefore in favour of a general increase of at least 5%, taking agricultural incomes into account. The Commission seems to regard agricultural minimum prices as having greater influence on economic trends than is normally assumed, to be the case and perhaps more than is justified. I am thinking here of the statement by the Commission that the 3% increase in agricultural prices is to be seen as part of the general fight against inflation. I regard this as somewhat of an exaggeration, as the Commission were at the same time producing calculations to show how small an effect producer prices actually have on inflation, and at any event producer prices actually have on inflation, and at any event on increases in prices to the consumer. If producer price increases really were to have any effect, they would have to be about 10% before they would have any real effect on living costs. The proposed increase of 3% cannot in any case be used as a pretext, and described as a real part of the fight against inflation. Moreover, we could pursue this argument and ask the Commission if its view is that it should be the producers who make the greatest contribution to the fight against inflation. It therefore seems to me that the Commission's proposal is perhaps a little on the drastic side.

In this connection it is also essential to explain to the consumer and the taxpayer that food prices in Europe are not fixed by the Commission or the Council. It is in fact the normal market mechanism which determines the price to the consumer. I think it should be made clear to the public that what the Community, Parliament and the Council do is to fix a minimum price for the producer, rather like a safety net, so that

his income cannot fall below a certain minimum, but that it is the market mechanism which determines how high the price is to the consumer. It should also be seen as an advantage to the consumer, as greater supplies of individual produce, and greater supplies of foodstuffs as a whole, mean more choice for the consumer, and greater abundance gives him better and cheaper opportunities to buy this produce. I think certain things must be made clear, as it seems to be a widely held view this is a kind of trade union system, where we fix prices and incomes for the producers at the consumers' expense. This is not so.

But if it is difficult to reach agreement on the amount of these minimum prices, this is due first and foremost to the economic disparities within Community countries, which are caused by numerous factors which I do not intend to go into here. Members present know very well what variations there are in agricultural conditions in England and Italy, and even within countries such as France and Germany there are great differences in farmers' economic circumstances. This in itself makes it difficult. At the same time it is made even more difficult by the fact that the different countries have had varying fortunes with their economic policies aimed at producing stable development.

This naturally leads us into the next problem, that of monetary compensatory amounts. The Commission has proposed a procedure for progressively reducing these MCAs, taking appreciating as well as depreciating currencies into account. It is said of the monetary compensatory systems, that they have been discredited in some eyes, and perhaps more than is justified. For what alternative was there and is there to monetary compensatory systems? So far as I can see there is only one, that is a common economic and monetary union, i.e. to have fixed or uniform currencies, so that prices can be made to apply regardless of geographical location. But if we agree that we should have a uniform agricultural policy, we are forced, in present circumstances, to have a monetary compensatory system. This is not to say that the system is satisfactory as it operates at present. I am compelled to say that it cannot be right for monetary compensatory amounts to be used in the United Kingdom in practice as consumer subsidies. In my view the intention was never for the MCAs to have this effect, but to give the producers in the country in question something like the minimum price laid down. On the other hand it cannot be right, in terms of competition, for hard currency countries such as Germany to receive further advantages when they export to a devaluing country, and at the same time maintain the competitive situation, so that those coming from devaluing countries and exporting to the Federal Republic must pay a levy of 9% at the present moment. These factors are helping, if not to destroy, then at least to complicate the agricultural policy and at the same time encouraging production to increase in countries where perhaps it should not increase so rapidly, since the balance of competition has been disturbed.

Kofoed

The Committee on Agriculture is of the opinion that, in view of the surpluses and production trends in general price policy alone cannot solve the market problems of the different products.

The most difficult problem at the moment, and one which is most in the public eye, is the dairy sector. We can say that its problems cannot be solved by price policy alone. I am not certain that the present relatively low price increase will have much influence on whether milk production increases or decreases this summer. We all know that, given the existence of a herd of cows, they will produce regardless of price levels, at least for a certain time, as one cannot convert a herd from one year to the next. Our main problem is that there has been a distortion in the dairy sector so that we now do not use the animal proteins in the milk as we did up till recently. That is to say we are importing vegetable protein, from the USA for example, as a substitute for the animal protein is too dear and cannot compete with vegetable protein. The Commission is aware of this, and we welcome the first steps which have been taken towards a solution of these problems, but I must emphasize that this is not enough. It has been said before in this House, and I must say it again: we really must tackle the structural problems. It is not enough to make speeches, however fine they be, if nothing tangible emerges, if they are not backed up by actual decisions. We have to make available adequate funds to obtain a structure to enable milk to be produced at a price which the market can bear.

We therefore very much hope that the Commission will get down to approving further funds to solve these structural problems both in primary operations, in respect of retirement of farmers on account of age or amalgamation, and in the processing sector.

I do not wish to go into the individual sectors which are dealt with in the report itself. On the whole we in the Committee on Agriculture consider that there is a degree of cohesion in the price proposal in respect of the interactions between the different sectors.

In this connection I have to raise another problem, that of the fruit and vegetable sector, and within that the wine sector. In 1976 something was probably achieved, in that 1977 may not be such a great problem, at least for the wine sector. But, according to the majority recommendation of the Committee on Agriculture, the Commission must set up a system to give a form of intervention price for the wine sector. We are all aware that this is a very complicated technical problem. But if there is to be a market organization, it must be a market organization in which the producers too can place their confidence. I would go further and say that, in the wine sector, in the olive sector, etc, the same thing applies, and that is that the

structural policy must be put into effect, for here too there is a need for production to be at a level which the market can bear.

Finally I should like to say that, despite all difficulties, the Community's agricultural policy has established a system which, although far from perfect, has given substantial benefits. This is true for producers, who as a rule have guaranteed minimum prices and are therefore helped in their planning and sales, but it is also true for consumers, who enjoy assured supplies of relatively cheap foodstuffs. We all know too well the situation in other parts of the world, for example in Eastern Europe, where shortages are a common occurrence. I think we can safely say that we in the European Community pay a modest price for these advantages.

Of course we must do everything in our power to prevent these surpluses from arising, but I think that we should stick to the minimum price system, which despite its faults has met the primary concern of the consumer, which is that he can always obtain food when he wants it.

(Applause)

President. — I call Lord Bruce.

Lord Bruce of Donington, draftsman of an opinion. — Mr President, I would, if I may, draw the attention of Parliament to Document 9/77/Annex, which unfortunately has only been available during the last three or four hours, because, of course, this is the opinion which I have the honour to present on behalf of the Committee on Budgets.

The first thing that I would like to say is how much we in the Committee on Budgets appreciate the very great endeavour that has been made by the rapporteur of the Committee on Agriculture, and indeed by the whole of his committee, in presenting Parliament with such a comprehensive and well-drawn report. The fact that we on the Committee on Budgets differ in certain important respects from the conclusions arrived at by the Committee on Agriculture does not in any way diminish the respect in which we hold the efforts that have been made by that committee.

Associated with the report of Mr Kofoed are, of course, the original Commission proposals, COM (77) 100 final, of 11 February, and COM (77) 150 final, which contains the financial implications as presented by the Commission. On behalf of the Committee on Budgets, we would hope that Parliament will express its appreciation to the Commission for having produced, not a mere four pages of explanation and support of the proposals as it submitted last year, but a very comprehensive document which has been of enormous assistance to us.

Lord Bruce of Donington

Having said that, I have to refer to Annex 3 to the Commission document COM (77) 150 final, which presents a summary of the Commission's proposals: this takes into account, to the extent of some 475.8m u.a., something it describes as 'Probable changes in expenditure for 1977', and under one of the headings, 'For economic reasons', it puts a total of 438m u.a. I assume, Mr President, that is in order to prepare us for the supplementary budget that will be arriving in Parliament in due course. I am bound to point out, on behalf of the Committee on Budgets, that instead of the heading 'For economic reasons' it would, perhaps, have been a little franker to put 'Adjustments to former forecasts', because, of course, that is what it really amounts to, and it calls to mind the suggestion made by Parliament that some 200m u.a. ought to be put into the 1977 budget as a partial contribution to such a contingency. But it would be churlish to refer in anything other than laudatory terms to the efforts that have been made by the Commission.

I now turn to the proposals themselves and my committee's reactions to them. By reason of the time-limit it will not be possible for me to refer in detail to all the attitudes taken up by the Committee on Budgets to the proposals put forward by Mr Kofoed or the details set out in his report. I shall therefore deal with two principal items only, on which the committee concentrated.

First of all, the prices and the price-increase proposed by the Commission. There were varying views in the Committee on Budgets on this. A small minority wanted no increase at all, another small minority opted for an increase of some 5%, but after mature deliberation and a good deal of argument, as you would expect, the committee came to the conclusion that a fair increase would be the Commission's proposal for 3%, but with one very important exception. The Committee on Budgets, by a substantial majority, could not possibly recommend to Parliament that there should be any increase in price at all on those items where there is a structural surplus.

The Committee on Budgets had the advantage of hearing Mr Gundelach in the earlier stages of its deliberations some fortnight ago, when, with most admirable frankness, he told the committee that in certain areas, notably in milk products, wine and oil, but also others that he mentioned — with an incipient one perhaps in sugar — we in the Community were producing no longer for consumption but in fact for intervention. And the committee had to take account of this. It also had to take account of the very substantial amount of money that is spent out of the budget by way of storage charges — some 70 to 80m u.a. per annum. It had further to take into account the very substantial sums that have to be spent in the Community budget on the realization of these large surpluses or parts of them, of which the recent disposal of butter to the USSR involving a very considerable

disbursement out of Community funds is but one example. It therefore decided that we could not possibly ask Parliament to approve price-increases in those areas where there were surpluses, and an amendment relating to the price-levels in the dairy sector will in due course be presented to Parliament as soon as it is available for distribution. That is the first area.

The second area in which the Committee on Budgets dissented from the conclusions arrived at after careful consideration by the Committee on Agriculture was that of monetary compensatory amounts — MCAs. Here our committee, by a majority, affirmed its previous decision on the matter last year, when it came to the conclusion that MCAs should be phased out as soon as the economic considerations causing the disequilibrium with which they are supposed to deal could be corrected, and it decided that the time had not yet come. An amendment to the proposals dealing with the deletion of the proposed MCA charges will be therefore laid before Parliament as soon as it is available for distribution.

Some reasons, of course, have to be given for this, particularly as it is in dissent from the views of the Committee on Agriculture. It is not universally understood, Mr President, that MCAs are paid in order that the food-exporting countries, particularly those with higher currencies, can compete in the importing countries that have depreciated currencies. That is the purpose of them. It is quite true that in effect they result in the prices in the importing countries being lower than they would otherwise be, but it is also true that they enable the exporters in countries with appreciated currencies to compete on fair terms. It is also not always understood that in the case of the monetary compensatory amounts arising on import transactions by Italy and the United Kingdom, the MCAs are not paid to the importing countries. In fact they are paid, and have been paid since 17 May 1976, mainly to the Federal Republic of Germany in order that German farmers may compete on fair terms with farmers in the United Kingdom and in Italy. Once that misconception is cleared up, one begins to see the MCAs in their correct setting. The reason for them is, of course, to preserve fair competition in agriculture. Their size for that purpose is immaterial. It is the whole principle of the CAP that competition should be preserved.

I now pass on to their effects. If there were changes in monetary compensatory amounts in so far as these affect in particular the United Kingdom, their effect generally would be as follows. In the case of food-importing countries with depreciated currencies, there would be a significant addition to the price and therefore to the rate of inflation in those countries. There would also be a minute increase in the countries with appreciated currencies and with low rates of inflation. So what would happen would be this. Far from promoting a convergence between the economies of Member States, it would in fact accentuate the differ-