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Appearing at the same time as the English edition are editions in the six other official languages of the Communities: Danish, German, Greek, 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: *(DA)* for Danish, *(DE)* for German, *(GR)* for Greek, *(FR)* for French, *(IT)* for Italian and *(NL)* for Dutch.

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IN THE CHAIR: MR PFLIMLIN

President

(The sitting was opened at 9 a.m.)

1. *Opening of the annual session*

President. — Pursuant to Rule 9(2) of the Rules of Procedure, I declare the 1985/1986 session of the European Parliament opened.¹

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* *

Mr Sherlock (ED). — Mr President, I wonder if I may beg your indulgence to make a point of personal explanation arising from the report on milk and cream and various associated products presented by my colleague Mrs Jackson last month, where, owing to a lack of information, I wrongly attributed the misdeeds of the Committee on Agriculture, Fisheries and Food to its very greatly respected and very well-liked chairman, Mr Tolman. I have taken the opportunity, personally, of apologizing to Mr Tolman for this error, but I would like to have this chance of having it formally recorded in the Minutes.

President. — Mr Sherlock, we have taken note of your statement.

¹ *Approval of the minutes — Decision on urgency — Documents received — Topical and urgent debate (announcement):* see Minutes.

2. *Commission programme for 1985 — Field of social affairs — Enlargement*

President. — The next item is the joint debate on:

- the annual programme of activities of the Commission on the European Communities for 1985
- the report (Doc. 2-1753/84) by Mr Tuckman, on behalf of the Committee on Social Affairs and Employment, on the new Commission's priorities in the field of social affairs and employment
- the oral question with debate (Doc. 2-1675/84) by Mr J. Elles and others, to the Commission.

Subject: Net cost of enlargement

In the July session of Parliament, President Thorn made it clear that the net cost of enlargement for Portugal and Spain represents at the minimum 0.1% of VAT.

- (a) Has the progress noted in the enlargement negotiations since then for arrangements of such products as olive oil involved any change in this estimate?
- (b) Does this estimate include financial compensation for non-member Mediterranean countries whose interests will be affected as a result of enlargement?
- (c) Does the Commission still adhere to its analysis that the report envisaged in the Fontainebleau conclusion, which it has to draw up at least one year before the exhaustion of new own resources, now has to be drawn up, particularly considering the growing tendency in

President

the Community to defer expenditure from one year to another?¹

I call the President of the Commission, Mr Jacques Delors, whom I welcome to our Assembly.

Mr Delors, President of the Commission. — (FR) Mr President, ladies and gentlemen, in accordance with the wishes expressed by Parliament I set out in January the broad policy thrusts of the new Commission for its term of office and, after obtaining the approval of Parliament, we decided to put to you, as every year, an annual programme which your political groups will have had a chance to examine and which, in our view, should also be studied by your committees. I hope that this will make for a fruitful dialogue between the various Members of the Commission and Parliament's committees.

I do not propose to go into all the elements of this programme, especially as it takes up the Commission's three avowed objectives: to *manage*, and you know that the Commission has specific responsibilities to do this in a number of areas — they are restated in concrete terms in this programme — to *make progress* as required by the Treaty in directions which are not as yet clearly laid down, and finally to *innovate*, in other words, to find ways of restoring Europe's dynamism, an aim dear to your heart and to ours.

And so, rather than going into all these points, I should like to concentrate on current events and on four subjects which seem to me fairly indicative both of the difficulties facing the Community and of the institutional problems which your Parliament has raised with great wisdom and great boldness.

I shall thus deal first with enlargement as an indicator of these problems. Then I shall argue that the world economy, in its current uncertainty, needs a strong and active Europe, that the restoration of Europe's dynamism is absolutely essential if Europe is to fulfil its ambitions and that, more than ever, the institutional question is central to discussions on the long-term future of the Community.

I shall be brief in order to use most of my speaking time to answer the questions put by your various groups.

¹ Also included in the debate were the following oral questions to the Commission:

- by Mr Cassidy and others (Doc. 2-1682/84)
- by Mr von Wogau and others (Doc. 2-1672/84)
- by Mr Brok and Mr von Wogau (Doc. 2-1673/84)
- by Mr Chanterie and Mr van Aerssen (Doc. 2-1674/84)
- by Mr Pfennig and others (Doc. 2-1840/84)
- by Mrs Pery and others (Doc. 2-1842/84)
- by Mr Beumer and others (Doc. 2-1837/84)
- by the Committee on Economic and Monetary Affairs and Industrial Policy (Doc. 2-1841/84)
- by Mrs van den Heuvel and others (Doc. 2-1839/84).

Enlargement as an indicator of our problems. The new Commission has given attention to the situation. As you know, it is not the Commission which is negotiating, since the matter is outside the purview of the Treaty, but we have observed that, objectively, the Community on the one hand and Spain and Portugal on the other hand have never been so close to agreement. This is why — and you can see in this an example of the method chosen by the new Commission — we have made a global proposal to the Ten, a proposal which leaves a very narrow margin for negotiation but corresponds in reality to the alignment reached in previous proposals, if one wishes to eradicate and sometimes appease weaknesses, and if one accepts that the various reticences apparent amongst the Ten on the conduct of the negotiations are after all nothing more than a reflection of the difficulties facing the Ten themselves. One needs only to think of the problems posed by fruit and vegetables or fisheries, bearing in mind the laborious compromises reached in order to build a 'blue Europe'. We put forward a global proposal because we are convinced that six months more would change nothing. And I wish to state here, in all solemnity, that these negotiations simply must reach a conclusion, and it is also absolutely essential — but I shall return to this subject in connection with institutional questions — that the European Summit should not have to grapple with questions of detail concerning, for example, fruit and vegetables or fisheries. The European Summit has other things to attend to, and I shall speak of these presently.

But these questions surrounding enlargement have highlighted a degree of tension, I have to say it in all frankness, between the North and South of the Community. A tension born not only of financial problems, but one which reflects also a certain lack of comprehension, cultural differences, and which is leading certain countries to turn their backs on the pact of solidarity which must underlie the Community as one of its basic foundation stones. Solidarity not in the sense of aid but as productive of the common good and providing a contribution to the dynamism of the European whole.

It is the political importance of this point which needs to be underlined today. I know that some of you, particularly in the Committee on Regional Policy, have regarded the proposals made for the integrated Mediterranean programmes as still inadequate. But I have to tell you that we, and, since this proposal is largely my own, I myself am caught in the middle between existing financial and budgetary constraints, forcefully brought home to us at the recent Foreign Ministers' meeting, and the need to keep our word to the Mediterranean regions. This proposal, because of its originality, its complexity and the fact that the Commission is asking for a delegation of powers, will doubtless be much discussed. It is already being discussed in the Council, and I hope to be able to count on the support of Parliament once all the calculations have been made and an in-depth analysis conducted, so that the Ten

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can be persuaded to respect this elementary notion of solidarity, and not merely financial solidarity, which is after all one of the principles enshrined in the Treaty.

But over and above this question it seems to me that discussions on enlargement have shown the dangers of abusing what I would call the 'diplomacy of links'. With each country making its agreement conditional on an ever-growing package of other problems it is impossible to progress. You have been witness to this, I think. You have drawn attention on many an occasion to the impossibility of making progress, for example, towards a realistic 1985 budget. And on this matter I owe you an explanation, even though we have been in office for only two months.

Why has the Commission not put forward a proposal? For the good reason that if the Commission had put forward a proposal in addition to those of the Italian Presidency and other Member States, well, it would have created even greater confusion in the Council, and there is no doubt that two or three countries which do not want a successful conclusion would have latched on to the Commission's proposal. This is why we can sometimes help Europe by not making a proposal. And, as things stand at present, it seems to us that the proposal of the Italian Presidency was the most realistic and the best possible proposal.

The Commission, then, must not hurl itself into things at random. It must know when to maintain a low profile. In other words, we have put forward a global plan for enlargement because we believe that the time is ripe. We have shouldered our responsibilities as regards the integrated Mediterranean programmes, because that is part of the Community's pact of solidarity; we have declined to add to the confusion surrounding the budget. You can see how well enlargement reflects the problems which confront us, ladies and gentlemen, yourselves as well as us.

Secondly, given the outlook for the world economy, over which storm clouds are gathering anew, the world needs a strong and active Europe. Take the dollar and the uncertainties over its future, take the erratic fluctuations in currencies which, perhaps more than the dollar rate, are responsible for disrupting world trade, increasing the dangers of protectionism and preventing any relative stabilization of these markets, or take the question of indebtedness where it would be wrong to think that because we have been pragmatic, realistic, all is now well. One only has to look at the African countries, or to look at the internal situation in certain countries of Latin America to see that these problems have not yet been solved.

For this reason the Community must pull together and endeavour to agree on joint stands and joint proposals; I would go so far as to say on joint actions.

Two main directions are pointed to in our programme. The first is the need to tell our partners that there can

only be lasting progress towards a fairer and more efficacious world economic order if we deal simultaneously with the monetary problems, financial questions and trade aspects, and that it would be pointless, for example, to deal with the trade problems on their own in the hopes that the rest of the problems would solve themselves. Take, for example, current trends in the flow of money: whereas the developing countries need inflows of money on favourable terms and private savings, private investors are currently concentrating on the wealthiest country in the world, creating marked imbalances. But of course, if we are to speak from a position of strength and back up our words with deeds, Europe must also give the lead, and the conditions imposed on progress over the European Monetary System must cease. We have come up against these conditions during the past two months, which explains why little space has been devoted to them. These conditions have to be overcome. And I think that if we work patiently and discreetly, we shall be able, in the first half of this year, to show that we have not ground to a halt, that we can move forward again. Move forward in a vital direction, for we cannot advocate a more stable, better organized world monetary system if we decline the responsibilities of co-managing this world system by promoting the ECU as an international reserve asset.

(Applause)

And so the identical nature of our positions on monetary, financial and trade matters will be restated on every possible occasion, since this highlights, of course, the legitimate interests of the Community. But the other field, closely connected with this one, is that of development aid. There is to be a special meeting in Washington in April of the Committee on Development. We hope that this meeting will not be merely routine but that it will provide a real chance to grapple with the problems of North-South relations. There can only be a world economy enjoying growth which is regular and of benefit to all if the countries of the South do more than just mop up the crumbs left over from the Northern countries' growth: they must themselves take an active part, as responsible partners, in the growth of the world economy. This requires an effort on both sides. On our side, the opening up of our markets and the provision of adequate financing on favourable terms, and, on the side of the Southern countries, rigorous policies of reform and structural planning policies which are voluntary and directed along the right lines. There too, via our development policy, via North-South relations, via the Mediterranean policy, our links with countries which are not signatories of the Lomé Convention, we, the Community, must make our presence felt, in our proposals but also in our actions and, I was about to say, in our generosity.

Of course all this — and it is the third subject I wanted to speak to you about — presupposes that Europe will recover its economic dynamism.

Delors

Of course there are extreme feelings of pessimism at the moment. I myself for many years warned Europeans against overconfidence or against underestimating the crisis, but I think that today's feelings of gloom are excessive and that signs are already emerging that there is cause for hope.

The Commission will be devoting these first six months to two essential tasks. The first will be to put forward by the end of May a timetable for opening up the internal market by 1992, with the aim of ensuring that this timetable is approved by the European Summit. Why? Because experience has shown that, on any given aspect of progress towards the internal market, the Commission's proposals get lost amid a welter of discussion by groups of experts and that there comes a point when political sanction and political will are needed. We must, therefore, be able to refer to the political commitment of the Heads of State or Government in order to make progress on these dossiers at the appropriate time. We too, of course, shall need time to prepare this timetable for the internal market, but you will be notified of it and we shall ask the European Summit to make a formal pronouncement on this commitment and the stages to be passed on the way to bringing about this internal market.

A second and very important element is that of high technology, high technology as a factor in Europe's competitiveness, not only a sector which produces new goods and services but something which is having an impact on our entire manufacturing apparatus. Today the question of manufacturing methods is relevant to traditional goods and services. It is because they have harnessed high technology to the production of ordinary goods and services that Japan and the United States have got ahead faster. If the next European Summit can avoid getting bogged down in fruit, vegetables and fish, and if the Council on General Affairs does its job properly, the European Summit will be presented with a report containing just five proposals, but five proposals which should enable us to make progress, in respect of some of the stages on the way to the internal market and in respect of telecommunications, a field in which Europe is well placed and which will, tomorrow, carry the life-blood of the European economy.

Short-term economic measures must also favour these structural measures, for how can we prove that Europe is shaking off its paralysis and can continue to adapt whilst unemployment increases day by day? There is a contradiction there which causes social conflict but above all raises obstacles and prevents movement. There too, all possible short-term measures must be brought to bear. They will be the fuel for the great structural leaps forward. It will be this which restores the necessary flexibility to the overall social and economic body of the Community. From this point of view there are some grounds for optimism. We took a gamble in bringing together the social partners, if partners is the right word, the big bosses in Europe and

the trade unionists. We did this at the end of January, and I can tell you, when we look at the outcome of those discussions, without seeking to be controversial, that the social partners are more aware than our governments of the risks of doing nothing and of the opportunities open to Europe. Let me quote just three examples.

Firstly, management and unions are more or less agreed not only on the reasons for the crisis but also on the fact that, whilst it is important for the European economy to control its costs in order to be competitive, excessively rigorous control of these costs weakens demand and deprives the economy of its drive. A compromise thus needs to be found today between cost control and the maintenance of internal demand within the Community. In order to grow, we cannot count only on the exports we make to our partners. There is a good compromise to be reached here and, as far as the social partners are concerned, we are on the verge of reaching it.

Secondly, since high technology is revolutionizing the organization of work, since the labour markets have to allocate their resources more flexibly, and since management is not against the idea of job sharing, there is perhaps room for broad discussion on that, at national level and at Community level too. An outline agreement might be envisaged in the next few years or perhaps even months which would restore some impetus to our labour markets and enable an accommodation to be reached between the constraints of the manufacturing process and the aspirations of the workforce, the latter being very varied, as some workers would prefer to arrange their working time better.

The third and last element, also an encouraging one, is that in addition to the agreements existing in a number of countries the social partners at European level are willing to examine the circumstances in which preparation could be made for introducing the new technologies and offering workers currently involved in the manufacturing process a chance to retrain, so that this technological advance should not give rise to despair or resistance but should provide opportunities for everyone.

I think it was my duty to inform you of these opportunities which are opening up because they are considerable and, once again, discussion on the matter at ministerial level is far less encouraging than the discussions between the social partners. Consequently we, the Commission, shall be eager advocates of this re-opening of the social dialogue. It is, of course, the business of management and the unions, at both European and national level. But for our part, whenever our assistance is needed for technical elements, as an honest broker or to stimulate dialogue, the Commission will be ready and willing.

In reality, behind all this lies an essential point. Instead of preconditions being piled up by this or that country

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on this or that question, good sense suggests that we ought to advance a step at a time on all fronts. A step towards the European Monetary System, a step towards the internal market, a step towards short-term revitalization of the economy. In this way we would build up our own courage, and instead of fighting over more currencies or more short-term measures, more structures or fewer structures, we would be capable of achieving that essence which we need to distill if we are to restore confidence to the citizens of Europe and those playing a leading part in economic and social life. Progress step by step and in step — this is the watchword which we shall try to put across both to the European Summit and to the governments.

But behind all that, ladies and gentlemen, there is the institutional question. It coincides with the basic feeling of your Parliament which, on two occasions, during the debate on Mr Spinelli's resolution and then when the draft Treaty was adopted, hit the nail on the head in saying that Europe was making no progress because it was no longer capable of making decisions, of overcoming the contradictions within it. And the result of that is that the institutions are out of step with each other. No one knows any longer who does what. For example, there is a proliferation of bilateral contacts between Member States in an attempt to solve problems. For example, initiatives are being taken by Council of Ministers meetings. The Commission's status has been diminished by all this for years, and this is why we are trying to retrieve the situation. But it will be hard, it will take time and, in any case, our proposals will have to be of a calibre such that the governments cannot seize on some shortcoming or other as a pretext for ignoring them altogether.

Progress must be made the while. We shall progress, we hope, as a result of the scale of our work with the social partners, the calibre of our proposals but also, I repeat, as a result of even better working relations with Parliament, and of course I reaffirm today the five proposals I put to you on 14 January, to which, I expect, you will wish to reply. One of them is particularly dear to my heart: the proposal that on two or three subjects Parliament should take the initiative of opening up a vast forum for discussion, so that we in turn can work on the basis of what it proposes. It needs all of us, you and us, to make the citizens of Europe aware of the great challenges which face us — the challenge of technology and competitiveness, the social challenge, the institutional challenge. All this shows the central importance of the forthcoming European Summit in Milan. Things being as they are, something must happen to permit frank and simple discussion. It is inconceivable, after the draft Treaty adopted by Parliament, after the work of the Dooge Committee, that there should not be at the European Summit a motivated and enlightened discussion of ways to improve the Community's decision-making process and ways to make progress in specific areas. At all events you may be sure that, here as elsewhere, the

Commission will do its duty side by side, of course, with the Dooge Committee's report.

(Applause)

It will do its duty in attempting to clarify complex problems such as majority voting, the right of veto, differentiation and many others, but it will do it with that mixture of idealism and realism which fires our ambition to be with you, as I told you last time, the guardians of the European public interest.

(Applause)

President. — Thank you very much, Mr President, for your statement, which, as you will have observed, was followed by the House with the utmost attention.

Mr Tuckman (ED), rapporteur. — Mr President, I am speaking on behalf of the Committee on Social Affairs and Employment, which took it upon itself to prepare an own-initiative report showing the new Commission — as we then saw it, because this idea was conceived in October-November — roughly where we think the priorities lie. I was delighted to hear the President of the Commission's speech. So far he is breathing a spirit of optimism. That optimism is, however, coupled with a very deep understanding of what the problems are, which gives us some chance that we might get where we are trying to go.

One of the most important things which lay behind the discussions in our committee was the need to balance two factors. On the one hand, we have made tremendous progress both throughout the world and here in Europe. We are employing something like 87% of our working population very profitably and to their great advantage and raising their standard of living. On the other hand, we have the enormous problem of unemployment which afflicts 13% of our population and creates enormous difficulties, particularly for young people. If they have never had a job, if they have never known what it is to get up in the morning, if they do not understand that discipline at work is something devised not by some nasty capitalist but by somebody who is responsible for getting results for the consumer, then their start in life is extremely poor.

In addition to this optimism on the one hand and the sad fact of unemployment on the other, our committee realizes that there is the third overwhelming fact that there is so much we do not know. We are always talking as though we know and control all sorts of things which, in fact, are outside our control. In each country people talk as though that country and its government were responsible for the unemployment there. However, if you look at the 10 European States, it begins to seem improbable that the cause lies in any one of them. If you look across the world, you will find that further afield also, even in Japan and certainly to some

Tuckman

extent in the USA, unemployment also exists and seems to spring from the technological fact that machines can not only do things that man can do but can do them better, more cheaply and with less aggravation.

The problem with which we are faced was brought out very well on a number of occasions by the previous Social Affairs Commissioner, Mr Richard. By mentioning him, I am not doing a political favour as he was on the other side! He was worried that we may end up with a situation where equilibrium is reached not at full employment but at well below full employment, i.e. with a lot of unemployed. If, in fact, we cannot cure that and if we have to remain competitive, i.e. do things to the most efficient standard, we may end up in a situation where we will have to separate job and income. That is easy to say, and if we are rich enough it can be done. However, what nobody can yet solve — and our committee is worried about this — is the problem of what to do with people who cannot build up their own self-respect through achievement at work. Where are they going to get it from?

To get back to simpler things, there is a Social Fund of 2 000 million ECU per year. We hope that the budget crisis will not substantially affect that. However, it is certainly not rising at the speed and to the level that we think is necessary. One of the main things we put to the Commission is that we feel that it should constantly push to have that Fund increased and improved. We should like to have all this based on an understanding that in the social field we are trying to do a number of things. First of all, we want to ensure that the social security which has been gained by the employed part of the social partners be maintained, although the costs of social security are enormous. Secondly, we wish to ensure that the rights that have been gained, in so far as this is possible and compatible with being productive, are not diminished. Of course, here we are at the very heart of the political debate between right and left, but what has been significant is not the amount of disagreement but the areas on which we agree.

The Committee on Social Affairs and Employment is enormously concerned with trying to improve the lot of those who could find jobs if only they were adequately trained. Here we come up against very big national differences in our countries, and they hinge not only on money and willingness to spend it but they hinge very deeply on national attitudes. In some countries training is regarded as a magic wand, as is the case in Germany, but in other countries it is regarded as a theoretical nonsense, as is the case in many respects in my own country. In Germany 60% of school leavers will have a training. That may be too much. It may be wrong that in Germany people stay in university until they are 29, by which age men in ancient Greece would either have achieved their life's work or there would be nothing for them to do. In our country only 30% of the people are trained and are therefore very often unable to take up that new job which half-

way through life they must take if we are going to keep up with the changing situation on the work front.

We are, therefore, very keen that what has been suggested by the Commission should, in fact, be put into effect. We think that a great deal of what has been suggested is not new. It has been on the table for quite a long time, but it comes up against that stupid ideological conflict between those who, in my country, are called the social engineers — that is a term of denigration — and those who are supposed to operate merely on the free end of the market. I like the market, and I think that wherever possible it should be made to operate. Planning does not really work. The factors are too complex. We do not even know after the event what has happened, never mind planning it before. However, it would be wrong to claim that social engineering is altogether out of court. Old Moses did not take the Jews into the desert for 40 years because he could not get to what is now Palestine in a week. He did it in order to toughen them up so that they could live in that new situation. That was social engineering, and it is social engineering whether it is President Mitterand operating in his country or Margaret Thatcher in our own.

There is one major element of new subject matter in the report — at least, it is new as far as I am aware. It is that we would like the Commission to place very major stress on the whole subject of vocational guidance and vocational training. We feel that far too many young people go into employment by accident, work which may not be suitable for them in terms of their temperament or their skills and natural abilities. They also go into jobs where, if things were looked at more scientifically, there is no future. We are therefore making a very strong plea that the Commission should try to give us much more adequate forecasts, right down to national and regional levels, as to what are the jobs available.

We are strongly aware that there are implications in all this for management. There are implications in all this for those who may not be willing to be sufficiently flexible. The whole situation of being willing to change one's job and take up new work rests in the end on confidence. Why I liked Mr Delors' speech so much is that for once here is a politician at European level who uses and understands the need for confidence. It is very difficult to create, but it is entirely necessary if people are going to be willing to move from one place to another.

This brings me to one other element of newness in our report. We feel that pace and rhythm at work is a subject matter which is imperfectly understood. It has a great deal to do with what ultimately happens, and we therefore think that more attention should be paid to this, because we know that groups can make a bigger or smaller effort, be more or less effective, depending on how they are handled. Again, this comes under that dreaded subject of economic or social engineering, but

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I do not think it is right for a right-wing politician not to address the matter for that reason.

Finally, I should like to speak about the amendments to the report. There are three groups of amendments. The biggest one reflects the normal debate between right and left. We know that the balance in this House is different from the balance in our committee, and therefore it will be both exciting and interesting to see how we end the day. Secondly, there is a small group of amendments which seem to be based on a purely Danish concept of what the Community is for and what it is allowed to do. As rapporteur, I will be forced to recommend that they be rejected. Finally, may I address myself to half the human population, namely, the ladies. There are many amendments in favour of women. I am in favour of women. They are much better than I am. But really, ladies, to try to put in little sub-sentences all over the place in favour of women is in the end going to be counter-productive for you. Therefore I counsel a certain amount of caution. If, on one or two occasions, I recommend against accepting such an amendment in a particular place, please do not regard it as anti-feminist but rather as a favour to you.

Mr President, in conclusion I hope that with this report we can help the European working population to achieve some of their aims, to be somewhat better adapted to the situation that faces us, and thereby to help build a better Europe.

(Applause)

Mr James Elles (ED). — Mr President, I am pleased to be able to participate in this important debate today and fully welcome the programme of the Commission for 1985. As a committed European, and one who wishes to see closer European integration as rapidly as possible, I welcome in particular the objectives of creating a genuine internal market, of closer convergence in economic policy, of promoting, for example, cooperation between industry and higher educational establishments, and also support the need for a strong Europe in the international world. Above all, I support the idea of building the Community and promoting the idea of a European identity.

Yet, there is a cloud for me on this bright horizon which is beginning to dim these worthwhile and courageous objectives for 1985. This concerns the precarious state of the Community budget in the medium term and its relationship to the enlargement of the Community.

In this connection, may I first of all recognize the enormous efforts which are being made on a daily basis by the Commission, in the negotiations on enlargement, to try to reach a settlement of the terms for enlargement of the Community to include Spain and Portugal by the end of this month. I pay tribute, too, to the efforts of the Italian Presidency of the

Council of Ministers to give impulsion to these discussions and settle the terms as quickly as possible. Nevertheless, I and several other Members wish to take this opportunity to clarify the short to medium-term prospects of financing the Community once enlargement takes place — let us hope — on 1 January 1986.

Turning to the 1985 programme, we find in its introduction that this year's programme should be the last for the Community of Ten and that negotiations — as you, Mr President, have said — are very close to an overall decision. The programme also underlines — as you, Mr President, have done — that agreement will mean sacrifices on all sides. Whilst I agree that this is essential if decisions are to be taken and words turned into deeds, there has been a deathly hush in this Parliament as to what the costs of enlargement to the Community will be.

What will be the price of this solidarity? In the introductory document to the 1985 budget, we were told without any detailed explanation that the net cost of enlargement would be 300 million ECU in 1986 and 600 million in 1987. The purpose of my intervention today is to ascertain whether these figures are now in any way valid.

I must underline that I am personally in favour of enlargement. However, we must go in with our eyes open, and we must know what the cost is going to be. We are all aware, after all, of the position of the 1985 budget — at least a 3 000 million ECU overrun — and are becoming increasingly aware of the concern for 1986 and 1987, when the new limit of resources of 1.4% should apply. Even with acceptance of the Commission's price proposals for 1985-86 we shall be close to the limit in 1986 and shall probably be over it should the dollar fall by any significant amount. This was already implicit in the statement of the President of the Commission last July, when, following Fontainebleau, he addressed the House. What is the real significance of his remarks today?

First, he clearly indicated that the ceiling of 1.4% would only carry through into 1986. Is this assessment still true?

Secondly, the President indicated that the Commission might as well start drafting the report on own resources required by the decision of the Fontainebleau Summit, the report which has to be drawn up a year before own resources are likely to run out. Is this still the case? Is it true that this report is now being written or has it actually been drafted?

Thirdly, the President indicated at that time that the Community would require at least 0.1% of VAT for financing this enlargement. But what does this figure actually cover? Does it, for example, cover the cost of extending integrated Mediterranean programmes to Spain and Portugal? Secondly, does it allow for com-

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pensation for not allowing Spain and Portugal to become net contributors to the budget, or will the Community budget be a net beneficiary in the earlier years for this reason? Thirdly, does it include compensation for non-member Mediterranean countries? On pages 95 and 96 of the Commission's programme it is indicated that the trade deficit of non-member Mediterranean countries may be aggravated by competition from the two applicant countries, especially Spain. It continues by saying that assurances should be given to southern Mediterranean countries regarding the maintenance of trade flows. What does this add up to in terms of cost?

Fourthly, has compensation been included for fishery agreements with third countries which the Community will have to take over, of course, when Spain joins?

Finally, and not least, does it take account of production being stimulated, particularly in Spain, as a result of application of the common agricultural policy to such products as olive oil and fruit and vegetables? Is it true, for example, that at the end of the transitional period we will have a lake of olive oil running at a surplus of something like half a million tonnes annually? Is it true, as indicated on page 56 of the Commission's programme, that the potential yields of table wine in Spain will cause further problems in the wine market?

Finally, is it not true that the whole *acquis communautaire* debate in the Council has been more about shoring up the incomes of the present producers in the Community rather than addressing the problems of an agricultural policy for an enlarged Community?

In putting these questions, Mr President, I do not wish to put a brake on the enlargement negotiations. They, as we all know, have taken up enough time as it is. But putting it simply, I firmly believe that we must all recognize that enlargement will cost the Community budget considerable sums of money if it is to be successful. It could, I estimate, add at least 4 to 5 000 million ECU or about 0.2% VAT at the end of the transitional period. We cannot perceive enlargement as merely providing two further markets for our industrial and certain of our agricultural products. We must, as you, Mr President, have said, be prepared to pay for the sacrifices which we will make.

In the light of the financial consequences and the difficulties which could result from enlargement, I would stress three specific points. Firstly, as one of the budgetary authorities of the Community, Parliament must be kept fully informed as to the costs likely to arise from enlargement both during the transitional period and at the end of the transitional period.

Secondly, I urge both the Commission and the Council, when we come to the final negotiations next week, not to leave the texts unclear so that we may be fully aware of what the impact of enlargement will be. Previous enlargements have shown that we have not had

the clarity needed to prevent problems arising in the future. Nothing would be worse than finding some ambiguous half-way house which will, in the end, add up to the detriment of the Community in the longer term.

Finally, let us please get on with 1985, both the Commission and Parliament together, so that we may take the necessary decisions before we get entangled with the problems of enlargement and so that we may work together for the benefit of the European peoples.

(Applause)

Mr Glinne (S). — (FR) Mr President, President Delors, ladies and gentlemen, the Socialist Group approves the broad lines of the Commission's programme, not, however, without raising a few fine points and voicing a few major reservations.

We are particularly gratified, provided that there is suitable follow-up and that the national governments and social partners cooperate, at the importance which is attached to measures to promote employment at the macroeconomic level and to the drafting of specific complementary policies, since the number of people in employment can be increased if working time is shortened and reorganized.

We approve your desire to revitalize the social dialogue with a view to creating a European social area, with the aim of preserving the cornerstones of the European social model, which is as far removed from authoritarian collectivism as it is from individualism which scorns solidarity. Against this background the fight for jobs must, I will say it again, take absolute priority in economic policy, both national and Community policy. The fact that unemployment reached an average of 12% in the Community at the beginning of 1985, with most economic climatologists warning us of further deterioration throughout the rest of the year, means that all available means must be concentrated on the crucial objective of job creation and preservation, as we have continually insisted together with the millions of unemployed and the European Confederation of Free Trade Unions.

Mr President, the Community has been unable to match the growth rates achieved in the United States, despite conditions which were certainly questionable. Those of our Member States which have achieved relative equilibrium in their domestic and foreign trade — those at least ought to practise a policy of expansion which would be all the more laudable in that it would create jobs. Clearly this means that the Federal Republic of Germany and the United Kingdom ought to modify their policy and concentrate not so much on controlling inflation as on measures to reduce unemployment, by concerted efforts as far as possible. The level of productive investment, too, is far from satisfactory, and whilst it rose somewhat in 1984, consider-

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able effort is needed in both the public and private sectors.

We are firmly behind the Commission here when it wonders whether all opportunities for public investment giving high social yields and a sizeable effect on employment have been fully grasped. Our Group is strongly in favour of a sizeable increase in the capital spending which is needed to develop infrastructures at both Community and national level.

Despite some modest achievements in the coordination of national economic policies, much remains to be done if new stimulus is to be given to the Community's growth. It is important that these coordinated policies should not be based on monetarist dogma but should, on the contrary, make adequate allowance for demand.

The Community should certainly not emulate the American example, which is not a model for us. Contrary to a widely held misconception, US performance on job creation is based essentially on good rates of growth over the last two years. During the first few years of President Reagan's term of office, when the US economy was stagnant or in decline, jobs were lost on a massive scale, not gained. One of the factors mainly responsible for growth was not, therefore, the famous flexibility of the American labour market. The truth is that the US Administration's economic and monetary policy, with its high, attractive interest rates, drew off huge sums of capital, estimated at several hundred thousand million dollars, from Europe in 1984. This pushed up European interest rates, to our disadvantage, and siphoned off a large part of the resources we needed here at home to restructure our industry.

The US federal budget deficit is colossal, some 220 000 million dollars. The US trade balance stands at a record deficit of 120 000 million dollars. But the European economies are continuing largely to finance the recovery of the American economy. Our Group does not accept this situation. On the contrary, we demand negotiations aimed at preventing a state of affairs in which the American economic recovery is persistently financed by massive monetary transfusions from Europe and from other areas of the Western world and even the Third World.

As regards good citizenship and moral duty, I wonder very much at the attitude of individuals, companies and investors who are prepared to convert as much as they can of our countries' currencies into dollars, even at an exorbitant exchange rate, and invest in the United States sums which yield more than if they had not been converted.

I come here to a fundamental question, although I approve that part of the Commission's programme which deals with our relations with the US. As President Reagan said recently and simplistically, the main

problem is not that the dollar is strong but that the other currencies are weak. One of his Secretaries of State said very blandly that this was a fact of which Europe should take note; the Americans were proposing a better model for society. Clearly, for these worries the real or imagined weaknesses in the European economies must first be corrected before any attempt is made to alter current exchange rates. Fortunately Mr Volker, chairman of the Federal Reserve Board, has just stated that the United States cannot continue indefinitely to live beyond its means thanks to foreign capital, and that the influx of foreign capital cannot go on indefinitely making good the federal budget deficit.

Given this interesting conflict of views between senior US politicians, what does the Commission think about the agreement of 17 January 1985 on the usefulness of government intervention against the overvalued dollar, an agreement concluded between the US and five countries comprising only four members of the EEC plus Japan? Given the true state of things, is there any cause for optimism about this agreement? Furthermore, on the other side of the Atlantic there is an increasingly protectionist mood in certain sectors of agriculture and industry. The idea of a special tax on imports to offset the effect of the dollar on the trade deficit is gaining ground, especially as this would enable interest rates to be kept high and would be one way of mopping up part of the federal budget deficit. What does the Commission think?

Moreover, our group — or most of us at least — share your desire for stronger monetary cooperation in the Community. We would like a few more details on how Mr Jacques Delors, President of the Commission, views the proposals formulated by Mr Jacques Delors, French Finance Minister, at the meeting of European Finance Ministers in September 1983.

Two interesting items have been reported in the press: *Gaz de France* is to pay for its purchases of Dutch gas in ECU, to the tune of 10 000 million French francs a year, and Italy has just concluded a mining deal with Kuwait using the ECU as reference currency. In our view it is important to promote the monetary autonomy of the Community *vis-à-vis* the dollar by using the ECU, even in small-scale operations and even though the EMS remains incomplete due to the continuing absence of the tenth partner.

It is not enough, Mr President, to make declarations of intent, however laudable. They have to be implemented.

Let me come now to the fine points and reservations I mentioned at the beginning. For example, the Community has taken excellent steps concerning equal treatment of men and women in matters of working conditions and social security. But what supervision is there of Member States' implementation of the directives adopted by the Council of Ministers? In several if not all of the Member States infringements are regu-

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larly recorded without the Commission being able to take effective action to apply the provisions contained in the directives. We thus welcome with optimism the Commission's intention to examine whether there are not shortcomings in the framework of legislation aimed at effective implementation of the principle of equal treatment — in our view there are grave shortcomings — and, if necessary, to submit proposals to improve or complete this framework.

As far as social matters are concerned, we deeply regret the absence, as our resolution makes clear, of any sufficiently detailed statement firstly on a European framework for collective bargaining, as referred to by President Delors in his speech to the European Parliament last January, secondly, on the right to information and consultation of workers employed by transnational companies and those with complex structures, and thirdly, on the social aspects of the fifth directive on companies with limited liability.

On the subject of industrial restructuring policy, we regret that the Commission has failed to make a close link between structural reorganization measures and the problems of employment which frequently arise, in a most lamentable fashion, for those working in the sectors concerned. Whenever the Commission is required to give its opinion on a restructuring operation or to help finance one, it should, and we stress this most emphatically, insist firmly on the need to start by solving the employment problems involved.

In addition, whilst we agree with the Commission on the need to do away completely with the Community's internal frontiers, and whilst we consider that the alignment of VAT legislation is essential to the achievement of this, we ought not to expect miracles from this measure. Alignment of VAT rates should be part of a general harmonization of tax legislation which will itself depend on other aspects of economic and financial integration.

During this debate members of our group will speak in greater detail on the social and economic problems raised in Mr Tuckman's report and the oral questions with debate attaching to it.

As far as the common agricultural policy is concerned, the Socialist Group considers that efforts aimed at substantially reducing structural overproduction must continue. This means, however, that the decisions aimed at improving agricultural structures, specifically those to benefit the small producers and disadvantaged regions, must be taken now and in the immediate future. Like the Commission we consider that prompt discussion is necessary on the future of agriculture in the Community and on reform of the CAP.

Mr President, the Commission rightly attaches great importance to research and development policy. For several years now the Socialist Group has been stressing the need for a more dynamic, more thrusting

Community policy in the new fields of research and technology. We Socialists have also always stressed the need to involve workers and trade unions in discussions on the introduction of the new technologies. Consequently we are glad to see the Commission giving attention to the conditions under which the new technologies can be acceptable and their social effects contained, a matter which it considers as one of the most pressing topics in the social dialogue and one which it wishes to see adopted at Community level.

On this subject, last January our chairman, Rudi Arndt, put a proposal to the Commission on behalf of the Socialist Group for the creation of a committee of enquiry to inform the various bodies of the European Community on technological advances and to advise them in such a way as to enable them to assess the implications of technological changes. In the production sector, as regards the consequences for the quality of work. In the consumer area, as regards attempts to improve the quality of life. Lastly, as regards the consequences for the environment and for democratic and social structures, we dare to hope that the Commission will adopt this proposal by our chairman.

Mr President, a further word on the Commission's proposals for energy. In connection with the current Community system of authorizing national aids to the coal industry, the Commission announces that it will be proposing a new system during the first half of 1985. It does not say, however, what lines its proposals will follow. Our group has always stressed the importance of coal as a source of energy in the Community. In no circumstances will it agree to a policy which would cost the jobs of thousands of mine workers, something we are currently seeing in the United Kingdom.

Previously in the past the Socialists have shown what importance they attach to an active transport policy. At the initiative of our honourable friend Horst Seefeld, who was at the time chairman of the Committee on Transport, the European Parliament took the Council of Ministers to the European Court of Justice for its omission to introduce a proper transport policy. We insist that the Commission should expand this sector more, for it is one of extreme importance to all citizens of the Community. We also think that an effective Community transport policy should be drawn up in close cooperation with other European neighbours.

On the subject of enlargement I would first like to reaffirm the Socialist Group's wish to see the timetable for accession and the deadline of 1 January 1986 adhered to, for essentially political reasons. The possible cost of enlargement which we are asking the Commission to tell us promptly, although we know that an exact figure can only be given once the Commission has the final results of the negotiations, should in no case be used as a pretext to put back the date set for the entry of Spain and Portugal to the Community. In

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the context of enlargement we would stress once again the need for the Commission's earlier proposals to be given concrete form. As for the integrated Mediterranean programmes, these must be implemented before enlargement in order to narrow the enormous gap between the regions of the North and South.

Mr President, the Socialist Group endorses the broad principles outlined by the Commission on environmental matters. We consider, however, that the programme as put before us is still not concrete enough. The protection of our environment and the need for an active environment policy have for a number of years now been a central concern of the Socialists. Serious accidents in industry, air pollution, the hazardous transportation of toxic wastes, accidents such as Seveso and Bhopal, these things prove only too well how great a need there is for a preventive policy on the environment. A central point in this policy is, in our view, the introduction of specific, ongoing checks on the compatibility of certain measures with the protection of the environment. We know that a directive along these lines was adopted last week by the Council. But it contains so many exceptions that the initial aim is no longer met. And so we await new initiatives from the Commission in this field.

Lastly, we would stress the need for a concerted policy on behalf of consumers, notably for health protection, and for the revival of consumer councils as called for under the latest Greek and French presidencies.

Before I conclude, one more specific question to the Commission. The Commission announces that it intends to develop new types of agricultural production and new markets for renewable raw materials, for industrial use via biotechnology and for use as sources of energy. I should like to know more precisely what the Commission means by this. I have read in the press that a report submitted to the Commission by researchers in the Carlsberg laboratories in Copenhagen suggests the building of refineries which could, thanks to biotechnological processes, transform supposedly surplus cereals into a variety of materials such as wood fibres, plastics, paper, textiles and fuels. Business circles in both industry and agriculture seem to be very interested in the idea, and it would thus, technically, be possible to use a large part of Europe's 58 million tonne cereals surplus for purposes other than feeding people. Is this what the Commission has in mind — I can hardly believe it — when it talks of developing new possibilities of production and new markets? Does the Commission think that such ways of disposing of cereals or other production surpluses are morally compatible with the stark fact that the most basic needs of tens of millions of human beings are not met and cannot be met? We put the question to you. Our own reply is clearly *no*.

Finally, Mr President, we approve the Commission's programme as regards a Community identity, the People's Europe and, for most of us as well, European

Union. I should like to express very forcefully our Group's support for the Commission's intention of putting before the Council a directive on regional cooperation with Central America, and our support for the line adopted by the countries concerned, despite their differing regimes, in the Contadora group. We hope that not only the will for regional integration and structuring but also an awareness of social justice and concern for human rights will thus be encouraged in Central America.

Europe must promote processes aimed at peace and progress in this unhappy part of the world, not the escalation of policies of force and oppression.

(Applause)

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

Mr Klepsch (PPE). — *(DE)* Madam President, Mr President of the Commission, honourable Members, in speaking today about the Delors Commission's 1985 programme of activities, we find ourselves in an interim stage: on the one hand, when we discuss this annual review we are still acting within the rather obsolete framework of the institution as it was in the 1950s; on the other hand, however, the Commission under President Delors has created a basis into which this annual programme can be integrated by submitting the guidelines for its term of office in January and — for which we are grateful — by the fact that President Delors requested Parliament to give a decision on these guidelines at the beginning of the Commission's term of office.

If we carefully peruse the statements of January and the 1985 programme before us, we can of course see that clearly a more flexible and diplomatic approach has been chosen on a number of points and aspects than in the general review for the four years.

To give just one example. In the field of the further development of the European Monetary System, we would have hoped for more impetus to be given even for 1985 than we find in the programme of activities. But we are looking at that in the context of the guidelines and hope the Commission will regard the framework set in January as binding.

As for 1985, my colleagues will deal in detail with the Commission's specific proposals. On the major issues, may I say that we think they have been well chosen and that we endorse them. We know that the committees will try to fill some of what we regard as gaps during talks with the Commission; but what is essen-

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tial for us is that the Community should make progress in 1985, and we now know that the Commission seriously wants to do this.

Let me add a word on the role of the Commission and of Parliament. It is quite clear that within the institutional framework of the Community they are the two elements which, by their office and their tasks, incorporate the Community's interests most strongly. In theory we should also name the Council, for no doubt it is at present the most powerful organ in the Community framework. Yet we have found that as a result of the increasing pressure from interest groups it finds itself in a very difficult situation. We are aware that it is not only internal political pressures which have led to some of the delays and failures to decide on the part of the Council, but that what can look like petty haggling about advantages, whether assumed advantages or the mutual counting up of advantages, accentuates the problems and make the Council unable to decide.

Of course it is regrettable if, for example, decisions taken unanimously by the Council on the proposal of Community organs are implemented in very disparate ways in the various Member States, since that leads to distrust and abuses. So we must keep sight of the fact that one of Parliament's decisive functions is to call on the Commission to reassume its original function as motive force and also as controlling organ for the functioning of the Community, and to do so in close cooperation with Parliament.

As directly elected representatives of the Community citizens, responsible for the interests of the Community and not only of our own country or region of origin, we see the Community's task as that of being efficient, viable and forward-looking as a whole. We believe this view is also reflected in the Commission's programme of priority activities.

To turn to just one central point, which my colleagues will go into in more detail later. We regard the removal of barriers to progress as a central task for the year 1985, in terms of employment policy and the restructuring needed in many areas of the European economy, within a sound internal market, as described by the Commission.

The pronouncements made in this sector, by the Council too, are many. People have realized that the Community will continue to be able to compete with the USA, Japan and other industrialized countries only if the necessary efforts are made in research, innovation and the cooperation and harmonization in the internal market which are essential. What we do not find in the Council's decisions, however, is the translation of this insight into practical action. That is what I understood President Delors to mean when he spoke of the campaign of persuasion the Commission must undertake in this area too. We will support this campaign of persuasion and I think it is the duty of the

groups in this House to hold talks with the national groups in this field too.

1985 is especially hard hit by a large number of problems that need to be resolved. I will not list them now. What I consider important is to say that resolving the institutional question, i.e. that of the sound working of the decision-making mechanism of the Community and the modernization of the Community instruments, is of outstanding importance.

Let me say a word on the question of the findings of the Dooge Committee. Our own proposals are already before the national parliaments. We are sure that the announcement that the findings of the Dooge Committee will be translated into decisions at the Milan summit is a good one, but what we want to see is concrete proposals and concrete agreements.

On pages 22 and 23 of the German Commission text, I see that the Commission seems to share my group's view that it is not just a question of the Milan summit convening a conference of governments — along the lines of the never ending Imperial Diet of Regensburg. That is a concept from German history and is equivalent to delaying a decision *ad calendas graecas*. It is the fate that has often enough overtaken various good ideas, such as the Tindemans report. But if people sit down together, then — and I hope the Commission will take a vigorous part in achieving this — we expect the Dooge Committee to produce clear proposals, which will be followed immediately by a decision on them. Such clear proposals must also cover the role of the European Parliament.

We have heard many good things said about our role. Now we want to see deeds from the Council. We believe that if we act in concert with the Commission we will be able to bring the Community forward and achieve the enormous task of getting our citizens on the side of Europe, a task which is rightly referred to in the priorities.

Mr President Delors, my group will endorse your programme of activities within the framework I have sketched out. But we ask you to continue to endeavour to re-assume the Commission's original tasks and to seek close cooperation with the other Community institutions, and especially with Parliament, and we regard your replies to the questions put by Mr Estgen as a welcome departure.

(Applause)

President. — I have received seven motions for resolutions on the annual programme of activities of the Commission for 1985. They have been tabled by Mr Petronio and Mr Romualdi, on behalf of the Group of the European Right (Doc. 2-1806/84), Mr Cervetti and others, on behalf of the Communist and Allies Group (Doc. 2-1812/84), Mr de la Malène, on behalf

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of the Group of the European Democratic Alliance (Doc. 2-1813/84), Mr Klepsch and others (Doc. 2-1814/84 and Doc. 2-1815/84/rev.), Mr Arndt and Mr Glinne, on behalf of the Socialist Group (Doc. 2-1816/84) and Mrs Boot and others, on behalf of the Group of the European People's Party (Doc. 2-1820/84).

The vote on these motions for resolutions will be taken at 6 p.m. this evening.

Sir Fred Catherwood (ED). — Madam President, I am glad to be able to give the wholehearted support of our group to this programme. It is certainly the best programme — maybe even the best document — to have come from the Commission since the elections of 1979. For the first time the Commission has not trimmed its proposals to what they think they might get through the Council. For the first time we have a programme which is adequate to deal with the enormous problem of 14 million unemployed. If this programme is implemented, we will, I believe, get our unemployed back to work. For the first time the Commission has really listened to what Parliament has said. It has not only picked up the Albert and Ball report and the Herman report; it has also listened to what the broad Left who could not vote for the Herman report were saying when we debated these issues. So the programme provides a wide base for agreement in Parliament and for the first time a real basis of an alliance between the Commission and Parliament which the Council will find it very hard to resist. Now we in this Parliament have got to go back to persuade our national governments that there is no other way forward and that this really does give the basis for economic recovery.

The final opening up of the common market, giving every manufacturer a truly continental market, was at the centre of our last election manifesto, so that that should cause no difficulty to the Danish or British Governments. It also brings home to our people, as no theoretical constitutional exercise can do, why there have to be changes in the decision-making process. They can see what the Community is for. It gives us the pragmatic basis that we so badly need in our countries for the changes that have to take place; because what is the alternative? The alternative is either to go on with 14 million unemployed, which is socially totally unacceptable and will lead to tremendous social trouble, or, as a positive alternative — the only one that is talked about — to opt for a combination of protectionism and deficit financing with competitive devaluations like that practised in the 1930s — the economic warfare between nations which led straight to a shooting war and which all the industrial democracies vowed after the war would never happen again.

The post-war answer is the answer which President Delors has given, the answer that led to the biggest increase in trade and wealth in world history, to get

trade going again by removing barriers to trade and by systematic agreement on currency levels and agreements to aid the Third World.

The Commission's programme is the first realistic attempt to recover the momentum which we lost as a result of the two oil shocks. The Albert and Ball report showed why protectionism and deficit financing cannot give us anything like the momentum that we need to get our people back to work again. All the studies show that national deficit financing simply cannot deal with the numbers of unemployed we now have. Even the research done by those who put forward deficit financing show that they cannot possibly deal with the numbers of unemployed. But if we can simply remove the barriers all over Europe between those who want to buy and those who want to sell and remove the risk of future barriers to give the permanent security of this huge market to those prepared to invest, then we will get jobs on the scale that we need. The market itself is big enough to create the jobs. A market of 270 million people is big enough to get 14 million people who are unemployed back to work again. Nothing else is big enough to do that. So there is absolutely no alternative to this. In putting our support behind President Delors, we want it to be clear that there is no alternative. We defy anyone who thinks that there is an alternative to doing this to come up with the kind of research that we have done following this Delors proposal.

We welcome too the Commission proposals on the creation of a common capital market. That, too, was in our election manifestos. We need to match the size and the flexibility of the American capital market if we are to keep our savings in Europe. A big and flexible capital market attracts savings, whereas small national markets discourage savings and send them elsewhere. We very much hope that the governments who have doubts about this will see that the whole package needs the support of a European capital market and that that is also an essential part of this particular package.

Our group also hopes in particular that the British Government will agree with the resolution that our group passed in its group meeting last week stating that the time has now come for sterling to join the exchange rate mechanism of the European Monetary System. We accept that while sterling was high and our oil surplus had a positive influence on sterling we could not join. But our industrialists in the Confederation of British Industries have now concluded that sterling is at the right level, and we agree with them. The Governor of the Bank of England, the weighty experts in the House of Lords, Vice-President Cockfield, who is a weighty expert in his own right, all agree that the time is now right for Britain to join. Sterling has only 7 1/2% of the total currency reserves of the Community and it is not reasonable for sterling to try to support its weight all on its own. That is why we need a base rate in Britain at the moment of 14%

Sir Fred Catherwood

to hold sterling up. Just contrast that with the rate in Paris of 10 1/2%, the rate in Amsterdam of 7 1/2% and the rate in Frankfurt of 6 1/2%. And we see the enormous cost that we now pay for having sterling on its own and not linked to the reserves in the exchange rate mechanism of the Community. Entry into the exchange rate mechanism and the development of a mutually supporting EMS would slash British interest rates, and we are quite sure that for that reason a decision cannot be far off.

The only disappointment that we have in this excellent document is the absence of proposals on the development of the EMS. We know that this is close to President Delors' heart. He hinted more in his inaugural speech than he has given us here, and he said a little bit more this morning. We very much hope that in his summing up he will tell us in public what we know he feels in private: that a continental market and a continental currency system have got to go hand in hand. If we are to persuade the British and the German Governments, we need more than hints; we need it spelt out step by step with all the elegant Gallic logic of which President Delors is very capable.

Jobs need investment. Investment not only needs a continental market, it also needs stability of currencies within that market. At present every job-creating investment in Europe carries a currency risk, and that risk minimizes the amount of investment that is made and keeps people unemployed who would otherwise be at work. So I hope that we can all tell our national governments that there is now spelt out in this Commission document a European option for economic recovery and that none of the national schemes of which our national newspapers are full, and to which our national parliaments echo, has the slightest chance of getting our unemployed back to work, of looking after our public expenditure, of paying for our defence and of keeping us competitive with the Americans, the Japanese and the newly-industrialized countries.

So we thank you, Mr President, for this vigorous and optimistic programme which gives us all hope and we pledge ourselves to help you to get it the political backing that it has to have.

Mr Cervetti (COM). — *(IT)* Madam President, Mr President of the Commission, ladies and gentlemen, when it lists the main guidelines of its working programme for 1985, the Commission sets out objectives and needs with which we are in agreement: strengthening the economic structures of Europe, giving the Community an influential part to play in world affairs, making Europe something to which its citizens can relate, launching the Community on the road to European Union — as the programme states — all of these are indications with which a progressive, 'Good European' party such as ours can only express its agreement.

But having said that, may we be allowed immediately to point out a sort of hiatus, a contradiction or, at least, a gap between the objectives and the resources, or rather, between the objectives and the policies for achieving them.

We obviously approve of those parts of the programme that emphasize the need for full unification of the internal market. At this point may we be allowed to say, in parenthesis, that we should not want the stages that have been fixed to end up in the same way as those laid down for the monetary system. We appreciate the search for real macroeconomic convergences. I will go further: we are convinced — we have called for this on a number of occasions and now we emphasize it positively — that the participation of trade unions and employers in the definition of economic policies and social conciliation is essential. From a more general point of view it is right to call for and implement a different mix of the various economic measures, so as to promote recovery. Nor have we failed to note several commendable statements regarding scientific research, the introduction of advanced technology, the environment, the CAP, the IMP, transport, various sectors of industry, social policy and the implementation of Lomé III.

But that, Mr President of the Commission, is not sufficient; and — if we may be permitted to emphasize the fact — that does not make the programme a concrete, realistic, coherent one, designed to get the Community out of the crisis or, at least, to make this year 1985 a year of change and of the relaunch of the building of Europe.

This raises a political question. Why is the programme not consistent with some of its own assumptions? Evidently, such consistency is hindered by all the forces of the Member States, and governments, and other institutions, which are linked, in various ways, with national selfishness, interests that are only corporative, and weakness towards the outside world. Forces that are at the root of the crisis in which the Community now finds itself, and which certainly have no intention of taking action to get out of the crisis. Against all this we need to have a political will that, based on a proper programme and consistent measures, can gather together and mobilize all the forces capable of extricating the Community from the crisis, and guaranteeing its necessary recovery.

Such a programme must contain, or rather should give priority to, energetic, credible measures in the fight against unemployment, and both the Council and the Commission must assume precise and binding responsibility in regard to the formulation of the 1985 and 1986 budgets. It must contain action to increase own resources without making that increase strictly conditional upon the accession of Spain and Portugal to the Community. It must contain measures and a general plan for financing the policies and objectives that are proposed or desirable.

Cervetti

On the other hand, Mr President — and you yourself have reminded us of this more than once — all our efforts are in danger of being brought to nought by the serious world monetary problems, and by American interest rate policy and their national deficit, as well as the supremacy of the dollar.

For this very reason we consider that measures should be outlined and implemented that are appropriate to the seriousness of the situation, strengthening and giving greater depth to the European Monetary System, so that, bit by bit, the function of the ECU as a currency is guaranteed. We have, in short, to fill that gap, that hiatus of which I spoke at the beginning of my speech; and we have to fill it with precise, concrete proposals, deeds and resources of a financial, monetary, economic and political character. In doing this we can also adhere in full to the objectives announced in the first part of the programme as presented, and to the determination — which we highly appreciate — expressed by you on other occasions, Mr President of the Commission, and, latterly, in the recent meeting of the Committee on Economic and Monetary Affairs of our Parliament; and also — may I be allowed to point this out without any malice or desire to compare a speech with a written programme — in your speech today.

At all events, in the absence of all that, we must note the limitations and shortcomings of the Commission's working programme for 1985, and our verdict can only contain reservations and criticism.

Mr President, we appreciate any realistic attitude, and today, realism and the situation make it essential to pursue programmes that are free from the limitations that we have just referred to. At the same time, they make it essential to indicate to all those with the recovery and best interests of Europe at heart the start of a plan, and the will to pursue that plan, for institutional and structural reform, which has moreover been called for on a number of occasions by our Parliament. A plan capable of extricating the Community from its crisis, guaranteeing the recovery of its economy and speeding it along the way to Union. A plan that will make our Community still more receptive to the problems of Central America, Latin America, Africa and the countries of the Third World, giving it in fact the role in world affairs to which it is entitled, where justice and peace are concerned.

This, then, is the meaning of the position that we are taking up today, the meaning of our criticisms and our proposals. It stands as a stimulus and a spur to all those with the best interests of Europe at heart; a stimulus and a spur, too, for the Commission.

1985 may be a crucial year. We cannot in the slightest degree refrain from action or back-pedal in face of the crisis, the difficulties. Our conduct here, today, is a commitment to act with determination, and to sup-

port, energetically, the objects of recovery, growth, unity, and the independence of our Europe.

Mrs Veil (L). — (*FR*) Madam President, let me say straight away that I shall not make a point-by-point analysis of the Commission's proposals in the short space of time available to me. We shall have an opportunity to voice any reservations we may have on this or that point and to point out any inadequacies when these proposals are put to the European Parliament in a more concrete form.

It seems to me very silly to pass judgment on a document which covers all the Commission's activities for the current year. I will say simply that this comprehensive and serious programme, clearly presented, seems to us to be a pragmatic and balanced one which reflects a real desire to take account of all the Community's problems and find concrete solutions to them. Pragmatic and realistic it is. But perhaps too much so. Let me explain.

You have drawn up your programme, Mr President, in strict awareness of the financial constraints currently affecting the Community. You have not made sweeping promises or given broad commitments which would require resources the Community does not have. In this you are right. It is pointless to raise or nurture false hopes. But I should have liked to see you condemn more strongly, more boldly and more ambitiously too the contradictory, impossible situations in which the Council places you. I know that in your introductory remarks you underlined the problem of the budget and said that you could not allow this inadequacy on the part of the Council to continue any longer. It is not enough. Europeans must be made more aware of the fact that the Community is currently threatened with suffocation for lack of money. How many of the Community's citizens know that Parliament rejected the 1985 budget because it covered expenditure for only nine to ten months? How many of them know that no agreement has yet been reached to solve this problem? Only the farmers, whose living standard is likely to fall, know it. We shall discuss this matter tomorrow. You have done no better than you could have done here.

How many Europeans know that we are preparing to enlarge the Community to include Spain and Portugal, young democracies which we would wish to welcome in the proper terms, without knowing how much enlargement is to cost? How many Europeans know that we cannot draw up a programme on biotechnology, an area so full of hope and promise for the future, for lack of a thousand million ECU? How many Europeans know that we are having to cut our aid to the poorest countries at a time when millions of men, women and children are dying of starvation? These are the things which should be shouted long and loud. Europeans must be told that they are being lied to when they hear declarations about building

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Europe during all these meetings and visits which always end in cordial embraces before the naive and wondering gaze of the television viewer.

But enough of that. I have said here so many times, like most of my colleagues, that it is pointless and discouraging. But I should like to put other points to you after listening very attentively to your proposals. I shall put them, with your indulgence, in the form of questions and suggestions. For I know that it is easy to criticize, and I do not underestimate the powerful constraints which hamper your Commission.

I have spoken of the budgetary constraints, but I will mention also those which result from the fact that the Commission is not a government, the expression of a homogeneous political majority, and that consequently you are required to take account of the diversities in economic and social concepts which exist within the Community, even if certain fundamental commitments do not appear to be challenged. This diversity, this pluralism, is an asset, but it does not make your task and your decision-making easy. And so we must be aware of the limits thus imposed on economic convergence, the harmonization of social progress and the strengthening of solidarity which, as you have rightly pointed out, is insufficient. I should like here to emphasize straight away how important it is that priority should be given to finding solutions to the problems which may erupt between countries in the north and south of Europe and may create tensions extremely dangerous to the cohesion of the Community.

And yet I wonder if these difficulties might not be more easily overcome by a somewhat different approach. I have spoken of the pragmatism you have shown. But is this pragmatism not geared to a situation which has now changed?

I often have the feeling that Community problems are dealt with using methods which require an approach that was the one used 30 years ago. Since the Treaty of Rome everything has changed. Not only the economic and social context — with recession and unemployment — not only the international context — with the resurgence of nationalism and protectionism — not only in production methods, but also production itself — informatics, robotics and the new technologies — everything has changed too in the thinking and aspirations of the man in the street. At the national level, in each of our countries, there is a dawning awareness of this development, and governments and local groupings are obliged to take the consequences. The citizen expects greater liberty and responsibility. He is beginning to notice that there are limits to how far he can expect the State to look after him, guarantee him against all risks, 'overprotect' him, and that by expecting the State to make provision for everything and regulate everything he runs the risk of losing his freedom and room for initiative. Above all he risks losing any chance of effectively fighting unemployment.

And is this not today, for all of us, the priority among priorities? The Commission goes on legislating, regulating, adding further constraints to existing national constraints without wondering if this is really necessary for free circulation or the achievement of the internal market, or whether it represents progress for the citizens of the Community. Whilst in our countries there is talk of decentralization, individualization, flexibility, adaptability, the Commission's actions often lead to the opposite result and limit the already over-restricted opportunities which exist at the national level.

As I have said here on several occasions, I believe that 'Community' does not mean 'oneness-sameness'. We must maintain a degree of national diversity corresponding to the diversity of our cultures and traditions. So I am glad that, on the subject of harmonizing standards, you have proposed a new approach. This seems to me a considerable step forward, because it will mean much faster achievement of a true internal market and also because as a result the image of the Community will be profoundly changed and improved in the eyes of the public who are most directly concerned.

But could we not go much further along these lines? Could we not, in a large number of areas, set broad objectives common to all the Member States, leaving each one to assess how best to attain them? This is the way certain federal states such as Canada operate. For example, social security or tax matters might be areas in which decisive progress could be made provided each region were dealt with individually.

By seeking to unify everything we are getting further away from our objective.

Furthermore, we have not learned enough from our respective experiences to make comparisons and draw conclusions which would be beneficial to all of us. Our comparisons on Community matters are far more quantitative than qualitative. Here again, the social field appears to me to be an example of one in which obsession with the past, ready-made ideas, conservatism and dogmatism have triumphed. But with the Community we have the exceptional opportunity to learn from what happens in the various Member States. Our Community ought to become a real experimental laboratory seeking for answers to the needs of the current situation.

After 30 years the Community needs to adjust its priorities and methods and reappraise its objectives against the present-day background. This is a priority. For the Community, which has no money, and thus runs the risk of being unable to implement any new measures, is in fact in danger of making up for its lack of concrete measures by a proliferation of legislation and rules. This would be a disaster. What it should do, in order to promote economic dynamism as well as social advance, is to make its rules easier, more flexi-

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ble. It should experiment, encourage innovation and creativity. Europe needs to be rejuvenated by the Commission.

Today the Council is faced with the need to redefine in political and institutional terms what is meant by Union, for the Treaty no longer meets the geopolitical necessities of the day. Similarly the Commission, on taking up its responsibilities, must redefine the means whereby it can act to bring about a Community which will rise above theoretical or abstract concepts, often outmoded, and find concrete answers to the concerns of our peoples and to the approach of the third millennium.

(Applause)

Mr Fitzgerald (RDE). — Madam President, I cannot support this programme as enthusiastically as have some of the speakers who preceded me. I would say at the outset that I am seriously worried about the uncertain future of the European Community and especially about some of the directions we are taking.

A couple of months ago, in this House, Mr Delors, President of the Commission, said in his maiden speech that what Europe needed was a strong and prosperous agricultural sector. Yet, a few weeks later, the same Commission produces draft price proposals for 1985-86 which, if adopted in their present form, would be an irreversible step towards dismantling the common agricultural policy.

Tens of thousands of fishermen in the EEC, including my own country, are gravely preoccupied with what they see as a serious threat to the security of the future of Community fishing. Rightly so. I refer to the present state of negotiations between the EEC and an applicant Member State, Spain. No acceptable solution has yet been found.

Mr Delors also said last January that the disputes that have paralysed Europe in recent years, which he feels Europe is on the point of settling, will be found laughable in the harsh light of contemporary challenges by future historians. I hope he is right. The reality of 13 million unemployed in the Community now is no laughing matter. These disputes to which he referred have halted progress at the EEC level on many fronts — economic, social, technological and agricultural, but above all in the field of unemployment. The lasting nature of the employment crisis in Europe has serious implications for society, for our expectations and our living standards. This programme has a duty to seek progress and to offer hope for the young and the elderly where there is growing despair and disillusionment with our institutions. The programme is also important for the ranks of the long-term unemployed, which are still swelling. Over half the number of long-term unemployed are in the 25-55 age group. The poverty threshold has been crossed by a minimum

of 30 million people. Last December the Council of Ministers shamefully slashed the Combat Poverty programme by UKL 13 million. Our efforts to deal with drug addiction are barely noticeable.

I am more than surprised that the President of the Commission made no reference to the unemployment situation in the applicant Member States. After enlargement, we shall no longer be talking about 13 million unemployed; with well over 16 million people out of work, the prospect is frightening. All the more reason why we expect immediate and concrete action from this Commission. If this programme will achieve such action, then it is welcome.

I would like the Commission to give serious thought to employment in the building industry, where over the past 4 years 24 000 jobs have been lost in my own country. It is not enough to say that our young people are our greatest asset, that they are our hope for the future. To date, we have given them very little hope. We are consistently showing our inability to act and, in many instances, a lack of political will to solve our problems and, above all the crisis in employment.

Ireland has one of the youngest populations in the Community. We are going to have great difficulty in convincing these young people of the Commission's good intentions for the future when it has been incapable of respecting the commitments given in Protocol No 30 annexed to Ireland's Act of Accession.

In conclusion, let me say that listing priorities in itself is not sufficient, important though it be and welcome though it is. You have got to get these priorities right. I support this programme with some reservations. I will most certainly encourage the Commission in its intention, but I shall be judging them on the results.

Mr Härlin (ARC). — (DE) Madam President, ladies and gentlemen, this Commission programme has not given us much that is new. In our view it is still the old 'we should, we could, we ought to' EEC policy. Whatever it contains in the way of real programmes, practical measures, will not bring any qualitative progress for Europe.

As has already been underlined quite often today, we are in a situation in which we have the highest unemployment in Europe since the end of the war, and that is happening during a period of recovery fired by the meteoric rise of the dollar, by the artificial American economic miracle. Some Members of this House have bemoaned this artificial American recovery, but I would like to point out that these same people are just as afraid, if not more so, of its coming to an end. In this respect we are nothing more nor less than an appendage of US economic policy, and in the final analysis that is a military policy — for at the core of this American recovery lies the most comprehensive military programme since the end of the war.

Härlin

In spite of this supposed recovery, in spite of the supposedly hopeful signs, the social situation in Europe is characterized by extreme unemployment. The forecasts say it will continue to rise, especially with the enlargement southwards. New poverty is spreading in the large cities, in the dying industrial centres, in the steel, coal, textile and shipyard industries affected by what is as a rule euphemistically described as restructuring.

What the Commission is now proposing to do to deal with a situation in which the social achievements of the last 30 years have degenerated to an extent hardly conceivable a few years ago is to hold a dialogue — a dialogue between the two sides of industry at European level. What does that mean? My experience has taught me that dialogue is always proposed when there is no longer any chance of negotiations, of holding really fair talks. Then the stronger side offers a dialogue.

What keeps cropping up in all areas as the main programme is, if I may call it that, the drug of new technologies. New technologies are to be promoted in all areas, and what is called the adaptation of human capital, of human resources to the new technologies. I found one sentence in the Commission's report which I can fully endorse: 'Since this process is traumatic, it is being held back by the justified resistance of those who are its potential victims.'

But if we look in detail at this Commission programme and the individual measures it lists, we will see that everything that is being done by the European Community is directed at breaking down this resistance, at making it impossible, impossible to organize. All the programmes without exception are aimed at creating more opportunities for capital to introduce new technologies, but they contain no proposals for making it easier for the workers, i.e. those concerned, to make use of these technologies. They make no provision for discussions, for talks, for using the opportunities offered by the new technologies for cultural purposes.

Youth unemployment, which has been discussed here fairly frequently, is compounded by what I might call age unemployment. There is a growing trend to throw workers out of the production process when they reach 50 and not to admit them to it under any circumstances before the age of 25. Behind this, in my view, lies the social concept of creating an almost insuperable wall of social barriers and age barriers. Within this ever smaller stronghold of the successful, the new technologies and the optimism born of the economic recovery can then be fostered and protected.

To put it simply, this concept is an Americanization of the European social system and means that 20-30% of the working population are kept out in the cold and degraded into supernumeraries, while a hard core of successful people of the right age can continue to play the economic growth game.

The Commission, and regrettably also the majority of this House, do not seem to be aware of the gravity of the situation in spite of their protestations. What does it mean if unemployment increases during a period of recovery, what does it mean if in this situation young people cannot really be offered any prospects any more — except the prospect that under certain circumstances they might join the few who benefit from this process, the few careerists who are being acclaimed in the wake of these new technologies, the few Apple founders or whatever?

History teaches us that, in the past, young people who were no use to the rulers were always sent to war. At this moment I see no other option put forward either on the part of the Commission or of the majority of this House. I think that is very worrying. If the Commission really wants to change anything, really wants to point a new direction, it should not give priority to promoting the new technologies, which will make their way in any case, but should primarily ensure that in areas, some of which could as a result be devastated and laid waste, the new opportunities — as the Commission itself calls them — of a post-industrial society are examined and developed. At the moment they are not profitable and therefore need State support, but the new technologies do not need it, for they will establish themselves in any case.

IN THE CHAIR: MR ALBER*Vice-President*

Mr Romualdi (DR). — *(IT)* Mr President, ladies and gentlemen, there can be no doubt that the Commission's proposals — which were moreover outlined on the occasion of its appointment, and have been confirmed this morning with the fine speech by President Delors — are worthy of every consideration, and full of hope for everyone; nor can we, of the European Right, view them other than favourably, although we have been sharply critical wherever we have considered it right and necessary.

But words and the outlining of a programme are one thing, and facts are another. And so is what can actually be achieved, or rather, what the Commission will actually have the capability, as well as the will and the strength, to achieve, during its term of office and the immediate future, whereas the problems are mounting up and call for fast, concrete solutions, instead of long-term programmes, to put a stop to the economic, financial, political and social degradation that an absurd employment situation, with 13 million unemployed, renders more bitter and harrowing with every day that passes.

The question of the budget, for example, is one that cannot wait, not least because, in addition to the many

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other problems that are bound up with it, it appears to be very closely bound up with the question of the enlargement of the Community. We do not agree with those who make the accession of Spain and Portugal to the Community dependent upon the solution of all the technical and economic problems that that accession involves for the economies of every Member State and, in particular, the Mediterranean countries. We, too, President Delors, feel the tension between North and South, and therefore we cannot agree with the views of those who reduce a problem of considerable political importance, such as the entry into the European Community of two great nations like Spain and Portugal, to a mere question of debit and credit, profit and loss. But since, alas! this is the attitude of the majority of our countries — and we have heard this again here this morning — we cannot ignore this situation, and we must do what we can to overcome it, in the meantime resolving, immediately, the not impossible question of the budget.

That is why the budget is a question of prime importance, bearing in mind above all that this is not the only question that it affects; it affects also the very possibility of successfully implementing the new policies to which you referred, Mr President. The policies for research, energy, electronics and new technology, and for a new industrial policy which, together with the agricultural policy — with its structures and methods updated — can put the Community in a position to face the economic and financial challenges that come to it in every field, from every part of the world.

The same applies to the other fundamental points in the programme. First, there is the need to make Europe a power to be reckoned with politically, harmonizing its efforts and strengthening its cohesion in every field, until unity is reached. Secondly, there is the need to make it easier for Europeans to relate to Europe, by immersing Community policy in the realities of the culture and living forces of the nations of Europe. Thirdly, there is the need to tackle the most pressing questions as matters of urgent reality, with the firm will to solve them, employing every means. Starting with the structuring and utilization of its gigantic market, consisting of over 300 million men and women — who are amongst the most civilized, and, hence, most able and productive in the world today, with a very wide range of needs, and uniting this world — which persists in living and working divided — removing every psychological and customs barrier. That is to say, eliminating the 'cost of non-Europe', as we call it — overcoming the resistance, the idleness, the selfishness of a bureaucracy that resists every innovation and is deaf to every call from whomsoever seeks to save it from its vices and remind it of its virtues — of which, fortunately, it still has a great many — and overcoming the selfishness of a short-sighted political class, which certainly does us no credit.

But if all this should fail, if the misguided obstinacy of the Council should continue to hinder the solution of

the budget problem and all the rest — the increase in own resources and the free circulation of men, ideas, goods, without any more customs or police obstacles, as it should be — and if instead the Council should prefer the asphyxiation of the EMS and the ECU — which would thus have become a currency without a future, for fear of stupid competition — what would the Commission do? Would it take this lying down, as it threatens to do in the case of the integrated Mediterranean policy, which has now become a great big question mark, or would it react, denouncing those responsible and, if necessary, carrying things to their logical conclusion by resigning, as is the duty of any government that fails to achieve its programme, for whatever reason?

This is what we should like to know, in order to ensure that the Commission — and never mind about programmes and good intentions — is fully, vitally aware of the great responsibility which it bears; and that it fully intends to fight, no matter what the consequences, to discharge those responsibilities, united in so doing with all the political parties in this Parliament, almost all of which are in agreement and determined not to allow the bad policies of our governments, and hence the Council, to shackle them into culpable impotence.

President Delors, you have said on other occasions that it is impossible to support a policy of 'all or nothing'. I agree, but neither can we make do with 'little', which makes us vegetate, but does not allow us to live. That would be unworthy of us, and of the hopes that our people must still be allowed to repose in us.

Mr Paisley (NI). — Mr President, the very serious Community-wide problem of unemployment highlighted in the Tuckman report has been most severe in my own province of Northern Ireland. Unemployment there is currently running at 21.2% of the working population. In many areas of Northern Ireland the situation is even worse. In Strabane the figure is 40.7%, in Cookstown 36.7% and in Dungannon 29.8%. In the past 10 years unemployment has increased by over 300% in the province.

I welcome the emphasis in the Tuckman report on facing up to youth unemployment and long-term unemployment. In Northern Ireland about 40% of those out of work have been unemployed for over a year. The policy, therefore, of promoting new jobs and maintaining existing ones must be an urgent priority of the Commission in its programme for the coming year. In view of the chronic unemployment situation in Northern Ireland, I wish to highlight two recent decisions of the Commission which will be detrimental to our province.

First, the Commission has blocked six million pounds in aid which was due to come to Northern Ireland over the next four years, as an area affected by the

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rundown of the textile, clothing and footwear industries. Community inaction in the face of unfair competition from the USA and the Far East was a major contributor to the run-down of the manmade fibre industry in Northern Ireland. In one year, 1979-80, capacity was slashed by almost 70%. Although there has been an improvement recently, the refusal by the Commission to proceed with this six million pound aid package will inevitably lead to slower growth and fewer job opportunities in the textile industry.

Secondly, areas of high unemployment in Northern Ireland are being excluded from benefiting from the nine million in aid due to the province because of the collapse of the Kinsale gas deal. This money is supposed to be for small businesses and tourism, yet the Commission is proposing that such areas as Carrickfergus, Larne and Ballymena be omitted despite the severe unemployment in those areas and the tourist attractions of the Antrim coastline.

The whole of Northern Ireland should be eligible to benefit under this scheme! It is time for the Commission to translate into real action its commitment to tackling unemployment as a top priority along the lines of the positive recommendations of the Tuckman report.

Mrs Salisch (S). — *(DE)* Mr President, ladies and gentlemen, the joint debate on the Commission's programme of activities and on the Tuckman report on social priorities in the Community is a happy combination. Two key phrases appear on the agenda. One is the 'American way' of European social and economic policy — i.e. more flexibility — the other is high technology.

In its programme of activities the Commission proposes an independent European policy to reduce unemployment in Europe based on a 'policy mix'. The Socialists in the European Parliament support this basic idea of an independent European way out of the social crisis, and we vehemently oppose the Conservative recipe for success which runs: lower pay, less social security and fewer workers' rights.

Nor do we accept the trend in the USA, which is being held up to us as a model of success. It may be a model for those who are prepared to accept a split in society, but not for those who want long-term employment. The so-called 'job-miracle' in the USA was not really a miracle, for it is closely bound up with an enormous resident population growth.

Let me show this by a few figures. The potential workforce grew by 26 million between 1970 and 1983; the resident population grew by 25 million; and over the same period these much-praised 21 million jobs were created. Where were they created? They were created in the services sector, in trade, in the banks and insurance companies, in the local services sector, in the public sector as a whole.

The statistics show that it was not in fact the 'high-tech' sector that led to more jobs here but quite normal services, which came into being because of the growth in the resident population, which simply led to a need for more infrastructure services. Above all, it was the fact of women working which led to the enormous boom. The proportion of working women rose from 49 to 61%. In the Community it is 50%. All this requires more services and is naturally related to a baby boom in the USA, which occurred much earlier than here. Nor did the jobs in the USA appear because of any labour cost advantages. The labour unit costs were about the same as in the Federal Republic. Anyone who tries to argue otherwise is, in my view, on the wrong track.

And we should stop placing all our hopes in the creation of jobs through high technology. The hope of creating more jobs thanks to high technology is groundless. An estimated 900 000 to 3.3 million jobs were created between 1972 and 1983, depending on how we circumscribe what is called the high-tech sector. According to a forecast of the US Bureau of Labor Statistics, 800 000 additional porters, 744 000 additional cashiers and 1.4 million more office workers were needed over the same period, against an expected growth of no more than 217 000 skilled computer operators. These figures also make it quite plain that most of the rise in employment stems from the services, and certainly not from a service necessarily bound up with high technology.

We Socialists in this Parliament say no to the sell-out of European workers at American give-away prices. Instead we want an independent European concept. We endorse, and I repeat this again, everything the Commission is doing to ensure this and we of course agree with the Tuckman text in the version before us. We want to oppose the slogan of 'more flexibility of work' with the concept of 'more flexibility of products', because here we can follow on from good European traditions. Our European industry is geared to exploiting the high technical know-how of the workers. So we must not turn the European workers into the servants of robots but must train them to be able to approach the new technologies imaginatively and really to offer new products which can also compete on the world market.

That will be possible only if we do not take away the workers' rights but give them even more rights, so that they can develop their full potential.

Mr Mallet (PPE). — *(FR)* Mr President, ladies and gentlemen, a careful reading of the European Commission's excellent programme leaves an impression of hope mingled with uncertainty. Hope, firstly, because it reflects the firm desire of a president and his team who are determined to advance the building of Europe. The joint action which our countries must take if they wish to escape decline, reduce unemploy-

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ment and increase their influence in the world has been set out with clarity, realism and coherence. We cannot but agree with these general lines. The problems will start when we have to fix priorities, make choices. If the European economy is to recover, there can be no let-up in the fight against inflation. Growth will be on a European scale or not at all. Priority must be given to investment and to stimulating those activities which hold promise for the future, particularly the new technologies.

The European social dialogue will have to take account, as a recent OECD report has shown, of the need to slow down the rise in social spending and ease the rigid factors in the economy. But above all we wonder about making our resources adequate to the aims pursued. In these difficult days we do not deny that the common agricultural policy needs to be reformed. But excessively brutal measures, devoid of any vision for the future, would entail intolerable sacrifices for a very great number of farmers.

Forgive me for putting it somewhat brutally, but if you want to encourage a policy of improving employment, make sure that your proposals do not end up putting a few million more people on the dole.

Secondly, what we know as budgetary discipline constitutes a threat of strangulation. Claiming that the Community budget must not grow faster than the national budgets is an absurd doctrine which deprives Europe, which is currently taking shape, of all capacity for progress.

In these circumstances enlargement of the Community, which has wrongly been given priority over the increasing of own resources, runs the risk of aggravating weakening tendencies which are already apparent in the Europe of the Ten. We need determination to achieve what we want. If we want enlargement to be a success, we must in general have majority voting in the Council of Ministers and we must develop mechanisms of solidarity so that we can avoid the emergence of a gulf between the North and South of the Community.

And so to my conclusion. As you have said, there is a pressing need for concrete action to restore Europe's dynamism and credibility, make it a tangible reality to its citizens and make it into a true Community of destiny. To achieve this, we consider that a qualitative step forward is needed, a political and institutional mutation. We shall not be grudging in our support for the Commission's efforts towards this end. We know how hard its task is. We trust it to do its best.

Mr Toksvig (ED). — (DA) Mr President, I think we are doing well with the new Commission. It was important for the new Members of this Assembly to look for visions, resolution and readiness for action. It is my opinion that the Commission's programme of work gives us a basis to work on.

The most important of all the many points the President of the Commission mentioned in his stirring speech here this morning is undoubtedly his determination to be firm with the Council. Not only are we to plan the implementation of the great free market by 1992, we are also to get the Council's formal approval of the timetable. We cannot allow the Council to continue taking a passive line. There is throughout the programme a recognition of the fact that it is the Council in the final analysis which can block, has blocked and will continue to block progress. There is a call to Parliament to enter into close cooperation with the Commission; it is a call which we must answer happily and without reservation.

Of particular importance to me is the section on our joint reaction to the conclusions of the Dooge Committee. We all know the timetable; we must expect that it will be adhered to. This means that Parliament at the end of this month will be faced with a plan the cornerstone of which is the convening of a conference of the governments on the Community's future. The Commission considers it important that such a conference will be given a clear and unmistakable mandate, such that no one will be able subsequently to duck his responsibility; and that is an approach we can only agree with.

I must point out in this Chamber that Denmark too has declared through its Prime Minister that if such a conference comes about, we shall of course take part in it. A conference is not a decision, however; it is important that the terms of reference for the conference should not pre-empt its conclusions, for that could make it difficult for our countries all to take part. The formulation of the terms of reference is of vital importance.

It has often happened in the past that the European Council has issued solemn declarations which not all Member States have endorsed wholeheartedly in practice. It is one thing to support ever closer cooperation in theory, but the practical difficulties of giving effect to fine-sounding ideas are quite another.

A very important point in the programme of work is the section on European consciousness; the aim is to inform and, even more important, to educate. There is a duty here on which, in my opinion, we have been particularly remiss. In my country the lack of awareness of the Community and of Denmark's international agreements in general is beyond measure. A schoolchild can go through the entire educational system without learning, for example, the difference between the Council of Europe and the European Parliament.

The new and very welcome tones of cooperation ringing out from the Commission to this Assembly must be used for a serious appraisal of the information problem. I know that the Bureau of Parliament is working on these matters. I urge you, Mr President, to give

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some impetus to this work. There is an urgent need for us to pool our various information services and to rationalize and modernize the work. It has been the custom in my country that no discussion should take place on Community matters unless the out-and-out antis were also involved. That seems to be changing now, thank Heaven, so that we shall be able to get on with a serious debate. But we must keep up the pressure, and I heartily welcome the Commission's promised initiatives in this field.

Mr President, we were already aware in January that new notes were being sounded in the new Commission. If it keeps to its programme of work, it can at least count upon the full support of this Member.

Mr Chambeiron (COM). — (FR) Mr President, it is now more than six years since the negotiations on enlargement began. We are told that we are now in the home straight, though the exercise seems more like an obstacle race, with hurdles springing up everywhere. At present, nothing has as yet been definitively settled, especially since, even after the negotiations have ended, ratification by the national parliaments will still be needed. These successive delays are due in large part to the action of all those — ourselves amongst them initially — who have pressed for greater clarity as regards what is at stake over enlargement and have revealed the dangers which certain parties were anxious to conceal.

The current eagerness of the negotiators, who are holding more and more meetings, is a reflection of the difficulty they are encountering in resolving the contradictions which exist between the political will to encourage integration and the constraints imposed by the crisis which is no respecter either of the Community or of the applicant countries.

The cost of enlargement to the Community's finances brings these contradictions to light, and I have to say that the proposals outlined for us this morning by the Commission President have not, for the moment, done anything to shed further light on the matter.

Since 1977 the Commission has given us a variety of estimates ranging from 1 500 million ECU to 3 800 million ECU. In the breakdown it gave prior to the November 1982 European Council it said that the cost would be between 2 800 million ECU and 3 800 million ECU, which is considerably over the 0.1% of VAT currently being mooted.

The oral question seeking somewhat greater clarity on this is thus fully justified. But we should like to see those concerned for the Community's finances showing equal concern for the consequences of enlargement for workers, particularly farmers.

Whatever the Commission's reply, it cannot hide one essential thing from the peoples of the Community

and the applicant countries, who are increasingly taking note of it: it wishes to achieve enlargement as cheaply as possible, by aggravating the competition between producers and regions. Commissioner Andriessen said himself recently that it was absurd to think that such harmful effects could be avoided. There is no shortage of examples: the new regulation on wine, implementing the Dublin agreement, the price proposals for fruit, vegetables and citrus fruits, and the IMPs, funds for which are shrinking at a rate of knots.

It is, moreover, significant that countries such as the United Kingdom and the Federal Republic of Germany, which will benefit most from the opening up of new markets, are the last to open their purses.

Instead of the preconditions and guarantees promised in justification of enlargement, we are now seeing a deliberate challenge to certain accepted realities and a stepping up of the war of the poor. But the cost of enlargement is but one facet of the problems facing the building of Europe itself. The Community of Twelve would mean a weakening of the Community and its disintegration into a vast free trade area, not forgetting the threat to the national sovereignty of the Member States if the unanimity rule is abandoned. The United States is under no illusions, as it has just encouraged the Community to bring the negotiations to a rapid conclusion. The US has a twofold interest in our doing so: primarily a political and military interest in that the applicant countries will thus bring stability to the southern flank of NATO, but an economic interest also in that the US will thus have a new bridgehead in Europe.

Instead of seeking at all costs to realize a project which will exacerbate existing antagonisms, would it not be preferable, in these circumstances, to institute a true cooperation policy with the candidate countries which would be mutually advantageous and would help solve the problems which face all of us?

Mrs Larive-Groenendaal (L). — (NL) Mr President, ladies and gentlemen, the Liberals do in fact have a social face, even if it is a little unhappy at the moment. The account of social priorities does indeed breathe an air of dejection, of imminent acceptance and of waiting over, for example, new technologies, despite the best efforts of the rapporteur, Mr Tuckman. A missed opportunity therefore. Our European forum ought to be able to offer a vision of the future for our rapidly changing society, creatively and imaginatively catching up new developments, and, ultimately, why do we not learn from other people's experiences? After all, we want a society in which our children and grandchildren can stand on their own feet, act responsibly and have freedom of choice, men and women, and that means work. There is still so much to do, and why should we not pay for it? Moreover, we want our society to continue to provide a safety net for those

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who are unable or no longer able to look after themselves, a safety net, not a rope. The Liberals say three criteria have to be fulfilled in order to achieve this.

Firstly: coherence between economic and social policies. We shall never get anywhere if we pursue social policies without any regard to economic policies and *vice versa*. Take social security for instance. A fundamental right which must not be tampered with. But by not seeing that the structure and financing of it are indissolubly bound up with the economic situation and with Europe's competitiveness in general, we run the risk of no longer being able to achieve solidarity in the future. And at this point let us remember that our population is an ageing one. There has to be a balance now between individual responsibility and collective solidarity if we are to continue to be able in future to give protection to those who need it.

The second criterion: to become familiar with the new technologies, to turn them to our advantage. We have to master the new technologies, otherwise they will become our masters. The new technologies — what a pity Mrs Salisch has left — are not something from outer space. Unless Europe wants to degenerate into an open-air museum of past glories, where people stumble over apathy and wasted ideas, we must quickly, very quickly, adapt our society to the requirements of the new age.

This brings me to the third and most important criterion: flexibility, resilience, in production, organization of work, working hours and training. Inflexibility now simply increases future unemployment and does not, therefore, provide any protection for those in employment. It is the most important obstacle along the way to a healthy European society. My group has also tabled a number of amendments with this in mind. Without the active participation of the European social partners, we can simply forget about the much-needed change of mental attitudes in favour of greater flexibility. That is why it is imperative for the European social partners to get round the table at a European level once more. There has been no tripartite sensitivity training since 1978. Let them become allies once more in order to produce a genuine European social policy. Only when a united Europe is able to bring about the fundamental process of change will it again become competitive and really be able to realize its social priorities, namely, the fight against unemployment and solidarity with the weaker members of society.

Mrs Chouraqui (RDE). — (FR) Mr President, as is apparent from the Tuckman report, the main concern of the Committee on Social Affairs, of which I am a member, is to find solutions to the problem of unemployment affecting 13 million and more men and women in the Community. The report also takes account, and we approve this, of the increasing of worker participation in productive capital, the

development of information and management training for employees, the absolutely essential need to improve vocational guidance and training and, not least, the need to improve living and working conditions in the light of the third industrial revolution. We, for our part, shall stress that it is better to talk of the better arrangement of working time, of flexibility in the organization of working time, rather than reducing working time. For we do not believe that job sharing creates jobs.

We call on the Commission to assist the negotiations currently under way at varying levels in a number of Member States on the reorganization of working time, and we believe that a result of this kind can only be arrived at on a voluntary basis, through measures which will improve productivity without endangering existing social safeguards.

We refute the view which says that a solution to the unemployment crisis is currently being sought through the introduction of new technologies, and that this is against the interest of the workers. We are convinced that the introduction of new technologies, although a potential threat to employment in certain sectors in the short term, will in the long term be the Community's best chance of developing productivity and employment. We reaffirm our dedication to modernization of the European economy, which will enable the Community to take up the challenge of international competition and thus free the resources which are needed for social progress. With these reservations, specifically as regards the reference to full implementation of the Vredeling directive, we can endorse this report.

However, Mr President, I shall take advantage of the opportunity afforded to me today by the Tuckman report to draw your attention to certain aspects of social policy which are particularly dear to my heart. It would be inconceivable for the Commission to draw up a programme which took no account either of the essential role of the family in our society or of our main concern, which is the falling birthrate in the Community. These points, which we raised in the Social Affairs Committee, are taken up in the Tuckman report.

Mr President, it is not my intention here to state or restate banalities or commonplaces on the decline in the European birthrate or the ageing of Europe's population. In fact, we face a problem which is just as crucial as that of rising unemployment over the next 20 years. If the current birthrate continues, the Community of Ten may lose 25 million inhabitants in 20 years. We ask that the Commission should without delay investigate and analyse the causes of this situation and study possible remedies, by working out coherent and effective family policies in Europe. There is not, in so many words, a turning away from the family, from having children, but rather a collection of economic, social and cultural causes which need to be analysed. The family has changed. Let us take account

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of the ways in which it has changed, but without discouraging those who wish to have a family. Let us help them, because the decision to have a family with two or three children represents today a major financial and social choice. We need to revise existing tax and social legislation, which is hardly designed to encourage people.

Mr President, we do not want to be absent from this debate in future. Having been appointed rapporteur of the Committee on Social Affairs for family policy, I call on the Commission to take account of the role of the family and the questions relevant to it when it sets priorities in the field of employment policy.

Mr Bøgh (ARC). — (DA) The Commission's programme of work reminds me of those works which the European theologians of the Middle Ages wrote with titles beginning with 'Summa', in other words, books which covered an entire subject, everything under the sight of God. The Commission's work, with its charting of all the apparent discords in the Community's socio-economic universe, is just such a Summa, and it resembles the real Summas in its basic philosophy: that the discords will be removed, at least in the fullness of time, that long-range programmes will eventually remove all discords. The philosophy seems to be that, when we free ourselves from our individual, group or party interests, we shall recognize that it pays to resign ourselves and to make concessions to one another in the short term so that solid Community solutions can be achieved in the long term.

It is an optimistic reading in gloomy times, and yet one has one's doubts. The reality is that people, groups and nations do not want what is best for them; on the contrary, they pursue their own interests. We note that the Commission does not entirely exclude the possible need to take a very firm hand in keeping these contentious spirits in line. And after all it is not so strange, since the whole idealistic construction rests soundly on the liberal conviction that selfishness is the only sure basis for progress.

Once again it is the Community's peculiar mixture of liberalism and economic planning that is unfolded in the Commission's programme of work. I cannot help recalling that one of the Community's ideological forerunners, Emperor Charles V, who reigned over most of the present territory of the European Community, was consumed with the same singular notion involving the harmonization of all political conflicts in his Empire. As we know, he failed; he withdrew disillusioned and devoted himself to a curious hobby: collecting clocks, which were all to keep exactly the same time. And that failed too.

The Commission is cleverer than Charles V; it can harmonize all that is technical, but it cannot change human nature any more than Charles V could.

Mr Tripodi (DR). — (IT) The Group of the European Right, which I have the honour to represent, insists on considering the problem of enlargement of the Community to include Spain and Portugal as mainly a political one, and it therefore subordinates all other considerations to whatever is politically necessary.

This does not mean that it ignores the economic and social repercussions that enlargement involves both inside and outside the Community. As time continues to go by and the date of 1 January 1986 draws near, we, too, want to know whether the prices of certain agricultural produce, or the trend in industries such as the fishing industry, will cost more than the 0.1% which ex-President Thorn said last year would be the net cost of the accession of Spain and Portugal to the Community.

But it is for that very reason that we urge that the commitments assumed on these questions by the new President, Mr Delors, be maintained, and we recall the contents of the Commission's working programme for 1985. We refer in particular to the Mediterranean policy, which the Commission itself has undertaken to complete for the Community of the Twelve, having regard to the effect that enlargement will have on the traditional exports of third countries in the Mediterranean basin and, as a corollary to that, the European development of political and economic relations with those countries. We refer to the future of a modern, competitive agricultural industry which, taking into account the new problems connected with the Iberian countries, should resolve the present imbalances in the agricultural markets of the Community, coordinating without delay decisions as to their claims and those of Member States. We refer again to regional disparities: these have grown in the social and economic context since the accession of Greece, and the gap between the powerful economies of Western Europe and the less advantaged ones of Southern Europe may grow still further after the accession of Spain and Portugal. But there is a way of avoiding this: the Council and the Commission, in full agreement with our Parliament, must pursue a process of economic integration of the southern regions which will really build — as the Commission's programme assures us — Europe's 'new frontier' and the nucleus of a new dynamism, which will in the end undoubtedly be to the benefit of the industrialized regions of the North. For this very reason we shall never stop insisting on the urgency for implementation of the integrated Mediterranean programmes, having taken into account both sides of the balance sheet, and the reciprocal profits and losses of the countries of southern Europe. Such a programme, so structured, is necessary for the balanced development of the respective local potentials, for their integration in a new, wide market of continental dimensions, and, hence, for maintaining employment and incomes in those countries.

Even though, through the eyes of economic shortsightedness, the cost of enlargement may appear heavy

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to some people today, tomorrow it will even be economically advantageous. The urgent problems of the fisheries, which are regarded with pessimism by those who today think that a Europe enlarged to include Spain and Portugal will be faced with a 90% increase in the number of fishermen, an 80% increase in fishing capacity and a 45% increase in production for the markets, will end up by increasing the wealth of the Community, always, of course, provided that our executive bodies put in hand, as a matter of urgency and with no false nationalism, the proper organization of the market with a wider subsidiary structural policy in view.

However — and we repeat this — all these forecasts, all these calculations and economic and financial commitments must, in every case, remain complementary to a prevailing political commitment — the commitment to enrich the spirit and the institutions of the Community by the presence of two peoples who belong to it by historical right and by virtue of the urgent needs of domestic and international policy and the security and freedom of a united Europe.

Mr Van der Waal (NI). — *(NL)* Mr President, I am glad to be able to express my appreciation of the ambitious programme of work for 1985 which the Commission has laid before us. It focuses very specifically on matters which can promote continuing European unity. We anticipate that the proposed stimulus to activity within a European market will give new impetus to the economic recovery of Europe. In particular we hope that it will contribute indirectly to the growth of job opportunities. We are very pleased to support this.

We have some difficulty with the one-sided emphasis placed by the Commission exclusively on big industries, advanced technologies and largeness of scale in industrial development. Why is so little attention given to small and medium-sized businesses? The Commission cannot be ignorant of the fact that in the United States by far the greater part of the number of newly created jobs originates among small businesses. Should not we as a European Community also be looking towards them?

Where the paragraphs dealing with social matters are concerned, we, with an eye to our competitive position, support the considerable caution with which the Commission views uniform reduction of working hours. The external countries which have most relevance for Europe, the United States and Japan, already have longer working hours. Generally speaking we do wonder, however, whether the Commission's programme does, in fact, have sufficient respect for social variations in separate Member States.

We were especially interested to hear what the programme had to say about the cultural and human aspects. We are sorry to find, however, that the Com-

mission's point of departure is, in our opinion, unsatisfactory. A culture ought to have a spiritual basis to serve as a common foundation to bind the Community together. I found very little about this in the Commission's programme. Anyone who talks about the cultural and human aspects within the framework of European cooperation cannot forget the Christian tradition which has determined our European society from the first centuries of our era down to the present day. We cannot then be content with cultural exchanges and sporting activities. It cannot be enough to strive exclusively for an economically strong Europe able to stand up to competition from the United States and Japan, important as that may be. Alongside that stands the question of the standards and values which are to shape society, and that is of fundamental importance. It is not just a matter of whether people, the Member States, can live in material prosperity but, just as important, whether they know that they are protected by the traditional fundamental rights and have a spiritual home in European society.

In our opinion, these elements of the Christian tradition are of fundamental importance in any real welfare programme for European society. Our question is whether the Commission can confirm that these values are to form the basis of the social and cultural sections of the programme laid before us.

Mrs Pery (S). — *(FR)* Mr President, I listened very carefully to Mr Delors this morning. I was not surprised that the Commission President should have begun his speech with the subject of enlargement. This is clearly the priority for the immediate future. I am fully in agreement with two points which Mr Delors underlined. The next summit of Heads of State or Government ought not to have to wrestle with details of fruit and vegetables or fishing, and enlargement cannot succeed without solidarity on the part of the countries of the North.

On the first point, Mr Delors told us that the Commission had put forward a global proposal. There is to be a meeting of the Foreign Ministers next week and, if you permit, Mr President, I shall once again express the views of the Subcommittee on Fisheries in this debate.

I would remind the House that it has already on a number of occasions voiced its fears that, in the hurry to complete the negotiations, the interests of the Community's fishermen may be sacrificed. Because of the limited speaking time available to me I cannot go into the technicalities of this dossier, but I will sum up the essential points which our subcommittee upholds.

Firstly, the achievements of the common fisheries policy must be preserved, notably the balance in fish stocks and the principle of relative stability.

Secondly, access by the Spanish fleet to Community waters must be only gradual, following a transitional period and depending on the state of fishery resources.

Pery

Thirdly, supervisory mechanisms need to be expanded.

Fourthly, the European Community could not ask Spain to reduce its fleet without pledging financial support, and our committee welcomes the Commission's proposal to grant Spain assistance prior to accession; we hope the content of these proposals may be further diversified.

It is with these points in mind that I submitted my oral question. I should also like to add and reaffirm that once the Act of Accession of 1 January 1986 is ratified, the Community's structural funds, viz. the European Regional Development Fund, the EAGGF and the Social Fund will need to be made operative, particularly in the maritime regions affected by the restructuring of their fishing fleets.

It is my fervent hope that a balanced solution can be found to preserve the achievements of the common fisheries policy and provide the necessary solidarity with the Iberian peoples.

Mr von Wogau (PPE). — (DE) Presidents, honourable Members, the Group of the European People's Party regards the Commission programme before us as a realistic programme of activities for the year 1985.

This programme offers prospects but at the same time keeps its feet on the ground. That is important, for if the Community wants new competences to be transferred to it in the coming year, it must first ensure that matters already within its competence are being dealt with satisfactorily. This programme provides a good basis for that.

Central to this programme is the further development of the European internal market. In our view this must occur primarily in the field of key technologies, for it is vital for new jobs to be created and maintained here. Mrs Salisch has just said rather disparagingly that only one million jobs would be involved, but if a million jobs are lost in Europe and instead created in Japan and the United States, then that is certainly not a situation I can ignore.

The programme that the Commission is proposing in order to achieve the internal market contains one central point, and the Commission must set definite dates. Some people might regard its 1992 deadline as rather generous. Let us be clear that today everyone — including us here in the European Parliament — is talking about achieving the internal market, but that when practical programmes are put before us and decisions have to be taken, in the fiscal field, for instance, we need all the allies we can get.

Comparing today's programme with the speech the President made in January, I note that rather less space has been devoted to the European Monetary System than before. Now we must, of course, remem-

ber that in January and February — also and especially as regards the European Monetary System — the temperature became very cold in various European capitals. I could even imagine that some people got cold feet. In my view we must not let ourselves be discouraged by this.

Mr President, whenever the Commission proposes programmes which will help to promote economic convergence between the Member States and which offer a stable framework for the further development of the private ECU too, you can be sure that my group and this Parliament will give your our support.

Mr Patterson (ED). — Mr President, like Mr von Wogau, I too would like to talk about the internal market. I think that one of the most encouraging things about this proposal is that at last it looks as though we are getting some movement on this vital business of removing internal frontiers. Indeed, the idea of a real internal market by 1992 is a deadline which, although, as Mr von Wogau said, not over-ambitious, we shall want to keep our eyes fixed very clearly on in this Parliament.

I would like to make one or two remarks on the matter. First of all, of course, in the matter of removing frontiers only 100% success is success. If we retain just one control, we retain all the paraphernalia of controls and therefore we have to get rid of all the borders, all the controls by that date of 1992. That is why I am delighted to see in the internal market programme the words 'to implement in full the programme for consolidation of the internal market'. I would like to ask Mr Delors whether that means the consolidation document and everything in that consolidation document and, if not, what it actually does mean, because it is, of course, the very first point in the summary on the internal market.

I would also say that the internal market covers not just goods moving across frontiers but also services, people and capital. And free movement in an internal market by 1992 implies free movement of all those things.

If I might mention goods for a moment. There are various ways in which you can approach this. You can make movement more efficient at the frontiers — and that, I understand, is the purpose of the single administrative document. But you can also remove the controls from the frontiers, which is very much more effective.

Here I would like to ask Mr Delors what chance he really does see of implementation of the 14th VAT Directive during this year. I see that the phrase he used is 'continue to press'. Why doesn't he say 'implement'? Nor does the Caddia project find a place in the summary. I hope very much that the Caddia project will be pushed ahead with equal vigour. But much the

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most effective way of getting rid of internal frontiers is to remove the very need for internal frontiers, and here I would congratulate the Commission on its courage in talking about the harmonization of VAT and excise duties. If that is firmly seen as the ultimate objective, then I have some hope that we really are getting somewhere and that we shall have harmonized VAT by 1992.

As regards people, the Green Disc Directive which I have here in front of me is a most exciting idea and I hope very much that it will be pushed through this year.

But one matter which is not covered, and which I hope will be covered, is the legislation necessary to remove the need for any kind of controls on people at internal frontiers. It is extraordinary that Community citizens still do not have the right of residence in another Community country and can be sent packing after six months if a national government so wishes. That is something that has got to be put right.

Finally, on capital — and here I have a question for Mr Delors. It says very correctly in the document: 'There would be little point in abolishing the barriers if the unity of the market could be destroyed by the instability or arbitrary manipulation of exchange rates ...' The mysterious vanishing Delors plan, as I might say, in this document is rather disturbing, because in January you gave us a very explicit account of how you would strengthen the EMS and open up capital markets in Europe. There seems to be very little of that left in this programme for 1985, and perhaps you could reaffirm in answer to this debate your commitment to pushing ahead this year with real progress on the EMS, the use of the ECU and the abolition of capital controls. Unless free movement of capital is added to the free movement of goods, services and people, we shall still not have an internal market.

(Applause)

Mr Alavanos (COM). — *(GR)* Mr President, as for the Community's enlargement, and especially its high cost and its impact on farmers in the Mediterranean regions, I agree with what Mr Chambeiron had to say. I would, of course, like to stress the importance of the great devaluation imposed on the Mediterranean programmes by the Delors Commission, though to be sure there will be other opportunities for this during the present part-session.

So far as the Commission's programme of action is concerned, its presentation may bear the personal stamp of Mr Delors, but in our opinion it is a further proof of the familiar trend towards the development and deepening of the process of integration in the economic, monetary, but also political and military sectors.

In our opinion the dominant feature of the programme is the opening up, the creation of a huge market devoid of barriers, which occupies the first rank of priority in the programme of action and which is essentially an attempt by the great monopolies, either in West Germany or Great Britain or the EEC's other developed countries, to revert to international competition to the disadvantage of economic development and working people, with particularly severe consequences for less well-developed Member States of the EEC, such as Greece. Our country already faces a range of serious problems, expressed in acute form by the indexes relating to the balance of trade, the balance of payments, the rate of progress of gross fixed capital investment, the increase in gross national income, etc.

I refer to the relevant study carried out by Professor Drettakis in Greece, who showed that during these four years not only have we failed to converge but, on the contrary, we have diverged and distanced ourselves, and that the ultimate result of our accession to the EEC was that we have become less European than before. I would also like to recall the approximately 120 actions brought by the Commission in the European Courts in connection with a series of measures instituted in our country. These actions ultimately undermine any effort towards economic development based on broadening and refurbishing the public sector.

In summary, I would like to say that in our opinion the Commission's programme of action for 1985 amounts to a programme for unemployment, deindustrialization and economic crisis for our country.

Mr De Vries (L). — *(NL)* Mr President, the financial consequences of the enlargement of the Community are casting a shadow over what should be a bright new chapter in the history of our continent. There is the greatest uncertainty over the costs of enlargement. I should therefore like to ask the Commission, in the person of its President, Mr Delors, to produce some light in this darkness. I shall therefore put five questions to him.

Firstly: is the Commission's estimate of the budgetary trend in 1985, 1986 and 1987 still valid? In its estimates the Commission says that the net cost of enlargement in 1986 will be 300 million ECU and 600 million in 1987. Have these estimates not become much too low in the meantime?

Secondly: do these estimates include any compensation arrangements for the non-member States which will suffer from the consequences of enlargement? I am thinking of the countries of North Africa and Israel.

Thirdly: the integrated Mediterranean programmes, for which the Commission proposes to appropriate

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2 000 million ECU with the expenditure spread over seven years. Is it not to be feared that the 1986 and 1987 expenditure might not be realized in view of the critical financial situation in which the Community will find itself in those years?

This brings me to the key question, Mr President. Is it not illusory to think that the 1986 budget can balance, even if the new own resources are available by 1 January, which is still not entirely certain? Does not the uncertainty over agricultural expenditure in view of the dollar exchange rate mean that there is a very considerable chance that 1.4% VAT in 1986 will prove to be altogether too little? Certainly a start has to be made on repayment to the Member States of the advances provided to cover the 1984 deficit, an amount of something like 3 000 million ECU. Do we not also have to reckon with repayment of similar advances to cover the deficit for 1986, a figure of something like 3 000 million ECU?

In the fifth place, does that not mean that the Commission must now consider the proposal it has to make, pursuant to the Fontainebleau agreement, one year before own resources run out?

Mr President, Europe is heading for failure. There is uncertainty over the costs of enlargement, over the spreading of the payments to be made under the integrated Mediterranean programme, over the extent of agricultural prices, over the dollar exchange rate. One thing is clear: in this situation there is very little room for new policies. The fine intentions which the Commission is laying before us in its policy statement could well appear unattainable. The fault lies not with the Commission, but with the schizophrenic attitude adopted by the Council. There is a glaring contradiction between, on the one hand, the grandiloquent phrases in which our national governments plead for new policies and for the enlargement of our Community and, on the other, their readiness to lay the necessary financial resources on the table.

That, Mr President, is what is wrong with Europe: it lacks the political courage to take the financial consequences of its own policy statements.

IN THE CHAIR: MR PLASKOVITIS*Vice-President*

Mr Pasty (RDE). — (FR) Mr President, ladies and gentlemen, our discussion of the Commission's programme gives us a chance to raise once again the question of how much enlargement will cost. This question, which has been raised for some time now, can be answered simply and succinctly. We still do not know exactly how much enlargement will cost the Com-

munity. What is certain is that it will make great inroads into the Community's new resources, which will be available from 1 January 1986 as a result of raising the VAT ceiling from 1% to 1.4%, to the point of making these new own resources inadequate the minute they are created. Here, you will agree, is a paradox which is, to say the least, disturbing. At all events it is certain that, because of enlargement, the additional resources will not provide funding for new policies, contrary to the wishes of Parliament.

The replies we have had so far to this question of the cost of enlargement have been, to say the least, evasive. Commissioner Christophersen replied during the February part-session that it was as yet impossible to give a precise figure for the financial cost of enlargement but that it would certainly have an impact on the budget. In effect, the real problems entailed by enlargement are not of a budgetary nature. They are problems which underline the whole contradiction between a specific political commitment with a deadline, 1 January 1986, and the difficulties in solving the Community policy questions on which there is still disagreement among the various parties: I refer particularly here to fisheries and agriculture. As regards the budget, enlargement nevertheless raises two major difficulties: the legal link of the simultaneous entry into force of the new own resources and the effective date of enlargement, and the situation over the budget itself.

Let me recall a few figures here. There is a deficit for 1984 of 500 million ECU, the result of the Council's manipulation of estimated income deemed necessary for the 1984 supplementary budget. Plus refunds to Member States from the Community budget to a total of 1 000 million ECU from the 1984 budget. Plus the virtually certain deficit of 2 000 million ECU in the 1985 budget, attributable largely to the Guarantee Section of the EAGGF. Plus again the cost of refunding the UK contribution for 1985, a further sum of 1 000 million ECU, to be met out of the new own resources for 1986, not forgetting the uncertainty currently prevailing as to repayment of the advances which will be needed in 1985 to make up the budget deficit. And we still do not know, since the Ministers have not reached agreement, whether these advances will be refunded or not. Nor, indeed, must we forget the cost *per se* of enlargement, which President Thorn put a few months ago at not less than the equivalent of adding 0.1% to the VAT rate.

Mr President, ladies and gentlemen, clearly it is not enlargement as such which is creating difficulties over the budget, but coming on top of the current budget difficulties it can only aggravate further the financial *impasse* which the Community has reached. Enlargement will happen at a time when the Community's budget problems have not been solved or even quantified with any degree of accuracy. In France we have a graphic name for that: we call it ostrich politics — burying one's head in the sand in order not to see

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what is going on all around. This seems to us a very serious state of affairs, and for this reason we await a precise answer from the Commission on this essential point.

Mr Vandemeulebroucke (ARC). — (NL) Mr President, ladies and gentlemen, anyone who reads the Commission's programme for 1985 must realize that Euro-pessimism has at last made way for a new kind of boldness and a pragmatic approach. I wish wholeheartedly to congratulate the President of the Commission, Mr Delors, on this. I think that it will now be possible for the Commission once again to become the driving force behind a genuinely European approach, but, that said, I have nevertheless to point out a few gaps in the programme.

For example, there is in the whole programme nothing concrete about the report on European Union. What are the Commission's intentions? How far are the views of the Commission represented?

There is a second point I wish to make in connection with the integrated Mediterranean programmes. Initially all the budgetary technicalities were grouped together in one chapter, which meant that they would also be dealt with together. Now we find that the integrated Mediterranean programmes are split up between various departments and come into different areas of responsibility. For this reason we justly fear that there will be not one jot of coherence in approach and that we shall once again end up in the jungle. If one thinks how scattered the directorates-general are, even operating independently, then I fear that there will be no overall coordination.

And finally, Mr President, this, the question of a genuine Mediterranean policy, brings me to the main question of this year: the enlargement of the Community to include Spain and Portugal. I have heard people speak in this House many times about the net costs of this enlargement. There is mention of the fisheries policy, but there is no discussion of the fact that, when you come right down to it, Spain and Portugal are two completely different cases nor of the fact that at the end of the day we shall be faced with the consolidation of regional differences. The question then is also to what extent the European Commission will take up these differences and realize that ultimately regional policy requires a new approach.

The negotiations over enlargement provide the European Commission with an opportunity to reverse this egocentric nationalistic thinking and give a fresh chance to the regions which have hitherto been so unfairly treated by the Member States. I want therefore to call upon the Commission to turn this to some purpose by entering into a dialogue, not just with the Member States but with the regions as well.

Mr Ulburghs (NI). — (NL) Mr President, there has already been a great deal of discussion of the Commis-

sion programme for 1985. I shall confine my remarks to four specific topics which concern me deeply and to which I would like the Commission to pay particular attention.

Firstly: social affairs. The Commission rightly points out that it wants to encourage the dialogue with and between the social partners. The right to full information is essential to that dialogue, as the first step towards the participation of those partners in economic affairs. In this connection I should like to ask the Commission what has happened to the Vredeling directive to provide information to employees of transnational corporations. Does that information also apply to corporations which have their headquarters outside Europe? I propose that this directive include information about transnational corporations in the ACP countries.

Secondly: the fight against poverty. I am sorry to see that the second programme continues to be very vague on the question of eliminating poverty. I should like to point out that increased poverty is frequently the result of antisocial policies on the part of many governments. The structural approach to poverty must include cooperation with the people affected. For example, in the Limburg mining area, where I work, it is significant that the population concerned was asked to participate in providing accommodation for immigrants.

Thirdly: energy supplies. I hope this will include social criteria for coalmines, not just a blind preoccupation with high output. I also regret the emphasis laid on nuclear energy, to the detriment of the coalmines.

Fourthly and finally, Mr President, I find very little about immigrants in this document. The Member States have a responsibility towards immigrants. Is the Commission willing to support initiatives to include immigrants fully in the social and political life of the Community? One of the basic conditions for that is the right to vote, and I am thinking here particularly, as a first step, of the conferring of the right to vote in Community elections. I hope that the Commission will initiate discussions with the Member States on this point as quickly as possible. I wish the Commission a fruitful year's work.

Mr Christiansen (S). — (DA) Mr President, the Tuckman report is a good approach and, if it is not diminished in this Chamber, the Danish Social Democrats will vote for it in the final vote.

I must point out to Mr Tuckman that to say that some of the proposed amendments are based on a purely Danish concept of what the Community is for is to misinterpret them. They do, of course, present a social-democratic view, but they should also be seen as a genuine contribution to the strengthening of the report's dimensions, to a clarification and an improvement of its recommendations in line with the real,

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time-honoured social and democratic traditions of each of our countries. Why does the report conceal Parliament's first priority, the fight against unemployment, by slotting it in under a paragraph referring to an integrated and consistent European social and employment policy? It considers that integration is the way. Yes, but is there any real consideration here and now of the 14-15 million unemployed and their families? We all know very well — and the Commission recognizes it — that the only way to make rapid and really effective inroads into unemployment is by a coordinated and at the same time dynamic, growth-based employment policy, agreed by the parliaments and governments of the 10 Member States together. Union, which the Six did not create when they could, has still not been achieved. The Ten have not achieved it either, and I want to know if the unemployed have got to wait for Union before they can have jobs.

Harmonizing social security is one of the headings in the report. What does it mean? Standardization. And what country's standards are to apply? The social security policies which have been developed should be safeguarded and harmonized at European level, it says. What value criterion is contained in the term harmonization? If it means that levels of social security provision should be both maintained and further developed for the European area as a whole, why not say so? But perhaps we are not agreed on a process of progressive social development for our citizens?

On vocational training, it says that opportunities should be created for vocational training for all citizens, irrespective of age. Why not recognize, and state explicitly, that a genuine right to training for all citizens regardless of age presupposes paid time off for training under official sponsorship?

The report also rightly emphasizes the need for the introduction of democracy at the place of work, the right to information and to a hearing, and the right for employees to participate in increases in production-related capital. But why should we intervene on the forms of economic democracy to be applied by deciding and stipulating that it should be in the form of individually disposable shares alone? There are, after all, other forms of ownership than titles to private property. The democratic attitudes prevalent in our countries at least require that this fact be respected.

Mr Chanterie (PPE). — (NL) Mr President, on the basis of the policy guidelines which the European Commission laid before us in January, the Committee on Social Affairs and Employment has drawn up a report to clarify priorities in the area of social affairs and employment. As group spokesman, I should like to express the EPP Group's support for the report and also congratulate the rapporteur, Mr Tuckman, on his work. On behalf of the group I should also like to say a few words about four areas of priority importance.

Firstly, the problem of youth unemployment. The EPP Group hopes that the Commission will produce a coherent, decisive and convincing policy which will at last be able to offer new hope to young people. The elements of such a policy are already here, in outline. The Member States must now be made to face up to their responsibilities. In any case we of the European Community have a unique chance to make International Youth Year a future-oriented year.

Secondly, the redistribution and reorganization of working hours. We know that at the last moment the British Government prevented the adoption of a Community recommendation on this vital point. But it would be unrealistic to think that was the end of the affair. That is why we support the Commission in its new approach to social considerations. It is, in fact, a fundamental role of the social partners to give their views on the redistribution, reorganization and reduction of working hours. I hope they succeed in breaking the Council's blockade.

Thirdly, social security and the fight against poverty. I see two tasks here. On the one hand, to have our own European social model and, on the other, to make the necessary alterations so that the poor and the weak can effectively gain thereby and find protection within the social security system.

Fourthly, codetermination for employees. The EPP Group attaches particular importance of European legislation giving employees identical rights throughout the European Community. More particularly, the articles of limited companies must finally be amended so that the representatives of the employees can play their part on an equal footing with the representatives of the capital. If I have understood correctly, the President of the Commission, Mr Delors, has that portfolio. I should like to ask him whether he can tell us what initiatives he will take in order to achieve some progress on this point?

Finally, the Vredeling directive. The right of employees to be informed and consulted over decisions which particularly affect them is a fundamental right. The President-in-Office of the Social Affairs Council has let it be known that it is considering denaturing the directive by changing it into a recommendation, or, worse still, a resolution. On this point too I should like to ask, what is the Commission's position? As far as I am concerned, I can say right now: better no recommendation at all than merely a recommendation. In any case there is already something of that kind within the OECD. We all know that that does not work and leads nowhere.

The European social policy, as presented by the Commission, deserves our support. Parliament's proposals dovetail with it very nicely. It should be possible for the two institutions to overcome the inertia of the Council in this matter.

Chanteric

I have tabled a question which is supplementary to this debate, concerning the Multifibre Arrangement. Is it possible for the Commission in this debate to clarify its position on this point? I would think that in any case we must start from the premise that it is better to extend the Multifibre Arrangement. It is better for the developing countries affected by it, and better too for the European Community. It is, in fact, precisely the poorest developing countries which will be sacrificed if it is not renewed, because at that point individual Member States will take their own protectionist measures and we shall then reach a situation of complete paralysis, which will cause a great deal of damage to those countries.

Mr President, I hope that we shall have some clarification of this issue.

Mrs Oppenheim (ED). — (DA) Mr President, it was a positive experience to read the Commission's programme of work, which was certainly wide-ranging, but not too wide-ranging. I see a consistent thread running through the whole concept, which I think we can be glad of, not just in this debate but in the work which is to follow.

I also see from the programme of work that the Commission realistically concedes the deficiencies which have perhaps persisted in previous years and which still need to be corrected. I see questions of current relevance which are now being dealt with, but also, happily, some new points, new thinking and initiatives for the framing of new policy.

I should like to make a few comments on two areas in the programme of work: the first is unemployment, to which the Commission has also assigned priority as one of the four ambitious aims. It has already been mentioned several times in the course of the debate, and I refer in particular to Mr Tuckman, who in his introductory remarks highlighted the really important concern, which is not merely to adjust the rate of unemployment by a few percent but to create meaningful conditions of existence. It is not enough to have a job, it must also be a meaningful one. To achieve that objective, I think we must also think in a rather different way than hitherto. I have the impression that the organizations representing employers and employees, not just in my country but in other Community countries, have a much too rigid system. It is either black or white, and issues are often presented as cut and dried. The key to tackling this problem, in my opinion, is that we should be flexible, try non-traditional solutions and apply different modes of thinking than hitherto. I hope that this is something we can continue to work on.

The second matter I should like to comment on is industrial policy, which, in itself, is something new compared with our traditional subjects of discussion. I agree with much that the Commission has presented in

its programme of work, but I would warn against binding commercial undertakings into a whole complex of rules which will limit their freedom of action. It is good to have common initiatives to fall back on, but they should not have such far-reaching effects that individual initiatives are restricted. I hope that will be taken into account in the further discussion on the various initiatives.

Mrs Boserup (COM). — (DA) Mr President, I am going to plague the Assembly with our incomprehensible language once more. The Danes do not think much of European Union, but you cannot accuse us of not taking part in the work. I do not feel moved to hand out bouquets to any particular speaker, or even to the President of the Commission. I find the programme document inordinately long, yet it lacks some absolutely crucial elements.

I should like to focus attention on the positive aspects, seen from my party's point of view. We are in favour of free trade, common standards and fewer border formalities. We think there is work to be done there, and we do not wish to put obstacles in the way. On the other hand, I take a very negative view of the proclamation in the Commission document that we must now harmonize the social policies of the Member States. I think that, since we have had over a hundred pages to wade through, it should have been possible at least to point out that this will require an amendment to the Treaty: the present Treaty cannot be used for such a purpose.

Nor do I think it desirable to harmonize conduct and rules of play on the labour market. There are, after all, countries in which this process functions admirably well and, if we are to think in a non-traditional way, as the previous speaker said, we could indeed be non-traditional enough to say that Community solutions are not necessarily the best solutions absolutely everywhere.

Regarding the points about future prospects, my attention was drawn to agriculture, in which the Commission says we must introduce a modern system of operation which will protect the environment. I should like to know more about such a system. I don't know how it is to be introduced, but I am willing to go along with it. I can only say that I agree with the President of the Commission when he says that we cannot tolerate hectares of good agricultural land lying uncultivated. But I have to point out at the same time that the common agricultural policy has brought about migration from the land on a very large scale. In the past three years 160 000 farms have been abandoned in seven of the Community Member States; 6% of farms have ceased working. I do not think that agriculture has become environmentally sounder as a result of this. I should very much like to see something more concrete on this question: it is also socially unacceptable for people to be driven out of their home districts

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because we are applying an agricultural policy which only favours the big factory farms.

I am happy to see that the Regional Fund is not to be a means of redistribution. No, it must not be; that is what it has been for many years. It is a means of redistribution which is both costly and inappropriate and which regrettably has not helped the less favoured regions, and that was, after all, what it was intended to do. I am not sure that the Regional Fund as an invention has anything at all to recommend it.

I must take a moment to say that I was pleased to hear Mr Toksvig, who is a member of the party which holds the post of Head of Government in Denmark, say that there were limits to the degree of detail which can be tolerated in the terms of reference for a possible conference of governments. Indeed, there are very strict limits, if the Danish Government is to do more than attend the inaugural session.

Mr Guermeur (RDE). — *(FR)* Mr President, Europe must prepare itself for a double shock: the violent competition of expanding economies — those of the United States and the Pacific countries in particular — and the enlargement of the Community.

In the face of these two challenges the situation, alas! gives no grounds for optimism. Unemployment, 13 million, weighs heavily on the European Economic Community's capacity to compete. The dollar, exceeding all bounds, threatens the future of the western economies and, within the Community, the climate of cooperation has deteriorated, as we know. Situations of stalemate become increasingly numerous, European Summits now end with communiqués whose fine words fail to conceal the political powerlessness to build a Europe of reality. The Council starts a joint negotiation on enlargement without having been first capable of establishing a common position. The Commission, in recent years, has drifted away from its institutional role as guardian of the Treaties, becoming little more than the driving belt of the Council. The revision of the proposals on own resources after the fatal Fontainebleau agreement is an eloquent example. As for the European Parliament, it persists — in unfavourable conditions — in saying that European Union is the only way to survive. But it is stopped at every turn by national selfishness and by a tightfisted budgetary conception of common policy.

I should like to give you three examples of this disintegration of the Community idea. The common agricultural policy is undermined by insidious attack. The sacred principles fixed almost 30 years ago — preferences, solidarity — are being abandoned. We have almost come to the point of blaming agricultural Europe, saying again and again that it produces too much and is too costly, when food self-sufficiency is an absolute weapon in a world stalked by hunger. The integrated Mediterranean programmes were

announced with much ado, as the expression of a strategy of equilibrium and equity between the rich North and the poor South. But the truth, presented very discreetly, is that 70% of the financial resources envisaged has been given up. The South will be the sufferer, naturally, but also the regions of the North — Scotland, Ireland, Brittany — will suffer, as traditional creditors of the structural funds. Sea fishing, which has with difficulty been organized into a common policy, is in danger of figuring prominently in a spectacular gesture of the next European Council which will apparently decide to go beyond the unacceptable and throw wide open the doors of the Community. The Subcommittee on Fisheries, of which I have the honour to be chairman, has tabled a motion for a resolution and an oral question in this debate.

My group, Mr President, Mr Commissioner, is not impugning the Commission's intentions. We shall judge by its record. We shall therefore trust the programme which has been presented to us. We shall give it our loyal support, but we should certainly be happier in approving it if the Council were to do something to relieve our waiting. Urgent budgetary proposals; realistic, honest agricultural prices, and not a mere semblance of agricultural prices, such as those that are proposed this year; the reinstatement of the financial resources for the integrated Mediterranean programmes; bringing forward the date when the new own resources will become available — all of these are acts that would show the determination of the European institutions to lead the way.

Our vote, Mr President, will be cast in favour, but it will be a waiting vote and a vigilant one.

Mr Bachy (S). — *(FR)* Mr President, ladies and gentlemen, I am glad that Parliament has taken the initiative of giving its point of view on the Commission's programme of work in the social sector. The report presented by Mr Tuckman on this question was widely debated in the competent committee of this Parliament. The debate concluded with the adoption of a number of modifications which, from the Socialist Group's point of view, have considerably improved the initial text. For this debate in plenary session 98 new amendments have been tabled on the Tuckman report. Some of them seem to us to be quite acceptable, in particular those that call for more effective measures to combat inequality, especially inequality as it affects men, women, and young people with the lowest skills. Other amendments, on the other hand, seek to question a number of positive policy lines that were adopted in committee, in particular as regards workers' rights and the reduction of working time. Where these amendments are concerned we obviously cannot agree.

To safeguard the future of the Community, Jacques Delors showed very forcibly this morning the indispensable link between social progress and economic

Bachy

progress. We must therefore reject proposals that seek to lead one to believe that the only way of fighting unemployment effectively is by attacking the social patrimony. It is an illusion in fact to believe that economic progress can be built on a withdrawal of social rights. Against the temptation to deregulate the labour market we put forward the idea of negotiated, planned, organized mobility of employment. This presumes a greater involvement of the workers in economic responsibilities, and a strengthening of the negotiating powers of the trade union organization.

In order to cope with the crisis, the workers know that efforts must be made to improve the competitiveness of industry. But also, they must get something out of it. Technological progress must be to the benefit of industry, but it must also work for the workers and not against them. For employment, and not against it.

We have no doubt, for our part, that this is the spirit in which Jacques Delors and his colleagues are working, and it is in this spirit that we want Parliament to vote this evening.

(Applause from the benches of the Socialist Group)

Mr Brok (PPE). — *(DE)* Mr President, ladies and gentlemen, we appreciate many, in fact nearly all the aspects of the Commission's programme. Yet we know that the best of programmes is no use if our governments, or at any rate the majority of them, refuse to provide the Commission and the European Parliament with the instruments and decision-making machinery to translate such programmes into action.

We must make the European public aware of the question of responsibility, the question of where the responsibility lies for the fact that the European instruments to combat unemployment, to improve environmental protection, to use the new technologies positively and thus regain our international competitiveness, cannot be deployed to the necessary extent. Only if the Commission and Parliament can exert sufficient pressure via the public will we be able to persuade the Milan Summit to take the necessary steps, in the question of the right of veto and Parliament's greater powers, so that our Community once again becomes able to act and democratically. Anything else would mean forfeiting the future.

We must realize that it is not enough to spend the nights talking about table wine, and olive oil, and then to sleep through the vital questions of Europe's future: the European internal market, abolishing the costs of non-integration resulting from the barriers to trade that still exist, the subsidies which are not compatible with the Treaties — for instance in the textile industry, and I have put a question on that — or the take-over of non-competitive businesses by State undertakings, which covers their losses but prevents any competition on the European internal market.

The war of subsidies must come to an end. We must define the concept of restructuring by means of subsidies more clearly; we need an agreement to reduce structural surplus capacity in many industrial fields — including the textile industry — and greater transparency in national subsidies, so that the Commission can perform its duties as guardian of the Treaties quite stringently in such areas.

Yet we must also realize that the third industrial revolution, which we must use rationally to protect our jobs, since we have no raw materials, goes hand in hand with a social upheaval that creates many problems for the people affected. We must also create the right instruments to render these problems socially tolerable. That includes strengthening the participation of the individual worker in the decisions and productive capital growth of the undertakings, and dialogue between the two sides of industry, on the basis of the proposals of the Commission and Parliament. We must not stop at words. We must also establish the concept of social partnership in the area of co-determination and such-like.

This will create a pressure for action, as in the case of the question of frontiers, and that can also help us along in many other areas, such as monetary questions.

Let me conclude by quoting the American statesman Alexander Hamilton: 'To look for a continuation of harmony between a number of independent unconnected sovereignties situated in the same neighbourhood, would be to disregard the uniform course of human events and to set at defiance the accumulated experience of ages.' We should learn a lesson from this and read our governments a stern lecture!

Mrs Daly (ED). — Mr President, I would like to address the attention of the House to Mr Tuckman's report. The European Democratic Group, on whose behalf I speak in this debate, warmly welcomes this report for two important reasons.

Firstly, of course, Mr Tuckman is an admired and trusted colleague who has prepared a very timely and thought-provoking report which addresses a vital area of policy, and one prominent in the Commission's work programme for the coming year.

Secondly, the report is an important testimony to the institutional imagination of Parliament's Committee on Social Affairs and Employment in trying to set the scene in its domain for the next four years — to set priorities rather than stagger day to day through the bewildering mass of directives, recommendations and regulations which so overwhelms Community decision-making.

These tributes paid, however, we do have reservations about the Tuckman report in its present form. It is for

Daly

this reason that we have tabled some amendments to give greater focus and balance to the text. The starting-point for our critique is the Herman report on European economic recovery, with its stress on the sometimes painful facts of economic life. The brunt of our position is set out in Amendment No 70.

Mr President, the Tuckman report, as amended in committee by the Left, is like a time capsule frozen from the 1960s, with its easy assumptions that resources are endless and jobs are created by wishful thinking. They are not. If they were, we would not have 13 million unemployed throughout Europe today. We have to be honest and take a much more critical attitude about where unemployment comes from and what keeps people in work. The time for talking is over. New jobs are being created, but not enough for those now on the labour market. We need much more realism if we are to drastically reduce that figure of 13 million. We believe that our amendments show a much more realistic and balanced approach to the problem.

Finally, Mr President, my group also welcomes the emphasis in the report on vocational training, increasing the Social Fund, on employee participation and on safeguarding the very difficult position of disadvantaged groups at this time of recession. We care deeply about the plight of the worst-off. We simply disagree with our colleagues on the Left as to how the problems facing these groups can best be tackled. I recommend this text to the House as amended by myself and my colleagues.

(Applause from the European Democratic benches)

Mr Wurtz (COM). — *(FR)* Mr President, Mr President of the Commission, you noted just now that excessive pressure on wages had weakened internal demand, whilst exports were insufficient to relaunch the European economy. That is quite correct, but that has been precisely the policy so ardently defended by the Commission, and it is still the policy at present in the majority of European capitals.

As a result, financial investment, repurchase, speculation and withdrawals of capital have developed, so that modernization is largely a myth, and for too many people the European Community means unemployment, destruction of productive capacity, the questioning of our agricultural potential, and one financial mess after another.

You also state that we must create the conditions for economic recovery. But, despite the proclaimed objectives to combat unemployment, it is the principle of financial profit at the expense of jobs that receives preference. For our part we say 'Yes' to industrial co-operation, 'Yes' to the development of the European Monetary System — but not regardless of the terms.

How does it come about, Mr President, that almost all of the successful joint programmes, such as Airbus, are outside the machinery of the Community? How does it come about that, despite the Esprit programme, Europe is the territory which the American and Japanese firms prefer in the informatics battle, since agreements between European firms are almost non-existent? Is it not because, by doing away with barriers, and establishing a vast free-exchange area for goods and capital, the Community lays itself open and disarms itself in the face of our competitors, and does so with nothing in return?

In other words, Mr President, if we want to promote intra-European industrial cooperation we must at the same time, in our view, strengthen the external aspect — that is to say, we have to fight actively against the flight of European capital to American parts, to establish Community preference for industry, and to use very much more firmly the instrument of commercial policy. What are your precise intentions in this field? Above all, different economic criteria must also be adopted, and the Community's finance and resources must be directed to the maintenance and creation of jobs.

Recently, as you know, the report of the Court of Auditors of the European Community found that, despite the documents, the funds of the Community were still often allocated without any accurate appraisal having been made of the consequences as far as jobs were concerned. From this point of view we propose that henceforth, where any allocation of funds from the ERDF, or from the European Social Fund, or from the European Investment Bank is concerned, the employment aspect should be an explicit, compulsory criterion.

In conclusion, may I ask you how you expect to get the social side of Europe off the ground when the workers are being subjected to an unprecedented attack on their wages, their working conditions and their right to work, and when their trade union rights are flouted?

I asked you these questions two months ago when you were presenting your options, and the voluminous work programme that you have just put before us only partially satisfies my curiosity. On all of these problems, therefore, I shall listen with interest to your replies.

Mr Megahy (S). — Mr President, I am speaking primarily in support of the Tuckman report, of which I welcome the main thrust. It was extensively altered during the course of the deliberations in committee, and I think very much for the better.

I shall just concentrate on two points in relation to this. First of all, of course, the main emphasis of the Tuckman report is on the question of fighting unem-

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ployment and promoting policies to deal with unemployment. Although I do not think the Commission's programme itself goes far enough in this respect, the emphasis that the Commission has put on encouraging Member States to give higher priority to unemployment in formulating their budgetary and tax policies, as well as its mention of the use of public investment and particularly infrastructure investment, is to be welcomed. That particular emphasis was not made in the previous Commission. I hope that we can build on this and encourage the Member States which up to now have been adopting policies that have in many cases worked against the creation of employment. I hope that this change of emphasis by the Commission will have some effect on this massive problem of jobs in the Community, with over 13 million unemployed and many of them young people. The Tuckman report itself mentions the despair of this.

My other point is completely different. It refers to the lack of progress with regard to worker participation and industrial democracy inside the Community. Of course, we have had two documents concerned with this. Two proposals have gone through this Parliament. There was the Fifth directive on company law and there was the Vredeling directive. As far as I can see, both of them are absolutely bogged down in the Council of Ministers. I would hope that the Commission — and I welcome the points they make about this — will try to inject a new sense of urgency into the Council of Ministers and bring this matter to a meaningful decision. What seems to be happening now is that the whole question is very much bogged down. The attitude of one government, namely, the government of my own country, the United Kingdom, is very crucial to this, because the United Kingdom, as I understand it, is the main country opposing the Vredeling directive. I do not think they are doing very much either to help in regard to the positive aspects of worker participation outlined in the Fifth directive.

This is long overdue. If we are going to get the kind of change that is talked about, technological change and so on, workers have the right to be consulted. They have the right to know what is happening in their companies. Decisions should not be made over their heads, particularly by large multinational companies over which they have no control. We have seen many instances of closures being announced both in the United Kingdom and other parts of the Community where workers were neither informed nor consulted. I think that the suggestions put forward in these proposed directives were the absolute minimum that could be done. I would like to see far more, but I think they have to be rescued from the Council of Ministers and some effective action taken.

Mr Anastasopoulos (PPE). — (GR) By devoting only two and a half pages out of 109 to transport in its statement of intent, the Delors Commission has shown us how much it, too, undervalues this important sec-

tor. Do we really need a decision by the European Court relating to Parliament's action against the Council of Ministers to persuade the Commission how wrong it is?

Or is it necessary, on my part, to remind it that transport and communications represent 6.5% of the Community's gross domestic product compared with 5% for agriculture, or yet that a common policy on transport ranks as the second policy, coming immediately after the agricultural policy, envisaged by the Treaties, whereas to this day it has not been substantially implemented? This policy, which could be of decisive help in the unification of Europe, could make important contributions to its economic development and to the fight against unemployment, and could bring us closer to the citizens' Europe towards which we are supposedly all striving, is promoted very little, I fear, by the Delors Commission's programme. It is a contradiction in terms to speak of integrating the Community's internal market by 1992 without making great strides in Europe's policy on transport. But what strides can we speak of when the new Commission's programme contains no new ingredients and no new approach? All it does is to reiterate timidly some of last year's batch of Fitterman measures. We call upon the Commission to be more daring, more imaginative and more decisive. It is time to present us with more ambitious plans. To develop initiatives, first of all for greater cooperation between the Ten, and to intensify collaboration with Yugoslavia, Switzerland and Austria, which control transit passages, and with the Scandinavian and Eastern European countries. As for the programme of infrastructural work, I will do no more than quote the English expression 'too little and too late', and where major projects are concerned, such as the Channel Tunnel or the linking of Germany to Denmark (Skkanlink), we must not hesitate to raise the necessary finance, from private capital if needs be, if we want them to progress to the stage of realization.

There is also a need for new and original approaches such as integrated centres and coordinated means of transport, and the most highly developed technology should be applied much more widely in the development of transport. Most important of all, however, there must be unified European solutions for the major problems.

It is all very well for the American Mayor of Atlanta to admire European technology and the French high-speed train. But when quite different high-speed railway systems are developed by France, Germany and Italy, how will it be possible one day to create a European high-speed train network that will cover distances of up to 600 or 700 km? How can European passengers become aware of their rights and obligations unless the Commission takes the trouble to draw up a charter of those rights?

These are the important guidelines which we ask the Delors Commission to follow with courage and dar-

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ing. It must not limit itself to the known and the traditional. And then, it will be able to rely on the support of both Parliament and the citizens of Europe.

Mr Provan (ED). — Mr President, first of all may I congratulate the President of the Commission on having the tenacity to stay with us throughout the lengthy debate this morning. May I also say that in the debate so far my group has deployed many speakers on many subjects — I wish to concentrate solely on Spanish accession and the fisheries negotiations. There is no doubt that one of the major areas of expenditure in the future will be the massive Spanish fishing fleet and its absorption into the common fisheries policy.

The Commission has proposed that 28.5 m ECU be set aside for adjustment of capacity before Spanish accession. This is a very large sum, especially when it is compared with the 32 m ECU that was set aside for a scrapping policy within the existing 10 Member States. That 32 m ECU was aid that was really too little and too late, and Member States had to meet the restructuring costs from their own coffers.

Under Community directives Member States were required to submit forward plans for their proposals, and I do not see why it should be any different for the Spanish Government. I believe that they have got to come forward with their proposals so that we as a Community can see what they are proposing. Spain must surely come forward with a proper plan that needs to be approved by the European Commission if it is going to spend Community taxpayers' money.

In considering the future of the common fisheries policy, we must allay Community fishermen's fears over the accession of Spain and Portugal. Furthermore, the Commission must not only make its own assessment of Spanish vessel requirements and opportunities but they must also demand that the Spanish authorities make certain that their plans are in line with the Commission's thinking on the future of the European fishing fleet. The investment plans are therefore going to be of supreme importance.

Talking of opportunities, I would ask the Commission to look at the South Atlantic. There are opportunities there that are being plundered by other Member States at the present time. The Falkland Islands are an overseas territory of the Community and the Spaniards wish to develop the fishing in that area and also to develop the infrastructure in the Falkland Islands. Let us stop the plundering. Let us ask the Community to pay attention to that area so that we get proper management of that fishing resource.

President. — We shall interrupt the debate at this point.

It will be resumed at 4.30 p.m. after Question Time.

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR NORD

Vice-President

3. *Action taken on the opinions of Parliament*

President. — The next item is the statement by the Commission of the European Communities on the action taken on the opinions and resolutions of the European Parliament¹.

Mr Cryer (S). — The document, I take it, is the document from the Commission of the European Communities. On page 11 there is a list of food aid allocations authorized on 20 February 1985. The total amount comes to 175 000 tonnes of cereals for Mauritania, Senegal, Cape Verde, Mali, Burkina Faso, Niger, Chad and Ethiopia. These are areas of the world which are undergoing or facing the imminent possibility of widespread starvation, particularly Ethiopia, and 175 000 tonnes of cereals seems a very small quantity compared to the more than 3 m tonnes of wheat alone which is in stock inside the EEC.

Can the Commission say what they have in mind to ensure that, if necessary, significant quantities of cereals are shipped so that EEC stockpiles are significantly reduced and starvation in Central Africa is actually ended?

Mr Varfis, Member of the Commission. — (GR) It is true that the quantities of food approved by the Commission last month are not very great, but as has been repeatedly mentioned to the Committee on Development and Cooperation, every effort possible within the framework of the existing regulations is being made to increase the aid. I cannot say at this time what specific measures have been taken, but the Commission is fully aware of the matter and every effort is being made to grant the largest possible quantities, in relation to the existing needs and always within the scope of what can be done under the regulations.

Mr Sherlock (ED). — I should like to ask the Commissioner who is principally concerned with consumer affairs if he could give his observations on the significance of Item 7 on pages 4 and 5 on the progress of the

¹ See Annex.

Sherlock

Jackson report. As the consumer representative rather than the agricultural representative last time, does he think he could depart from the customary collegiate position with regard to the view taken by Parliament on the utter inutility if not futility of the pursuit of this particular matter?

Mr Varfis *Member of the Commission.* — (GR) This matter was widely debated during the last part-session. We take note of the question submitted by Mr Sherlock and will answer him at the next part-session.

Mr Hutton (ED). — I wondered if Commissioner Sutherland could say, following Parliament's adoption of the report on the safety of fishing vessels at sea, if he was aware that a scallop dredger has sunk with the loss of 5 crew members in the Irish Sea, and if he would undertake to look at what the search crew found out about the reason for that and see if that evidence could help in arriving at a greater measure of assistance for making fishing vessels of this kind — comparatively small vessels — safer.

Mr Sutherland, *Member of the Commission.* — The Commission is currently investigating the whole question of the safety of fishing vessels. As I indicated in the last debate, this is a matter of considerable concern at the moment and the investigation will involve the aspects of the matter which have been referred to by the honourable Member.

4. Question Time

President. — The next item is the first part of Question Time (Doc. 2-1804/84).

We shall begin with the questions to the Commission.

Question No 1, by Mr Fitzgerald (H-348/84):

Subject: Reactivating the European shipbuilding industry

To ask the Commission what notice it has taken of the resolution adopted by the European Parliament which asks the Commission to devise a genuine policy for reactivating the shipbuilding industry for example, by encouraging European shipbuilders to place their orders with EEC shipyards, launch modernization programmes, have fair competition rules respected and harmonize support conditions for financing?

Mr Narjes, *Vice-President of the Commission.* — (DE) In the course of the past two years this House has adopted three resolutions — two in 1983 and one in 1984 — on certain aspects of the shipbuilding

policy. In reply to an oral question by Miss Quin, the Commission stated in October 1984 that we must restore the competitiveness of the shipbuilding industry and avoid protectionism.

It was also pointed out during that discussion that hitherto the Member States have preferred to maintain their autonomy as regards practical measures for the shipbuilding industry. The positions of the Member States diverge so widely that it only just proved possible at the end of last year to extend the fifth directive on aids to shipbuilding for the years 1985/86, i.e. by two more years.

The Commission has repeatedly described in its proposals and reports what practical measures can be taken at Community level, most recently in the Commission report of 10 October 1984 to the Council on the situation of the shipbuilding industry in the Community. That report also lists possible incentives to encourage Community shipping companies to place their orders with Community shipyards and thus touches on one of the subjects raised by the honourable Member in his question. May I refer you to that report for details.

Yet I find that the shipbuilding policy suffers less from lack of knowledge about the situation and prospects of shipbuilding than from lack of agreement and failure to take decisions in the Council. Against this backdrop, I would like to make a few comments on some points in the resolution of 29 March 1984 referred to by the author of the question.

First, the idea of creating a special working party. The Commission departments concerned with the shipbuilding industry work very closely with the officials of the various governments. They also maintain regular bilateral and multilateral contacts with the industry, especially through the EEC committee for liaison with the shipbuilding industry, and also with the shipowners. So a very close network of consultation exists; and yet, for the reasons I mentioned, it did not prove possible to work out a common concept more rapidly. A working party would not improve the state of knowledge.

We now come to the request to the Commission to provide more detailed replies. Here I may point out that the Commission submits an annual report to the Council on the situation of the shipbuilding industry in the Community and a report on the aids to shipbuilding in the EEC. May I refer you to the 1984 and 1983 reports. The Commission bases these reports on various independent sources of information, such as the activities of the group of experts, the European shipyards association.

As for the proposal to approach a 'wise man', i.e. a highly qualified expert, for these analyses, the Commission considers that an individual expert would be unable, certainly in the short term, to draw up a more

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comprehensive study of the current situation in the shipbuilding, ship-repairing and scrap industry in the world.

Lastly, on the idea of making more use of European financing instruments, may I say here that of course there are possibilities of using the European Investment Bank and the NCI under market conditions. But for understandable reasons little use is made of them because of the high interest rates. To obtain preferential terms, the increased use of these financial instruments would have to be secured by a special financing source. There are no Council decisions to this effect. In practice the European Regional Development Fund has given support to those areas where problems of restructuring had to be dealt with.

Seen in overall terms, therefore, we will have to continue the restructuring process of the European shipbuilding industry and also make as much use as possible of the European internal market. But may I also point out that it would be wrong to assume that the shipbuilding industry only contains undertakings in the red. There is also an increasing number of undertakings which are definitely running at a profit again and have proved able to promote their restructuring process, and above all the improvement of their production methods and of their products, to such an extent that they can once again compete on the markets today. It is for those who have not yet succeeded to the same extent to complete this process. The Community can only apply and offer its financial instruments to support the efforts undertakings themselves make within the limits it is set.

Mr Fitzgerald (RDE). — While thanking the Commissioner for the information given in the reply, I think it is true to say that he has rather advanced the reasons why nothing can be done at Commission level or why the Commission is powerless in formulating a genuine policy for reactivating the shipbuilding industry.

Now, I understood the President of the Commission this morning to say that any reasonable proposals or any reasonable suggestions made by this Parliament would be seriously considered by the Commission. I would expect this to apply very much in the area of jobs and employment. Is the Commissioner aware that jobs have continued to be lost in the shipbuilding industry since 1983 when the matter was first raised in this Parliament? Can he reasonably expect Parliament to take the Commission seriously when it talks about job creation and employment, since it appears to me to be powerless and unwilling to make any effort to reactivate the European shipbuilding industry?

Mr Narjes. — (DE) May I once again correct the honourable Member. I expressly said that it was not a question of lack of information but of the failure to

take decisions in the Council, and the Council is not the Commission but another Community body. The Commission's proposals are before it. So there can be not question of whether *we* should be taken seriously or not, the question is whether the Council can or cannot be taken seriously.

On the matter itself, may I point out that we do not regard the suggestions that we might obtain rather more results and more information via a special committee or 'wise men' — whether individuals or groups — as ones that will get us any further in the present state of affairs and of knowledge, for it is not so much a question of finding new information — we know it all. What we need are *decisions*.

May I also point out the following: whatever may be put before the Council, the Council will of course have to accept as sober fact that restructuring problems exist that cannot be resolved by aid alone. The maintenance subsidies that the honourable Member obviously has in mind are no solution to the problem. All that can be envisaged are restructuring aids to give the various shipyards a chance to become viable again by improving their production processes and their supply, by specializing the ships they build. I do not think the idea of maintenance subsidies as a lasting solution for the shipbuilding industry is realistic.

Ms Quin (S). — The Commissioner, in his answer, said that many yards are now modern and competitive and that restructuring has been virtually completed. But is he aware that even many modern and efficient yards are in danger of closing because of a lack of orders? Such is the case with the Austin and Pickersgill yard in Sunderland in my area. Therefore it is absolutely vital for the Commission to come up with some plan to get more European orders in European shipyards. Will the Commission, as requested by the Socialist Group a year ago, set up a task force to look into this problem straight away?

Mr Narjes. — (DE) I may say to the honourable Member that in the proposal to the Council that I mentioned earlier we exhausted all that can be done in Europe in line with market principles to persuade European shipbuilders to place their orders in Europe. But there is one thing we must realize: to put additional burdens on the European shipbuilders would be self-destructive. For this would make them less able to compete with the shipbuilders of other partner States in the world economy, with the result that the shipbuilders themselves would not be able to compete. The matter cannot be resolved as simply as that.

Then there is the question of whether a special European source of finance should be created in order collectively to prevent dumping by others. This question goes in the direction of our own proposals. Only we have no Council decision on the matter, because hith-

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erto the Member States have preferred to formulate their shipbuilding policy alone and not *qua* Community.

Mr Vandemeulebroucke (ARC). — (NL) I should like to put the following question to the Commission. A good year ago the European Parliament argued that the fishing industry in Europe should be considered separately, in the budgetary sphere as well, and that, instead of its being included with the European agricultural funds for calculation purposes, a European Guarantee and Guidance Fund should also be set up for the fishing industry. What steps has the Commission taken so far, and to what extent has the Commission had contacts with the Council on this matter?

Mr Narjes. — (DE) I must point out that fisheries policy is not the subject of this question.

Mr Fellermaier (S). — (DE) Mr President, on a point of order, how can we guarantee equality of opportunity between Members of Parliament and members of the Commission during Question Time by ensuring that a single Commission does not read out a several-page manuscript on a single question? That sort of thing is at variance with the whole idea of Question Time and is also an elementary violation of the equality of opportunity of the remaining questioners on the list.

President. — Mr Fellermaier, the Rules of Procedure do indeed require brevity not only of those who put the questions but also of those who answer them. I am quite sure that the Commissioner will have taken careful note of your remarks.

Mr Blumenfeld (PPE). — (DE) If I have understood the Commissioner correctly, his answer was that the national subsidies and aids which are not given purely for the restructuring programme are one of the cardinal weaknesses of the European shipyard industry.

My question is: if one day no national subsidies or aids are granted, does the Commission think the European shipyards could then compete on the world market with competitors who offer up to 30% lower prices, on the basis of a common European policy?

Mr Narjes. — (DE) May I begin by stating, in reply to the comment by Mr Fellermaier, that the length of the answers depends on the content of the question, and that a seventy-line answer was unavoidable in a question relating to matters of principle.

On the question by Mr Blumenfeld, I would say that a genuinely competitive group of shipyards within the Community would indeed also have greater chances

on the world markets. In particular, a Community shipyard policy would make it possible to resist the attempt by third countries to distort the world shipbuilding market by dumping and similar measures more effectively. We are forfeiting this chance by not acting jointly but acting individually as Member States.

Mr Rogalla (S). — (DE) Mr President, I would be grateful if you could say something on the position taken by the Vice-President of the Commission, who has alleged that the length of the answer depended on the question. I would like to ask you whether you share my view that the members of the Commission must also observe the Rules of Procedure and — as provided there — give *brief* answers, regardless of the question. I could also put a question that took half an hour, but I am bound to avoid that. I would be grateful if we could reach agreement, under your chairmanship, Mr President, with the members of the Commission on the need for brevity on both sides.

President. — Mr Rogalla, I have just said, by way of reply to Mr Fellermaier's remarks, that the brevity required by the Rules of Procedure applies not only to questioners but also to the particular institution that answers any given question. In order to ensure equality of opportunity not only as between Parliament and Commission but also as between the Members of Parliament themselves who are sitting waiting for their questions to be called, I must also ask the House to show its respect for Question Time by not spinning it out with long discussions on points of order.

Mrs Van Hemeldonck (S). — (NL) I wish to ask the Commissioner whether the Commission has done a market survey in the ACP countries into the possibility of placing orders for the construction of river boats with the European shipbuilding industry?

Mr Narjes. — (DE) As far as I know, such specific projects are carried out only if the relevant requests are made to the Development Fund.

Mr Ulburghs (NI). — (NL) I should like to ask the Commissioner how he views competition from countries with low wage rates in the context of a free market economy in the shipbuilding sector and to what extent shipbuilding and fishing go together?

Mr Narjes. — (DE) Very good, in the case of medium and higher technology ships.

President. — Question No 2, by Mr Maher (H-352/84):

Subject: VAT on imported motor vehicles

President

Bearing in mind the Council's answer to Question No 54 in the first October part-session of 1984, does not the Commission agree that the Irish Government's proposed level of imposition of VAT on imported motor vehicles will in effect maintain the situation as it has been during the past 10 years and that therefore the free trade rules of the EEC will be breached?

Lord Cockfield, Vice-President of the Commission. — The effect of the changes, as the honourable Member says, is broadly to maintain the present charge. Whether or not the arrangements infringe the Treaty is a difficult legal issue, on which the Commission cannot at present take a firm view. The Commission has requested full details of the legislation so that the matter may be studied further. That information has just come to hand. This will enable further consideration to be given to the matter.

Mr Maher (L). — Since the Commissioner has mentioned that new information has come to hand, would he not give us that information? This would surely throw light on a situation where the Irish motorist is paying almost half as much more for his motor car than the European Community average. This applies also to commercial vehicles used in transport in Ireland, which of course mitigates greatly against the competitiveness of Irish products in trade in the European Community. Can the Commission give us the information and thus enable us to establish whether or not the Irish Government is entitled to flout the free trade rules of the Community by replacing the import duty which was part of the derogation obtained at the time of Ireland's entry into the Community by a higher VAT, thus maintaining the price of these vehicles at the very same level as they were before?

Lord Cockfield. — The additional information to hand consists of two documents — a press notice and a copy of the legislation concerned. I imagine that the honourable Member can obtain access to them, but I should be very happy to send him copies if he does not already have them.

So far as his other point is concerned, Protocol No 7 to the Treaty of Accession contained two derogations. The first, which was on tax, expired in 1977 and was in fact fully complied with. The second, which was on import control, expired on 1 January 1985 and has now also been complied with. It so happens that at the time that the second derogation ceased the Irish Government took the opportunity of restructuring the tax. This does provide an opportunity for the matter to be re-examined. We are putting that re-examination in hand. However, as I said in reply to the original question, it raises difficult legal issues, and the Commission is not at present in a position to take a firm view on them.

Mr Rogalla (S). — (DE) To prove that we are fair, may I remark that Lord Cockfield's answer to the question put by Mr Maher was short. So much by way of preliminary. May I now ask Lord Cockfield, Vice-President of the Commission, whether he agrees with me that the harmonization or rather the approximation of VAT, quite apart from this Irish case, is one of the Commission's main priorities? Does he also share my view that as regards the technical procedure, this somewhat resembles dismantling internal duties and establishing the common external customs tariff, and can we still reckon on seeing the Commission's proposed plan in 1985?

Lord Cockfield. — I am grateful to the honourable Member for his tribute to the brevity of my reply. So far as the rest of his supplementary question is concerned, these matters were touched upon by the President of the Commission in his address this morning. They are dealt with in the Commission's work programme, and we will be publishing further information on this in detail, as the President promised, before we come to the European Summit in June.

Mr MacSharry (RDE). — Just two brief questions arising from the Commissioner's reply. Could he tell the House if the Irish Government consulted the Commission regarding the introduction of this new legislation. If so, what was the Commission's response?

If not, could he tell the House when the Commission will make its view known on the implications for Community trade of the introduction of this new legislation?

Lord Cockfield. — The answer to the first question is 'No', and the answer to the second question is 'as soon as possible'.

President. — Question No 3, by Mr MacSharry (H-360/84):

Subject: International Youth Year

In view of the fact that 1985 has been designated International Youth Year, will the Commission indicate what proposals it has put forward or intends to consider to mark this important event?

Mr Sutherland, Member of the Commission. — Specific proposals will be made very shortly on youth exchanges. A guide on organizing exchanges will be published during 1985. There are additional proposals also which are relative to International Youth Year. The Commission will be co-sponsoring a week on young people and new technologies in Turin in July. It is anticipated that some 120 people will attend the

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conference in question.

Further, a new initiative will be taken in June 1985 on equal opportunities in education. Also in 1985 it is anticipated that reports will be issued on vocational training and illiteracy among young people and that proposals for greater mobility of students in higher education will also be put forward.

Mr MacSharry (RDE). — I do hope that the many items, reviews or reports that the Commissioner talks about will be very informative to us all and particularly to young people in this International Youth Year. There is nothing in specific terms other than student exchanges arising from the Commissioner's reply. Will the Commission — and this is a question I am sure many Members have been asked in their respective countries and constituencies — involve itself with local, regional or national schemes that are being introduced for International Youth Year? Has it been requested to do so and would it consider such requests?

Mr Sutherland. — The Commission is anxious to involve itself in a realistic way in the activities of International Youth Year, and in that regard it has been in contact with the Youth Forum and is interested in the views expressed by the Forum. The Commission does in fact have a number of proposals in different fields from which specific results can be expected — in that of education, for example, for young people. If I may take one example, when laying down guidelines in respect of education and training under the European Social Fund, specific attention is, of course, necessarily devoted to the issue of education and training in the context to the society in which we now live and the necessity, in particular, for training young people.

We do, therefore, look upon this year as being an opportunity to develop a solid and practical policy in the area of youth development. Our proposals do relate to an extent to those made by the Youth Forum. The new action programme for youth just adopted by the Forum at its General Assembly takes up similar themes to those which I have already indicated. Clearly the primary contribution which the Community can make to bettering the situation of young Europeans during 1985 is by redoubling its efforts to bring down youth unemployment, and this is a major focus of the concern of the Commission during the forthcoming year. I think it is amply evidenced by the programme which was detailed today by the President and which was discussed in Parliament.

The Commission, therefore, in view of the fact that it does not regard International Youth Year as an occasion for celebrations but rather as an occasion for fortifying the policies of the Commission, has no specific plans for supporting other events during 1985 related to Youth Year, apart from the normal activities

carried out under information policy which I have identified in the first part of the answer to the question.

Mr Hughes (S). — I have been very interested to hear the Commissioner's reply to the supplementary question because, in my view, the designation of special years of this sort often amounts to little more than an empty gesture, generating rhetoric and showpiece events but very little else. In view of his comments, does he not agree that our young people would be better served if the very time and money to be devoted to this International Youth Year were directed towards concentrating Community and Member State resources on tackling the tragic problem of youth unemployment, which, for example, now stands at 90% in the former steel town of Consett in North-East England?

Mr Sutherland. — I agree generally with the view expressed by the questioner. I think I have already indicated my support for the view that we should be thinking in terms of solid policy rather than cosmetic exercises. On the other hand, it has to be said that the focus of attention which naturally follows the designation of Youth Year is a welcome one in that it brings home to all concerned the importance of the problem which is facing youth in Europe, and therefore aspects to the publicity which must and should be given to International Youth Year are desirable. However, they are desirable only in the sense that they promote positive and realistic policy initiatives which are not merely ephemeral but are real and are continuing in the sense of policies which can assist youth in dealing with the appalling problem of unemployment, which is, of course, central to the concerns of youth today.

Mrs Ewing (RDE). — Will the Commission note the concern of the Youth Forum at the priority that the Commission seems to be giving to the information-flow destined for the public at large — the press, television, etc. — to the detriment of support for non-governmental youth organizations, where, after all, there is a multiplier effect? One should also also bear in mind that this Parliament has expressed its support for the principle that the information should be provided by young people for young people. Can the Commissioner tell me what will happen to the line in the budget for non-governmental youth organizations, as so many are waiting eagerly to put forward projects?

Mr Sutherland. — I cannot do more than answer the question in a general way. The concern of the Commission is indeed to assist youth in every way possible, and it is particularly conscious of the initiatives being taken by youth organizations themselves. An analysis of the position is being made with a view to taking the most positive response possible within the budgetary constraints within which the Commission must work.

Sutherland

So, in principle, the attitude of the Commission to youth initiatives is a positive one, and that, I hope, will be the approach evidenced during the course of the coming year.

Mr Hutton (ED). — Is the Commissioner aware that about a year ago this Parliament presented the Commission with detailed proposals for a youth exchange scheme and requested that a pilot project be carried out as the Commission's response to International Youth Year? Can the Commissioner say whether these proposals will form any part of the proposals which he is to bring forward shortly, and does he agree that, one-quarter of the year now having elapsed, it is very unlikely that we shall actually see this gesture made in the year which would have focused attention upon it?

Mr Sutherland. — Over the last few years the Commission, together with the Parliament but with less than total cooperation, I should say, from the Council, has put in place a balanced and wide-ranging programme in the field of youth exchanges generally and in particular dealing with the problem of disseminating information on the opportunities available in this field.

Whilst continually encouraging and assisting the Member States to make even greater efforts in this vital field, we feel, as indeed Parliament has indicated that it feels also, that a new programme of youth exchanges could make a major contribution to the Community's objectives. It is one of the major proposals of the directive with which I am concerned that this policy should be promulgated during the course of this year and, indeed, I anticipate that it will be in the short rather than the long term. I am aware that a considerable amount of work has already been done on it, and it will be one of the major proposals of the year.

Mrs Viehoff (S). — (NL) I should like to say that I find it all extremely disappointing. Youth exchanges are an old programme. Years ago we discussed here an extensive report on eliminating illiteracy. In the context of youth unemployment we have spoken at great length about education for young people and about vocational training. I cannot see anything new here. Nobody expected it to become a year of youth festivals. No one asked about what the Commissioner said. Nevertheless, I did at least hope for a few projects to create job opportunities in some way or another, if only to give young people in some small measure the feeling that something is actually happening.

Now comes my question, since I have to ask a question, of course: how does the Commissioner think that young people in Europe will react to Youth Year as the plans stand at present?

Mr Sutherland. — I imagine that youth will be very disappointed with this year unless there are concrete

results which flow from it. One of the difficulties in dealing with a problem of this kind is that it involves very detailed consideration of rather amorphous and difficult-to-define problems such as that of providing proper education in the field of new technologies and being able to deal with the demands of industry during the 1980s. That particular problem is being addressed positively and deliberately by the Commission, and the reports I have referred to will be detailing the type of response that might be anticipated and the assistance that can be expected from education properly geared to the needs of the 1980s. So I think that there is a response; it is not something which could be described in any way as cosmetic, but is a detailed solid programme which, I think, can be of assistance of the youth of Europe.

Mrs Banotti (PPE). — Would the Commissioner give us a little more detail about the youth exchange programme? I presume he is speaking about the youth exchange programme where young people go to work for usually relatively short periods of time in Member States. Would he please tell us to what extent he hopes to see this programme enlarged? Would he also tell us whether the Commission proposes to act on its avowed intention to give particular emphasis in this programme to young people who live on the periphery of Europe and are therefore already isolated from the work of the Community?

Mr Sutherland. — One of the particular problems about a youth exchange programme is indeed that referred to in the final part of the question which has just been put by the honourable Member. The difficulty and cost of transportation will be borne in mind in the proposal which will be put before Parliament and which is in the course of being developed by the Commission. The Commission is concerned to bring about a situation where the lamentable lack of exchange within Europe, between the educational facilities in particular of European countries, is overcome. It is salutary to note that there is a considerably greater exchange between the United States and some countries in Europe than between the European countries themselves. This is something which we hope to initiate and improve upon.

I think that it would be premature for me now to detail the proposals in the memorandum I have referred to. Suffice it to say that it is reasonably well advanced, and I hope to be in a position to detail it more fully to Parliament in the not-too-distant future.

President. — As the author is not present, Question No 4 will be answered in writing.¹

Question No 5, by Mr Fitzsimons (H-365/84):

¹ See Annex of 13. 3. 1985.

President

Subject: New technologies and the textile industry

Will the Commission state what action it is taking to implement the calls made by the European Parliament to devise a Community strategy in the textile and clothing industry which involves:

- (a) a more rigorous and efficient management of the Community's textile agreements;
- (b) promoting the sector's general competitiveness by specific measures;
- (c) accompanying reconversion by social measures, since a loss of one million jobs is expected by 1990?

Mr Narjes, Vice-President of the Commission. — (DE) The Commission is looking for a textile and clothing industry that can compete on a worldwide basis.

On point (a): the Community textile agreements are managed with strict observance of the procedure. Observance of quotas is ensured by a system of dual controls. The products covered by the agreements can be introduced into the Community only if the export licence issued by the exporting State is matched by the import licence issued by the Member State. The procedure is working smoothly.

The administrative cooperation procedures introduced to prevent unfair practices are also working satisfactorily. Where the rules are found to have been bypassed, the countries from which the products originate are held accountable. These examples should show that the textile agreements are being managed in accordance with the provisions.

On point (b): our measures to improve competitiveness are chiefly based at present on the endeavour to promote the use of modern technologies in the production processes in the clothing industry. May I refer you here to the answer to the question by Mr Andrews in 1984 and to our BRITE programme.

On point (c): I regard the figure of a threatened loss of one million jobs by 1990 as utterly exaggerated and I certainly do not accept it. No calculations exist to justify such a disastrous figure at all. Given a moderate rise in demand, the rise in productivity may lead to job losses in specific cases. But we have good reason to assume that, thanks to its creativity in the fashion area and to the development of its technical know-how, the industry will manage to counteract this trend. We do not have a statistical breakdown relating to the Social Fund which would enable us to give details on the individual sectors.

Mr Fitzsimons (RDE). — I do not entirely agree with the Commissioner. He seems to give the industry little comfort. After all, we are talking about an important

labour-intensive industry, particularly when we include the clothing sector.

Does not the Commission accept that since so many viable, efficient and well-managed firms have closed, it is necessary to take far-sighted action immediately to salvage these industries while we still have the time? Will the Commission give a commitment that it will not abandon the clothing and textile industries, and in particular that it will renew the MFA as well as providing the means of investing in new technology and new production methods such as capital investment, machinery replacement programmes, training in new skills and improving quality programmes?

Mr Narjes. — (DE) The Commission certainly does not intend to abandon the textile or clothing industry. As for figures, may I point out once again that nearly one million jobs were lost in this sector in the past 10 years, i.e. the main part of the process of adjustment certainly lies behind us now.

As I have said, the Commission is prepared to encourage the use of modern technology in the textile industry too, especially in connection with the BRITE programme. There are even some indications now that jobs which were transferred to countries with a lower wage level 10-15 years ago because of the lack of competitiveness can be repatriated.

These are all reasons that suggest that we should not judge the trend in employment in the textile industry as pessimistically as the honourable Member has done, perhaps on the basis of local experience.

Mr Hoon (S). — I would like the Commissioner, in the light of his answer a few minutes ago, to comment on the recent decision of the Commission to prevent the United Kingdom Government from providing 20 million pounds in much needed assistance to the British clothing and textile industry. That money was intended for new investment in new technology and new machinery. The Commission have blocked the spending on the grounds that it provided, they said, unfair aid to industry in one Member State at the expense of the others. To what extent, however, did the Commission take into account the pressing need for new investment in the United Kingdom textile industry to preserve and to create employment whilst, at the same time, actually strengthening the Community's textile industry by giving it some support against the increasingly fierce competition it faces from countries actually outside the Community?

Mr Narjes. — (DE) The Commission certainly has no objections to investments; on the contrary, it regards them as useful wherever they pay off. As for the specific case to which you referred, I would need the complete file before me, and even then I could only

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give certain information and would have to keep detailed company information to myself.

Mr Pearce (ED). — Will the Commissioner agree that the loss of one million jobs in the textile industry has occurred without any particular action on the part of the Commission at all? The Commission has in fact been sitting about doing nothing while this has been going on.

Secondly, may I ask the Commissioner if companies and research institutes can apply for funds under this heading — for the BRITE programme — now? If not now, when can they apply?

Mr Narjes. — (DE) On the second question, may I point out that, as far as I know, the BRITE programme is being adopted by the Council today as an 'A' item and that a start will then be made with invitations to tender immediately. Preliminary information has already been forwarded to the industry and, if I am not mistaken, the scheduled deadline for acceptance was 30 April this year, which means that suitable applicants certainly have a chance to submit their programmes and proposals by 30 April.

Turning to the first part of the question, we would of course have to check region by region whether the reconversion of the textile industry has involved the Regional or Social Fund. I cannot accept this blanket description of the Community as doing nothing.

Mrs Lemass (RDE). — I would like to ask the Commissioner if he does not agree that women are the worst-hit in job losses in the textile industry and if he will give priority to the retraining of these women in the new technologies that are needed. Would he not agree that they must be given precedence to make up for the job losses they are suffering in this industry?

Mr Narjes. — (DE) Presumably, in view of the production methods in the textile industry, women are worst hit in job losses. The Commission takes the view that anyone who has lost their job and is prepared to accept an offer of further vocational training or retraining should be encouraged to do so and receive the necessary aid to make full use of this opportunity.

President. — Question No 6, by Mrs Lemass (H-382/84):

Subject: Accidents in the home

Will the Commission state what results have been achieved from the pilot programme which it started, in close cooperation with national authorities, on information relating to accidents in the home?

Mr Clinton Davis, Member of the Commission. — The pilot experiment has yielded some significant results in that it has (a) illustrated the scale of the problem of accidents in the home connected with consumer products — indeed, some estimates are that more than 30 000 deaths and about 40 million injuries occur in Community countries every year as a result of this; (b) demonstrated the feasibility of collecting relevant data from hospital casualty departments and other sources and (c) shown that the Community could and should have a permanent information system on accidents in which consumer products are involved so that coordinated action could be adopted on product safety for the benefit of consumers.

On 20 December 1984 the Commission approved a proposal for a Council decision along these lines which has been communicated to Parliament, the Council and the Economic and Social Committee. Moreover, the Commission proposes to continue collecting material data and promoting research into the improvement of product safety.

Mrs Lemass (RDE). — Apparently something is being done or will be done in the future. However, I would like to ask the Commissioner if he does not agree that it is a fact that basic precautions to prevent accidents in the home are not being implemented in many of the Member States. As he has just stated, deaths occur, particularly among young children, because night clothing is not fireproof. Yet it is still being manufactured and sold to the public. Surely this could be changed rapidly and quickly?

People are being suffocated by toxic fumes from burning furniture when a fire occurs. Surely something could be done about this immediately. They should be clearly marked so that the person who is buying them will know . . .

(The President urged the speaker to put her question)

I am asking the Commission whether this could not be done immediately without further investigation or further reports. Children at the moment are in dire . . .

(The President again urged the speaker to put her question)

I am asking the Commissioner how long it will take before these problems are solved. Reports are fine. Investigations are fine. Statistics are fine, but these things are happening now. As the Commission has stated, 30 000 deaths have occurred, and I am asking the Commissioner to take immediate steps to rectify the position.

Mr Clinton Davis. — It would be unfair to suggest that there is not concern on the part of Member States. Some Member States — such as the United Kingdom

Davis

as long ago as 1976 and the Netherlands in 1983 — have set up surveillance systems for accidents involving products themselves. In Denmark a group of experts is analysing the information received from casualty departments in three hospitals, and in other countries, particularly Germany and Belgium, periodic surveys limited to certain types of accidents or certain age categories have been carried out. So there is considerable movement as far as a number of Member States are concerned.

As to the specific matter that the honourable lady raises, it is for individual Member States to arrive at conclusions about and to determine whether in fact specific night clothing should be withdrawn. I think she would have to give me notice concerning any specific item of clothing so that I could give her a considered answer.

As to the question of the length of time required for taking action, may I remind the honourable Member that the Commission wanted 18 months for the study. It was the Council which insisted on 30 months. It was the Commission which wanted to take immediate and automatic action to put the necessary precautions into operation at the end of the pilot study, but this was not permitted by the Council.

Mr Pitt (S). — In view of the answers given to Mrs Lemass, but particularly in the context of Commissioner Narjes' answer to her point on women textile workers, could I ask the Commissioner, in regard to accidents at home, whether the Commission has a view on accidents relating to home working, a practice which is growing, unfortunately, in the clothing sector at an alarming pace, in my own view.

Has the Commission any specific data on accidents at home related to home working? If not, will it undertake to investigate this subject? If it has information, has it any proposals to make in this direction?

Mr Clinton Davis. — The honourable Member will realize that the study to which I have referred relates to the use of consumer products in the home and accidents arising therefrom and also to certain leisure pursuits.

I am afraid, therefore, that I cannot answer the specific question that he has raised, but I will, together with Commissioner Sutherland — I think that is his remit specifically — give the matter further consideration. Perhaps I can write to the honourable Member about it.

President. — Question No 7, by Mr Fanton (H-385/84):

Subject: Sheep imports from New Zealand

A few months ago, the exasperation of French sheep farmers at the aberrations in the sheepmeat market led to incidents such as the interception of British lorries on French roads.

The exasperation of these farmers is due to recent imports into France of sheep carcasses from New Zealand, which had simply passed through the United Kingdom in transit.

What measures does the Commission intend to take to put an end to New Zealand's policy of selling sheepmeat at low prices on the European market, and to ensure that all Member States comply with the rules established by the European institutions?

The Commission is surely aware that, unless it meets its responsibilities, sheep farming is liable to disappear in many regions of Europe.

Mr De Clercq, Member of the Commission. — (FR) As France is recognized as a sensitive zone by New Zealand, sheep carcasses from this third country can only be imported under a very limited quota — 3 500 tonnes in 1984. Where merchandise has passed in transit through Great Britain, the corresponding quantities are compulsorily included in this quota. In fact, and I insist on this point, import certificates are only issued by the French intervention body, which is the only body authorized to suspend their issue as soon as the agreed quantities have been reached.

With regard to the second part of the question the Commission, within the framework of the consultations envisaged by the self-limitation agreement with New Zealand, has constantly emphasized the importance it attaches to third countries' adopting import prices which do not endanger the balance of the Community market.

In this connection it is important to emphasize that, since the middle of 1983, New Zealand has taken steps, which have so far proved effective, to keep import prices at a reasonable level. Thus, for example, in 1984 the import price has been kept at a level 10-15% higher than the 1983 price, whilst the average Community price over the same period has remained stable.

It is the firm intention of the Commission to keep in touch with New Zealand in order to obtain assurances that the present import price policy followed by this country will be maintained, or else strengthened on a bilateral basis.

Mr Fanton (RDE). — (FR) I should like first of all to thank the Commissioner for his reply, despite the fact that it is by no means satisfactory, far from it.

If, in my question — and I should like to have a clear answer, Mr Commissioner — I spoke of cheap car-

Fanton

cases being imported into France, there are two processes and two procedures. I wanted to know how the Commission is in a position to take action over a practice that is now constant, increasingly so, and which consists of importing sheep carcasses into Great Britain, consuming them, and exporting to France mutton produced in Great Britain, at the price at which it was imported from New Zealand. This is simply getting round the regulations that you have referred to.

The second question that I should like to ask you, Mr Commissioner, which is complementary, concerns the reference you made to the import price. You said that it had increased, if I understood aright, by 15-20%, whilst over the same period the price of mutton in the common market remained stable. But one of the very things, Mr Commissioner, that I had put to you at the end of my question, is that the stability to which you refer is in reality a fall, and I wanted to know what steps the Commission was ready to take to prevent sheep rearing in Europe from disappearing, as it is in the process of doing. The price proposals that we shall be discussing tomorrow are unfortunately not of a reassuring nature.

Mr De Clercq. — (FR) I think I answered the honourable Member's first question in my introduction. The practices to which he referred are real, but, whilst that is the case, I would remind him that all goods — in this case sheep carcasses — that are delivered after having been in transit through Great Britain are deducted from the overall quota. I emphasized that where the issue of import certificates is concerned — and they are essential — this can only be done by the French authorities. They have all the information available to ensure not only that the quota is respected, but also to see how the quota is made up, and they are authorized — especially the French intervention body — to suspend, where necessary, the issue of licences when they find that the agreed quantities have been reached, or exceeded.

With regard to Mr Fanton's second question, which was very pertinent and concerned import prices and measures to prevent sheep rearing from disappearing in Europe, the Commission obviously pays great attention to this important sector of agricultural production. The problem raised by Mr Fanton will indeed be one of the subjects for discussion tomorrow in this Chamber, when you will be considering the agricultural price proposals for the new campaign.

Mr Marshall (ED). — In view of the importance and popularity of New Zealand lamb to the Community housewife, can I ask the Commissioner not to try too hard when seeking to persuade New Zealand to increase the price paid by the Community for this excellent product?

Will the Commissioner confirm that the commitment to New Zealand is a long-term one which the Com-

munity has frequently confirmed? Will he agree that the Community will never renege on its commitments to New Zealand?

Mr De Clercq. — (FR) I have to say that it is our custom — I should more properly say that it was the custom of our predecessors, since we are only starting to come on stream, as it were, within the Commission — to honour our commitments.

Besides, I think as far as the precise question that has been asked is concerned, which shows how delicate the affair can be — even when we are talking about sheep, everybody is not necessarily on the same wavelength, or should I say sheep-length — there may be divergent views and different approaches. I simply want to say that this is all part of the discussions that are now going on between the departments of the Commission and the New Zealand authorities.

President. — As the author is not present, Question No 8 will be answered in writing¹.

As they deal with the same subject, the following questions will be taken together.

Question No 9, by Mr Dalsass (H-464/84):

Subject: Article on South Tyrol in 'EG-Magazin' in October 1984

In October 1982 the European Parliament published a resolution calling for protection for regional languages and cultures which was seen as the first step towards protecting various ethnic groups within the Community.

This opinion was also welcomed by the Commission. How, therefore, can the Commission allow an article to be published in the October 1984 issue of the 'EG-Magazin' which is financed by the Community, which presents a false picture of the situation in South Tyrol and is so biased that it gives a false impression of and is detrimental to the South Tyrolean ethnic group? Does the Commission not believe that it should disclaim such reports? And what steps will it take to ensure that in future the 'EG-Magazin' promotes the interests of ethnic groups rather than working against them?

and Question No 31, by Mr Habsburg (H-455/84):

Subject: Article in the Community's German language magazine (EG-Magazine), October 1984 issue, entitled 'In Südtirol ist auch 'Europa' gefordert' (The South Tyrol needs Europe too)

Is the Commission of the opinion that the 'EG-Magazin', which is financed from Community

¹ See Annex of 13. 3. 1985.

President

funds, i.e. by us all, is duty bound to be truthful, factual and fair to all Members in its reporting, does it share the view that the above-mentioned article does not meet these criteria in any way and is extremely discriminatory against the population concerned, and what measures are planned to prevent a publication which is entirely financed by the Community from acting in this manner again?

Mr Ripa di Meana, Member of the Commission. — (IT) The Commission is obviously familiar with the resolution adopted by Parliament in October 1981 calling for protection for regional languages and cultures as a step towards protecting various ethnic groups within the Community.

The author of the article which appeared in the magazine 'EG-Magazin' last October, Mr Peter Kammerer, who is a German journalist and a professor of Urbino University, cannot in any way be considered as representing the Commission's position on the substance and spirit of the parliamentary resolution in question, which the Commission unconditionally confirms. The monthly magazines published by the press and information offices are intended to provide information on events and on the problems of Member States of the Community. The choice of subject depends on their topicality, and the authors of the articles are selected according to their competence. The articles they write do not involve the views of the Commission. The Commission will maintain its policy of encouraging the expression of individual opinions, with a view to promoting mutual comprehension and not the reverse.

The Commission is therefore always prepared to record and publish views that may differ from its own, as witness the publication of the letter from Mr Dalsass in last January's edition of that same 'EG-Magazin'.

Mr Dalsass (PPE). — (DE) Mr Commissioner, I am partly satisfied with your answer. At least you say that this article in no way reflects the Commission's views and that the Commission certainly does not endorse the contents of the article.

One more question: We as a minority in South Tyrol have been trying for decades to preserve our identity, to guarantee to some extent what I might call our survival. To this end we have approached the Italian Government requesting appropriate protective provisions. Do you not agree with me that it is to be welcomed if people request protective provisions and obtain them in order to safeguard their own identity and not be discriminated against *vis-a-vis* the majority, so that at last the minority can obtain the same rights as the majority *de facto* and not only on paper? Do you not also agree that this is the right way to ensure the necessary peaceful coexistence in a community?

Mr Ripa di Meana. — (IT) I do indeed agree with Mr Dalsass.

Mr Habsburg (PPE). — (DE) Mr Commissioner, may I briefly return to the article itself which presented — not for the first time — a false picture. There is no doubt at all that a letter by Mr Dalsass was published. But you know as well as I do that a letter does not have the same effect as an article.

In general, such articles are quite alright in a private newspaper published by some independent group and are open to discussion. This, however, is a newspaper financed by the Community. Is it not time, Mr Commissioner — given that this is not the first time we have had problems with this same magazine — for the magazine, and in particular the chief editor, to be looked at rather more carefully and for it to be made clear that the articles signed by name do not necessarily reflect your viewpoint? You say so now, and we believe you, but those readers who cannot hear what we are saying here get the wrong impression.

Mr Ripa di Meana. — (IT) I think that Mr Habsburg is aware of the fact that a substantial reform of the information services of the Commission is in the course of preparation. One of the points receiving consideration by the Commission is whether or not to continue publishing the magazines that appear in Member States. At the same time there will undoubtedly be an opportunity to examine in this connection the quality of the publications, their impartiality and, at the same time, the freedom of expression of those who contribute to them. I can give the questioner an assurance on these lines.

Mr Vandemeulebroucke (ARC). — (NL) Since the Commissioner has just told us that the whole question of information offices is to be reviewed, I should like to ask him whether he considers it opportune for the information offices to be located always in the capital cities and whether it might not be better for the information offices to take account of regional units. In this connection I am thinking of the imminent accession of Spain, where the regions are recognized in the constitution, and where, in consequence, it will be necessary for the information offices to be active in the language of the region and locally in the regions themselves?

Mr Ripa di Meana. — (IT) Mr Vandemeulebroucke is naturally aware of the budgetary restrictions which we all discuss — both Parliament and the Commission. That is why I am not able to confirm, today, a course of action that the Commission has referred to on a number of occasions — the setting up of information offices also in different centres of the capitals of Member States. I must add that, in some cases, these offices, these information centres already exist. But a wider policy, to consider the possibility of opening

Ripa di Meana

offices of the Community and the Commission in cities and centres that constitute a territorial, ethnic, linguistic and cultural complex of minority groups, is not at the moment under consideration nor, still less, approved. I do not exclude that, in the future — on the occasion, for example, of the accession of Spain — with the special cases of Catalonia and the Basque Countries — it may be looked into.

Mr Nordmann (L). — (*FR*) Without in any way wishing to anticipate the review that has just been announced by the Commissioner, can the Commission specify the methods that it uses to assess the objectivity of its publications and the way in which different trends find expression in them? Has the Commission been aware of any flagrant breach of such objectivity, such as to involve sanctions of any kind?

Mr Ripa di Meana. — (*IT*) In my first reply I quoted verbatim a statement — by President Jenkins on behalf of the Commission — which said that the Commission would maintain its policy of encouraging the expression of individual views, which is something that I consider indispensable.

I also quoted the second part of this statement, which commits the Commission to promote reciprocal understanding, and not the reverse. If any case of flagrant violation of this principle occurred — and, amongst other things, it is a principle that affects everyone and which involves the objectivity and quality of the opinion — I do not think that the Commission would hesitate to assume its responsibilities.

Mr Guermeur (RDE). — (*FR*) The Commissioner has given budgetary grounds as his reason for rejecting, for the time being, the suggestion for an information service devoted specially to the regions. I quite understand this, but this problem is always bound up with the opposite problem, which is the problem of information directed upstream and no longer simply downstream. I should like to ask the Commissioner what is the Commission's present thinking as regards measures for promoting the flow of information from regional official bodies to the Commission, since it is no longer a question of having information centres in the regions but of facilitating contact between each region and the Commission in Brussels.

Mr Ripa de Meana. — (*IT*) The policy of the Commission is favourable to the opening of new offices and new information centres in large regional centres. An office has for example been recently opened in Marseilles, as the questioner is probably aware. However, I must equally emphasize that the Commission's policy fully favours close cooperation with regional and even local authorities. This cooperation is already in existence in many cases. We intend to increase it and, as it were, tighten up the regulations somewhat.

In this connection, for example, I welcome with great interest a very recent initiative on the part of the Chambers of Commerce, who have decided to open Community 'counters' in every regional centre in the Community.

President. — Question No 10, by Mr Simmonds (H-468/84):

Subject: Commission funds for slaughterhouses

With reference to the Commission's answer to my Question H-88/84¹ of 11. 9. 1984, and to Mr Dalsager's assurances that he would investigate the matter, what have been the fruits of that investigation, and will the Commission agree to pursue the matter further?

Mr De Clercq, Member of the Commission. — Since the September plenary part-session and after having examined the problem, I must confirm the doubts previously expressed by Mr Dalsager as to the possibility of a Commission initiative in this field in the near future.

Ritual slaughter is a matter of great religious sensibility which is subject to the public policy of the Member States. It is not the intention of the Commission to make proposals which intrude directly into questions of religious beliefs, but it will closely examine the codes of practice elaborated in some Member States.

The Commission shares fully the honourable Member's concern, especially in the framework of his commitment to animal welfare.

Mr Simmonds (ED). — The Commission, I hope, will accept my pleasure at their statement that they are concerned about animal welfare, but they will not be surprised to hear of my dismay at their proposal to do nothing about this particular issue.

Now that we have freedom of movement of meat products throughout the Community and recognizing the increase of the practice of ritual slaughter in many parts of the Community, a very substantial number of people now are very much opposed to the fact that they are unwittingly consuming the products of animals slaughtered without pre-stunning. I would be very much obliged if the Commissioner for agricultural matters would re-examine this issue and perhaps make a personal investigation into the different types of slaughter.

I have found, and I hope the Commission will accept this invitation, that when people in authority have actually witnessed the different processes of slaughter, they have rather changed their minds.

¹ Debates No 2-316 of 11. 9. 1984.

Mr De Clercq. — It is not the case that the Commission did nothing. Following contacts with the welfare lobby, Eurogroup for animal welfare, which is also the secretariat of the parliamentary intergroup for animal welfare, it has been agreed that further steps should be taken as regards practical application of Community rules.

To this end, a contract has recently been given to the director of Eurogroup to establish a framework for the development of a code of practice to protect farm animals. When complete, the development of Community codes in consultation with all interested parties is envisaged.

Mr Van Miert (S). — (NL) Can the Commissioner tell me whether it is the Commission's view that the measures taken recently in Belgium in connection with several recently confirmed cases of African swine fever are effective and, secondly, whether compensation can be paid by the European Communities to farmers who are suffering considerable financial damage in consequence, and if so, to what extent?

Mr De Clercq. — (NL) If my information is correct, the relevant measures were to be laid down by the Secretary with responsibility for these matters in Belgium, Mr De Keersmaecker, in agreement with and with the cooperation of the Commission's services. Although the problem raised by the honourable Mr Van Miert does not, in my view, have any direct connection with this question, I am happy to give him this supplementary information.

President. — Question No 11, by Mr Seal (H-482/84), for whom Mr Ford is deputizing:

Subject: Progress of Multifibre Arrangement

The current term of the Multifibre Arrangement (MFA) is due to expire in July 1986, and international negotiations are now beginning to fix the terms on which it will be renewed. Bearing in mind the implications of the MFA for the Community's textiles and clothing industries, with 2.5 million employees.

Can the Commission state what arrangements will be made for consultations with the textile and clothing industries, including notably the trade unions, and will it take fully into account the fact that the textile industries are largely concentrated in a number of specific regions of the Community, many with particularly high levels of unemployment?

Mr De Clercq, Member of the Commission. — The Commission has regular meetings with representatives of the textile and clothing industry. The Commission working party on the textile sector was accorded per-

manent status by a Commission decision on 23 July 1980 in order to facilitate the progress of consultation with both employers and trade unions on matters related to textile trade and industrial policies.

This group meets at least 3 or 4 times a year, although more frequent meetings can be held as and when the need arises. In the coming months, during which the Community's position regarding the future textile trade regime will be formulated, the process of consultations with industry will be actively pursued.

It should be borne in mind that, in addition to the above formal contacts at European level, the Commission is always willing to hold informal meetings with representatives of the industry at national level. Such an exchange of views on the Community's textile policy has already been held between the Commission services and representatives of the UK Trades Union Congress.

Regarding the second part of the question, the Commission is, of course, aware of the regional dimension of the crisis in the textile sector. This has always been an important consideration in the formulation of the Community's textile trade policy as well as the regional and social policy.

Mr Ford (S). — With the expiry of the Multifibre Arrangement in July 1986 and recognizing the protracted nature of the future negotiations, does the Commission recognize that this issue is urgent? Equally, is the Commission aware of the Silberstone report produced in the United Kingdom which makes a number of claims, some of which are quite unsubstantiated and others of which have only the flimsiest of an intellectual scaffolding supporting them, to the effect that there will be benefits to the Community from not renewing the Multifibre Arrangement.

Textile areas like my own constituency have been badly hit in terms of employment levels and poverty for some considerable time. In the United Kingdom Lancashire and Yorkshire are now extremely depressed areas with few alternative job opportunities, particularly following the attack made by the British Tory Government on jobs in the coalmining industry.

Recognizing that the supposed benefits, for example from the clothing manufacturing industry, suggested in the Silberstone report would go almost exclusively to regions of the Community where the economic situation and employment is much more favourable, if indeed such regions exist at all, would the Commissioner recognize that the regional element should be a major factor in determining the Community line on the renegotiation of the MFA in the discussions with the trade union groups?

Mr De Clercq. — The first question is about urgency, as in fact the question relates to the timetable the

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Commission envisages for establishing the EEC's negotiating position. My answer will be very brief.

The Community's position regarding the textile trade regime which will follow the expiry of MFA 3 will be formulated during this year. As a matter of fact, in the coming weeks and months a proposal from the Commission to the Council regarding the Community's position on the post-MFA 3 regime will be prepared before the summer. The Council will then have to adopt general policy guidelines in time for the GATT textiles committee meeting in July 1985 when the Arrangement participants will, in accordance with Article 10(5) of the MFA, begin discussions on whether the Arrangement should be extended, modified or discontinued. I stress the point that the views of Parliament will be taken into consideration by the Commission when its proposal to the Council is defined.

Concerning the report of Professor Silberstone, the Commission has knowledge of this report and is busy analysing it. Let us say that this very interesting and worthwhile report will be one of the elements the Commission will have to take into consideration when it defines its position concerning the post-MFA 3 regime.

Mr Moorhouse (ED). — My question has really been answered by the Commissioner. May I merely say that Professor Silberstone, in the UK report referred to, stated that the benefit to the UK economy as a whole of relaxing the MFA would appear to outweigh the costs. That statement is documented by extensive research on the subject. May I therefore invite the Commissioner to take note of this conclusion among the other conclusions of the Silberstone report?

Mr De Clercq. — That is what I already said. I thank the honourable Member for the question.

Mr Pitt (S). — Will the Commissioner undertake to improve the policing of the new Multifibre Arrangement so that it is much more effectively monitored than the present one has been? Will he also undertake to publish the results of any legal actions taken during 1983 or subsequently regarding the practice of one Dutch family company which managed to import textile products which in volume exceeded 100% of the quotas of the existing MFA from the Far East through Switzerland — I understand from Parliament officials — by changing in some way the notices regarding the country of origin?

Mr De Clercq. — I thought I heard my colleague, Commissioner Narjes, in response to one of the previous questions state very clearly that the controls on the textile agreements, the MFA agreements and individual agreements signed or agreed upon within the

framework of MFA were very rigorous and very rigorously applied. Therefore, all I can do is confirm that declaration and say that if there is a new MFA and whatever the content of that may be, it will be necessary to look at it very closely, control it rigorously and avoid any kind of fraud.

Mrs Van Rooy (PPE). — (NL) I am pleased that work is being done to protect the textile industry, and it is very obvious that in the event of renewal of the Multifibre Arrangement formal discussions will be held with the textile industry. But the Multifibre Arrangement has its disadvantages, especially for the consumer. A report from the Netherlands showed clearly that the Multifibre Arrangement results in price increases of 5% to 10% for the consumer. The Multifibre Arrangement is therefore also disadvantageous for trade, which has fewer opportunities in consequence.

May I assume that the Commission agrees with me that consumer and trade organizations should be involved in the official consultations over the Multifibre Arrangement, and not just the industry and trade unions?

Mr De Clercq. — (NL) Nobody denies that the introduction of a system like the Multifibre Arrangement has its advantages and disadvantages. A political decision usually has advantages and disadvantages, but it is a feature of all political decisions that a choice is made. The choice must be taken with adequate knowledge of the facts, whilst trying to achieve a balance between the advantages and disadvantages, between the needs of the Community textile industry and the legitimate interests of European consumers and of the Third World, which we are daily urging to change over to industrial products. It would be an example of crass hypocrisy if we were to close our borders to their products at the same time.

It is therefore a difficult political decision. It was a difficult political decision, and it will probably once again be a difficult political decision in which a balance will have to be achieved between all these elements. The Commission will do everything possible to lay a reasonable and balanced proposal before the Council of Ministers.

Mr Pitt (S). — On a point of order, Mr President, may I point out that the Commissioner answered only one half of the question I put to him regarding policing. I felt that his deflection of my question by referring to Commissioner Narjes' earlier comments was not sufficient. I also asked if he would undertake to publicize the results of any action which has been or might be taken regarding that one company's activities in 1983. I asked this because it is very important, as I genuinely believe that public opinion is the only effective sanction against white-collar fraud of this kind.

Mr De Clercq. — It is an individual case. I am ready, of course, to make all the necessary investigations in order to clarify the matter, but I have to say that at this moment I do not have the information needed to give a sensible reply. But if the honourable Member wants to give me the necessary information, I shall look at it and contact him.

Mr Wijsenbeek (L). — Does the Commissioner not think that the answer he should give to this question is that the Commission is going to abandon the Multifibre Arrangement altogether?

Mr De Clercq. — (NL) The Commission has not adopted any position, and the Council even less so. And I am not permitted to express any other views here, except personal views, which will not interest anyone. I therefore do not have anything further to add to the reply I have just given.

Mr Nordmann (L). — (FR) I should like to ask the Commissioner whether, in its preparatory review, the Commission stood by the quota system or whether it was examining possible substitutes, based in particular on the operation of the joint external tariff within the framework of GATT.

Mr De Clercq. — (FR) The Commission is open to any suggestion, and will not reject any suggestion in advance, since it wishes to carry out a serious, detailed examination of the question.

Mr De Gucht (L). — (NL) Many different approaches have already been suggested here. Under these circumstances does the Commission not think it would be useful to institute an extensive inquiry into the possible consequences of renewal and also the possible consequences of making the Multifibre Arrangement more flexible?

Mr De Clercq. — (NL) That is in fact what we shall do.

Mrs Van Hemeldonck (S). — (NL) Is the Commission aware that the fibre division of the British multinational Imperial Chemical Industries increased the price of polyamide fibre by 7% on 1 January? In the previous year that division made a profit of 16 million pounds. My question is whether the Multifibre Arrangement exemption given on 4 July 1984 has any meaning for the 10 corporations, including ICI, which together control 85% of the market, if it in fact degenerates into a kind of price cartel to the detriment of the consumer?

Mr De Clercq. — (NL) We are not convinced *a priori* that this is a price cartel. We have instituted an

inquiry, and if that shows that that is in fact the case and we have made a mistake, then we shall not simply plead mitigating circumstances, we shall take the necessary measures.

Mr Chanterie (PPE). — (NL) I should like to ask the Commission, in a somewhat different way from the question which one of my colleagues, Mrs Van Rooy, asked, whether in the work it does in preparation for a possible renewal of the Multifibre Arrangement it will examine critically the publications of the Dutch Consumer Association and calculate what it will cost the consumer if there is no Multifibre Arrangement, with the result that there will be far stronger protectionist measures.

And thirdly, is it not a fact that the non-renewal of the Multifibre Arrangement will be to the disadvantage of the poorest developing countries and only about four so-called 'low-wage' countries will gain from it, while the rest will be sacrificed?

Mr De Clercq. — (NL) I have already said that we are instituting a thorough inquiry. We shall not rule out any possibility, if we did it would not be a thorough inquiry. Naturally the interests of the industries of the Community which we consider to be decisive must be weighed against the interests of the European consumer and those of the developing countries.

President. — The first part of Question Time is closed.¹

Mr Pearce (ED). — Mr President, on a point of order. I would like to draw your attention to the fact that of the first eight questions, which is the number one would expect to get through — although you, Mr President, have been much quicker than this — seven in fact came from the Group behind me, the European Democratic Alliance.

I do not know whether this is the result of superior staffwork on their part in carrying over questions from one session to another, or whether it is due to the fact that St Patrick's Day is coming up very soon! I am very happy to wish our Irish colleagues a very happy and successful St Patrick's Day. I would indeed say *sláinte* to them! But I would like to add that we will be watching to see that we get a fair share of our questions answered orally next time and that they do not monopolize it.

President. — Thank you for making your point, Mr Pearce. I can tell you that questions appear on the order paper in strictly chronological order.

¹ See Annex of 13. 3. 1985.

5. *Commission programme for 1985 — Field of social affairs — Enlargement (continuation)*

Mr Bonaccini (COM). — (IT) Mr President, we identify three types of priority that we consider essential in the social policy of the Community: I should like to point out the problems that arise in this connection. The first relates to the questions of restructuring and innovation, and it will remain a continuing problem, very probably for the remainder of this century. It was brought into prominence, quite recently, very dramatically as far as the trade unions are concerned, by the generous albeit unlucky struggle of the British miners, as well as the workers of other companies, to all of whom my political party shows its solidarity and sends its greetings.

But that is not sufficient! And we should run the risk of not making properly clear our commitment in these matters, if we did not tell the Commission that it must act, strongly and urgently, because too much time has already passed.

How should it act? With a global, coordinated approach. Let public opinion, the workers and the trade unions be left in no doubt about anything that concerns this subject: job forecasting, the question of working time, incentives, aid, job creation, vocational training, financing, and so on. Forward planning — as the Commission says in its report — is important, but what is perhaps more important under present conditions is for it to commit itself to an active policy to combat certain last-century approaches with which some of the social and political forces propose tackling problems that are of our century.

The last problem concerns the question of working time and participation. In addition to the need to bring the study of these questions to a conclusion, I would also say that we have to take careful note of what is happening in the meantime in individual Member States, or what is happening as the result of agreements between both sides of industry in the different countries. In other words, the Commission has a driving role to play, using a kind of crystal ball, and must avoid being carried along by events that sometimes come to a head more quickly than its own initiatives.

Mr Vgenopoulos (S). — (GR) Mr President, we agree that the fight against unemployment, with parallel measures to promote employment, is the basic priority of the Community's social policy.

Within this framework a clear distinction should be made between priorities applying to regions characterized by special structural problems and traditional industrial structures, and those applying to regions in which development is lagging. Recognition of this fundamental distinction is an essential prerequisite for the implementation of a balanced social policy in the

Community, so that the benefits of the Social Fund will not be confined, as a priority, to areas where industry is in decline, but will also extend to areas with low or static rates of development, such as the South of the Community.

It must be stressed that the development problems of the regions of Southern Europe, which are mainly agricultural regions showing a high degree of under-employment, are not sector-related but general, and are largely structural in nature.

We applaud the proposed measures aiming to combat the problem of unemployment by the reorganization of labour, by reducing the work period, and by support for disadvantaged regions and cooperative units. Within this framework adequate economic aid should be granted to cooperatives that create new jobs and enlarge the possibilities for endogenous development of the regions in question.

We call for a special effort to combat unemployment among young people with no professional qualifications. This will entail finance for measures of vocational orientation and training, especially in countries characterized by a high proportion of non-specialized manpower.

We welcome as a very positive point in the report, the proposal to prepare a European programme for youth employment, which should however be implemented directly if it is to have the desired results.

Within this framework it would seem essential to increase the resources of the Social Fund very substantially so that an effective social programme can be put into practice. Mr President, it is unacceptable to see phenomena such as that featured in the rejected budget for 1985, namely proposals for appropriations in the social sector that represent a reduction of the Social Fund's resources in real terms compared to the year before.

As for the criteria for defining long-term unemployment, these will have to be revised to take account of the particular conditions in each Member State. We must also oppose racist tendencies that act against migrant workers, and as for the new technologies, these should be available to all countries in the Community, not just the richer ones.

With these comments, Mr President, and in the hope that the Commission will take note of our proposals, we shall vote in favour of the Tuckman report.

Mr Langes (PPE). — (DE) Mr President, President Delors, on behalf also of the Christian Democrats, may I thank you warmly for your programme of activities. I shall confine myself to four brief remarks. Firstly, my colleague Mr Pfennig and I have put an oral question on own resources and may I cordially

ask you, Mr President of the Commission, to devote great attention to this question. It concerns the way the new Commission is following up the proposal by the European Parliament last year. Would the new Commission agree with us that the old 1970 financing system for own resources should be retained, but in modified form, and not, as suggested at Fontainebleau, changed and completely reorganized? That is a very important question and I note that the 1984 Commission report unfortunately states that the Commission adheres to its proposal in order to assure the future financing of the Community budget on the basis of the European Council decisions at Fontainebleau. If you follow the Thorn Commission on this point, then, Mr President, you will encounter full-scale resistance on the part of Parliament in 1985. I ask you most cordially to reconsider this matter.

This brings me to my second question. In my view a very important point is missing in your report, namely the question raised by the Commission as to which policies should be expanded as replacement policies, and in which cases the 10 States will have to be told that a European policy is better, more sensible and cheaper than national policies pursued by the individual States. It would be a good idea if you could provide a list, so that we can make it clear in the discussions with the national parliaments that this would certainly also create a better, more competitive situation for Europe *vis-à-vis* Japan, the USA and other States. That would be very important and have a major side-effect as regards the much discussed imbalance between the 10 Member states. You know Parliament has always said it would be unfair not to pay the refund to the United Kingdom. But in fact it would be far more important for replacement policies to be pursued in the United Kingdom so as to get rid of this imbalance. For that we need a precise catalogue.

Thirdly, on behalf of my group I emphatically welcome what you say about Central America on pages 15 and 97 of your document. We should pledge ourselves to this region by a special agreement. You may take it that we Christian Democrats will support the Commission here and play our part in the budgetary discussions too, to ensure that we do not merely have empty words but that the San José proposals are translated into deeds.

Just one request, Mr President: in the past, we Christian Democrats had to criticize some aspects of the Commission's activities because it used an unfair system of measurement. It was not neutral, i.e. not prepared to help the countries as a whole, and especially those seeking democracy. Unfortunately that is what your predecessor did in the case of Salvador. Not even the schools there could be supported, because they were State schools. That is not acceptable. If you really are pursuing a policy of aid to strengthen democracy in Central America, we support you, and we very much want a programme to be drawn up to this end.

Mrs Viehoff (S). — (NL) Mr President, I had in fact expected that Mr Beumer would speak first, about the Olympus satellite, and now things have happened rather differently. I wanted to speak on the Olympus programme.

In item four of its programme, the Commission says that there are three ways which can perhaps bring us nearer to our objective, and it then mentions information as the third way. In this connection I pass on to chapter six which discusses the audiovisual capacity of tomorrow and the Commission's consideration of the various plans for programmes for European television, which it will support as far as it is able. The Commission is undoubtedly aware of Olympus television, which is no longer just a plan, and has now reached the experimental stage. A number of people in this Parliament have had an opportunity to view a summary of the first European television programme. Besides that there have also been trial broadcasts via cable in a number of countries in the Community.

I chanced to be with a number of people during the first trial broadcast. I would describe them as interested in politics, but with minimal concern, mainly due to lack of information on European politics and European affairs. These people were unanimous in their appreciation of the programme. I think we have here a unique chance to make people more aware of Europe, which is what the Commission also wishes to do, because television is a powerful medium, we all know that. I am convinced that this experiment can lead to greater understanding between the peoples of Europe and will at the same time give more publicity to our work here in this Parliament. This experiment therefore deserves moral, and more especially financial, support from the Commission. I think it better for us to take up an existing experiment and support that initially, rather than launching out into other plans of our own.

IN THE CHAIR: MR LALOR

Vice-President

Mr Chiusano (PPE). — (IT) Mr President, I think that, under the present circumstances, the Commission's programme can be considered realistic, because it is possible. Sometimes a great deal more imagination and courage are needed, in order to conceive things that are possible, than to dream of things that are not possible.

I should, moreover, like to draw President Delors' attention to this. All the action envisaged by the Commission, especially that designed to create a 'Community identity', hinges on the assumption of there being substantial convergence of economic policies,

Chiusano

budget policies, public spending and, hence, the monetary policy of Member States. This has rarely happened in the past and, when it has, the timing has never coincided sufficiently to allow the synergetic effect that this convergence ought to have generated to come properly into play. One is almost tempted to think that the Member States decide one way — possibly unanimously — in the Community's institutions, and then want to keep a free hand to manage their domestic affairs as suits them best.

In this connection the Commission has never been very vigilant and farsighted. I should like to suggest — seeing that there is in existence an institution set up in February 1974 by ministers — I refer to the Economic Policy Committee — that the Commission should try to exercise a closer watch on how this committee operates, and to associate Parliament also in some way with the work of this body. Parliament needs to have timely, accurate information on the differences in the conduct, by the governments of Member States, of their respective economic policies, so as to be able to discuss them — which is the only way it can provide the Commission with that help which in all sincerity we wish to give it, provided, however, sufficient information is available for us to do so.

Mrs Van Hemeldonck (S). — *(NL)* Mr President, President of the Commission, colleagues, this morning the Socialist Group, in the person of its spokesman Mr Glinne, welcomed the Commission's programme because it sets out very precisely what the proper priorities are.

With 13% unemployment, which primarily affects women and young people, and which will also probably rise slightly, this year too, the first objective must be to reverse the trend of the unemployment curve, which has risen continuously for 15 years, in the direction of economic recovery and full employment. But a strategy directed only towards economic growth and reducing inflation is obviously wrong. Over the past year production and profits have indeed risen in the EEC, but social justice has fallen behind. There were more unemployed, there was more poverty, and there were more attacks on social achievements. Nevertheless it is clear that certain Member States, such as Germany and the United Kingdom, still have spare capacity, capacity due to unexploited opportunities. They should be able to achieve macro-economic expansion with an extra outlay of 1% of their gross domestic product. That would be an incentive not just to their economies but to the economies of all the Community.

Unilateral measures which only stimulate economic growth are of course not sufficient to remedy unemployment. Frequently investment in the private sector has led to rationalization and the elimination of jobs. There must therefore be selective and productive investment in labour-intensive sectors, in both the private and public sectors. It will thus be possible to

establish a genuine European plan for employment, on a proposal from the Commission and with the full cooperation of the Member States, aimed mainly at young people who have to find a way into the labour market, and training the labour force so that it can adapt to the enormous changes which are occurring in industry with the introduction of new technologies and new production methods.

An important stimulus can be provided by planned extension of infrastructure, which is needed by a society capable of responding to the challenge of a rapidly changing world. If the Community, the Member States and private enterprise together, at European level, could set up a coordinated plan of investment and renewal on matters like energy conservation, urban renewal, transport, telecommunications, protection of the environment and advanced technology, we should not only make a noticeable improvement in the economic situation in branches of industry which are in fact affected by the crisis, such as transport and the building industry, we should also create the conditions for improved development in other sections of industry.

At the same time we must not forget that no economic recovery and no industrial policy is possible without a social dialogue on objectives, ways and means. For us socialists the concept of democracy is not confined to the strictly political, it also covers economic, social and industrial democracy. We especially support the Commission when it emphasizes the need to involve workers in modernization at work. Information is not enough, we want consultation and participation of the unions at any level where changes are being made.

The President, Mr Delors, has shown himself to be the champion of industrial democracy. Amongst other things he has announced that the Commission is considering encouraging framework agreements when new technologies are introduced. We socialists would also like to see included the question of reducing working hours and so-called flexibility. At the same time we must not forget that a changing economic world and a changing working world also have repercussions in schools, transport, the system of substitute income and of social infrastructure, which are only a few of the sectors in which changes must be pushed through. We anticipate therefore that the Commission will elaborate its industrial policy and we shall be ever watchful to see that the implementation of the programme is properly balanced.

Mrs Lenz (PPE). — *(DE)* Mr President, the wide-ranging and certainly also very well-intentioned Commission programme only gives us time today to spotlight a few of the statements made in it. I would like briefly to turn to those whom this programme affects directly, namely, the people. Your programme, Mr President of the Commission, includes some admirable and mellifluous phrases, and I would like to take you

Lenz

at your word, so that we do not just have stylish phrases; for without the people we cannot create the society we want.

You say in your programme that society cannot be altered by decree — not at national level and certainly not at Community level. You also say that the third dimension is for us to transmit an awareness of the value of the model of European society in which the rights and duties of society and the individual are in a balanced relationship. Please remember that in future we cannot have rights on one side and duties only on the other. That too is part of the social dialogue.

Members of the Committee on Women's Rights, supported by their groups, proposed in an oral question that you should incorporate the strategy to implement equal rights in your programme; we have now searched your programme for a few words, which unfortunately we cannot find, relating not only to the strategy but also to follow-up control, transparency of implementation and review of what has been done, to tell us how things really stand now.

In the field of unemployment, for example, women, one of the largest group of unemployed, hardly figure at all. On youth questions, the difficult problems facing young girls in particular in this sector are not differentiated. In the important sector of education and training, the Commission should also differentiate more between the problems involved. The same applies to all the programmes of activities you are supporting.

One further comment. The word 'family' hardly appears in your programme. Does the Commission really still think that its policies do not have a tangible effect on families; in the final analysis is it not the housewives who have the duties, while the others only have the rights? Please consider this.

One more request. Do finally also let women into the decision-making areas of your huge machinery, to have a say in Commission policy.

Let me conclude with a personal remark on your chapter on Latin America, for which I among others am responsible in this House. You want to promote the emerging restoration of democratic freedoms. I hope you will not do so in such a one-sided way as before and I hope your programme will also take note of the threats to freedom in other democracies. Here again the starting point should be the people. I personally doubt whether you will achieve this with ministerial visits, as your programme proposes. But I am sure you are aware of these needs.

Mr Besse (S). — (FR) Mr President, ladies and gentlemen, Europe is facing a double challenge, one internal — the number of its unemployed — the other external — the fluctuations of the dollar.

Of course, the fact that the dollar is — I was going to say — sky high does not make it responsible for the millions of unemployed in Europe. On this question I have already referred to the consequences of this veritable Marshall Plan in reverse. Today, we see that, whilst this policy is starting to have its snags for the United States — even more so for Europe — and whilst it has a few small advantages for Europe, it also has tremendous advantages for Europe's tough partners, the Americans.

The dear dollar is in fact supplying the financial resources for a gigantic gamble on the industrial redeployment of the third millennium. The four or five remedies that have been put forward to check its rise could stabilize it more or less permanently without provoking any downright catastrophes. Neither the intervention of the central banks nor the promise of coordinated intervention by the Five has eased the pressure. As for making monetary policy more flexible, Mr Volker has excluded this. Finally, the reduction of the budgetary deficit, whilst desirable in itself, would undoubtedly not prevent a new rise. There remains one last remedy against the overvaluation of the dollar — the growth of others, that is to say, our growth, the growth of our countries. Our recovery, said Mr Reagan ironically and in good faith, has not been followed up. Is it not time to pick up the gauntlet?

I do not have to listen very long in order to hear two recommendations: first, it is not the time, and secondly, there is only one solution — if it is possible — flexibility.

There is no shortage of statements, from one quarter or another, to support the suggestion that it is not the time, using as a pretext, for example, the level of inflation in certain Member States. Let us therefore ask the question: if it is not possible, today, with falling inflation, will it be possible tomorrow, when countries with less control over prices join us? Is it impossible to have the greatest growth where inflation is weakest? I do not know how many years it will take for differences in the rate of inflation to disappear, but I do know that with the present difference in the rate of expansion between the EEC and the Japan — US block it will not take many years before we are lagging irretrievably behind them.

Nor is there any lack of advice telling us that the key to this growth is flexibility. There is nothing frightening about the word, but it does need some explanation. In the way in which it has most often been applied hitherto, flexibility is above all negative: the lowering of wages or redundancy facilities — it is very close to the social dumping referred to in the document presented by the Commission. To fight unemployment we have to start a virtuous — not vicious — circle and put together a set of macro-economic measures mobilizing and increasing the margins of growth. That is what is put forward in the document, together with the promotion of what I would call an offensive flexibility, so

Besse

that employees accept the change in production methods and have access to new training and new skills in exchange for an element of control over change.

Finally, the resumption of growth is necessary in order to settle the problems of adjustment and working time. Flexibility without growth brings the danger of social disintegration or social blockages. Growth without negotiated adaptation, without offensive flexibility, brings with it the danger of loss of competitiveness. The two elements must be firmly linked, joined together. Unemployment, the dollar: two challenges, a single response. Not to take this path is to give up all idea of accepting this double challenge, and to do that today would be to say that only Reagan possesses the key to our future.

'Their prosperity makes as much noise in the world as a disaster', said an ambassador to the United States at the end of the 1930s. We have not yet reached that point. It is not surprising that such a power should mobilize its trump cards. That is normal. Let us mobilize ours.

Mrs Maij-Weggen (PPE). — (NL) In this debate on the Commission programme I should also like to address one of the most important tasks of the EC, namely the fight against unemployment and the social policy needed to accompany it.

The fact that the Committee on Social Affairs and Employment has produced a special resolution on this topic shows how much importance we attach to this section of the Commission policy. In the past — I am thinking here of the great 1983 debate on unemployment in Brussels and the debate on the economic recovery plan in 1984 — we have expressed our ideas on the fight against unemployment and the fight for economic recovery.

Summarized briefly, these were as follows. We wanted the economies of the Member States to be better harmonized with each other, with Europe playing the part of coordinator. We wanted to give more room to the EMS and the ECU. Our colleague, Mr von Wogau, said what was necessary on that point this morning. We also wanted to intensify measures to improve the operation of the internal market, for example by eliminating frontier restrictions and by introducing European standards and regulations for industry. And the fourth point which we stressed was rapid and efficient reorganization of outdated industries and a united effort to get new industries off the ground in the sphere of new technologies. Here I should like to ask Mr Delors what the reaction is to the Dutch Government's proposals on this. These were our first priorities in the economic sphere. In the social sphere our priorities were as follows. We wanted better harmonization of social policies between Member States, and asked for harmonization of employment policy and harmonization of national security systems.

We also wanted coordination at European level of the reallocation of work on the lines which Parliament submitted to the Council last year, i.e. along flexible lines. We also urged rapid adaptation of the systems of vocational training in the Member States to the new situation in the labour market and to the new industries which are now starting to emerge. Finally we asked for a good flanking policy, for example through the development of special programmes, in favour of those groups which suffer most from unemployment, and here we are thinking of young people, women, the handicapped and foreign workers. All these groups are over-represented in the unemployment statistics.

Mr President, for these two last initiatives — and this is an important point — we wanted the European Social Fund to be doubled. The Conservative Group too has already asked for this and here too I should like to have a reply from the Commission.

These are the economic and social points which have been formulated by my group many times. If I look at the Commission's programme, I have to admit that on most points it agrees with ours. But there are two subjects which I think are underexposed: the question of the adaptation of the labour market to the new technologies of the future and the role of women in general. The last item — Mrs Lenz too has already spoken about it — is completely underexposed. The Commission has in fact announced that it will continue to implement the equal opportunities programme, but that is nothing new. The programme has been running since 1982. It is more important for the Commission to formulate a view of how the companies of the future, in which women will participate to the full, are to be established. This is one of the most important cultural changes of the era and the Commission is obviously passing over these points. I think there is still a great deal of work for the Committee on Women's Rights to do in drawing the Commission's attention to a number of points.

Second item, the adaptation of the labour market to the coming age of new technologies, is equally badly thought out in the Commission's programme. Adaptation is to lead to new working conditions, flexible working hours, flexible methods of remuneration, etc. and here too a bit of coordination by the Commission would not come amiss. Nevertheless my assessment of the socio-economic section of the report is favourable since an effort has been made to harmonize social and economic priorities with each other. That is an important philosophy in our group. If the Commission shares that philosophy, it will have our support.

Mrs Van den Heuvel (S). — (NL) Mr President, the Commissioner with responsibility for policy on women's rights, Mr Pfeiffer, recently held discussions with the Parliamentary Committee on Women's Rights. He assured us that he intended to go about his task energetically. We therefore waited with great

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interest to see what the annual programme of the European Commission would have to say on this point. Unfortunately we were disappointed. We approve of the way in which the programme speaks of the intention to monitor existing directives and says that the Commission will press for decisions to be taken on the introduction of directives which are waiting for approval by the Council. Nevertheless it is the opinion of my group that, given the problems in this field, we could have expected a lot more.

What are we to think of a Commission which in 1985, in the midst of an economic crisis which has unacceptably grave consequences for women, laconically states that, 'We shall examine whether there are any deficiencies in the legislative framework for effective implementation of the principle of equal treatment, and, if necessary, we shall introduce proposals to remedy or make good those deficiencies'? Has the Commission taken absolutely no notice of what is needed everywhere in our Member States? Has the Commission not heard of the policy of discouragement — that is literally what it is called — which, now jobs are becoming scarce, excludes women from them in order to test whether they can exercise their right to work? Has the Commission not had any reports of the reforms which are being applied everywhere to the system of social security, whereby apparently sexually neutral measures affect women particularly? Does the Commission really need to examine whether there are any deficiencies? For example is it not evident from the memorandum published by the Commission regarding equal treatment in fiscal legislation, that there are considerable deficiencies here? In that case, where are the concrete proposals?

There is a well-known political joke in the Netherlands, which says that as soon as a government informs the parliament that a particular problem is a constant source of concern to the government, that is a signal to take care, because they are trying to keep parliament sweet, whilst in reality nothing much is being done! That is why charmed words from the Commission make me stop and think, especially the vague promises of a programme for the medium term. But perhaps I am too suspicious. Perhaps much of the Commission's planning is concealed by the all-embracing terminology. In the meantime there has been a meeting of the ministers responsible for this policy. Probably the meeting produced good results and created favourable prospects for the Social Council which is to take place in July and where decisions will have to be taken on outstanding proposals for directives. We should so like to hear the Commission say that in its reply to our remarks.

In this morning's debate someone said women do not always want to be badgering and to keep coming back with amendments. It has taken us women a long time to find out that rights are in fact *rights* and not favours. We would prefer not to be at the barricades, because there are far more amusing things to do in

life, but there is nothing else we can do. We shall only cease to formulate demands on these matters when equality has really been achieved. We call on the new Commission to cooperate fully and wholeheartedly in this.

Mr I. Friedrich (PPE). — (DE) Mr President Delors, first let me thank you warmly for listening to all our speeches, although we had almost expected that anyway from an erstwhile colleague! I shall confine my three minutes of speaking time to the question of fighting unemployment and promoting small and medium-sized undertakings.

Mr President Delors, you know, and you rightly point out on page 68 of the report, that 60% of the working population work in small and medium-sized undertakings. But what is even more significant is that the famous Birch study in the United States demonstrated that the vast majority of new jobs were created by small and even very small undertakings. According to German analyses, the same can be said for the European situation. That means that it is the formerly employed courageous foreman, the skilled worker who was formerly employed in a large firm, the resourceful and imaginative man who was previously unemployed, and who has the courage to found a new firm, a new undertaking, a family undertaking, who creates new jobs. According to the statistics he is job creator No 1.

On page 38 you called for job-effective growth. That is possible here, for here is the golden road out of the present wasteland of unemployment, the genuine, real chance to reduce it.

As for the aid you mentioned, which is good — vocational training, better utilization of finance sources — we must add: many of these new undertakings go broke in the first two years. To prevent this, I would warmly plead for a single measure, which goes beyond what you have proposed to date. Can I refer you to your page 37. There you speak of improving the fiscal environment for undertakings. Good. My request runs as follows: for the first two years of their life let us exempt all newly founded independent small firms from paying taxes. That way we will actually create new jobs at once. That would be the most effective job-creation programme we have ever carried out in Europe, and it would involve minimum costs.

This would certainly be money better invested than the present thousands of millions paid out in aid, which unfortunately — no-one wanted it but technology required it — go merely to maintain obsolete steelworks, obsolete shipyards and so forth, which cannot be preserved in the long term. According to the most recent statistics, every job in the Saar area — 'Arbed Saarstahl' — is now being paid for by the State. That means that everyone working for Arbed Saarstahl is . . .

President. — I am sorry, Mr Friedrich, but your speaking time is up.

Mr Beumer (PPE). — (*NL*) Mr President, the Commission begins its programme with the following words, I quote, 'The Commission requests Parliament to support this ambition of Europe's and to do everything possible to share it through the political and social forces which Parliament represents'. The question which then has to be answered is, how can it do better than it is doing now. Better, because to a considerable extent the attainment of objectives depends on it, namely, to strengthen the economic structure, to exercise influence in the world, to involve ordinary people in the construction of Europe, and to start out along the road to a European Union. But there can be improvement only when the political and social forces are stimulated by broadly based and committed public opinion, which will be achieved only when people once again become aware what European developments mean for the future. That awareness can be achieved only if it becomes possible to arrange for daily news bulletins on a European scale. It turns on that, and this is needed alongside nationally based information. All the talk about the European institutions is like addressing a large crowd in front of a microphone which is not working. People know the institutions exist, people know that they speak, but they are never, or hardly ever, heard. The use, for example, of a separate channel for European television programmes can be compared to the switching on of a microphone, so that people can at last hear and see the institutions speak.

On the one hand I appreciate the Commission's attention to what it calls 'the audiovisual capacity of tomorrow', but on the other the text does need clarification. The Commission says that it is following closely the various programmes for European television and will support them as far as possible. My question is, is the Commission prepared to select on the basis of Parliament's criteria — I am thinking of the Hahn report — which means giving priority to initiatives which cover several linguistic areas, not concentrating on a few large countries, being commercially independent as far as content is concerned and thinking in terms of independent European editorship? Is the Commission also prepared where possible to combine the various initiatives, so that a European television programme can also have the benefit of scale and thereby readily comply with the criteria set by Parliament? Should that not also help towards the realization of another point on which Parliament agrees with the Commission, namely the creation of a fund for film and television productions?

Mr President, one of the dangers which threatens us is that if we wait too long, there will be a proliferation of European programmes, so that the voice of the European institutions, which is directed towards integration, will come too late to gain the necessary range

and volume, will not come over clearly enough and will not reach the necessary standard. That is why we are appealing to you to speed up and intensify your work on this matter.

In concrete terms: is the Commission prepared for example on realization of the European Union:

(a) in a working group to help bring about the establishment of a European television programme on the basis of the Parliamentary criteria? If so, how and when?

(b) to set aside actual resources for that purpose for 1985 and 1986?

(c) to give substance to the film and television production fund? I think that it will then be possible for the Commission's written ideas to receive concrete form in words and pictures.

Mr Herman (PPE). — (*FR*) In January, you told us your intentions as regards the monetary question. They were, in your own words, modest but realistic proposals. It seems that the somewhat unenthusiastic welcome given to these modest proposals by your old colleagues at ECOFIN has led the Commission to trim its ambitions still further. I know that, this morning, you have tried orally to minimize this gap between that first speech and the text of the present one, but I must nevertheless say that, in your document, you are only concerned with questions for which the answer is awaited, or discussions in the Monetary Committee, the Committee of the Governors of the Central Banks.

We can tell you in advance that almost certainly nothing much will come of these discussions. The EMS was imposed on the central banks against their will, and it is still a source of affliction to them. Do not expect anything from these gentlemen. And anyway, they have always got it wrong. One year before the collapse of the Bretton Woods system, these sententious Wise Men solemnly declared that 35 dollars announce and fixed parities were the two unshakable pillars of the international monetary system. In 1979, Mr Titmeyer declared that the EMS would not last six months. None of the monetary innovations that we have seen over the last two centuries was introduced with the assent of the central banks. They have always been against. And so they are against the ECU, which will be the currency of tomorrow. The Commission must therefore come out of its shell, and, as a first step, achieve unanimity within itself. It is not right that some of your colleagues today should strike out, from the Commission's working documents, the word ECU and the word EMS, for fear of offending some government or other.

The members of the Bundestag have all received a quite well argued document that justifies the position

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of the Bundesbank. The Commission must very soon publish a document that, on this point, defends its position and challenges or at all events explains certain developments in the Bundesbank's position that are certainly flagrantly biased in some respects. Then, it seems to me that, where the interest or interests of the citizens of the Community are concerned the Commission, as guardian of those interests, should not be afraid of addressing public opinion over the governments' heads.

Mr President, I will end with this small question. Since I am the only member of this Assembly that is involved in the work of the Dooge Committee, I should like to know what you understand by the last sentence in the chapter of your document dealing with this work: 'It is desirable that a political stimulus be given already in March, and that the weeks separating the two European Councils under the Italian Presidency should allow the widest agreement to be obtained on the definition of this mandate'.

Can I ask you how you see this political stimulus? Who is to receive it? Is the Commission ready to play a part in this connection, and, if so, what?

Mr Welsh (ED). — Mr President, the President of the Commission will be relieved to hear that I am the last speaker in this debate. I think we should acknowledge the great courtesy he has paid us by attending throughout this rather long discussion and listening attentively to what we have said. If this is the sign of a new relationship between Commission and Parliament, it is one I am sure we will all welcome, and we do thank the President very much for his kindness.

(Applause)

It is not by accident that the substantive text before Parliament has been produced by the Committee on Social Affairs and Employment and concerns unemployment, because the fact is that the success or failure of this Commission's programme will be judged in the end by the impact that it has on unemployment. It is the unemployed, above all, who are paying the price for what Professor Ball and Mr Albert identified as the 'Balkanization of Europe or non-Europe', and it is this framework of non-Europe that the Commission is entrusted to put right. I am personally delighted to see the great extent to which the precepts of the Herman resolution on European economic recovery are reflected in the Commission's programme. What now has to be done is to match those macro-policies by a set of micropolicies directed specifically at the efficiency of supply in the labour market. We have to take a long look at those structural rigidities which prevent us from realizing the full potential of our people.

The Committee on Social Affairs and Employment, in submitting this resolution, is showing that it is ready, willing and able to act as the *interlocuteur valable* with

the Commission in this process. The Commission has submitted a programme for one year. It is an acceptable start. But we need a four-year programme, and that four-year programme must contain measures which are more radical and more imaginative than anything we see here. In that process my committee intends to play its full part.

I would say to the President, in all fairness, that while one respects his reliance on the social partners in this dialogue, the social partners alone are not enough. It is this Parliament, representing the entire spectrum of European political thought and European representation, that is the correct partner for the Commission in this process.

So, Mr President, we say to the Commission: good luck, God speed, and let us see some action!

Mr Delors, President of the Commission. — (FR) Mr President, ladies and gentlemen, I should like to thank all those who have spoken in this debate for their remarks, support, criticism and suggestions, and I will say here and now that the Commission will take account of the observations you have made on certain gaps, and that it will, as a result, make its programme of work for 1985 complete.

I should like to say something in particular about the programme for equality between the sexes; about the support that the Commission can provide in order to create a productive fabric of small and medium-sized enterprises, and about our action in the cultural field, which is limited by the Treaty but which we can develop through economic action.

No, Mr Bøgh, the Commission is not Charles V. It has not imperialist aims, neither for the Community nor, with even greater reason, for itself. Alas! Mrs Veil, the Commission has not the resources of a real government, and you are right to call on us, within the framework of our prerogatives, to be more efficient. And efficiency comes sometimes through a refusal to legislate at random, and through the determination to simplify things.

Our approach has been on the lines of what the Community can do, and if there is sometimes a divergence of outlook between you and me, it is because I do not want, on behalf of the Commission and the Community, to promise action that we are not in a position to initiate, nor to control, nor to see through to a successful conclusion.

Since Parliament has had the happy idea of coupling this discussion with the discussion of a report presented on behalf of the Committee on Social Affairs by Mr Tuckman, I should like to deal first with social questions and questions regarding employment, and then the four priorities referred to in the speech of 14 January concerning the strengthening of the Com-

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munity; then I propose dealing with enlargement, on which a great many questions have been asked, and I shall finish with the question of resources — financial resources, of course, but also institutional resources.

Firstly, as regards social questions and employment, which have been the subject of a great many speeches, I have noticed that Mr Tuckman's report contains a central question that one hardly dares ask. Is it conceivable that our European societies can live for 20 years with 10-12% of the active population unemployed? What will be the moral, social, economic and political consequences of this, as well as the consequences for the educational system, and for the division between those who have a job and those who have not, and for equality and inequalities? I really think that this question is maddening when put like that, and I think that, on its own, it would justify greater comprehension amongst Member States, and greater boldness on our part.

Another question was rightly put by Mrs Chouraqui and Mrs Lenz: is it possible to couple demographic decline with political and economic progress? Are there any examples in history of peoples that have been a shining example by their standard of living, their progress, their external influence, whilst yet undergoing demographic decline? These examples are very rare, too rare for us not to wonder about this phenomenon. Of course, the Commission has not the political and material resources to act; of course, it is such a difficult question, in which behavioural problems, problems of civilization and also material questions such as social policy and family policy, are all interwoven. But you have convinced me that it is necessary for the Commission at least to give consideration to this point and we shall endeavour to do this without spending money uselessly, and without uselessly taking up experts' time, or the time of those who would wish to help us.

I come now to the question of employment, which has been raised very pertinently and with much acuteness by Mr Glinne, Mr Klepsch, Mr Fitzgerald, Mr Welsh, who is chairman of the Committee on Social Affairs and Employment, Mr Tuckmann, Mr Christiansen, Mr Bachy, Mrs Salisch, Mr Vgenopoulos and Mr Bonaccini.

I think that, through your divisions or differences in appreciation, it is possible all the same to clarify matters to some extent. I think that we must not wait for any miracle cure from high technology, or sharing the work better or greater growth; but I think that these means — added together — can on the other hand allow us to reverse the trend. By fighting on all these fronts, we can fight unemployment. We have to update and modernize, and therefore introduce new technology. And modernizing, updating, means selling more, producing more and, finally, directly or indirectly, creating more jobs. There is no case in history where an industrial revolution, at the end of the day,

has resulted in a reduction in the number of jobs. We have again to accept progress and master it.

Modernization, therefore, means applying high technology, infusing it, as I said this morning, into the methods of production. It means improving our growth performance — and I will come back to this shortly in connection with economic policies and their convergence; it means sharing work better, at the same time having regard to the different aspirations of our fellows, notably the young generations.

I am amazed to see how far our debates are sometimes removed from what youth wants, with its acceptance, for example, of part time working, and its efforts to do different jobs. Where all that is concerned, we are strangely reserved. It is not therefore a question of the triumph of one theory over another — the theory of flexibility over its opposite, rigidity. No — today it is a question — and our discussions with both sides of industry have shown this clearly — of trying to reconcile — and it can be done — the constraints of production with the aspirations of the present generations.

Finally, we have to make the labour market work better. That is one of the subjects which both sides of European industry are, I hope, going to look at. I say this because improving the labour markets the best way of fighting isolation, fighting what is known as the new poverty. Only a good labour market can again provide opportunity for everyone. Do not think that increasing rigidity will lead to more jobs. No. Nor will a policy of *laissez-faire*. This will only happen if we have a labour market that works as it should, and is supported by an active vocational training policy.

All these means must therefore be combined. We must not sing the praises of any one in relation to another. We have, once more, to advance on all fronts and, echoing what Mrs Van Hemeldonck said, I would say that Europe must invent another development model. That calls for a special effort on our part, and that is the contribution that we can make to the world today.

Having said that, what is the scope of Community action where social matters are concerned? I shall return shortly to the strictly economic aspects of the employment problem. But we have to recognize that the existence of a Social Fund does not mean that the Community has the resources for a social policy. I think we have to see our capacity for action in its true proportions. Through the Social Fund we can carry out, as Mrs Veil proposed this morning, exemplary actions — nothing more — and we can make them known and publicize them; and, from this point of view, there are three essential fields to which I should hope the Social Fund would give priority — in-company training for young people, equal treatment for men and women, and vocational training. And we must not forget that, having regard to the way in which the European countries and, indeed, the world, are developing, it is basic education that needs to be rethought.

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What knowledge, what self-assurance must we teach the young people of today? This is a basic problem that unfortunately goes beyond the areas of competence of the Community and the Commission. But I think that we cannot look the world in the face without asking this central question.

We have to revive, through action by the Community, the application of the great principles on which our society is founded.

Mr Glinne, Mrs Lenz, Mrs Majj-Weggen, Mrs Van den Heuvel and Mrs Gadioux were right to insist on equality between men and women. On this point, I could show you what the Commission has done. I shall not do this. I prefer to tell you that, before the end of 1985, the Commission — quite apart from its daily work, and the action that it is taking against certain States — has to draw up a new, four-year programme in this field, and that this programme will be put before you, so that Parliament can participate in what will be a long and laborious job, since, fundamentally, it is a question of fighting not only against official practices, legislative discrimination, but also — which is more difficult — against behaviour.

I now come to the third point in this review of social questions that you are urging us to carry out: I should like to say something about the social dialogue, echoing what Mrs Larive-Groenendaal, Mr Wurtz and Mr Härlin said. First of all, take Community history, and the halting of the tripartite conferences! That, ladies and gentlemen, is what we are talking about. We are starting off in a wilderness. There was no longer contact within the Community, at a responsible level, between the employers, the trade unions, the ministers and the Commission. The new Commission has risked relaunching this dialogue. I have indicated to you too quickly what the first lessons from it have been. But let no one tell me that I am suggesting dialogue instead of negotiation.

I will put to you a question that could have been put by Mr Joseph Prudhomme: before there can be negotiation, must there not be dialogue? We have, therefore, to start somewhere. In this connection, I do not go back on anything that I said on 14 January: yes, we have to move towards outline agreements at Community level, boldly and with imagination; outline agreements which, subsequently, can be repeated at national level and at enterprise level. Yes, after these outline agreements, we can consider the framework of a European collective agreement. A European collective agreement — that is already a difficult term to translate into every language. It is a name that does not mean the same thing in Germany, Holland, Great Britain, France or elsewhere. By it we mean that the economic and social system of Europe must be founded on a fruitful dialogue and agreements on autonomous responsibility between both sides of industry, as well as on the market and measures by the State. Greater freedom and responsibility for every-

one, said Mrs Veil, That comes, of course, through the development of the social dialogue, which is an indispensable prerequisite to any negotiation.

I come now to the questions of greatest urgency for the strengthening of the Community, those which were at the heart of my speech of 14 January: a really big market, greater monetary cooperation, a policy for industry, innovation and research, and more dynamic market conditions.

A really big market? I think that, two months after the new Commission took office, this is the subject on which it has found the broadest agreement. And, as Mr Romualdi said this morning, everyone is aware of the cost of 'non-Europe'. As I said, therefore, we are going to put before the European Council a programme in stages. For the reason that I gave you, although agreement exists in the indispensable nature of the big market, as soon as we start talking about freeing insurance, or abolishing some non-tariff barrier or other, we come back to the expert committees. And that is why we must have the support of the European Council, and must be able to turn to it whenever, in the technical committees, the new Commission comes up against objections which are sometimes very minor or ridiculous.

This programme will of course include the consolidation programme, Mr Patterson, which was presented by the old Commission, and the simplified approach where regulations are concerned, to which Mrs Veil referred. Finally — and I insist on this point — this programme to construct the big market will be in harmony with the 'high technology' programme that we are going to present to the European Council, and which it will only be possible to implement if the big market is in existence. As far as the introduction of new technology is concerned, there are three essential points: harmonization of regulations, the opening of public markets, and common legislation on industrial ownership, which is very important, especially where the biotechnologies are concerned.

The second question of urgency: increased monetary cooperation. And here I have detected, naturally, an element of disappointment in what a great many of you have said — whether it be Mr Glinne, Mr Klepsch, Sir Fred Catherwood, Mr Cervetti, Mr von Wogau or, with his customary energy, Mr Herman.

I wanted to say to you first of all that we have to see carefully what is in the Treaty and what is no. There is no European Monetary System in the Treaty. And it is not only the governors of the central banks, Mr Herman, who remember this, but also certain States. And it is also necessary to distinguish clearly between what is explicit and what is implicit. I have personally taken charge of monetary affairs to show the importance that the new Commission attaches to this subject, and on my arrival I found a psychological situation at

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very low ebb. There is no point in my elaborating on this.

My first objective was to try, through individual contacts, to restore an element of calm to people's minds, to stop people impugning other people's motives, and to clarify the situation, in preparation for a *démarche* in several stages, which I shall describe to you briefly and without any window-dressing.

First of all, we have to efface the accident of last December and show, by a small amount of progress, that the European Monetary System can be strengthened. And I am in a position to tell you that the Committee of Governors has today espoused this idea, and — after the discussions that I have had with them in good faith — will put before the Council of Economic and Finance Ministers a package which is small but quite symbolic. It makes provision, in fact, on the one hand for the central banks of non-member countries of the Common Market to hold ECU and, on the other hand, it provides for the better mobilization of official ECU. Finally, it provides a better exchange rate for these ECU, so that the ECU will not be treated as a second-grade currency, but will be exchanged at its proper value. I think it will soon be possible to confirm this package. It is a first step.

(Applause)

For their part, banks holding private ECU will set up a clearing system. Do you know, ladies and gentlemen, that the banks' commitments in ECU — I call those private ECU — at 30 September last amounted to 25 thousand million dollars, and that, if my information is correct, our German friends, whose regulations you are familiar with, held 6 thousand million ECU of these commitments? This makes it very clear that the private ECU laughs at regulations, and that its new-born strength forces its acceptance everywhere.

(Applause)

Secondly, we shall examine the extensions of these questions. The control of the growth of the private ECU — I have just quoted the level of commitment — the spread of the public ECU and the freeing of the movement of capital. I have to say — although the decision is not one for us — that my personal opinion and that of the Commission is that, if Great Britain decided to bring the pound sterling into the European Monetary System, that would be more than a closing of ranks — it would be a powerful stimulus to the development of monetary cooperation, and the creation of a great capital market.

(Applause)

So much for the domestic aspects of the ECU. But there are also the external aspects. We are living in complete international monetary disorder, and, with this in view, Mr Glinne and Mr Besse have asked

questions as to the action we propose. I would recall that, at the Versailles Summit, I proposed that the industrialized countries should study the possibility of joint intervention on the exchange markets, and the value of this in certain cases. In April 1983 the Group of Ten ratified certain conclusions which maintained that, where the markets were in great disarray, intervention could be useful. After this agreement, the central European banks and, first of all the Deutsche Bundesbank, which has always done its duty, intervened on three occasions without obtaining adequate cooperation from the Federal Reserve Bank, and the last event — which, as you said, Mr Glinne, we witnessed in January — was the confirmation by the Group of Five of their agreement of April 1983. Subsequently, there was a lesson for us to learn: on 27 February, when the moment was ripe, the European central banks took strong, concerted action to prevent a very erratic fluctuation of the dollar: the United States Federal Reserve Bank was content to leave 'a visiting card', since the Treasury forbade it to go any further.

I think that if the dollar were to move in the opposite direction, with the risk of falling flat on its face, the Americans would then ask us in Europe to mount, as in 1978, an operation that would be adequate to prevent too great a fall. I think that the Americans might do well to reflect, from now on, that only by cooperation between the European banks, the Bank of Japan and the Federal Reserve Bank can such intervention be allowed to play the part that it is capable of playing, within narrow limits, that is to say, to combat excessive market disorder, to prevent unbridled speculation, and that is all. For the rest, intervention cannot on its own provide a substitute for the present monetary non-system. For that reason we shall be watching very carefully the work of the conference of the Group of Ten at the end of June in Tokyo, so as to ensure that the proposals that have been made, particularly by myself, for improving the world monetary system, are studied, and that some sort of answer at least is given. Because, so far, we are dragging our feet. It is not a question of turning the system upside down. Questions have been asked regarding the level of liquidity, the consequences of erratic currency fluctuations, international trade, the role of the International Monetary Fund and aid to the developing countries. All these questions call for answers, and you may be sure that we shall be watching carefully so that, in the external sector as well, Europeans can play their part in the improvement of the world monetary system, and hence the consolidation of the world economy.

And now the third priority — a policy for industry, innovation and research, which was referred to by Mrs Salisch, Mrs Chouraqui, Mrs Oppenheim, Mr Chanterie, Mr Van der Waal and Mr von Wogau.

As I have already said, new technology is no new frontier, no miracle cure. It presents considerable human and ethical problems. We have to be aware of this, especially as regards biotechnology. Well then, what is

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the point of new technology? As I have already said a moment ago, it is in order to survive as a great group, to be productive, to adapt our methods of production to today's realities. Why else should we ask ourselves why the Japanese now hold 60% of the market in capital goods, unless it is because they have introduced new technologies in this sector, whilst others have not done so on a sufficient scale? And in this connection I should like to say to Mrs Maij-Weggen that our conversations with Mr Lubbers have been very encouraging, and that it was comforting to the Commission to find the Prime Minister of a country supporting the Commission's efforts to ensure that the next European Council would adopt a comprehensive programme on new technology, without covering up any of the ethical problems that I have just mentioned. We want this programme for its 'scale effect', in order to concentrate our efforts in research, in order to make telecommunications — where we are in a good position — the lifeblood of the European economy, and in order to have an adequate commercial policy, for we cannot ask — and this point is important, I must insist — we cannot ask our large electronic firms to fight under no matter what conditions if certain foreign markets are closed to them, and if dumping is the order of the day.

They must be able to make profits, to invest, and to keep abreast of the others. That is why a commercial policy is essential in order to promote high technology in Europe. Alongside high technology we must have a system to facilitate cooperation between enterprises. As far as this is concerned, we have still found some governments disappointed. We have not been successful with the fiscal harmonization of fission and fusion. We have not been able to get the idea of joint ventures accepted. We shall have another try. But, ladies and gentlemen, what are we to think of governments who proclaim unceasingly that technological progress is one of their priorities, but refuse the elementary resources to enable European industry, European enterprises, to cooperate between themselves?

(Applause)

We shall not allow ourselves to flag. We shall take up those files again, including that of the fifth directive, which, if it were adopted, would make it possible to have a European company status. Now, I am convinced that a compromise is possible on this fifth directive, which would take into account the different experience of participation of workers in different countries. I think that, apart from religious problems, a compromise is possible.

Finally, as I have just pointed out, we have to work harder on the question of small and medium-sized enterprises and this sector of production — although we still have a long way to go at present.

In passing, whilst on the subject of new technology, there has been a great deal of insistence on your Assembly, particularly on the part of Mrs Viehoff and

Messrs. Beumer, Hänsch and Selva, on the question of European cultural programmes, especially those on television. I can tell you that the Commission supports this idea, and that we are going to try to make an effort on economic lines to ensure that these joint cultural programmes become a reality, not only thanks to television, but also through common policies.

Do you know, ladies and gentlemen, that what we might call the culture industry will tomorrow be one of the biggest industries, a creator of wealth and jobs? Under the terms of the Treaty we do not have the resources to implement a cultural policy; but we are going to try to tackle it along economic lines. It is not simply a question of television programmes. We have to build a powerful European culture industry that will enable us to be in control of both the medium and its content, maintaining our standards of civilization, and encouraging the creative people amongst us.

(Applause)

Finally, the last item: more dynamic market conditions. Mr Glinne and Mr Cervetti in particular insisted on this point, as did Mr Megahy and Mr Wurtz. What is the point of fostering the dreams of Europeans about the model of the year 2000 if between now and then unemployment continues to grow? The social partners, as I have said, are more inclined to find the ways to compromise than are the governments. I think that that is due particularly to a bad appreciation of the concept of convergence. As I said on 14 January — what we are looking for is consistency between economic policies, rather than convergence.

I should like to draw your attention to one point: if everyone is in agreement, in saying that there is nothing virtuous about the vicious circle of imbalances, might you not also think that there is something vicious in pushing so-called virtuous policies all the way? Because we then have an imbalance with no way out of it. Now, I think that we are at precisely the point at which we should take stock. I said a couple of words about that this morning: control of costs, and maintenance of demand — how shall we find the right compromise? That is the question we face today, and it is central to the question of public investment policy. On this point, I shall make no promises. We spoke of this in our working programme. But I ask you one question: if tomorrow the policies of budgetary strictness, at national or local level, result in a drastic reduction of public investment, what will become of our towns and rural areas in 20 years? If we are unable to keep up the places where we live, what will become of our European society in 20 years? That alone should make us reflect and, through transport policy and environmental policy in particular, should lead us to put in hand straight away the modest measures that are open to us, which are in line with our borrowing capacity, as the Albert and Ball report said. I hope that, at the next European Council, the Heads of State or Government who put this on their agenda will find

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the two hours needed to discuss the relationship between growth and employment, as well as what might be done immediately to increase the credibility of our proposals and the credibility of the building of Europe.

Having dealt with the four main questions, I now come to the prospective enlargement of the Community, which has received the attention of many of you, as well as being a source of concern; fisheries, the common agricultural policy, the integrated Mediterranean programmes, Mediterranean policy, the financial consequences and, as Mrs Vandemeulebroucke also said to me, the specific case of Portugal which, as you know, is up against serious economic difficulties and, like Spain, is impatiently awaiting the moment when it can enter the Community.

With regard to the question of fisheries, which was raised in particular by Mrs Nicole Péry and Mr Provan in specific questions, I think that we have to reconcile two factors: on the one hand, the frailty of 'blue' Europe, which has only just been formed, and, on the other hand, the formidable potential of the Spanish fleet. There is the crux of the problem — how can these two factors be reconciled? It seems to me in the first place that that is only possible if there is large-scale restructuring of the fleets, and not only the Spanish fleet but, I have to say this, to some extent the European fleet as well. And that would justify Mr Provan's question this morning: what is to be done on the Spanish side, and equally on the European side, to adapt our fishing potential to the capacity of a Europe of the Ten and, tomorrow, the Europe of the Twelve?

Secondly, there is a balance on both sides that has to be checked: but it is unthinkable, bearing in mind the situation, to shut the door brutally in the Spaniards' face. It is a problem of susceptibility, a psychological problem. The Commission has simply proposed that, for the next stage, a check be made whether a proper balance has been achieved between what has been asked for by the Spanish side, and the state of 'blue' Europe. Finally, there is the question of the necessary monitoring, as you have said. The Commission must have the means of carrying out these checks. It cannot simply work on the denunciation of one Member State by another Member State. It will not be possible to keep blue Europe alive without a minimum of monitoring.

As regards the common agricultural policy, on which Mr Glinne was so insistent, I should like to recall here what I said regarding the importance of small farming enterprises, both from the economic and the environmental points of view, and also the urgency with which we view the future prospects for agriculture, as I said this morning, within the framework of a new development model.

With regard to the integrated Mediterranean programmes, to which Mr Tripodi, Mrs Boserup and Mr

Paisley referred, I think that the proposal that has been put to you does not in any way prejudice the policies that have been envisaged, in particular through the Regional Fund. I wanted to emphasize this immediately. And to Mr Paisley, who raised some interesting questions, particularly regarding Ireland, I would say very briefly that the aid amounting to six million pounds that was allocated to the Cookstown project has been abandoned but not abolished, and that, if another project is put forward, that aid remains available for Ireland. I could also show him — I have a document which is available to him — what actions the Community have carried out for the benefit of Northern Ireland.

Contrary to what Mr Alavanos and Mr Guerneur think, the Commission's proposal on the integrated Mediterranean programmes — and I have to come back to this question — is just as favourable as the initial proposal, and if you look at it closely, if you do not look at it with a strictly budgetary eye, but take into account all the resources that will be available for these regions to allow them to adjust their development, you will be quickly convinced that this is so. It is a proposal that aims to encourage the mobilization of the active forces in the regions concerned. I say to you that the Commission needs the support of Parliament for its proposal on the integrated Mediterranean programmes. I beg you to look closely, without preconceived ideas, and you will see — I am ready to discuss the question again with your Committee on Regional Policy and Regional Planning — that this proposal respects the promise given regarding the balance between North and South and that, if Parliament does not agree, there will be those in the governments of Member States who see this question solely from the budgetary standpoint, who will sweep it away. I should then be obliged to withdraw the proposal on behalf of the Commission. I ask you once more to look carefully, for if there is one point where we need your support, it is this one, with things as they are today.

Another aspect of enlargement — the Mediterranean policies. Mr Claude Cheysson will be putting a proposal to the Council of Foreign Ministers, so that enlargement shall not result in some sort of relaxation of the economic and commercial ties that now unite us with the Mediterranean countries.

I now come to the financial consequences of enlargement. Mr Elles said that we must go into it with our eyes open. Ah, how I wish that, when it started negotiations, the Community had had its eyes open! Instead, I have rather the impression that, for four or five years, we have been courting these countries with our eyes closed, and that we are only opening our eyes today!

(Applause)

And I think it is too late. The political commitment has been made, and I cannot give you precise figures for

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the consequences of enlargement. Some of you are demanding them, but, ladies and gentlemen, let us be reasonable, we are in the process of negotiating. Would you want me, before negotiation, and seeing that it is not the Commission that is negotiating, to put cards on the table that will prejudice the negotiations? That is unreasonable, and, moreover, there are risks involved, notably where the common agricultural policy is concerned. As you well know, the rate of exchange of the dollar can make a considerable difference. What I can say to you, by and large, is that — taking into account the integrated Mediterranean programmes — the figures that you have been given for 1986 will not be very wide of the mark.

I come now to the question of Community policy resources — both financial and institutional.

With regard to financial resources, you have asked questions about the 1985 budget and the 1986 budget. You have asked us where we stood in relation to the Fontainebleau resolution. I can tell you that we are asking the Council of Ministers to resubmit to you a draft 1985 budget that will be realistic; that is to say, one that not only takes into account what had not been financed when you rightly rejected the draft budget, but that also takes into account what we know today about the budgetary and financial realities of the situation. These realities are as follows: where the EAGGF is concerned, the fund needs about 2 thousand million ECU for 1985. We have also to cover the 1984 budget deficit which, in the light of a revaluation of 1985 revenue, is in the region of 200 million ECU. If to that you add the compensation payments to Great Britain, you arrive at a figure slightly in excess of 3 thousand million ECU.

And that, ladies and gentlemen, is how the 1985 budget looks. Personally, I am against having a supplementary budget. I hope that the Council will present you with a realistic budget, for it is only on that basis that you will be able to work correctly for the years to come.

(Applause)

If we now look beyond 1985 — as Mrs Oppenheim, Mr Langes and Mr Mallet, amongst others, have asked me to — we can see that, other things being equal, the margin for manoeuvre offered by the increase from 1 to 1.4% of VAT amounts to 6.400 million ECU. Now, taking into account what we have inherited from the past, before we have even made important reforms, we ought already to be close to 1.4% in 1986, before we have been able to rationalize the use of budgetary resources.

That is where we stand, and that is why it is important for us to plan on a multiannual basis, and for us to see how best to use the resources that are made available to us. It is important, that is, for us to increase the effectiveness of the structural funds, and for us to

establish what resources are needed for a policy for industry, innovation and research. Many speakers have said that one ECU spent in this field is potentially worth very much more than one ECU spent nationally. That is why we are at present in the process of preparing a white paper on aid, and I hope that at the end of the year or the beginning of next year we shall be able to show how very much more important 100 million ECU spent on biotechnology or telecommunications at Community level is than, 1000 million ECU spent by Member States as a whole, each one of them with its regulations, and each one its closed markets.

(Applause)

But to do that, we have to establish what resources are necessary.

With regard to institutional resources, about which Mr Klepsch, Mrs Veil, Mr Toksvig and Mr Herman were so insistent, I shall not go back on what I said this morning, nor on 14 January. I would simply like to add that, when I said that the period from March to June was a difficult one, a delicate time, it was for the reason that I mentioned in my speech this morning. Expectations are too high for the Milan Council not to produce something. And if we realize that, by getting bogged down in technical discussions and legal discussions, it will be impossible for us to come to Milan with a text devoted to clear options, then make no mistake, the Commission will rise to its responsibilities and will put forward a document in which it will say which, in its view, are the clear options as regards an improvement in the decision-making process, and the development of the scope of the Treaty.

(Applause)

All of this brings me to a formula to close with. Ladies and gentlemen, Europe must have character! Mr Glinne said this morning: 'Europe must favour the forces of progress and peace'. That has been reiterated by Sir Fred Catherwood, Mr Cervetti and Mr Langes. Europe must set an example by its development policy, by the modest yet real efforts that it is using in Central America to help the reconciliation of these countries and the democratization of society, by the support that it is giving to the Contadora Group. Europe must speak with a single voice. We are faced with important deadlines, whether we are talking about the Development Committee, the meeting of the OECD, the summit of the industrialized countries, or the Group of Ten, where monetary matters are concerned. We shall be subjected to a regular offensive, to take only trade as an example. Europe will not accept this. They will give us lessons. Europe can only accept these in part. Europe must say no to Eurosclerosis, even if today we have got a lot to do in order to rediscover our achievements of yesteryear, our competitiveness, our dynamism. It is by showing character today, by not letting

Delors

ourselves go, that we shall build tomorrow. Yes, ladies and gentlemen, Europe must have character.

(Loud, prolonged applause)

of a European Union. I should like to extend a cordial welcome to our colleagues from the Netherlands.

(Applause)

IN THE CHAIR: MR SEEFELD

Vice-President

President. — The debate is closed.

The vote will be taken at the next voting time.

6. *Topical and urgent debate (announcement)*

President. — Pursuant to Rule 48(2), the list of subjects for the topical and urgent debate to be held on Thursday, 14 March from 10 a.m. to 1 p.m. has been drawn up.

(The President read the list of subjects)¹

Pursuant to Rule 48(2), second subparagraph, any objections to this list, which must be justified in writing and tabled by a political group or at least 21 Members, must be tabled before 3 p.m. tomorrow Wednesday, 13 March. The vote on these objections will be taken without debate on Wednesday, 13 March at 3 p.m.

Mrs Weber (S). — *(DE)* Mr President, did I hear you incorrectly or can it be that the item on the concertation procedure on lead and petrol and motor vehicle emissions, on which a motion for a resolution has been tabled pursuant to Rule 48, is no longer on this list?

President. — Mrs Weber, I have here before me the list that was agreed on and, as far as I can see, that item is not on it.

7. *Welcome*

President. — Before I take the vote, I should like to welcome a party of visitors. In the Official Gallery we have a delegation from the Second Chamber of the Netherlands, which has set out on a fact-finding mission in preparation for the parliamentary debate in The Hague on our draft treaty for the establishment

8. *Votes*

Motions for resolutions on the programme of activities of the Commission for 1985

Mr Arndt (S). — *(DE)* Mr President, my group has tabled a motion for a resolution and has signed a joint motion for a resolution with the Group of the European People's Party (Christian-Democratic Group) and the Group of European Democrats. Although we would have been glad to have been able to vote on this joint motion as the only motion, as things now stand politically, that is not possible.

The Christian Democrats have informed us that they will maintain the von Wogau resolution, so we will also maintain ours. We will also vote in favour of the von Wogau resolution, and the chairman of the Christian Democrats has informed me that they have nothing against our motion for a resolution either, which means that unfortunately all these motions for resolution remain standing.

Explanations of vote

Mr Croux (PPE). — *(NL)* Mr President, on behalf of the EPP group I should like to express our agreement with the broad outlines of the Commission's 1985 programme. We hope that this programme will not be a dead letter and will be implemented to the full, and we shall follow its implementation closely during the debates in the plenary and in the committees. Our approval rests on three elements:

In the first place we consider the document laid before us to be technically and politically sound. It is comprehensive and coherent. We are in agreement particularly with the final section, which pays close attention to methods of policy and control, to an efficient European administration for the sake of sound management. There is indeed general criticism of the Brussels bureaucracy and we think it good that the Commission has given close attention to this point.

The second reason is that the objectives cover the wide field of our current Community needs. It was summed up very aptly by the President of the Commission, 'L'Europe a besoin de caractère'. We hope that this will be achieved internally as well as externally. Naturally there are certain points which we have to criticize, but we shall put these views forward constructively and in close consultation with the Commission as the pro-

¹ See Minutes.

Croux

gramme is implemented. We shall lay special emphasis on the fight against unemployment, the improvement of regional imbalances, ensuring that development cooperation goes where it is needed. But we know that the Commission too has problems as a result of the inability to take decisions and, let me say it, with the lack of European vision in the Council. We in Parliament will stand alongside the Commission whenever the Council has to be made aware of its responsibilities.

And the third reason, President of the Commission, why we welcome your programme is that this is a programme with vision, European vision. We have read and heard with close attention that the Commission has made Parliament's objectives its own as regards the functional and institutional reforms needed to shape our Community into one union. Like Parliament, it is now the Commission's opinion that an inter-governmental conference must be called to decide on the necessary reforms, and we say with you, 'In this way, no-one will be able to evade the responsibilities which he has assumed at the highest political level'.

Mr Bonaccini (COM). — *(IT)* Mr President, quite a long time ago a famous leader of the workers' movement said that there are two distinct happenings — the making of a report, and the drawing of conclusions from it. Reports may be presented in a manner that is inadequate; it is the conclusions that count. I acknowledge to President Delors that his conclusions were clearly superior to the introduction with which he presented them. He said a great deal more on a whole set of questions that were worrying us, and that our group chairman had drawn attention to.

I think therefore that our view of this must take into account the interplay of forces that has been apparent here. We know that the view that you have expressed is a joint, group view and also know how some group views are formed. We do not mean to impugn motives; instead, we would rather encourage that part of a policy that we consider positive, even though our critical reservations remain. In short, we believe that our opinion should be expressed in such a way as to incentivise this joint appraisal, because of the more positive aspects that it will be able to express in the future, where public opinion and the workers are concerned.

We shall therefore also approve the Tuckman report — always provided that the amendments do not distort its content — because we are convinced by it.

Mr Avgerinos (S). — *(GR)* We Greek Socialists will vote in favour of the Socialist Group's proposed resolution on the Commission's annual programme.

However, we would like to express grave reservations and dissent concerning the paragraph in the annual

programme that refers to the Mediterranean programmes. It must be made perfectly clear yet again that the Greek Memorandum was not submitted in 1982 only to see us arrive at the point of discussing to what extent, with the Commission's latest proposals for the IMP's, the demands of the Greek Memorandum might be satisfied. The Greek Memorandum gave an overall account of the problem of incorporating a small country with a low level of development into a club of rich and well-developed countries. Following recent developments, however, we find that there has been no response, to the demands of the Greek Memorandum. In our view the IMP proposals should satisfy the criterion of representing something additional to the sums envisaged in the Commission's initial proposal. It is also important not to confuse the role of the structural Funds with the IMP's. Finance from the structural Funds implies the registration of a separate item with additional appropriations, independently of the needs of the Funds in question. It is typical that after the package deal of Stuttgart all the major issues raised at that time have been dealt with, while the only matter that remains outstanding is the IMP's. Thus, despite the Community's many promises and decisions, we are today surprised to see yet more backing off.

Quite clearly this is unacceptable for my country and we cannot put up with it. The Commission and Council must understand fully that it is not a question of whether or not to compromise with Greece. What is at stake is the authority of the Community's own institutions, and the honouring of assumed obligations.

Mr Estgen (PPE). — *(FR)* President Delors, I shall approve your programme with my vote, since I consider it to be a realistic programme, without being all that modest in its scope. What is more, it is an ambitious programme, because of the four pillars on which it rests, and one capable of giving again to Europe what you have described as 'character'. From our standpoint, this programme would have deserved a more detailed debate, extending to two days. I very much regret that this has not been the case.

As a member of the Committee on Energy, Research and Technology, as well as being a compatriot of the Commissioner responsible for that field, Mr Mosar, I wish to express my satisfaction that a degree of emphasis has been given to the question of Europe's vital interests — and I am referring to the question of energy supply. You have defined a Community energy policy that is appropriate to the needs of our times. For my part, I want to emphasize the following points: we must avoid wasting energy, we must extend for a further five-year period the pilot programmes for new and renewable sources of energy; we must review, quickly, Chapter 6 of the Euratom Treaty, and develop new technology in the energy field. We must reconcile the demands of an effective energy policy with a policy for the environment, for energy is not

Estgen

only destined to drive motors, as your Commissioner said, it must also be a source of life. Obviously, without adequate financial resources, it is impossible to implement a real energy policy. Our future budgets must make provision accordingly.

I trust you, Mr President, when you say that you want to advance a step on all fronts. This morning you defined solidarity not as a form of help but as productive support that must be distinguished by the quality of our proposals. That is the kind of solidarity that we promise you.

(Applause)

Mrs Dury (S). — *(FR)* Mr President, we have always been told that speech is silver but silence is golden. Well today perhaps silence can be counted in ECUs, so I shall give my explanation of vote in writing.

(Applause from various quarters)

Mr Raftery (PPE). — I shall be supporting the 1985 programme as submitted by the Commission, although I should like to see greater emphasis placed on creating an economic environment more conducive to enterprise and self-reliance. In this regard it will be vitally important to restore confidence amongst the citizens of our Community. While it is absolutely essential for us to identify the causes of our failure *vis-à-vis* the United States and Japan over the past 10 years, our constant preoccupation with our past failures is eroding confidence in the Community, thereby driving scarce capital and skills from Europe to the United States. The present artificially high and very damaging value of the dollar is to a considerable extent due to the greater confidence of European investors in the US economy than in the European economy. Unless we stop this constant talk of failures and concentrate more on solutions and the means of implementing such solutions, we risk making a bad situation worse by talking ourselves from a recession into a depression.

Our whole emphasis in this Parliament and in the Commission must be on the future and not on the past: on implementing the programme for European economic recovery as approved by this Parliament in April 1984, and on the bright future which Europe, with all its riches and resources, can have if only we find the political courage to take the steps necessary to put the European economy back on a realistic course which could restore our competitiveness in world markets, thereby helping to create further employment.

Mr Megahy (S). — Speaking this morning in another debate, I welcomed some aspects of the Commission's proposals insofar as they referred to public investment and greater growth, I am, however, opposed to a great many other proposals such as those relating to har-

monization of taxes, particularly, VAT, references to the free movement of capital, moves towards monetary union and, in particular, to the emphasis that the Commission places on movement towards a European union, which I think is quite the wrong move, quite in the wrong direction, and will not, in fact, secure its policy objectives.

With this in mind, therefore, I shall be voting against all the resolutions except the Socialist Group resolution, on which I propose to abstain. I vote against all these resolutions because they embody this movement towards a full European union, which I oppose. The Socialist Group resolution, in paragraph 2, does put important reservations which I support, but I cannot fully approve the direction in which the Commission is going, and I do have reservations about the need to foster a European identity.

That is how I shall vote on these resolutions.

Mr Seligman (ED). — I shall vote for the Commission's 1985 programme, particularly the passage on animal welfare on page 84. The Inter-group of the Parliament on Animal Welfare will welcome the passage concerning respect for animals in Member States and in our dealings with the rest of the world, particularly the questions raised on the hunting of seals, exploitation of animals in Europe, the use of animals for experiments and factory farming.

We hope the budget for 1986 will include not only 500 000 ECU for the expert group in the Commission but will also provide for a reinforced staff of 8 people, including two A5s. This is very important.

Mrs Cassanmagnago Cerretti (PPE), in writing. — *(IT)* The report by President Delors sets out a programme of action that is in line with the problems of a Europe projected into the future, and it respects the commitment to exploit to the utmost the potentialities of the Treaty and the driving role of the EEC Commission, at the same time indicating new prospects for the Treaty of Union.

The report abandons the old schemes of the Community technocracy, with their repetitive, worn-out language, and approaches the problems with new, rational, convincing formulae.

The EPP Group approves in particular of the section entitled 'creation of a Community identity' because it accords equal dignity to the common policies, whether we are talking about the agricultural policy, the industrial policy, the regional policy, or the policy for the environment. It is necessary in fact to understand that only by advancing on the entire front of Community activity — without favouring only the green policy — will the European Community be built.

Cassanmagnago Cerretti

The hope that we would express to President Delors is that the new presentation — which will be far better understood by our citizens — will be matched by the implementation of the action programme.

Parliament approves the intentions, but reserves the right to check, constantly, the state of progress of the work.

Parliament will give full support to the initiatives, and will bring pressure progressively to bear on the Council to translate the Commission's proposals into operative decisions.

Mrs Dury (S), in writing. — (FR) The reservations that the Socialist Group expressed do not imply defiance of the Commission. But as Socialists, nevertheless, we wish to mark our priorities. In January, the President of the Commission relaunched the idea of a European Collective Agreement, thus putting the social dialogue in the forefront of European policy. At a time when flexibility — which in clear language means the inflexibility of the employers — appears to be the present stake, it is more than necessary for the European Community to relaunch, in a concrete manner, the framework for the dialogue.

Integration and economic recovery are undoubtedly one of the keys to the solution of unemployment; nevertheless, the future of society depends also on social measures. Whether we are talking about the reduction of working time or the introduction of new technology, their control in industry must be guaranteed at European level. We expect the Commission to be more aggressive, more ambitious. Whilst we did not doubt the Commission's will, we wanted to hear some confirmation of it.

Mr Filinis (COM), in writing. — (GR) On behalf of the external Greek Communist Party I shall vote in favour of the resolution by our colleague Mr Cervetti and others concerning the Commission's annual programme of action, while giving the following explanation of vote:

We certainly agree with the aims of the programme in question, in their essentials. However, we deplore the absence of effective and specific measures. By way of indication I shall mention the following:

(1) Europe's economy will not be able to recover, nor unemployment be fought, so long as we maintain a policy of one-sided frugality whose burden falls on working people and their quality of life. We must progress gradually but steadily towards a democratization of today's pattern of social relations, so that workers will stop being subordinate by comparison with employers and the bureaucracy of the State machinery, and become more and more centrally involved in the process of decision-making.

(2) The Commission itself admits that regional inequalities within the Community have increased over the past 15 years. Yet, many very serious problems remain unsolved, such as that of own resources, the budgets for 1985 and 1986, and others, whose solution is nevertheless an essential prerequisite for eliminating the inequalities in question.

Mr President, these are some of the reasons why we ask the Commission not only to declare its aims and scopes, but above all also to be bold in the measures it proposes.

Motion for a resolution (Doc. 2-1806/84) by Mr Petronio and Mr Romualdi: *rejected*

Motion for a resolution (Doc. 2-1812/84) by Mr Cervetti and others: *rejected*

Motion for a resolution (Doc. 2-1813/84) by Mr de la Malène: *adopted*

Motion for a resolution (Doc. 2-1814/84) by Mr Klepsch and others: *adopted*

Motion for a resolution (Doc. 2-1815/84/rev.) by Mr Klepsch and others: *adopted*

Motion for a resolution (Doc. 2-1816/84) by Mr Arndt and Mr Glinne: *adopted*

Motion for a resolution (Doc. 2-1820/84) by Mrs Boot and others: *withdrawn*

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Report (Doc. 2-1763/84) by Mr Visser, on behalf of the Committee on Transport, on the proposals from the Commission to the Council (Doc. 1-1375/83 — COM(83) 764 final) for

I a Decision amending Decision 75/327/EEC on the improvement of the situation of railway undertakings and the harmonization of rules governing financial relations between such undertakings and States

II a Regulation amending Council Regulation (EEC) No 1107/70 on the granting of aids for transport by rail, road and inland waterway.

Explanation of vote

Mr Cornelissen (PPE). — (NL) The EPP group voted against Amendment No 2, because in our view

Cornelissen

the amendment ignores reality. The reality is that in many Member States rationalization is unfortunately inevitable where the railways are concerned.

Our group voted against Mr Wijzenbeek's amendments, Nos 5 and 9, because Amendment No 5 says that public passenger transport has to be seen as a commercial activity only, while according to Amendment No 9 unprofitable routes must be abolished or replaced by other means of transport. This idea of the Liberals would mean that three-quarters of all train and bus routes in Europe would have to be abolished. Millions of people, especially old people and children, would thus be deprived of transport facilities. We Christian Democrats consider this to be socially indefensible, and we are pleased that the European Parliament has rejected these antisocial — I cannot see them as anything else — ideas of the Liberals.

(Parliament adopted the resolution)¹

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* *

Report (Doc. 2-1753/84) by Mr Tuckman, on behalf of the Committee on Social Affairs and Employment, on the new Commission's priorities in the field of social affairs and employment

President. — Our staff have agreed to our going on to take the next vote. If it goes as quickly as the voting has gone so far, then we should soon have finished, especially since a number of amendments have been withdrawn.

Mr Bachy (S). — *(FR)* I wanted to say, Mr President, that bearing in mind the very considerable number of amendments that we have — there are 98 of them — and bearing in mind also the time, I would think it wise for us to suggest to the Assembly that the debate on the amendments should be referred to the competent committee.

President. — Mr Bachy, you have asked that the report be referred back to the committee. In accordance with the Rules of Procedure I must take a vote on that request immediately.

(Parliament rejected this request)

Mr Arndt (S). — *(DE)* Mr President, we do not want to oppose this decision, only I must know when you will finish, since we normally hold a group meeting at 7 p.m. We need that group meeting to decide whether

we will accept the list of urgent motions as it stands or not, and surely we must have a chance to table motions. So the question is how long you will let the vote go on and when it will be finished.

President. — Mr Arndt, it is very difficult to say, because I just do not know how often votes will have to be checked. A number of roll-call votes have been requested, as you can see from the bundle of papers here in front of me. I would judge that, even with the utmost cooperation from all Members, the vote will take about one hour, that is to say, until about 8 p.m. I must impress upon you, however, that if we do begin the vote, there can be no question of breaking it off before it has been completed.

If I understood you correctly, Mr Arndt, you possibly intended to ask that the sitting be closed at this point. You did ask for the floor on a point of order.

Mr Arndt (S). — *(DE)* Mr President, we need at least 45 minutes to discuss the question of urgent motions and to be able to make the group's position known tomorrow at the vote. We have no time for group meetings tomorrow. If you had informed me that we would be finished at 7.45 p.m. I would have accepted that. Since that is not the case, I must insist that we hold our group meeting now as arranged.

President. — I take your point, Mr Arndt, but I cannot guarantee that we will finish at any particular time, because I simply cannot break off the vote before it has been completed.

Mr Klepsch (PPE). — *(DE)* Mr President, I just want to say that Mr Arndt would have had the same chance I had. I asked you earlier how long you intended to vote, and you informed me, until 8 p.m. at the latest. I cancelled my group meeting on the basis of that information and convened it for 8.30 tomorrow morning. I think it would be extremely unfair if the half hour which I estimate we still need for the vote was not set aside for it.

President. — Ladies and gentlemen, let me make one thing quite clear. If you should request — and I have gathered from what Mr Arndt has said that you may be about to do so — that the vote on the Tuckman report should not be taken today but at the next voting time, then you must realize that this will be on Thursday. There are no votes planned for tomorrow.

Mr Arndt, have I understood you correctly as wanting to have the sitting closed now and requesting that the vote be taken at some other time?

Mr Arndt (S). — *(DE)* Mr President, as I said, I would have been prepared to go on until 7.45 p.m. But

¹ The rapporteur was:
— IN FAVOUR OF Amendments Nos 1 to 4 and 13;
— AGAINST Amendments Nos 5, 6, 8 to 10, 12 and 14 to 17.

Arndt

the President says that is not certain. If you agree that we stop voting at 7.45 p.m., I am prepared to go on voting until 7.45 p.m. If you are not prepared to do so, there will be no vote at all, for the Socialist Group is not prepared to give up its group meeting, scheduled for 7.0 p.m. You have no other choice.

President. — According to the agenda, the sitting should end at 7 p.m. I have asked the House whether we want to continue with the sitting. It would, of course, mean departing from the agenda if we were to

go on sitting until after 7 p.m. I shall therefore put to the vote the question of whether the votes are to be continued without any time limit.

(Parliament decided to postpone the vote)¹

This means then that the vote will be taken on Thursday.

(The sitting was closed at 7.15 p.m.)

¹ *Agenda for the next sitting: see Minutes.*

ANNEX

Commission action on European Parliament opinions on Commission proposals delivered at the January and February 1985 part-sessions

This is an account, as arranged with the Bureau of Parliament, of the action taken by the Commission in respect of amendments proposed at the January and February 1985 part-sessions in the framework of parliamentary consultation, and of disaster aid granted.

A.I. Commission proposals to which Parliament proposed amendments that have been accepted by the Commission in full

1. Report by Mr Sälzer on the proposals from the Commission of the European Communities to the Council (COM(84) 271 final) for:

- (i) a decision adopting a research and teaching programme (1985-89) in the field of controlled thermonuclear fusion
- (ii) a decision supplementing Council Decision 84/1/Euratom, EEC of 22 December 1983 — Establishment of a laboratory for the handling of tritium

On 12 February 1985 the Commission sent the Council and, for information purposes, Parliament a proposal amended as it had promised Parliament at the January 1985 part-session (COM(85) 40).

Commission's position at debate: Verbatim report of proceedings, 16 January 1985, pp. 110-112

Text of proposal adopted by EP: Minutes of 17 January 1985, pp. 42-46

II. Commission proposals to which Parliament proposed amendments that have been accepted by the Commission in part

1. Report by Mr Turner on the proposal from the Commission of the European Communities to the Council (COM(84) 231 final) for a decision adopting a third 5-year programme (1985-89) on the management and storage of radio-active waste (research action programme in the field of nuclear fission energy)

On 6 February 1985 the Commission sent the Council and, for information purposes, Parliament a proposal amended as it had promised Parliament at the January 1985 part-session (COM(85) 23).

Commission's position at debate: Verbatim report of proceedings, 15 January 1985, pp. 71-72

Text of proposal adopted by EP: Minutes of 17 January 1985, pp. 33-36

2. Report by Mr Abelin on the proposal from the Commission of the European Communities to the Council (COM(84) 404 final) for a directive on the harmonization of the laws of the Member States concerning the tax arrangements applying to the carry-over of undertakings' losses

In its resolution of 17 January 1985 Parliament proposed a certain number of substantive and formal amendments.

At the plenary sitting that day the Commission said that it was prepared to accept the substantive amendment extending (from the two to the three preceding years) the limitation on the carry-over of back losses. It would also propose a new version of Article 2 which made it clearer that Member States could continue to apply national provisions governing the taking into account of the results of foreign transactions.

The Commission is preparing an amending proposal along those lines which will be sent to the Council and the European Parliament very shortly.

Commission's position at debate: Verbatim report of proceedings, 17 January 1985, pp. 127-128

Text of proposal adopted by EP: Minutes of 17 January 1985, pp. 72-73

3. Report by Mr Cassidy on the proposal from the Commission of the European Communities to the Council (COM(84) 182 final) for a directive amending Directive 69/169/EEC on the harmonization of provisions laid down by law, regulation or administrative action relating to exemption from turnover tax and excise duty on imports in international travel

To satisfy Parliament's concern the Commission is going to send the Council a proposal by the end of March raising the exemption for travellers from outside countries over 15 to 100 ECU and under 15 to 50 ECU from 1 January 1985.

The Commission will be considering with the Council whether the principle of reciprocity with outside countries could be put into operation here in the framework of the New York and Kyoto conventions.

Commission's position at debate: Verbatim report of proceedings, 17 January 1985, pp. 115-116

Text of proposal adopted by EP: Minutes of 17 January 1985, p. 55

4. Report by Mr Cassidy on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulations (EEC) Nos 918/83 and 950/68 with regard to the tariff treatment of goods contained in travellers' personal luggage or sent in small consignments to private individuals (COM(84) 626 final)

In Mr Cassidy's report Parliament proposed that the ceilings for travellers over 15 should be raised to 150 ECU and for those under 15 to 50 ECU, and for the standard rate to 250 ECU.

An amended proposal, in line with Parliament's requests and the position the Commission took at the debate, is to be sent to the Council and Parliament by the end of March 1985. This would raise the ceilings of exemptions for travellers over 15 to 100 ECU (instead of 60) and for those under 15 to 50 ECU (instead of 30), and for the standard rate to 200 ECU (instead of 150).

Commission's position at debate: Verbatim report of proceedings, 15 February 1985, p. 303

Text of proposal adopted by EP: Minutes of 15 February 1985, p. 42

5. Report by Mrs Squarzialupi on the proposal from the Commission of the European Communities to the Council (COM(84) 456 final) for a directive on the protection of workers by the prohibition of certain specific agents and/or certain activities

The Commission accepts all the amendments proposed except the amendment concerning the date by which effect is to be given to the directive. The Commission must make sure that the Member States incorporate the text in their national legislation by the date set; the date Parliament proposed is too close for the necessary action (adoption by the national Parliaments) to be taken in time. It is impossible to foresee precisely when the Council will adopt the directive, but the Commission considers that 1 January 1987 is a much more realistic date for implementation than 1 January 1986. The Commission will be preparing a revised proposal in line with the above.

With regard to the European Parliament's resolution on carcinogenic substances, the Commission is currently working on proposals for Council directives on the protection of workers exposed to benzene and acrylonitril. It is clear that some of the requirements will be the same for the two substances. The Commission is intending to draft a general text to which separate texts for each of the substances would be added later.

With regard to exposure limits, the Commission is just finishing a communication to the Council. This is to serve as a working paper for defining the main lines of the arrangements.

The Commission is intending subsequently to present a proposal for a directive to the Council containing the general measures that should be taken and a first list of exposure limits.

With reference to exporting prohibited processes to the Third World and importing prohibited substances, the scope of the proposal is not such that the extensive rules that would be needed could be laid down here. The problems raised by the accident at Bhopal are treated in the Seveso directive currently under consideration.

Commission's position at debate: Verbatim report of proceedings, 14 February 1985, pp. 281-282

Text of proposal adopted by EP: Minutes of 15 February 1985, pp. 19-20

6. Report by Mr Galland on the proposal from the Commission of the European Communities to the Council (COM(84) 481 final) for an interim regulation laying down rules for the implementation of Regulation (EEC) No 3331/82 on food-aid policy and food-aid management

In accordance with the undertaking it gave on 15 February the Commission has put the matter before the Council, and on 19 February it formally presented proposals for amendments in line with the position it took before Parliament.

The Council has unanimously rejected these proposals and has adopted the implementing regulation for 1985 food aid, which the Commission has stated it regarded as being only provisional. The Commission has furthermore requested that a statement to this effect be entered in the Council's minutes, adding that it would 'make a new proposal concerning quantities after completion of the budget procedure and that in the meanwhile it would keep to quantities corresponding to the intentions expressed by the budget authority during the procedure relating to the 1985 budget'.

Commission's position at debate: Verbatim report of proceedings, 15 February 1985, p. 298

Text of proposal adopted by EP: Minutes of 15 February 1985, pp. 27-30

7. Report by Mrs Jackson on the proposal from the Commission of the European Communities to the Council (COM(84) 5 final) for a regulation concerning the names to be used for milk and dairy products when they are marketed

At the debate the Commission maintained its original position. Two proposed amendments were, however, accepted.

- (a) Article 2(3) (period of 12 months to be reckoned from the date on which the amendment to the directive is adopted). This means that the Commission's proposal will need to be altered, which will be done forthwith.
- (b) Parliament asked for a paragraph 15a to be added at the end of the Annex (where dairy products are reconstituted from milk ingredients — recombining — or where dried products are re-dissolved — restitution — this is to be indicated).

This is an implementing rule and cannot be incorporated until the Council has taken a decision on the general regulation and the Commission prepares the implementing regulations.

Commission's position at debate: Verbatim report of proceedings, 14 February 1985, pp. 275-276

Text of proposal adopted by EP: Minutes of 15 February 1985, pp. 9-12

8. Second report by Mr Gatti on:

- (a) the Commission proposals to the Council (COM(84) 515 final) for:
 - (i) a regulation amending Regulation (EEC) No 337/79 on the common organization of the market in wine
 - (ii) a regulation amending Regulation (EEC) No 338/79 laying down special provisions relating to quality wines produced in specified regions
 - (iii) a regulation derogating from the arrangements established by Regulation (EEC) No 456/80 on the granting of temporary and permanent abandonment prem-

iums in respect of certain areas under vines and of premiums for the renunciation of replanting

- (iv) a regulation concerning the granting of permanent abandonment premiums in respect of certain areas under vines for the winegrowing years 1985/86 to 1989/90
- (b) the amendment of the Commission proposal to the Council (COM(84) 539 final) for a regulation amending Regulation (EEC) No 337/79 on the common organization of the market in wine (COM(84) 515 final of 12 September 1984)
- (c) the Commission proposals to the Council (COM(84) 714 final) for:
 - (i) the amendment of the proposal for a regulation amending Regulation (EEC) No 337/79 on the common organization of the market in wine (COM(84) 515 final and COM(84) 539 final)
 - (ii) the amendment of the proposal for a regulation amending Regulation (EEC) No 338/79 laying down special provisions relating to quality wines produced in specified regions
- (d) the Commission proposal to the Council (COM(84) 775 final) for a third amendment of the proposal for a regulation amending Regulation (EEC) No 337/79 on the common organization of the market in wine

On most of the proposed amendments the Commission kept to its original position. The two amendments it accepted do not entail amendment of the Commission proposal.

On 26 February the Council agreed in principle on all the Commission proposals. It did not accept the specific requests presented by Parliament in its requests for amendments but on certain points it reserved its position.

During March the Council will be putting the various points of the agreement it reached on 26 February 1985 into legal form.

One part of this body of 5 related regulations is the regulation relating to winegrowing in Greece (COM(84) 46) on which Parliament has not yet delivered an opinion.

Commission's position at debate: Verbatim report of proceedings, 14 February 1985, pp. 251-253

Text of proposal adopted by EP: Minutes of 14 February 1985, pp. 54-70

- B. *Commission proposals to which Parliament proposed amendments that the Commission has not felt able to accept*

N I L

- C. *Commission proposals in respect of which Parliament delivered favourable opinions or did not request formal amendment*

1. Report by Mr Ippolito on the proposal from the Commission of the European Communities to the Council (COM(84) 273 final) for a decision adopting a research and development programme for the optimization of the production and utilization of hydrocarbons (1984-87)

- (a) The Commission proposal on which Parliament delivered a favourable opinion without requesting amendment was prepared in 1984 with a view to making progress possible in the Council negotiations on the non-nuclear energies R & D programme.
- (b) On 19 December 1984 agreement was reached in principle at the Council session on Research in the content and funding of that programme, incorporating the Commission proposal on which Mr Ippolito reported.

Since then the Council bodies have prepared a formal draft Council decision which will probably be adopted as an A item at a future Council session.

- (c) With regard to the requests set out in the European Parliament's resolution of 11 February, the following remarks should be made.

- (i) It is plain that what the Commission particularly wants is to conclude research contracts with institutions and organizations really in need of financial assistance from the Community. Since R & D programmes are carried out by means of cost-sharing contracts in the case of large companies/organizations, the share falling to the Community might well be lower than in the case of institutions whose financial base is weaker. All participants in Community programmes will, however, have to disclose their results in the same manner.
- (ii) In view of the fact that the hydrocarbon section has been incorporated in the non-nuclear energies R & D programme, and of the progress achieved in discussions at the Council, adoption of the whole non-nuclear energies programme, including this, will not be delayed.
- (iii) As part of the compromise arrived at the Council session on Research on 19 December, financing for the non-nuclear energies programme was estimated at 175 million ECU. Of this sum 15 million ECU were earmarked for hydrocarbons.
- (iv) The four subjects for research proposed by the Commission were accepted by the Council. In view of the severe financial restrictions, a certain weighting will necessarily have to be applied in carrying out the programme.

Commission's position at debate: Verbatim report of proceedings, 11 February 1985, pp. 12-13

Text of proposal adopted by EP: Minutes of 11 February 1985, p. 53

2. Report by Mr Musso on the proposals from the Commission of the European Communities to the Council (COM(84) 554 final) for:

- (i) a regulation amending Regulation (EEC) No 1760/78 on a common measure to improve public amenities in certain rural areas
- (ii) a directive amending Directive 78/627/EEC on the programme to accelerate the restructuring and conversion of vineyards in certain Mediterranean regions in France
- (iii) a directive amending Directive 79/173/EEC on the programme for the acceleration and guidance of collective irrigation works in Corsica
- (iv) a regulation amending Regulation (EEC) No 269/79 establishing a common measure for forestry in certain Mediterranean zones of the Community

The Commission has the following replies to make to the various observations in the parliamentary resolution.

- 1. Item 3: The Commission should investigate the use made of the appropriations committed.
Reply: This has been done; on various occasions Commission officials have made checks on the spot.
- 2. Item 5: This type of expenditure should form part of non-compulsory expenditure.
Reply: This is already so in the case of Regulation 1760/78. In the case of Directives 78/627/EEC and 79/173/EEC this is not possible as what is involved is the refunding of sums paid out by Member States, which comes under compulsory expenditure. In the case of Regulation 269/79 it might just be possible. But this regulation will expire on 31 December 1985 and there would be little point in setting in motion the cumbersome procedure for changing the classification of expenditure for the few months that the regulation still has to run.
- 3. Item 6: All long-established winegrowing areas should be included.
Reply: This would mean re-negotiating Directive 78/627/EEC, with all the risks this entailed, whereas all that is being requested is simply extension up to 31 December 1985.

4. Items 7 & 9: The regions covered by the Imps are not the same as those covered by the directive. However, the 'structures' proposals enable action to be taken in respect of regions that are not covered.

Reply: The Commission agrees with Parliament's analysis here, which shows clearly how necessary and urgent it is for the Council to take a decision on the Imps and on the Commission's 'structures' proposals. However, it is obvious that all the regions will not be covered by Imps. This is why such situations are envisaged in the regulation on structural efficacy and provision can be made (Article 18) for specific action if the need arises.

Item 8: The Commission should act now, since the Council has adopted neither the Imps nor the structural measures.

Reply: Pending the Council's decision, the Commission is asking for the existing directives that satisfy parliamentary desiderata to be extended up to 31 December 1985. On the other hand, it does not consider that it would be desirable to plan now for alternative measures in the event of the Council not deciding on the Imps *and* the structural measures by 31 December 1985.

Commission's position at debate: Verbatim report of proceedings, 15 February 1985, p. 300

Text of proposal adopted by EP: Minutes of 15 February 1985, p. 32

3. Report by Mr Raggio on the communication from the Commission of the European Communities to the Council (COM(84) 344 final) on statistical machinery to establish the order of priority to be applied when granting European Social Fund assistance to regions

In its resolution Parliament asked the Commission in particular to resume the conciliation procedure as soon as the list of the regions to be given priority had been established by means of the statistical machinery proposed, in order to provide an opportunity for judging the indicators used.

The Commission will draw up this list from the data available and present it to the Council. In preparing the list and assessing the results it will endeavour to take account of the points brought out by Parliament in its resolution. However, it should be noted that some of these run up against technical difficulties particularly with regard to the comparability between Member States of the data. These problems are to be examined in detail with the Council bodies and the Member States' statistics departments.

Commission's position at debate: Verbatim report of proceedings, 12 February 1985, pp. 30-32

Text of proposal adopted by EP: Minutes of 12 February 1985, p. 15

D. *Disaster aid supplied since last part-session*

Emergency aid within the Community

N i l

Emergency aid for third countries

Financial aid

<i>Country</i>	<i>Sum</i>	<i>Reason</i>	<i>Distributed by</i>	<i>Date of decision</i>
Sudan (Ethiopian refugees)	1 m ECU	famine	UNHCR	24. 1. 85
Ethiopia	4.5 m	famine	ICRC	25. 1. 85
Ethiopia	3.0 m	famine	UNICEF	12. 2. 85

Sudan (Ethiopian refugees)	3.5 m	famine	UNHCR	13. 2. 85
Fiji	1.5 m	cyclones	EEC Delegation	7. 2. 85

Food aid

On 20 February 1985 (after the Food Aid Committee had delivered a unanimously favourable opinion on 30 January) the Commission decided that the following food aid allocations should be made (to be charged against the 1985 budget).

Mauritania	14 000 t cereals
Senegal	17 000 t cereals
Cape Verde	7 000 t cereals
Mali	14 000 t cereals
Burkina Faso	11 000 t cereals
Niger	26 000 t cereals
Chad	16 000 t cereals
Ethiopia	70 000 t cereals
	<hr/>
	175 000 t cereals

The Commission also decided that the following emergency food aid should be granted (to be charged against the 1984 budget):

1. on 13 February 1985, at the request of UNICEF, 300 t of skimmed milk powder and 100 of dried fish for Vietnam;
2. on 21 February 1985, at the request of the ICRC, 1 500 t of cereals, 1 600 t of beans and 160 t of vegetable oil for Angola.

SITTING OF WEDNESDAY, 13 MARCH 1985

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IN THE CHAIR: MR FANTI

Vice-President

(The sitting was opened at 9.00 a.m.)¹

1. Interpretation of the Rules of Procedure

President. — In accordance with Rule 111(3) of the Rules of Procedure, I inform Parliament that the Committee on the Rules of Procedure and Petitions has given the following interpretation of Rule 48 of the Rules of Procedure:

'Compromise' amendments which seek to replace several motions for resolutions dealing with the same subject are admissible and shall be put to the vote first; if such an amendment is adopted, the motions for resolutions to which it relates shall lapse, even if the amendment was not signed by the authors of all those motions.

The Liberal and Democratic Group has objected to this interpretation. Thus, in accordance with Rule 111(4) of the Rules of Procedure, the matter will

be put to the vote in Parliament at 3.00 p.m. on Thursday, 14 March.

Mr Adam (S). — I was not present at the meeting of the Committee on the Rules of Procedure and Petitions when this particular decision was taken. But I wish to draw to the attention of the House the way in which it is possible to misuse Rule 111 so that a rule may be subject to an interpretation by a simple majority vote in the House, whereas it requires a majority of 218 Members to vote for it under Rule 112.

President. — Mr Adam, I formally read out this decision by the Committee on the Rules of Procedure and Petitions and stated that it would be debated on Thursday, 14 March. On that occasion you will be able, like other Members, to state your views on this decision. For the moment I am simply giving due notice to Parliament, it being understood that the matter itself will be debated at 3 p.m. on Thursday, after which it will be put to the vote.

Mr Adam (S). — Thank you, Mr President. I am grateful for the assurance that we will have an opportunity of discussing the matter on Thursday.

Mr Cryer (S). — Mr President, on a point of order, in relation to a subject that is going to be discussed on

¹ *Approval of the Minutes: see Minutes.*

Cryer

this morning's agenda — that is the farm price review for certain agricultural products and related measures: 70% of the EEC budget goes on this section and Annex I of the Rules of Procedure requires a declaration of Members' financial interests. Article 1 of those Rules says that 'Before speaking in Parliament or in one of its bodies, any Member who has a direct financial interest in the subject under debate shall disclose this interest to the meeting orally, unless it is obvious from the written declaration made by him pursuant to Articles 2 and 3'. Now if you examine the written declarations, Mr President, you will find that the vast majority contain little or nothing of the detail which the resolution of 1983 required, that, for example, simply the word 'farmer' has been put down. But if, for example, a farmer has let, say, 1 000 acres or 2 000 acres, he clearly may well be benefiting under this farm price review, and it seems to me that under those circumstances a financial interest should be declared.

So I am asking you, Mr President, to take the view that because of the lack of detail generally contained in the declaration of financial interests — the failure of the vast majority of Members to give anything like the detail required — you should urge Members to give an oral declaration if they speak and they have an interest in this matter today and, indeed, on any other matter. But, of course, on farming the vast bulk of the money of this EEC is derived from the annual budget.

President. — Mr Cryer, I think that every Member who speaks in a debate will naturally point out what his position is. But today it is too early: it is something which Members will be asked to do when they come to speak.

Mr Woltjer (S). — (NL) Mr President, I should just like to return to your announcement, not because I want to start a debate on it but because I should like before tomorrow to have an explanation of the exact definition of compromise amendments. I can explain what I mean. During the meeting of the Committee on Agriculture, Fisheries and Food, it turned out that the Italian Communists and the Socialists had more or less the same opinion about a large number of matters, so we drew up jointly a number of amendments, which have now been tabled under our joint names. So are they or are they not compromise amendments? It would seem that such matters are indeed important if we are to avoid all sorts of procedures being started which in fact are so devised that only a minority in Parliament gets a chance to speak.

President. — Mr Woltjer, you raise the problem of how the Committee on the Rules of Procedure and Petitions conducts its work. Parliament will now confine itself to taking note of a decision obviously taken by a majority of the Committee on the Rules of Procedure and Petitions. The problem you raise will be dealt with by Parliament during Thursday's sitting since, as

I have already pointed out, it is not possible to start a debate on it now.

Mr von der Vring (S). — (DE) Mr President, I should just like to point out that tomorrow's vote at 3 p.m. will have a direct effect on the vote on agricultural prices. Members can now state whether the amendments due to be voted on tomorrow are compromise amendments. In any event all the amendments tabled jointly by Mr Woltjer and the Communist and Allies Group are for us compromise amendments. The Bureau will get into difficulties unless it does as Mr Woltjer suggests or clarifies everything in the meantime.

2. Agricultural prices 1985/86

President. — The next item is the report (Doc. 2-1770/84) drawn up by Mr Pranchère on behalf of the Committee on Agriculture, Fisheries and Food on the

proposals from the Commission to the Council (Doc. 2-1747/84 — COM(85) 50 final) for regulations fixing the prices for certain agricultural products and related measures 1985/86.

Mr Pranchère (COM), rapporteur. — (FR) Mr President, Mr President of the Commission, the farmers and their organizations are now mobilizing against the Commission proposals, which they see as a provocation. This is the first time that the Commission has proposed a cut in ECU prices — an unprecedented move. If they are accepted by the Council, they will result in a sharp drop in incomes and in further restrictions on production, not to mention the danger of renationalization of the CAP. They are a continuation of the agreement of 31 March 1984, which imposed great sacrifices on farmers, with no compensation, for the purpose of reducing production and agricultural expenditure. The Council summits at Fontainebleau and Dublin did not alter these policies. On the contrary, they extended and amplified them by using agriculture as a lever to relaunch the building of Europe — a misguided and dangerous idea.

How can we accept new common policies being implemented on the ruins of the CAP, the only truly integrated policy? The development of Community farming is now conditioned by the agreement of 31 March, and this year the 1985/86 price decisions should more than ever reflect a more comprehensive attitude to the future of the common agricultural policy. We are now at a crossroads and face two alternatives. Either we carry on as proposed in the agreement of 31 March, with further dictatorial cuts in production and increased pressure on prices and incomes — the steamroller approach adopted by the Commission and the like-minded elements here — or

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we decide to abandon this policy and ensure that our agricultural potential is used to the full. This is the approach adopted by the Committee on Agriculture, which believes that the common agricultural policy still has a future in the Community if its weaknesses and shortcomings are put right and if it is given new goals.

Farmers need to believe in Europe, as you told us recently, Mr Delors, when you took up office. But Europe also needs to believe in its farming. This is an area where lofty phrases and declarations of intent frequently evaporate in a verbal Bermudan triangle. What does the Committee on Agriculture propose? First and foremost, that we should more clearly recognize the importance of farming to the balance of payments and to employment in other sectors, without overlooking its role in maintaining living conditions in the least favoured regions and in the field of environmental protection.

Now that the Community has 13 million unemployed, we must stem this tide which has already swept away one farm job every two minutes since 1970. Moreover, unemployment costs twice as much as Community agriculture, a fact to be considered by those who want to force farmers out of work.

The difficulties facing Community agriculture are due largely to a failure to respect basic principles. Community preference is flouted and 55% of Community imports are duty-free. This is hampering the development of our own products and is a heavy burden on the Community budget. Every year financial solidarity is trampled underfoot by the gift made to the United Kingdom — an intolerable practice. Recently, price uniformity has been the only principle which has been better respected with the agreement on monetary compensatory amounts, but it was immediately falsified by compensations paid to Germany, which has created new and serious distortions vis-à-vis other countries. To remedy the present difficulties and set the CAP on a more healthy footing, we must first ensure greater respect for Community principles.

This will require new trade relations with third countries and the revision of certain import agreements which have turned the Community into an overspill area for the by-products of American industry. The Community should set up the machinery required for a genuine export policy and be more firm in resisting all kinds of pressure, from whatever source. It should also improve its contribution to international solidarity by aiding the developing countries better to combat hunger and attain self-sufficiency in food.

This is what the Committee on Agriculture considers to be the best way of revitalizing the CAP, but all efforts would be in vain if the main parties concerned — the farmers and their families — were sacrificed. One thing is certain — Community farming will survive only if farmers receive an income enabling them

both to modernize and to enjoy a decent standard of living. This is in fact one of the primary objectives of Article 39 of the Treaty. In view of this, producer prices must continue to be one of the main means of securing farmers' incomes and of product orientation, but they should be supplemented and reinforced by structural measures, in particular to remedy the great disparities between regions and producers. The average increase in farm incomes will no doubt be maintained for 1984, but this follows a sharp drop in 1983. Overall, 1984 incomes are still lower than for 1973/75. This average, moreover, conceals sharp differences between Member States and between different crops.

The Committee on Agriculture, bearing in mind all these factors, and its main concern being to secure adequate incomes for farmers, has rejected the Commission proposals and proposed an average increase of 4.5%, graduated according to crops and with specific measures for countries with high inflation rates. It also stressed that the associated measures should take greater account of the size of holdings and should have an effect on producer prices, in particular through improved market mechanisms.

Though I do not want to go into the proposals for each product, I would like to present a general outline. In pursuing its objective of using Community resources to full advantage, the Committee on Agriculture expressed concern about three things: helping to improve the situation of farmers who suffered a loss of income in 1984, in particular stock farmers — a problem which the President of the Commission is very familiar with; promoting crops of which there is a shortage, such as oleaginous crops; and encouraging the use for food or industrial purposes of numerous crops such as cereals or sugar-beet.

The Committee also urged that the regulation on sheep should be amended to eliminate the distortions in competition which favour mainly the United Kingdom.

There is nothing irresponsible about the proposals of the Committee on Agriculture. On the contrary, they are responsible and consistent, though clearly they are fundamentally different from those of the Commission. The Committee's main concern is to protect farmers' incomes, though without disregarding budgetary questions and the interests of consumers. On this point, I am amazed at the vehemence of the attacks repeated yearly by those claiming to represent consumers. They accuse the farmers of forcing prices up, but never say a word about the soaring prices of manufactured goods and services! Whose interests are they protecting? One thing is clear: all the studies show that food prices have kept in line with general price increases, whereas they have overtaken them in the other OECD countries. The Commission itself admits this: agriculture has made its contribution to the fight against inflation. As for the budget, this provides the Committee on Budgets with an excuse to launch a

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headlong attack on the Committee on Agriculture and to play the Commission's lackey in this House.

I accept the challenge. To begin with, I note that their propaganda on surpluses says nothing about the substantial shortfalls in many sectors. Though I do not wish to make excessive use of statistics, it must be remembered that the Community's agricultural trade deficit is still very large. It was 23.6 thousand million ECU in 1983, with deficits in such important sectors as fruit and vegetables (5.8 thousand million ECU), animal feed (4.2), oilseeds and fruits (3.6), oils and fats (1), tobacco (0.8) and meat (0.3).

Obviously, the Community cannot produce everything, but it must use its agricultural assets to full advantage. This can be done, since 51% of Community imports could be produced by the Community itself. In the 'surplus' sectors the difficulties are due mainly to the abandonment of the principles of the CAP and especially of Community preference. The so-called cereals surplus is less than the 16 million tonnes of substitute dairy products imported duty free. 15 million tonnes are produced as a result of duty-free imports, which represents the equivalent of 10 million hectares of useful agricultural land, or 10% of the Community's farmland. Overall, 18% of animal production is based on imported feed; the figure for France and Ireland is less than 10% but it is 52% for the Netherlands, over half of whose production area is hence accountable to imports.

If the principles were not distorted and if only these natural resources were used, there would be no surpluses in the Community. Before discussing quotas or other methods of enforcing cuts in production, we should therefore reinstate the principles and reduce the number of derogations.

That is why I propose, as priority measures, that fats should be taxed and that substitute products should be limited. This is an essential requirement, but it is not enough in the immediate term. Measures should be taken to encourage exports rather than storage, which is more costly. This will require a genuine export policy rather than the present day-to-day management. From 1981 to 1983 Community imports increased by 12.6%, while exports have remained constant. The use of agricultural products for purposes other than for food, e.g. for making ethanol, should also be encouraged.

How can we talk about surpluses when hunger and malnutrition are still rife, and when there is poverty even within our own frontiers, without turning the developing countries into dumping grounds for our farm surpluses but helping them to help themselves? Nonetheless, food is urgently needed, and it is our duty to meet this need. Large quantities are required, and it is fortunate that we have stocks, since the FAO estimates that emergency aid to Africa will have to double in 1985. The food aid must also be of the right

quality and suited to the needs of the population, both to facilitate its use and to avoid hampering the development of local produce. As far as the budgetary aspects are concerned, I do not intend to bury my head in the sand. The Committee on Agriculture has never favoured unlimited growth in agricultural expenditure. It agrees that such expenditure should be controlled and monitored, but with respect for the principles and not blindly and high-handedly like the Commission, which is penalizing all producers with regard to both quantities and prices.

The Committee is therefore opposed to these intolerable constraints which are quite out of keeping with the nature of farming, which belongs to the world of the living and cannot be made to obey mechanical or technocratic rules. But the Committee would like to point out that while EAGGF expenditure has greatly increased since 1982, mainly as a result of short-term factors, the increase over a longer period, for example from 1979 to 1984 — and this seems to me to be of fundamental importance — was less than the increase in the Community's own resources — 75% as against 77%.

Net agricultural expenditure amounted to only 0.55% of the gross domestic product, a proportion which is comparable to that of other developed countries, but the Committee on Agriculture has nevertheless come up with proposals to control more effectively and rebalance agricultural expenditure by penalizing those who are really responsible for the increase. It is concerned by the volume of stocks and withdrawals of certain products, and in particular it questions the system of compensatory aid, the effectiveness of which seems limited considering its cost. The food industries also profit far too much from this system. Expenditure in support of the dairy sector fell from 48% of the EAGGF in 1975 to 31% in 1973, and balance should be restored by replacing the co-responsibility tax levied on all producers by a tax on dairies, with an upper limit for support for each holding. This would permit considerable savings if combined with our price proposals, the net cost of which would be less than 1 000 million ECU for 1985 and 1986, an amount equivalent to the Community's repayment to the United Kingdom for 1985 alone.

In addition to the savings made, further revenue would be needed, in particular from new resources and from the stricter application of Community preference, derogations from which have been estimated by the Court of Auditors to cost between 2 000 and 4 000 million ECU. The proposals of the Committee on Agriculture are a clear indication of the Committee's desire to halt the break-up of agriculture and to provide farmers, in particular young farmers, with prospects for the future. The Committee is not opposed to continuing the building of Europe, provided this results in genuine cooperation and provided it is not achieved at the expense of the farmers.

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I hope that these proposals will be supported by most members of this House, since they will serve as a warning to the Commission and to the Council, which have just begun negotiations. They might also be a source of considerable support to farmers and their organizations in the campaign which they are sure to organize in the next period.

Mr James Elles (ED), draftsman of the opinion of the Committee on Budgets. — Mr President, we find ourselves today, when debating the Commission's proposals on agricultural prices for 1985-86, at an important turning point in the Community. The application of the objectives of Article 39 of the Treaty of Rome, which the Committee on Agriculture, Fisheries and Food so strongly defends, is becoming increasingly difficult and, indeed, the reconciliation of the three central factors governing the management of the CAP — that is, to maintain a reasonable level of farm income, to keep the markets in balance and to have availability of finance to keep the policy going — is proving to be a Herculean task under the existing mechanisms. It was when looking at these three factors that the Committee on Budgets came to the conclusion that the Commission's proposals for farm prices this year are courageous and appropriate in the circumstances so long as they can be supplemented through implementation of structural policy to deal with the problems which will arise for the incomes of smaller farmers.

Let us have a brief look at those three factors. Firstly, farm incomes. Differing views of this problem can be obtained according as we look at the Member States, the products concerned or the base years upon which we examine the problem. When we look back over the past decade, there has indeed been an overall fall in farm incomes in real terms, and yet the three-year average for 1982-84, the three most recent years, reveals an increase in farm incomes in real terms of 9%.

Turning to the problem of keeping the markets in balance, it is irrefutable, whatever statistics you use, that the Community has increased its self-sufficiency in its major product sectors. Agricultural production has been rising over the past decade at a steady rate of about 2%, while consumption has not kept up with supply. Indeed, for some temperate products it has declined. As a result, the Community today is the world's biggest exporter of animal products and a leading exporter of arable products. This increased presence on the world market has meant that the agricultural policy has become more open to factors outside the control of its managers or the policy-making process of the Community institutions. We must recognize that although the rise in the value of the dollar has enabled considerable savings to be made over the last couple of years, a significant drop in that currency will add considerably to costs in future years. A fall of 1% could add at least 100 million ECU to CAP costs.

Secondly, as a net exporter of cereals, we must be fully aware of the impact which decisions that the United States are about to take this autumn will have concerning their Farm Bill. Any lowering of the major cereal prices in the US will have a significant depressant effect on the world market and, in consequence, on funding from the EAGGF. The answer to the difficulty of keeping markets in balance does not, as some people think, lie in the reinforcement of this idea of Community preference. Stricter limitations on imports must be resisted, because, firstly, they will lead to retaliation on our own exports which have access to other markets through negotiated arrangements in the GATT. In any case, under the GATT, we should have to pay an exporting country with concessions for any rights withdrawn. Indeed, when the Committee on Agriculture, Fisheries and Food argues for greater Community preference in fruit and vegetables, I would simply remind the House that, when enlargement occurs, as Spain is the biggest exporter to the Community, that figure will come tumbling down.

Turning to the availability of funds, we should note that agricultural expenditure rose by 22% in 1983 and by 14% in 1984, and the increase is likely to be above 10% in 1985. Yet we have a serious budgetary situation: we have no budget for 1985; there is anticipated expenditure of an overrun of something of the order of 3 000 million ECU; we have no agreement yet as to how the 1985 budget is to be financed.

Fourthly, when it comes to looking at the price proposals and the effect on the budget for 1986, we are told that this is on the assumption the price proposals will be adopted as they have been put forward by the Commission. There is no account taken of price increases in 1986 and 1987. It is assumed that the disposal measures will be carried out in full this year, and there is no allowance whatever for a fall in the value of the dollar.

In the light of these points, Mr President, the Committee on Budgets indicates to the House that both on the grounds of serious market imbalance in several important sectors, and in view of the problems of short to medium-term financing, there is no room for substantial alterations in the Commission's price proposals this year.

In the opinion of the Committee on Budgets, Members will find the estimated budgetary effect of the resolution of the Committee on Agriculture, Fisheries and Food set out by product sector. This will be 700 million ECU more this year and 2 000 million ECU next year unless Mr Pranchère can find some magical solution for getting a tax on oils and fats from the Council of Ministers in the next 18 months.

Are those proposals responsible and coherent? Where is the money likely to come from? It is a burden, Mr President, which is unsustainable in the present circumstances. Therefore, the Committee on Budgets has

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decided on numerous amendments which I propose that this House accepts. We debated all day yesterday on the Commission's substantial and ambitious programme for 1985, and we are at this very moment asking for greater powers for Parliament in the Dooge Committee. How will Heads of State be prepared to give Parliament greater participation in legislation if it shows itself tomorrow to be utterly irresponsible and incoherent? Choice means exclusion. We cannot in tightened budgetary circumstances ask for more funds for social programmes or structural policies if we are not prepared to take decisions to limit excessive agricultural expenditure. We are not against the CAP in the Committee on Budgets, we support it; but we have to ensure that the funds are not simply spent on generating excess production. We have come to the conclusion that the pricing mechanism is not the only mechanism through which we should do that.

Our future lies in our own hands, Mr President. Tomorrow's decision by the Parliament is an important one. Let us have a clear opinion tomorrow and confirm the view of Parliament in the eyes of the European public as a coherent and realistic one.

(Applause)

Mr Woltjer (S). — *(NL)* Mr President, at a time when an agricultural reformer, Gorbachev, has been elected leader in the Soviet Union and the Reagan Administration is busy making drastic cuts in United States agricultural policy with the 1985 Farm Bill, introducing an even more capitalist policy, European agricultural policy is threatening to degenerate still further into horsetrading over a couple of percentage points.

Will it be 0%, as the Commission wants, and will prices therefore have to be frozen, or will it be 2½%, 5% or 4½%? All these figures are currently being bandied about Europe. The situation becomes even worse when one hears, for example in the milk sector, the Council again discussing whether to maintain the coresponsibility levy at 3% instead of cutting it to 2%, or whether perhaps to hold production at 98 million tonnes instead of this 1% cut. These questions, this 1 or 2%, are all the subjects of vehement discussion, and agricultural policy seems indeed to have degenerated.

However, Mr President, I would emphasize here that all this obviously reflects a much more fundamental and far-reaching underlying issue. What we really have here is a clash of philosophies, which is becoming increasingly apparent. On the one hand, there are those Member States which advocate a liberal agricultural policy based on the survival of the fittest with no room except for the stronger farms, while on the other, there are those Member States that want to focus more on a social agricultural policy to give their own regions a chance in the Europe of tomorrow.

There has so far been no real discussion of the basic approach on which our Common Agricultural Policy should be built, with the result that it is currently based on nothing whatsoever, and the sole result is that ridiculous picture I have just outlined. In fact, the farmers themselves are the victims of this lack of vision, for the first question they face is the following: should we invest now and borrow from the banks to increase production, or will there be a policy reversal soon, requiring us to concentrate more on environmentally sound production methods, less production and greater attention to operating costs. They are confronted with all these questions, and the Common Agricultural Policy as it stands is not able to give them any real idea of what they should do with an eye to the future.

It is not surprising therefore, given this appalling lack of vision, that the Finance Ministers are playing an ever greater role. Europe's bookkeepers are indeed threatening to take complete control of the Common Agricultural Policy. Now, as a matter of fact I do not have any objection to these Ministers clearly spelling out that the money can only be spent once and should be allocated efficiently. But I do have great difficulty accepting the idea of them laying down in detail the priorities for tomorrow purely on the basis of budgets or financial deficits etc. This would in effect mean deciding agricultural policy on the basis of financial considerations, to which I have grave objections.

As I have already said, my Group takes the view that considerable attention needs to be devoted to the future of Mediterranean policy and structural policy, which must, so to speak, form the basis for a future Common Agricultural Policy, and it is particularly important in this period of surpluses that we uphold this priority. I have learned that a compromise was reached last night in the Council of Ministers involving a decision to set aside 5 250 million ECU for these programmes for the next five years. I wonder whether this policy will be given sufficient priority as a result, and should like to have an answer from the Commission on this point. Will you indeed be able to pursue effective Mediterranean and structural policies with these 5 250 million ECU, as you had planned? I should be grateful for a clear and very specific answer to this question at the end of this debate.

Mr President, I realize that there are great financial problems, but on the other hand they should not be dealt with at the expense of structural policy.

And now to the report by Mr Pranchère. On behalf of my Group, Mr Pranchère, I can be brief and to the point. The report submitted by the Committee on Agriculture, Fisheries and Food is what I would call unrealistic, inconsistent and protectionist. It is misleading and gives farmers false hopes that you will never be able to fulfill. You are in fact responsible for steadily undermining their faith in the Common Agricultural Policy, since it is surely not possible to con-

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tinue working with such financial deficits if you simply do nothing about overproduction. My Group is utterly opposed to this, and has tabled a large number of amendments to this report in order to redirect it along lines we can support.

Where do the problems lie? The situation is quite clear. Overproduction is a waste of money which could be better spent to enable the farmers themselves to benefit more from the policy pursued. At the moment, these funds used to maintain enormous surpluses, which cannot be sold anyway, and I should like to say that if you believe you can serve two masters at the same time with price policy — on the one hand market regulation and on the other farm incomes — any economics student can tell you straight away that you are doomed to failure since you have two objectives for which you also require two instruments. Either you have a quota policy to regulate the market in which case you can apply price policy to incomes — or you use prices to regulate the market — which means that you need a social policy to support incomes. In this connection, I would again stress that, with regard to cereals policy, we would opt for a reduction in prices with accompanying income supplements. I oppose the coresponsibility levy because it is in fact a price instrument, or more precisely, because consumers are thereby paying a tax to continue financing the existing surpluses. This is unacceptable. As I have already said, over-production of surpluses is fundamentally wasteful.

This brings me to an important point on behalf of my Group. The various amendments include one by Mr Klepsch on behalf of the Christian Democratic Group. At yesterday's press conference, Mr Marck declared on behalf of his Group that this had to be *the* amendment and that Parliament had to support it or else there would be no price increases or the report would not indicate any prices. I would call this putting people at the mercy of compromise and imprecision. For what does it involve precisely? This amendment states that we should increase prices by 3.5%. The farm people in the Christian Democrat Group have clearly had to climb down, so this will be one half of the compromise. On the other hand however, it also states that farmers should be made to share responsibility for overproduction. How should I interpret this? For three years before he became chairman of the Committee on Agriculture, Mr Tolman had been saying that we had production thresholds and these would resolve the problems. He now admits that such thresholds do not actually mean anything unless action is taken when they are exceeded. So what did the Council decide in respect of cereals? It decided that prices should go down if the production thresholds were exceeded. And what do I see in this amendment? This decision by the Council has simply been ignored: it is clearly not wanted. My question is: what do these people want? Coresponsibility? Does this mean in effect that farmers are first promised a price increase of 3.5%, only to have 5% snatched away again to con-

tinue financing the surpluses? Is this how I am to understand the Christian Democrat amendment? Is this what is really letting the farmers in for the compromise? If so, you should come straight out with it and not lead people up the garden path.

Let us be quite realistic. You cannot hold us responsible for the fact that you have been unable to arrive at a clear standpoint in your own Group. You cannot tell us — if we vote against this amendment — that because we have rejected your ideas there will be no report, or at any event no clear opinion forthcoming from this House. Nothing could be further from the truth. You yourselves have been unclear. We have offered an alternative, and I continue to urge that you support it. I acknowledge that a reduction in cereal prices by itself will cause great problems in a number of regions. For example, I am aware that a drop in prices will have a much more serious impact on incomes in Southern Germany than in the regions around Paris. This much is known and supported by figures. The problem is due to the structure of farms in Southern Germany. If one then says that we indeed need to do something about these weaker farms, I feel that this should not be via a general increase in prices followed by yet another coresponsibility levy, but through a policy directly aimed at the group affected by the problem, rather than a general, unformulated and nebulous policy, such as that devised by the Council of Ministers.

I want to make one final comment which I consider to be of great importance. The chairman of the Committee on Agriculture has been putting it around throughout Europe that the Pranchère report is realistic. Now, I can well understand that he has to support this report in his capacity as chairman. On the other hand, however, I do wonder how the Committee on Budgets can then draw up a report containing detailed amendments to the Pranchère report. This causes me much greater concern. This road will lead us to ruin. Although I do not disagree with these amendments, I find it shameful that they had to be tabled by the Committee on Budgets and could not be brought up in the Committee on Agriculture itself. These events show that the Committee on Agriculture has turned its back on reality, so others now suddenly feel that they need to take on the responsibility. This is where there is a great problem in my view. I believe that the Committee on Agriculture should assume responsibility for this matter and that the Committee on Budgets should not concern itself with the details of implementation, as has now happened. Here again, just as with the Finance Ministers, I can understand the Committee on Budgets defining the financial framework. However, I cannot accept it going so far as to lay down in detail how everything is to be implemented just because there is no one else to do the job on and the Committee on Agriculture has obviously shirked this responsibility.

The Pranchère report in its present form is unacceptable. We do not unconditionally support the Commis-

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sion's proposals. We want these to be supplemented and substance given to the social policy. As I said last time, we believe that the Commission has made a great mistake by saying in its report that it would not be able to issue a forward-looking memorandum on agriculture until November. This is not on! The result will then be the purely capitalist approach already hinted at in the report and a liberal agricultural policy, which we do not support. I therefore feel that the Commission should hurry up in formulating its view of agricultural policy and the prospects for the future.

On behalf of the Socialist Group, and together with my Italian Communist friends, I have tabled a number of amendments aimed at incorporating this social element in the Pranchère report, totally changing this report and — most important — ensuring that Parliament opts for a social agricultural policy instead of a liberal agricultural policy with no room except for the strongest.

(Applause from the Socialist Group)

Mr Bocklet (PPE). — *(DE)* Mr President, ladies and gentlemen, this year's farm price proposals will be the hardest test so far for the CAP, since they stretch existing market regulations and financial possibilities to their limits.

To begin with, farm prices are being increased under the banner of budgetary discipline, in other words what is necessary to safeguard farmers' incomes is no longer considered relevant. Instead, arbitrary financial limits are imposed in the face of the unresolved budgetary situation and the expansion of the Community in the South. The agricultural policy is being forced into this financial framework without regard for farmers' incomes or market regulations, and all this after the political leaders in the Commission and Council have for years been standing by and watching the surpluses grow in many sectors!

It now seems that the farmers will have to pay for the politicians' failure to take timely action on a European scale. We are emphatically opposed to this. That is also the theme of the Committee on Budgets, and the Committee on Agriculture, Fisheries and Food and my own Group cannot go along with this. I just wanted to say that by way of reply to Mr Woltjer.

There is no doubt that agricultural surpluses are the greatest problem facing the CAP. Productivity in European farming will increase still further as a result of developments in farming methods, which means that the problem of surpluses will become more acute if the political leaders do not act now. The Commission's response to this challenge is to put pressure on prices and reduce guaranteed prices. Unfortunately, its actions are backed by decisions of the Council, which, by introducing guarantee thresholds, has given its blessing to this price policy as the most important means of combating the growth in surpluses.

This policy will continue to be bitterly opposed by my Group. It is a policy which is particularly repugnant in view of the stagnating, indeed, declining farm incomes in many Member States. While the cost of the means of production keeps rising, Community farmers have to be content with a constantly dwindling proportion of the increases in incomes enjoyed by other groups. In addition, fairly stable food prices have helped to ensure that consumers have more and more money available for goods other than foodstuffs.

In our view prices must continue to be the main means of safeguarding farmers' incomes, especially now that these are so low. We are therefore in favour of an average increase in farm prices of 3.5% for this year. We realize that this is not much when one considers the rightful expectations of farmers, but it is sufficient to be taken as a positive gesture to the farming community. This is particularly true in the case of Mediterranean products. We therefore firmly reject the Commission's proposals.

Although Mr Woltjer criticized our position at great length, his comments did not reveal any clearly defined position. I feel that Parliament does not act to its credit when it fails to make any clear statements concerning the proposals before us. This does not reflect the dictates of my Group, but is purely a question of survival for Community agriculture.

I would now like to say a few words concerning cereals. The Council has decided to adopt guarantee thresholds. On the basis of last year's crop yields in the Community, this would result in a 5% drop in cereals prices each year for the next 3 years. We cannot accept such a policy. We therefore demand that the situation not be allowed to develop in this way. We are not saying, however, that prices in that sector must increase. We would be satisfied if prices remained stable and have tabled proposals to ensure that order is restored to the cereals sector. Let me just make one thing clear: the Commission proposals, as they now stand, will lead to a further increase in the volume of cereals produced and will one day force all small-scale producers in unfavourable locations out of production.

To sum up, the Commission proposals will not reduce surpluses but only the number of farmers. What we want is to promote alternative crops, that is crops rich in proteins. We are therefore willing to accept a co-responsibility levy on cereals. We call for the compulsory addition of cereals to our animal feed, so that more of our cereals are actually used in feed. We are in favour of subjecting the import of animal feed to quotas, since the compulsory addition of cereals and the use of farmland for other crops will be impossible unless we restrict imports at the same time. I am not calling for imports to be returned, but to be made subject to quotas. All these measures will have the effect of limiting the growth of surpluses and ensuring that the agricultural policy can be financed.

Bocklet

I would like to add one comment on milk. We introduced a system of quotas for milk, but now that farmers can no longer guarantee their incomes by the amount they produce, we are obliged to allow them some form of protection through prices. The present situation in agriculture is marked by hopelessness and depression. This is a politically explosive mixture. We should remember, in our decision tomorrow, that the fates of hundreds of thousands of family holdings are hanging in the balance.

(Applause from the centre)

Mr Provan (ED). — Mr President, I should also like to welcome the President of the Commission this morning. It is good to see the boss listening to this vital debate on which I believe the future of Europe depends to a large extent. We understand why Commissioner Andriessen cannot be here. We welcome some of the decisions that were taken in the Council of Ministers last night.

However, let us face it, ladies and gentlemen, we are in a crisis as far as the future of Europe is concerned. We are at a crisis as far as the future of this Parliament is concerned. Unless we stand up and try to claim some credibility as a parliament, we will not have any credibility as understood by the electorate who sent us here. The budget for 1985 was thrown out by this Parliament because there was 2 000 million ECU short. Today Mr Pranchère in his report is calling for another 1.5 billion expenditure in a full year. Where is that finance to come from? It is totally ridiculous and incomprehensible for any parliament to adopt two stances, as is being suggested by Mr Pranchère. We are totally opposed to what Mr Pranchère is aiming at in his report. We must have some budgetary responsibility.

I am surprised to hear Mr Bocklet and some of his Christian-Democratic colleagues trying to achieve the same sort of thing. They are living in cloudcuckoo land, and they are going to mislead the farming industry far more than do it any good at all by adopting the stance that they have done. I say quite frankly that they will cause more distress to the farming industry at the end of the day by adopting the position that they have.

As I said when we debated this last month, I believe that the Commission has adopted a bold stance that deserves support. It is only a holding operation to allow the agricultural industry to change direction slowly and adapt to the changed circumstances in which it finds itself. If we, as a parliament, want to influence the Council, we must support the Commission and stand united together, so that they can actually bring the necessary decisions forward at the end of the time.

Regarding the budget and agriculture, we must make sure that we have sustainable costs as far as agriculture

is concerned. If we cannot sustain the expenditure through the budget, then we will have no funds to spend at all. If you vote expenditure, you must also vote the funds. And the funds are just not available. We are also in the situation where the world markets cannot be expected to go on absorbing our surpluses from the European Community. It is not just our problem, it is an international problem. The Americans have surpluses, as have the Argentinians and Australians. It is a world problem that we are involved in, and that is what makes it all the more serious. Whilst we can afford at the present time to be generous to the needy with emergency supplies, we must also assist them to develop their own food production for local consumption. We must not hide behind some of the famine areas in the world at the present time by trying to talk ourselves out of the difficulties, which are indeed severe. It is a holding operation that the Commission is proposing, and we fully support it. However, let me say to the Commission quite frankly at this time that I hope it will also make certain that research and development is encouraged in the Community and at national level. It would be totally wrong, when the agricultural sector is facing such difficulties, if we were not given some assistance by research workers and advisory bodies as to the best way for farmers to adapt to changing circumstances. I hope the Commission will take that on board.

Let us look at some of the problems. We are creating surpluses because we have consumption problems. One of my criticisms — and I do not have many — of the Commission's proposals is that they are not assisting enough in getting rid of our surpluses. Why do we have to continue, for instance, with a coresponsibility levy in the milk sector when we also have a quota system? It is a tax on the consumer, and it is not doing sales of the product any good at all. Why is the suggestion put forward that we abolish the beef premium scheme, when it has been shown that in the United Kingdom we have maintained consumption and yet every other country in Europe is seeing a decline in consumption of beef? Surely that is a key issue and a very good indication that the beef premium scheme is, in fact, a very effective weapon in keeping the product out of storage and out of freezing, where its value is reduced.

I would submit to Parliament this morning that it is time that the consumer and the taxpayer reaped some of the benefit from the investment that has been made in the agricultural sector over the years. We accept basically the point that Mr Woltjer made earlier that there is a problem with the structures of agriculture in the Community. However, this is not the time or the report in which to get involved with farm structures. This report before us today deals only with farm prices, and we, along with everyone else in this Parliament, will be looking hopefully to the Commission and assisting the Commission in coming forward with adaptable structures so that the industry can change itself for the future. We will support anything that has

Provan

to be done for the smaller farmers and the less-favoured areas to allow that restructuring to take place.

My colleagues in my group will be referring to specific commodities as we go through the report today. I should like to deal with one key area, namely, cereals. We must get the cereal sector more market-orientated. For too long it has been possible to produce a tonne of wheat and know that there was an intervention store that would accept it. That, I believe, is no longer going to be possible. It is wrong to be pouring cereals into intervention at one end of a store and taking it out at the other at a cost of 30, 40 or 50 ECU per tonne. That is a cost to the taxpayer that is no longer tolerable, and I would submit that perhaps in the future we must get to the stage where intervention in the cereals sector is only used as a mopping-up operation at the end of the marketing season. Producers must have some pressure applied to make them find a purchaser for what they want to produce. We will support the Commission in what it is trying to do at present, although we realize that in the shorter term we will probably see increasing production rather than a reduction in production. In the longer term they must get the pricing right so that we get a better balance between supply and demand and give the livestock sector some of the benefits.

There is one area in particular that is of concern to my country, and that is the sheepmeat regime. It would be totally wrong to start letting discrimination into the agricultural policy. We have stood, all these years, for solidarity in the common agricultural policy. Because there is going to be no compensation make-up payment in the new premium, the proposals that are coming forward from the Commission in the sheepmeat sector mean that we are going to be discriminated against. I would ask the President of the Commission, in the interests of the unity of the European Community, to have a further look at the sheepmeat sector to make sure that this discrimination does not arise.

I come from the north of the European Community where we have surplus problems at the present time. However, we must also look at the south and realize that there is a marketing problem with a large number of products in the fruit and vegetable and citrus sector. We must introduce control and pricing mechanisms to ensure that that does not become an intolerable situation as well. Fruit and vegetables, on the other hand, have had a lot of misrepresentation recently because of scare stories going around of the massive tonnage that has had to be destroyed. I hope that the taxpayers and electors of the Community realize that what has had to be destroyed is only a very very small proportion indeed of the total amount that is produced and consumed. The tomato sector takes 50% of the total expenditure in the fruit and vegetables area. That does need to be watched extremely carefully and, I would submit, will have to be very strictly controlled.

I could go on a for a long time. However, let me just say that, at a time when food mountains are reaching new heights because of record harvests, I am amazed that we should have a report before this House asking for an increase in prices to the extent that it does. A 5% increase is what Mr Pranchère was originally seeking. There is only one nation that would benefit, and that would be the Soviet Union. I am sorry to say that Mr Pranchère's report, with the anti-USA stance that it takes and the protectionism that is built into it, would have absolutely no benefit whatsoever for the European consumer.

(Applause from the European Democratic Group)

Mr Gatti (COM). — *(IT)* Mr President, ladies and gentlemen, we really thought that the time had come — and that it was possibly our last chance — to make a change, to acknowledge in other words, that the price fixing policy had failed in its basic aims and to propose a joint debate on prices and on the reform of the common agricultural policy in order to tackle the crisis facing European agriculture, which is characterized by profound imbalances of a territorial, regional, social, economic and productive nature.

What is more, the Commission has argued the same way in its documents; in the report on the agricultural situation it talks of the need to revise the CAP; in the document on prices, in the report, it writes about outlining the prospects for a future European policy. In the 1983 document, document 500, it is stated that only a decisive action aimed at transforming Community policy into a long-term rational structure will succeed in placing the agricultural policy in a new economic and financial context in the years to come. Both the heads of government and the President of the Council have acknowledged this fact.

This, then, is the huge responsibility which you in the Commission must bear, as must the Council of Ministers, and those political groups who confine themselves to asking — simply and justly — for a price adjustment — which we Italian Communists too would like to see applied with due caution — rather than pledging themselves to question the whole framework of decisions on prices and reforms.

We say no, therefore, to the Commission's proposal and no to the increase suggested in the report by the Committee on Agriculture.

Farmers, especially small farmers, are asking for structural changes, ladies and gentlemen, in order to adapt, rationalize and improve their production; they are asking for new markets and Community support measures and they know full well, these European farmers, that one more measure or one or two extra points are not going to do anything to solve the problem of surpluses or help them be more competitive in the world market.

Gatti

Only a new way of producing and of gaining entry into the market, and of reducing production costs will make agriculture and farmers more competitive.

Meanwhile, you from the Commission reply to these demands — in point 7 of the document before us — by stating that the Commission intends to initiate discussion — these are your own words — by the end of the first half of 1985.

How do you expect us, Mr Delors and Mr Andriessen, to have confidence in you after what has happened? This morning we learnt from the press and radio that the Council of Ministers had reached agreement on the package. So I ask you, Mr Delors and Mr Andriessen, what will we be talking about in June? We expected President Delors to give a message to Parliament this morning, saying that the Commission was very sorry but it had made a mistake! We will not be discussing anything in June, because everything has already been decided. We will record what the Council of Ministers has decided and then we will tell you. Instead, there has been a total silence. What are we supposed to think about all this when you yourselves in your own document say that not only have the markets *not* improved but in some case they have actually deteriorated?

When we read the introduction to your document, the initial pages, we still harboured some illusions, because these contain a quite different philosophy and principles, which are valid, this we must admit. On turning the page, however, we came across the usual surprise that has been repeated annually for too many years: a prices policy, and as for the rest, wait and see. You have been doing this for years, and you still have not solved any of the serious problems: surplus production, wasting financial resources, imbalances between countries. If anything, these problems have worsened.

And you always call on the weakest agricultural areas, such as small hill-farmers, to bear this burden. These are the very people who cannot wait any longer. Do not come here and tell us that the proposals still need to be defined, as Mr Andriessen has often claimed. You have already formulated them in your own documents.

This is what we should like to remind you and our position is summed up in Amendment No 152, which we have tabled with our Socialist colleagues, and which argues for a prudent increase in prices. I invite those present, even though there are so few of you — to read this amendment for yourselves. It expresses our viewpoint on the financial problems connected with the 1985 budget to be adopted and the resources to be increased. Kindly allow me at this point to bring up other needs of which we are aware: Europe *should* launch other Community policies — as Mr Delors said yesterday — but should not make another sector, such as agriculture, which is not at fault, pay for them.

We need to defend agriculture and farmers. Let us get on with programming European production in a way which corresponds to consumers' needs. In this area too, we are consistent: while we support the enlargement of the Community to include Spain and Portugal, we do not want large areas of the Mediterranean and these new European citizens to pay for their entry with dramatic consequences. Let us turn over a new leaf, then, and launch a new Community agricultural policy. You gentlemen from the Commission should reject proposals which have already been seen to fail. For goodness sake, have the nerve to face up to this fact. Production quotas for farms, co-responsibility levies, production thresholds, undifferentiated high prices — they have all been failures. Instead, you should combat surpluses — and in this we would be in agreement — by which hitting those who are producing just in order to obtain the intervention price or the Community premium. At the same time, however, you should give a boost and incentives to those farmers who are really trying and producing true quality. This House has pointed out the correct way to combat surpluses, such as that of wine, and we are asking you to extend it to other sectors of production. Perhaps, in this way, the prospect of the year 2 000 which President Delors talked about, that is to say of a sector producing social and economic well-being, will actually become a reality for farmers and for European agriculture. That is the viewpoint of the Italian Communists.

Mr Louwes (L). — (NL) Mr President, I should like to set out the standpoint of the Liberal and Democratic Group, but before doing so, I should like to reply to the question by Mr Cryer as to my personal financial interest in the Common Agricultural Policy. Some time ago, I filled in the questionnaire he referred to, declaring that I was a farmer with over 120 hectares in the Netherlands. Therefore I do indeed have an interest in the fortunes of the Common Agricultural Policy, that is clear, and also in its financial impact on the products I cultivate. I should like to explain the financial impact to this august Assembly.

In 1984, I grew wheat on half of my farmland, which I later sold this January for less than the quoted Chicago price. On 25% of the land I grow sugar beet, Mr Cryer, and as you know, this is regulated by a market organization that is self-financing and does not cost the taxpayer anything. I grow potatoes on a further 25% of the land and these are not covered by any market organization. Here, there is no intervention at all on the part of the Community or any EEC Funds. I also have a few sheep, and indeed over the last couple of years I have received around Fl 2 000 — 3 000 ewe premium for them, — although I had not actually made any application whatsoever. However, this amount represents a mere fraction of the 1% VAT transferred on my behalf by the Government in the Hague to Brussels.

Louwes

I therefore think, Mr President, that I can look the taxpayer in the eye. This is what I wanted to say in response to Mr Cryer's question. However, I attach great importance to the maintenance of the Common Agricultural Policy, which after all is there to enable agriculture in our Community as a whole keep constantly up to date and to ensure that the hardworking farming community gets a fair deal.

Mr President, our Group has considered the present proposals in detail — indeed I might even go so far as to say that it has struggled with them. On the one hand we had the Commission's proposals for economies, which are undeniably consistent with the restrictive measures introduced last year. We also attached great weight to the difficult budgetary situation and the need to arrive at a more effective form of market management. On the other hand, the Commission's proposals offer extremely few prospects for our farming community, at a time when measures to curb production have already put pressure on farmers incomes. The figures that we have all received in this House from COPA speak for themselves. We thus find ourselves between Scylla and Charibdis — in any event that is how my Group saw it.

How, Mr President, can things have come such a pass? In the view of my Group, the present budgetary chaos is entirely, but entirely, the fault of the Council, i.e. the Member States, which are too busy quibbling and alitercating to take any decisions. This being the case my Group is inclined not to leave the farmers entirely in the cold, since they are not to blame for the lack of funds. We are extremely curious to know what the Council of Ministers will finally decide. Whatever it decides, however, it will have to ensure that the necessary funds are then made available. We wish it a judicious blend of courage and wisdom.

Taking everything into consideration, Mr President, the majority in my Group is inclined to vote for the amendment by Mr Galland, which advocates an average 2.5% price increase, instead of the 4.5% proposed by the Committee on Agriculture, Fisheries and Food. We then assume that the Council will do its duty, and that the resources will be made available.

(Applause)

Mr MacSharry (RDE). — Mr President, 'Further reduction in agricultural earnings is unacceptable since it would have the effect of speeding up the flight from the land and creating even higher unemployment'. These were the very words used by the European Commission only two short years ago when they presented their price package for 1983. Encouraging words they were, only to be followed by discouraging actions.

In the last couple of years significant and in some cases inadmissible sacrifices have been imposed on farmers

without any compensation. Quotas, guarantee thresholds, financial levies, restrictive management of markets and reduced prices and aids have become the farmers' lot.

The European Commission has reiterated on numerous occasions its awareness of the crisis situation in Irish farming. Consequently the Commission is aware that many jobs have already been lost and tens of thousands of other jobs are threatened due to the persisting crisis in the agricultural sector in my country. In the last 5 to 6 years Irish farmers' incomes have dropped by more than 45%, leaving them less well off in real terms than they were prior to joining the Community.

We have one of the highest inflation rates in the Community. Our farm input costs have doubled and our interest rates are crippling. It must not be forgotten that approximately one half of our entire working population in Ireland is occupied in farming and connected industries. Neither must it be forgotten that Irish agriculture is the No 1 contributor to productivity growth, to curbing inflation, to a potential increase in employment and, above all, to national exports.

We in the European Democratic Alliance have always stressed our support for the principles and mechanisms of the common agricultural policy. One of the primary objectives of this policy is the safeguarding of farmers' incomes. There is increasing unrest in all the Member States and in particular in my own country by the rural population whose livelihood has been seriously threatened by falling incomes.

If we are to judge by the European Commission's proposals for farm prices for 1985-86, consisting of either a price freeze or a price reduction depending on products, the future looks very bleak indeed. I think it is important that we should look at a little bit of the background to the situation that obtains in the Community.

The European Community remains by far the largest importer of food and other agricultural products in the world. In 1983 these imports totalled in value 50 354 m ECU while exports of these products amounted to 26 693 m ECU. Between 1973 and 1980 the Nine's imports rose from 24 140 m ECU to 42 210 m ECU, an annual increase of 8.1%. The imports of the Ten, totalling 44 721 m ECU in 1981, rose by an annual average of 6.3% from 1981 to 1983. The Community's share of total world imports of food and other agricultural products, slightly decreasing in recent years, is close to 20%. Japan's share is about 11%, that of the US 10%. Overall the largest share of imports is accounted for by animal feedingstuffs, whether compound or the raw materials for their manufacture, and of course cereals and cereal substitutes, oilseeds and cake and fishmeal etc.

The distortions effected by imports of animal feedingstuffs on Community agriculture is another area

MacSharry

which is often ignored. Imports of these in value terms increased by 180% from 1977 to 1982. Between 1977 and 1983 the value of imports of corn gluten feed rose by 230% to 683 m ECU. Calculations done by our own services — the Statistical Office of the European Communities — show that in 1982 for the Community of nine, imports of animal feedingstuffs were equivalent to the production from 10% of the Community's utilized agricultural area. There is little or nothing in the Commission's proposals for 1985-86 to correct this dreadful situation.

One farmer has left the land every two minutes every month of the year for the last 10 years. This is one of the greatest scandals of our time. In the prevailing economic situation many of these farmers end up by swelling the ranks of the dole queues. It is also an ironic situation because in terms of finance it costs more to keep one person on the dole than it does to maintain at least two farmers on the land.

There is no other sector of the economy that is being treated like the farmers because there is no other sector that would put up with it. What if farmers were to go on strike? What if the security of food supplies were no longer assured? What would happen if it were no longer possible to maintain stable price for consumers? These thoughts are frightening.

Having failed to find solutions to the real political problems the last summit capitulated and allowed the common agricultural policy to be seized as a scapegoat and sacrificed yet again by its enemies in Council led, I must say, by my colleagues from Britain.

The European Democratic Alliance have always repudiated those critics of the CAP who sought to combine dubious budgetary considerations with the future of the CAP and we will continue to work to defend and protect the interests of our farmers. Our farmers must receive price increases which are adequate to ensure a decent standard of living for the farming community. There is an obligation on all to help to restore the confidence that has been undermined for so long and which is essential for the development of a healthy and prosperous agriculture.

If quotas and taxes are maintained and extended, if there are no price increases or even decreases, if farm spending is to be limited year after year there can be no doubt that the large industrialized nations will revert to national subsidies. This situation must be avoided at all costs because it would spell the beginning of the end of the common agricultural policy.

Mr President, my group supports the Pranchère Report, which is both courageous and realistic. I would like at this point to make a few brief comments in relation to one or two of the Commission's proposals. The level of price increase proposed for milk, including the co-responsibility reduction of 2.5% or 2.4p a gallon, is entirely inadequate to maintain prod-

ucer incomes. The modest level of price increase must also be put in the context of a strict quota regime which eliminates the possibility for producers to improve income by increasing output.

In presenting their proposal, the Commission suggest that benefits will accrue as regards feed costs because of the reduction in cereal prices. Because of the grass-based nature of the Irish industry, the benefit to us will be much less than for other Member States. It is estimated that during 1984 Irish producer costs increased by 6%. The situation as regards processors' costs is also unsatisfactory. The minimal increase in the case of manufacturing skimmed-milk powder, 0.9 ECU per 100 kg, is insufficient to cover increases in processors' costs which are estimated to have risen by 1.2p per gallon in 1984. Energy costs alone have risen by up to 20% during that period.

In the course of the price proposals the Commission have completely ignored the consequences of market management measures which it has adopted and the direct impact that such measures have had on producer prices. For example, the decision to delay intervention payments from 90 days to 120 days resulted in a reduction of 0.8p per gallon.

The stricter quality standards for intervention products have also increased processing costs and reduced producer prices. This is an area in which the Commission could help producer incomes in a way which would not have the same consequences in budgetary terms as a normal price increase. The prospects offered by entry into the EEC for the development of agriculture, as Ireland's major industry, was one of the determining factors in the country's decision to join. The time has come to raise the alarm loud and clear before it is too late.

Mr Graefe zu Baringdorf (ARC). — (DE) Mr President, ladies and gentlemen, in tabling our amendments to the agricultural prices report we attempted to bring about a change in the agricultural policy in order to create a system of graduated producer prices and to safeguard employment in small and medium-sized holdings.

Agriculture needs effective price increases — but only for the lower production units — in order to provide an adequate income for the majority of farmers and to prevent them from further intensifying crop production and producing surpluses. The prices must reflect the production costs of small and medium-sized holdings and must be staggered for the large-scale units to prevent production on an industrial scale. Equal prices for all benefit only large holdings which produce cheaply.

The main demand of the agricultural opposition throughout Europe is for a graduated system of prices to safeguard employment. Graduated prices are neces-

Graefe zu Baringdorf

sary to break through the system which forces farmers to expand or go out of business. The aim is to maintain the production of small and medium-sized holdings.

Why is this system necessary? National and Community agricultural policies have so far exerted pressure on prices to the detriment of small and medium-sized holdings. The prices of agricultural products have been declining in real terms by 1%-2% each year. Under such conditions farmers have been forced to produce more rationally and with greater capital outlay. Obviously, not all farmers could succeed — and this was in fact the intention. Growth was encouraged among a section of the farming community by means of the programme to promote individual holdings, which enabled them to achieve greater productivity at lower cost.

In the dairy sector, for example, this has resulted in box stalls with 60 to 80 cows. Such holdings are able to produce milk at a cost of 45-50 Pfg/kg, while the production cost of holdings with 10-cow stalls are 65-70 Pfg/kg. As a result of price fixing by the Commission and Council, smallholdings not operating on a rational basis and without State aid can derive little or no revenue from their work, whereas revenue is adequate among assisted holdings. This pressure on small stockholders is deliberate, since a 20-cow farm which grows into a 60-cow farm forces four 10-cow farms out of business.

Such Community policies in all areas of agricultural production resulted in rural depopulation of unprecedented proportions. In 1957, 25% of the Community's working population were employed in agriculture, compared with only 6% today. Among the remaining 5 million farms and 8 million persons employed in agriculture, one job is lost every other minute — involving over 250 000 farms and 350 000 farm jobs every year.

In the early stages of the Community the intentional rural depopulation created a labour force for industry, but now farmworkers who lose their jobs only add to the hopeless ranks of the unemployed in Europe — now numbering 12.7 million.

This policy of 'get bit or get out' is bound to create surpluses, since only farms which can produce rationally on a large scale can survive. They take over the land and production of farmers forced out of business. There is no end to this process under the present Community farm policy. It leads to food production and stock rearing on an industrial scale. Farms with tens of thousands of pigs and millions of chickens have long been the key producers.

What are the drawbacks of this system? Firstly, the constant loss of jobs in agriculture. Secondly, industrial-scale food production and stock-breeding. Thirdly, the systematic use of chemical and other tech-

nological and stock-breeding techniques to exploit the soil, animals and plants to the full.

Fourthly, the use of chemicals and drugs which endanger the quality of our food. Fifthly, the farming of large expanses of land, which devastates the landscape. Sixthly, the trend towards single crop farming, which threatens to eliminate variety. Seventhly, the increased use of synthetic fertilizers and also of liquid manure from intensive stock farming, resulting in the nitrification of the groundwater. And eighthly, the use of animal feed imported from the third world, which exacerbates the problem of world hunger.

I would like to comment in this connection that we are deluding ourselves if we believe we can use surpluses to rid the world of hunger. The 50 million tonnes of imported cereals only add to the problem in the third world.

Ninthly, the Community's farm policy encourages crop production in areas of lowest cost. This has led to 'villages without hope', especially in the Mittelgebirge region, as well as in places where production becomes intensified, for instance in the Weser-Ems region, where industrial-scale food production is destroying the landscape.

Tenthly, European taxpayers have to pay huge sums which do not guarantee farmers' incomes but benefit the food industry, industrial cooperatives, the banks and import and export firms. It is a very lucrative business for them.

In our motion for a resolution we said that in the setting of quotas for milk, the first 60 000 kg should be exempted from the super-levy and 50% of the next 100 000 kg should be exempted. We also call for a general yearly price increase of 7% per holding for the first 100 000 kg. 80% of all holdings fall into this category, though they supply only 35% of milk produced. Such an increase is justifiable, and also makes economic sense, since it would cost less than the present system. In addition, we have called for the co-responsibility levy to be graduated: it should amount to 3% for holdings producing more than 400 000 kg, and there would be no levy for holdings producing less than 100 000 kg — I will not read out all the details.

Lastly, we have called for the abolition of aids for milk pulverization, but for the granting of aids for the feeding of calves with whole milk, thus helping to reduce milk surpluses. We also call for the return of skimmed milk to the holdings which produce it, in order to put an end to the senseless vicious circle of milk pulverization and the pulverization of vast sums which do not benefit agriculture — especially not small and medium-sized farms.

IN THE CHAIR: MR DIDÒ

Vice-President

Mr d'Ormesson (DR). — (FR) Mr President, quotas, absorption taxes, price freezes, even price cuts, at the same time as increased production costs in countries with weak currencies, problems in clearing cereal stocks, 15 million tonnes of surpluses, 850 000 tonnes of butter, 600 000 tonnes of powdered milk, 665 000 tonnes of meat, as well as wine. That is the negative side.

We should therefore concentrate all our attention on weighing up the positive aspects of the common agricultural policy. To begin with, we still have an agricultural trade deficit with the United States of around 3 600 million dollars, in other words over 5 000 million ECU. Oleaginous products, substitute products from the USA and South-East Asia are imported into the Community duty-free as a result of the GATT agreements. What is far worse, they are not subject to a tax on crushing within the Community. All these products could be grown here and would increase the value of European crops. 5 000 million ECU is a large amount, and is the approximate level of our deficit. However, with the economic crisis at its height, encouraging signs are appearing: inflation is being reduced, five Member States have abandoned monetary compensatory amounts, substantial programmes have been adopted for the Mediterranean regions, and there is a willingness to continue with the CAP despite the challenge of hunger in Africa and other parts of the world, a challenge which will throw all economic figures into confusion as we approach the end of the century.

I therefore believe that everyone's interests would be served if the Community proposed bilateral talks with the United States on the sharing of responsibilities for a given period — say 15 years. Responsibilities would relate to the developing countries attached to the Community or the US, and to the conditions to be met to ensure their economic growth. Life is movement. For Europe to turn inward upon itself would be to accept its ultimate demise as we now know it.

There will be no economic recovery north of the Mediterranean unless we make vigorous efforts to boost the birth rate, and unless we develop the wealth of the south. All population studies support this view. Consider the vitality of the US. It has now, thank Heaven, regained its dominant position in the world. Yet, taxation there is 20% lower than in my country and investment is 12 times higher.

Do you think it is in the interests of the Community to tell the United States how it should carry out its policies in Latin America? I do not think so. The future of the Community rests on its ability to assume its res-

ponsibilities in the Middle East and in Africa, where there are potential markets of benefit to both sides, to help their people to free themselves from communism and to become open to the free market economy system. The future of the Community depends on our proposing to the US that it should resolutely persist with its policy beyond its southern frontier and on our asking it to support our efforts south of the Mediterranean. The future of the Community requires us also to tell the US that we are willing to shoulder a larger proportion of security expenditure under the North Atlantic Treaty in exchange for an agreement on the potential market in the developing countries.

Western Europe's economy was saved by the Marshall plan. Surely we can recover our strength sufficiently to deal with the rising tide of danger, the terrible suffering caused by famine and population movements which are potentially lethal, that threaten Europe? An agreement between the Community and the United States might make it possible to rescue the developing countries and develop them harmoniously. Our agricultural wealth could make a substantial contribution towards this and would thus be channelled to the right place and the right market. We must reap fresh harvests in the world in which we live, while making it clear that scientific and technological progress should serve rather than enslave mankind. Yes, I believe that the Community and the US can carry out this task in peace and freedom.

(Applause from the centre and right)

Mr Paisley (NI). — Mr President, in an area such as Northern Ireland where agriculture is the largest industry and the biggest employer, the annual price-fixing by the European Community is of crucial importance to the local economy. With unemployment in Northern Ireland currently running at 22%, it is vital that the agricultural industry, which employs 10% of the workforce directly and provides employment for a further 3% in ancillary industries, is not only preserved but promoted and developed for economic and social reasons.

The Commission's price proposals for 1985-86 are totally unacceptable as they stand at present. The virtual freeze on price increases will result in an overall drop of between 4% and 6% in farm incomes in 1985. Although farm incomes last year rose on average by 3.8% for the whole of the Community, it must be remembered, as the Commission's annual report on agriculture pointed out, that there remain vast disparities in incomes between different regions and different types of farming in the Community. In Northern Ireland, where the grassland-based sectors of dairy and beef production together represent over 60% of the value of total agricultural output and where it is impossible to develop alternative agricultural enterprises, farm incomes have declined by about 5% in money terms during 1984-85. This follows a sharp fall

Paisley

in incomes in 1983. The Commission's package of proposals, coming on top of the imposition of milk quotas and a price freeze last year, represent an insidious attack on the living standards of farmers in disadvantaged areas such as Northern Ireland.

I turn now to the specific proposals for the different commodities. First, beef. Beef represents by value 35% of the gross agricultural output of Northern Ireland, with an estimated value of over £ 240 million in 1983. The importance of the beef industry to the province cannot be overstated. Therefore I am totally opposed to the Commission's proposal to abolish the variable beef premium, which currently operates in the United Kingdom, in favour of greater intervention buying. The premium compensates producers when the market price falls below the target scale, but also ensures that the price is kept down for the consumer and does not destroy the quality of beef. The intervention system increases the price to the consumer by taking beef off the market. Not only will this add at least 10p per pound to the price of beef, it will result in even more beef being stockpiled at a time when there are already 680 000 tonnes of meat in storage in the common market. There will be severe difficulties in Northern Ireland, which accounted for some 80% of UK intervention purchases last year, since there is not the storage capacity available which would be needed if the variable premium were to be abolished.

The Commission stands indicted for failing to come up with any proposals for increasing the market demand for beef or for tackling the problem of disposing of the stocks already in storage. The Commission's objection that the variable premium created competition problems because it applies only in one country, has been largely overcome by the introduction last year of clawback of the premium on exports from the United Kingdom. There is absolutely no good reason for doing away with the variable premium as an effective producer support at the present time. In comparison with the intervention system it is cost efficient, being 60% funded by the UK. Beef is sold at the full market value and storage costs are cut down. The premium must be retained with no dilution of its effect.

As far as milk is concerned, it is essential that the special provision of 65 000 tonnes out of the Community reserve is renewed if not actually increased for the coming year for Northern Ireland. It is also vital that the Commission ensures that this time the benefit comes to Northern Ireland producers, unlike last year when the special award was hijacked by Whitehall and spread right across the other regions of the United Kingdom.

I endorse the view that the priority task of the common agricultural policy must be to protect and further the family farm. That is especially important in areas such as Northern Ireland which are heavily dependent on agriculture and where unemployment is already

very high. The Commission's current proposals can only serve to increase the hardship faced by small farmers in such areas and therefore are totally unacceptable.

Mr Dankert (S). — (NL) Mr President, no tractors have so far appeared in front of this building this morning, which I think is a small indication that many farmers have realized that although this House sometimes makes a lot of noise about agricultural prices, the reality is that all good things must come to an end, as we see very clearly from the budget, illustration.

The proposals of the Committee on Agriculture, Fisheries and Food call for us to spend 2 700 million ECU for 1985 and 1986, Mr President, and to my knowledge the budget already has a deficit of 2 200 million ECU on agricultural expenditure, even excluding the problem of the British contribution. In other words, we are talking about further additions to a budget that has still not yet been adequately financed — and this in a situation where the Community sorely needs new own resources, with the possibility of obtaining up to 1.4% VAT in 1986. Mr President, if I now add up various figures, the deficit for 1984, the refund of 1 000 million ECU and the 1985 deficit, come to 3 200 million ECU in all. On top of this there is the extra 2 700 million ECU the Committee on Agriculture, Fisheries and Food wishes to spend in 1985 and 1986 and all this shows quite simply that we are already busy mortgaging our future own resources and hence perpetuating a situation in which Community policy — and that is the danger — remains in the hands of the Finance Ministers, which is an unacceptable solution as far as good policy, including agricultural policy, is concerned.

As Mr Woltjer explained in greater depth, my Group wants to make choices as to the direction to be taken by agricultural policy in the years to come. We have got to get away from surpluses. The course we must follow is the proper use of our scarce resources, with more generous attention than in the past for the Mediterranean regions, with the implementation of proposals that have already been submitted by the Commission and with the emphasis on structural policy and income support.

I would now like to return to what Mr Elles said on behalf of the Committee on Budgets: it is not just the current budget situation, not just the current deficit and not just the situation in 1986, it is also the anticipated long-term financial developments that require such choices to be made. He mentioned the Farm Bill, and the trend of the dollar. The agricultural component of the European budget is currently too dependent on its link with the dollar to be able to provide long-term security, including security for farm incomes. It is up to European agricultural policy to reduce this dependence, which means that a different course needs to be followed than that currently proposed in the Pranchère report.

Dankert

The budgetary implications of these proposals are unacceptable. They stand in the way of what the Community needs most: financial solidarity between its poor and rich regions. Mr President, choices need to be made within limited own resources to promote the strengthening of this financial solidarity between poor and rich in the Community. Studies such as, the research carried out by Giolitti on this subject have shown that the common agricultural policy has hitherto mainly served to widen the gap between the regions.

Mr President, this by no means implies that I welcome the fact that the Finance Ministers have currently displaced the Ministers of Foreign Affairs as the coordinators of EEC policy. In the past, the Finance Ministers paid too little attention to this area, while at the moment they are paying too much. However, the choices made by Parliament can help to ensure that we return to a situation where policy can again be assessed on its intrinsic merits. In recent years, things have clearly got out of hand in this House too.

Mr Dalsass (PPE). — *(DE)* Mr President, in contrast to the previous speaker I must say that this year as every year farmers are awaiting the decisions on agricultural prices with concern. This year perhaps more so than in previous years. These decisions will largely determine how their incomes will develop in the year ahead. And this is in addition to that great unknown, the weather.

In the last 10 years agricultural prices in real terms have fallen, as everybody admits. From the income point of view, agriculture is no longer comparable with other sectors of the economy. Despite this negative development, the Commission is proposing more or less zero price increases for the coming year. Prices at Community level are to fall by an average of 0.3%.

For the farmers this is a real nightmare. By way of justification for these proposals it is stated that in 1984 agricultural prices in the Community went up by an average of almost 4%. According to the previous speaker, the Community budget does not allow much leeway. Excessively large surpluses are produced. Farmers' incomes cannot just be guaranteed via prices. Some of these statements are correct, others are not or only partially so.

The 1984 price increase applies only to certain countries. I am from a country where according to the Commission income fell by 0.8%. As regards the budget, agricultural policy must as an absolute minimum — and I emphasize this phrase — also take into account the needs of agriculture, if we do not want to relegate the European Community to the status of a firm of accountants.

Whilst surpluses must be eliminated by suitable ways and means as soon as possible, this can be done other

than by way of prices, as this method affects above all the small and the weak, particularly in less-favoured and mountain areas. It is therefore anti-social and unacceptable.

I can certainly admit that income cannot just be guaranteed by means of prices. It can and must also be guaranteed by related measures, and in particular by a new structural policy. However, prices still remain the most important element in the securing of income, and the other measures have not yet been taken. The worst thing for the farmers is the great uncertainty, the fear of the future, as they do not know whether agricultural policy will enable them to remain in agriculture or not.

As the Commission itself says, agriculture in Europe needs to know the prospects for the future. The farmers want to know as soon as possible which possibilities, if any, remain for them. When this is clarified, they will be prepared to continue to contribute actively to the protection of the environment and the preservation of nature, not just to the production of vital goods. Only they can really guarantee the protection of the environment and the preservation of nature.

As nothing is yet known about the prospects for the future — neither medium nor long-term — we should at least advocate a modest price increase of 3.5%, as proposed by my Group. Bearing in mind the existing surpluses, we will not forget to be realistic and will delegate some of the responsibility to the farmers, although for obvious reasons mountain areas will continue to be excluded. Until a suitable substitute is found, it is my view that the premium for the birth of calves should be retained in the mountain areas.

I have always been and will continue to be in favour of exempting these areas from the dairy quota system. Parliament has also expressed the same opinion. For this reason I fully agree with this item in the report. Finally, I would like to ask not only the Commission, but also the Council, which in the end must make the decision, to formulate, without delay, a new agricultural policy enabling farmers to face the future with confidence.

(Applause from the centre)

Mr Simmonds (ED). — Mr President, first and foremost may I welcome Commissioner Andriessen to our debate this morning. I think it is a striking indication of the sort of man that we have that he was up till 4.30 this morning in the Council; and here he is in Strasbourg attending our debate!

(Applause)

May I also welcome him as Commissioner for Agriculture, and his team. The breath of fresh air that he has brought to that department is evidenced by the fact

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that I now get answers to my questions in three days instead of three months, and for that I thank him.

In starting my speech, can I reply to the invitation from Mr Cryer, who I regret to note had left the Chamber, to declare my interest as a farmer. I have to admit that my farm has made a loss in the last twelve months. That is my declaration of interest. Can I in turn invite Mr Cryer, when he speaks, to declare his interest and that of his colleagues of the far left and also of the person who writes his press releases in undermining the European Community?

My colleague, Mr Provan, has already dealt this morning with our general approach to the Commissioner's proposals and indicated our support for them. I am asked to deal more specifically with milk. I issue a warning to Mr Pranchère — I hope he can hear me over there — and to others who think that last year's price and quota package for milk was just a pill that once swallowed can be forgotten. The fact is that even with the further cut in the quota of one million tonnes, proposed this year, the Community will still be over-producing milk beyond consumption and full price exports at the rate of 90 pints or 50 litres of milk for every man, woman and child in the Community. Just think, if only our friends the Irish would drink milk instead of Guinness and our friends the French would drink milk instead of wine, we could solve the problem at a stroke!

But it is important to note that last year only one-half of all the butter that was produced in Europe was sold at a price which represented a proper, viable deal. My warning and, I hope, the warning of Parliament and the Commission, to those who believe that the dairy problems are solved, is couched in the words of President Reagan: 'You ain't seen nothing yet'. Those who believe otherwise are either fooling themselves or trying to fool their electorate. It is high time that, where agriculture is concerned, this Parliament came face to face with harsh reality as it has in the past where steel and other industrial sectors are concerned.

Coupled with that warning must go reassurance that we do care about the immense problems suffered by rural communities where twice-daily milking is the very pattern of life. We do believe that the family-run dairy farm is a vital part of the industry and that quotas must be so arranged as to ensure continuity in that historical way of production. I warmly welcome the Commissioner's announcements that work is being done to consider the social aspects of agricultural structures and how they might be supported outside the common agricultural policy but still under the Community umbrella.

But, Mr Commissioner, there is one question in particular to which I would like an answer when you come to sum up this debate. Neither I nor my colleagues on this side of the House can understand why you are so opposed to the sale or other transfer of quotas

between farms and dairies. We know that there will be problems of detail, but I firmly believe that regional and national restrictions to prevent abuse, coupled with appropriate supervision by you and your agencies, make sense in a scheme of this sort. If your concern, Mr Commissioner, relates to potential abuses in those areas where the detail of quota application is still being worked out, then I hope you will make proposals to allow those who have implemented the quota system properly to proceed with limited sales and transfers.

Our other main disagreement with the proposal — it is a disagreement of detail — relates to the co-responsibility levy already mentioned by my colleague, Mr Provan. It hasn't worked, and it now remains as a tax on milk production which is now restricted. The cut you have proposed in the co-responsibility levy is a start. I hope that you will indicate that you will phase it out completely.

Finally, may I impress upon the Commission to remember always that milk produced within quota must be able to show a profit to producers. That is the critical balance in dairy production. We do ask you to remember that whilst quotas must be respected, milk production must still be a profitable exercise for those who remain in it.

(Applause from the European Democratic Group)

Mr Adamou (COM). — *(GR)* Mr President, if the prices proposed by the Commission are disadvantageous for farmers in the other Member States of the Community, they are literally disastrous for Greek farmers, since the peculiarities and structural weaknesses of the Greek agricultural economy and of the Greek economy as a whole are well known.

In the name of budgetary discipline, i.e. one-sided austerity for the workers and the assurance of more profits for big business, the Commission wishes, with its proposals, to deal a new blow to the incomes of poor farmers with medium-sized holdings. The Commission maintains that in 1984, thanks to exceptional production, the average farm income in the Community rose by 3.8%. But the gap in the Community between this average and the average income of Greek farmers in certain regions is 1 to 20, and if all the factors affecting the operation of the agricultural economy are combined, Greece is at a disadvantage of 1 to 40, as the Pranchère report states. According to the Commission's figures, in 1984 Greek farmers had only 18% of the average income of Dutch farmers, 21% of that of Danish farmers, 27% of that of British farmers, etc. And if we compare the different categories of farmers, Greek farmers have even lower incomes. In these circumstances, and while it is known that inflation in Greece is four times the Community average, i.e. 18.6% as against 4.7%, that agricultural equipment and supplies cost three times as much, and that prod-

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uction costs are many times higher, the Commission is proposing an average rise of only 2.7% for Greece.

In particular, the Commission proposes a reduction of 6% for citrus fruit, 3.6% for cereals, 5% for tobacco, a price freeze for wine and sheepmeat, a minimal rise for cotton and oil, etc. But since the prices of agricultural products are the basic incentive for maintaining and developing production, it is difficult for Greek farmers to continue their activity if the prices of products are increased by anything less than 20%, as demanded by the highest agricultural trade union body in Greece, the Greek Confederation of Farmers. All the more so since the Commission's proposals are accompanied by a number of harsh measures and restrictions — quotas, thresholds, co-responsibility levy — affecting our major agricultural products such as cotton, beetroot, grapes, tomatoes for processing, etc., even though there is a deficit of such products in the Community.

During the years of Greece's membership of the EEC Greek farmers have paid a high price for its agricultural policy. When 1 250 000 tonnes of fruit and vegetables were buried as a result of the Community's violation of the principle of Community preference, the total loss from that alone was more than 50 million drachmas. Even the balance of agricultural trade with the Community, which was positive in 1980, was 47 000 million drachmas in the red after the first three years of membership. Thus instead of being an equal partner, Greece became a convenient consumer of Community products. In 1983 alone it paid 1 000 million dollars for imports from the Community of foodstuffs of animal origin, whereas conditions in Greece are very well suited to stock breeding.

Mr President, this is the first time since Greece has been a member of the EEC that such an objective report as that by Mr Pranchère on agricultural prices and the problems of farmers has been tabled in Parliament. It contains the right ideas and proposals for the farming community, naturally to the extent allowed by the Community treaties. And yet, because of the peculiarities of the Greek agricultural economy, these proposals do not meet the just claims of Greek farmers. The members of the Greek Communist Party have tabled some amendments with a view to improving the report as regards Greek farmers. But we have no illusions. Bitter experience since entry to the EEC has strengthened even more our conviction that the only way out of the present situation is for Greece to withdraw from the EEC. In the meantime we call on the Greek Government to take effective measures to protect the production and incomes of our farmers, who represent one-third of the active population of Greece.

Mrs S. Martin (L). — (FR) Mr President, ladies and gentlemen, every year, and today is no exception, we hold the same debates and exchange the same arguments, almost to the letter, attacking or defending the

CAP. But every year we tighten the chains with which we have bound our agriculture and particularly our farmers a little bit more. I am specifically mentioning the farmers because we too often tend to forget that there are in agriculture men and women whose economic survival depends on the decisions we take. Men and women for whom, following last year's decision to limit production, the Commission proposals are a real affront, taking account as they do of budgetary constraints only.

And this Assembly defends these proposals, pleading consistency or political courage! How easy it is to talk of political courage sitting here comfortably when our income, and far less our survival, is in no way dependent upon the decisions which we take! Can I have this courage when I know that in my country the decisions on milk quotas are the kiss of death for 25-30% of farmers planning to expand and young farmers who have been farming for less than five years? This is a fact. On the contrary, isn't real courage the courage to make the Council face up to its responsibilities, since it put us in this impossible situation, by voting a price increase which will allow farmers to survive, particularly as — and we cannot escape the fact — even a price freeze is not possible, in budget terms, without increasing own resources?

We accuse the Commission — and it is true that this year, after the grandiose declarations of its President, we were expecting proposals which would pave the way to and create hope for the future. We have waited in vain. But the real culprit is the Council, which is characterized by inconsistency and demagoguery; is it consistent to take decision on prices, as it did last year, and then to reject the budgetary consequences? If the Council thinks, as its activities would suggest, that there are too many farmers, it should at least have the courage to say so and above all to take consequent action, not forgetting the social and environmental aspects. For agriculture is being asked to restructure, to make a big effort, but those making these demands refuse to acknowledge and take stock of the consequences which this entails, including those for the Community and for regional development. Just imagine restructuring the car industry and refusing to help those who lose their jobs as a result! No one would have dared to do it, yet this is what has happened to agriculture. We do not deny that restructuring is necessary, but this cannot be done piecemeal, by means of yearly decisions on prices. It can only be done progressively, must be adequately financed and offer prospects for the future. It is wrong to believe and particularly wrong to argue anything else. We have enough double-talk from the political parties which, in their own countries, speak about supporting the farmers, whilst their friends in the government adopt the opposite attitude within the Council. And I would look at my French Socialist colleagues in particular, who, in their 1981 programme for agriculture wrote: 'There has been no instance of the government having the firm political will to impose its point of

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view, but not carrying it through'. They now have the power to show that writing this was not simply an act of demagoguery. And in conclusion I would above all like to insist on the need for a majority tomorrow, when we vote, in favour of ensuring and preparing a future for the common agriculture policy. The credibility and effectiveness of our Assembly is at stake.

Mr Mouchel (RDE). — (*FR*) The common agricultural policy represents an important element in the construction of Europe. It is unthinkable that we should accept measures which would lead to its dismantling. Article 39 of the Treaty of Rome defines the policy to be followed, but today there is a move to run down this policy by applying budgetary considerations only. This represents a contradiction and the wrong approach to the problem.

If the aim is to cut expenditure, as is claimed, why so many expensive exemptions? Why refuse to export cereals without refunds, as we could have done last autumn? Whose interests were served? Was it a case of submitting to American will, or were higher interests at stake? Whatever the reasons we cannot accept that the farmers should be expected to assume the responsibility and bear the consequences. If it is possible to hold a real discussion in this Parliament, I would like to draw the attention of our colleagues and the Commission to the source of wealth provided by agriculture for the Member States of the European Community. First of all, of course, from the point of view of feeding animals and people. But it is also a source of wealth in the form of foreign currency which can be earned through exports.

In several countries of the Community agriculture is a major contributor towards a positive balance of payments. It is also a source of wealth in that its products can be used in industry as well as for energy, chemical and other purposes.

Can we allow a narrow or a short-sighted outlook to cause this potential to be neglected and ruined without forgetting the role of agricultural food production in terms of value added? Must we remind ourselves that agriculture both directly and indirectly provides employment for a very large percentage of our populations? It is less expensive to maintain people in agricultural production than to condemn them to unemployment, and the cost of unemployment is not just measured in budgetary or financial terms.

Yes, we say that a real common agricultural policy is necessary and we are ready to admit that this presupposes better planning of production. It is true that for certain products we sometimes have surpluses. But in this case, why continue to grant exemptions and allow imports of products which are already in surplus, such as dairy products, beef and others which I could mention. Why grant all these exemptions? Isn't there something quite inconsistent about these measures?

Why also accept so many imports of cereals substitutes? What about encouraging the production of commodities in deficit? Do we not import extremely large quantities of protein plants? If the figures which I have here are correct, we are self-sufficient only to the tune of 9 or 10%. This means that the possibilities of development are considerable. Large areas could be used for developing the production of commodities in deficit, such as protein plants.

But we are also net importers of sheepmeat. We are net importers of horsemeat. What is being done to promote production here? Nothing.

This is completely unacceptable. The producers of horsemeat and sheepmeat are treated worse than the others. What is the meaning of this ridiculous state of affairs? It is time to remedy the situation and encourage the production of such items.

Furthermore, the task of agriculture must not be limited to satisfying the food requirements of Europe. We must look for viable outlets, and these exist for certain products. And can we, as human beings, listen to some of the remarks made here while entire populations are dying of hunger? Europe has a role to play in feeding the world. European agriculture can also produce for purposes other than food, but the majority of the people engaged in agriculture can only continue to exist and work if they are assured that they will not end up bankrupt.

The price proposals put forward by our Parliament's Committee on Agriculture are already far from objective. In other words they must be improved if we want to put a stop to the erosion of farmers' incomes and avoid many of them going bankrupt.

How can agriculture be modernized if it is not given the possibility to finance itself? European consumers must understand that it is not in their interest to ruin the producers; the dream of buying on the world market would soon turn into a nightmare, both from the points of view of supply and the prices which would then have to be paid for food.

Consumers must accept having to pay a realistic price, particularly as the agricultural products cost component in food expenditure is steadily being reduced. On the other hand, it is possible to imagine lower price guarantees for farmers producing commodities for export or industry.

We must get back to a real common agricultural policy. On this subject I would like assurances — which perhaps the Commission could provide — that as soon as the way is clear for Spain and Portugal to accede to the Community they will agree to give preference to the European markets when buying any agricultural products they might need to import. And without waiting for enlargement it is in my view a matter of the utmost urgency that we should return to

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the basic principles of the common agricultural policy. Otherwise, we run the risk of seeing agricultural policy becoming nationalistic. We must oppose this with all our strength and take suitable measures to prevent it.

Finally, Mr President — although I am sure that you and our colleagues will already realize this — my Group supports the Pranchère report and, unless of course it is completely mutilated or ruined by amendments, we will vote for it.

Mr Christensen (ARC). — (DA) Mr President, the Committee on Agriculture's discussion of the Commission's price proposals followed a predictable course with the majority accepting without criticism the price demands of the agricultural organizations. One can truly say that the Committee has learned nothing and forgotten nothing. The proposals from the majority on the Committee offer, if possible, even fewer prospects than the Commission's initial draft. The problems of overproduction have not been resolved, the budget deficit remains a fact, and the debt problems faced by farmers are greater than ever before. Neither increased protectionism nor greater subsidies will resolve the problems — quite the contrary. Co-responsibility levies and production quotas preserve the status quo and hit younger producers in particular.

The Communities are now on the verge of a trade war with the USA, which is threatening to do what the Community has been doing for years, namely dump its surplus production on the world market. The Americans are tired of paying their farmers for cutting production and then seeing the European Communities dumping on the market. The new American agricultural policy will cause a disastrous increase in the margin between world market prices and Community guarantee prices. On 26 February 1985, Richard Smith of the US Ministry of Agriculture said 'We are now being flooded with 80% of the agricultural production of the developing countries because the European Community and Japan refuse to take it'. These are the conditions that have led to the collapse we are facing in the Community's agricultural policy.

Danish farmers are experiencing the almost total disappearance of the advantages of Community membership with, for example, the rapid growth of national aid schemes, which are illegal under the Treaty. The Movement against Membership of the European Community will continue to examine and provide alternatives to the Community's broken-down agricultural policy. This we owe the Danish farmers.

Mr Van der Waal (NI). — (NL) Mr President, the subject of agricultural prices is dominated by three objectives that to some extent conflict with one another. Firstly, there is the restriction of production, secondly the reduction in agriculture's share in the

overall Community budget and thirdly, the maintenance of farm incomes.

The Commission has given high priority to the control of agricultural expenditure, which is understandable since agriculture is taking up an ever-increasing proportion of Community resources, although it must be added here straight away that this extra expenditure does not all go to benefit the farmers, but is needed largely to finance the growing surpluses. However, there is no getting away from the fact that agricultural expenditure cannot go on increasing and we can, therefore, understand the Commission's economy-minded approach.

Another question is whether this restrictive price policy is also effective in curbing production and thus whether the surpluses can be cut back at the same time as bringing the budget under control.

After all we already have the superlevy system in the case of, so a restrictive price policy is unlikely to have much effect on the volume of milk produced — hence our question as to whether price policy and production policy should not be more clearly distinguished from each other and whether a separate instrument is required to restrict production. In other words, can measures be devised which concentrate more specifically on the restriction of production and which will enable farm incomes to be maintained with the help of the resulting savings on the surpluses, without placing a greater burden on the budget? This could involve, for example, a higher price with lower production.

In addition, we would firstly ask the Commission to what extent selective compensatory measures could be taken to offset any drop in farm incomes, and secondly, whether subsidies can be granted to farmers shifting production to products which the Community still has to import to a great extent.

Mr Bombard, draftsman of the opinion of the Committee on the Environment, Public Health and Consumer Protection. — (FR) Mr President, every year your Committee on the Environment, Public Health and Consumer Protection is asked for an opinion on agricultural prices and related budget proposals. In the report which we have received we note with satisfaction, as consumer protectors, that the proposals of the Commission, which wishes to freeze the agricultural prices expressed in ECU, would — as a general rule, but not everywhere — have the effect of slightly reducing consumer prices. However, our Committee on the Environment, Public Health and Consumer Protection would like to address the Committee on Agriculture on several different points. We would like to ask it to take into account, in its work, the fact that the environment and agriculture do not necessarily conflict with each other and to apply with the utmost strictness the principle upon which the common agricultural policy is founded. In particular we insist on

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the absolute obligation to respect the principle of Community preference.

We know that we produce surpluses, and unfortunately it is the small producers who have to pay for them. They must be protected against the large companies upstream and downstream of their production. Restructuring, a major modification of agricultural structure, must without any doubt be one of our priorities, a priority which we should study together, we from the Committee on the Environment, who work in the field, and you, the Committee on Agriculture, who of course have the right to concern itself with the products supplied by agriculture and the prices of these products.

But it has also been said and suggested, and we too suggest, that when land ceases to be used for crop growing — which seems a monstrosity when you think of the hunger in the third world, but I will come back to this point presently — this land should be used for profitable crop growing to reduce our dependence on external countries. It is incredible to think that whilst one of the aims of the Common Market was the self-sufficiency of Europe, we are buying very expensive products abroad. For this reason we call for the use of land for crops which are profitable, or to put it another way we are calling for the possibility of selling goods which are profitable. I would like to suggest, and I am not alone in this, the growing of soya beans for example, which cost us a lot of money and for which we are dependent on the United States.

Also, every time we remove an area from the crop-growing system, we would like this area to be returned to nature. But this does not happen on its own: just as hunters refer to themselves as the protectors of the environment because they restock hunting grounds with game, we want to prevent the land which is given back to nature from becoming a rubbish dump, as usually happens. And to do this we ask the environment ministers and nature protection organizations, who are the specialists in this and have extremely well-kept files, to take the necessary steps to re-establish an equilibrium, which is absolutely essential, between the natural environment and the countryside, the latter being an entirely man-made construction. Indeed, you know as well as I that the countryside represents rural architecture, the result of thousands of years of countrymen's wisdom; regrettably, in our industrial age countrymen's wisdom has been banished to the sidelines.

We are asking you to do nothing more than continue to help small farmers and to look for ways to reduce the use of chemicals in crop growing. Let us get rid of these poisons which get into our food: fertilizers, pesticides, insecticides. Let us respect our lands, let us respect our underground waters. Biodegradable natural pesticides now exist, having been developed in Japan; why should we not use these in Europe? Let us stop using hormones and make life healthier. Admittedly,

there would of course be certain difficulties in monitoring such a system.

Farmers must be educated; they must be brought into contact with producers. Collaboration between the Committee on the Environment and the Committee on Agriculture must be established. Our request is that this should be quasi-institutionalized.

Finally, I would like to mention something which we feel strongly about in the Committee of the Environment. This drama of over-production and stocks on the one hand and starvation in the Third World on the other hand must be brought to an end. We ask that the necessary restructuring should enable Third World countries to have their share of our plentiful supply.

IN THE CHAIR: MRS PÉRY

Vice-President

Mr Tolman (PPE). — *(NL) Chairman of the Committee on Agriculture, Fisheries and Food.* Life passes quickly, Madam President, but I think it is nevertheless worth mentioning that this is the first large-scale agricultural debate of the second directly elected Parliament, the first agricultural debate of the new Commission and also the first debate for our new Commissioner.

Madam President, in this debate I would like to concentrate on two remarkable facts. Firstly, for years now we have been discussing minor differences in the farm price proposals. Today we are talking about minor differences in the margins. Secondly, there is the remarkable fact that we have introduced quotas and production thresholds in recent years, and this also affects today's debate.

Madam President, large cost increases are a thing of the past. Not so long ago, we were talking about price adjustments in double figures. We are now far below that level. Looked at in objective terms, the price increase required is 7.8%. When the Committee on Agriculture, Fisheries and Food then votes nearly unanimously for a figure below 5%, I say as Chairman of this Committee and also on behalf of my Group, that I consider this to be a brave stance showing that the members of the Committee on Agriculture, Fisheries and Food are facing up to the facts realistically. Let us be honest and take a realistic view of the matter. Debating figures ranging from the Commissioner's price freeze to around 4.5% is simply quibbling about a minor difference that will not cause anyone insurmountable financial problems.

If I may make a further comment on price policy, various members have stressed that differences in income

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are actually too large for price policy to support an adequate incomes policy. I shall have to be extremely brief on this point. However, if we politically accept income supplements — which Mr Dankert also mentioned a moment ago — we must not play down the budgetary amounts involved. It is all very well to talk about income support, but we must realize that this will mean more than a bit of pocket money for the farmers, and that this will cost money. I refuse to accept that, as some people have suggested, agricultural policy should, in formal and arithmetical terms, have to be the final, balancing item in the budget. This encourages the renationalization of agricultural policy and is just not on.

A further comment: I am grateful that, as I understand it, it is possible for statements to be made concerning agreements on structural policy. I presume that Mr Pandolfi and Mr Andriessen may be able to provide further information, since this means that what I referred to as 'Andriessen's unfinished' can be properly completed. I think this is extremely important since it also shows that we are on the right road.

My final comment is also addressed to the farmers of Europe. European agriculture must be much more flexible, as Mr Bombard and many others have already pointed out. We can do other things and the Commissioner has a perfect right to tell us to be careful with surpluses and production levels, but I would say at the same time that it is both the right and duty of this Parliament to call on the Commission and all those responsible for this field to pursue a positive stimulatory price policy with regard to stimulate products which are in short supply. And I would also greatly appreciate it if and I think this should be possible — would also undertake to give his backing during his period of office, to a continuity policy to stimulate such products. If he is also prepared to do his bit. I think we could make a start right away on establishing a sound agricultural policy in the Community.

Mr Pandolfi, *President-in-Office of the Council.* — (IT) Madam President, ladies and gentlemen, this morning I received proof of how a fact can appear to be its opposite, depending on your viewpoint. As far as the Members of this House were concerned, my arrival here was a late one, whereas I had been congratulating myself on my good luck at having overcome the obstacle of the Brussels fog and of getting here at all, having concluded — at 4 a.m. this morning — my study and approval of the package of structural measures which, as is well known, are one of the key elements in the common agricultural policy.

I feel both happy and honoured to be here and to voice the opinions of the Council in this important debate on agriculture which occupies a major position in all the Parliament's utterances throughout the year. I have carefully scrutinized the report prepared by Mr Pranchère on behalf of the Committee on Agriculture,

Fisheries and Food. The 144 paragraphs which it contains have covered a bit too much ground perhaps for me to totally appreciate them, but they are certainly a significant pointer to the broad opinions shared by Members of the European Parliament. I should like to make just a few essential points, trying to avoid official hypocrisy on the one hand and irresponsible subjectivity on the other. The time has come, I believe, when we must speak frankly and responsibly. We are facing three constraints which, in 1985 — just as in 1984 — will exercise a heavy influence on decisions governing prices which, as is known, constitute the largest annual chapter of expenditure on the common agricultural policy.

Firstly, there is the political constraint: Article 39 of the Treaty. This is an objective constraint and, like all objective constraints of a political nature, it comes up against constraints of a different character. Let me identify the other two, ladies and gentlemen. One is economic; agriculture, on a world scale, on a European scale and in each individual Member State, is going through what we can define from now on as a major transition. What has been happening in other major sectors of production is happening in agriculture too now: the transition is characterized by a type of structural imbalance which is likely to last a long time. On the one hand, there is a persistent increase in supplies, spurred on by higher levels of productivity and progress made by man through his intelligence and industry and, on the other, the demand for such supplies is tending to stagnate. Population growth is falling off in the industrialized countries and the share of family income devoted to satisfying food requirements has peaked and is levelling off. We cannot, alas, apply the principle of communicating vessels, partly for objective reasons and partly for subjective reasons, to the relationship between the market of industrialized countries and that of developing countries, many of which are in the grip of hunger and its attendant dramas or tragedies.

So the economic constraint is represented by a condition which obliges us to compare it with a market in even more difficult circumstances.

The only way forward is to direct agriculture once again to the market, although I must say — bearing in mind Article 39 of the EEC Treaty — that it should not be ruled by the market alone.

Finally, there is the financial constraint: this is represented by budgetary discipline and, more generally, by conditions which mean that the Community is in the throes of weighing up the relative cost and benefits of its policies and has not yet reached a rational decision. Those responsible are considering the significance of the various policies within a single Community strategy, with the result that the blame is being incorrectly laid at the door of funds earmarked for the common agricultural policy, which is far higher than all the other appropriations. Objectively speaking, however,

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this cannot be regarded as negative in itself; agriculture is not to be blamed for having the lion's share of Community budget allocations if other policies simply do not exist.

Faced with these three constraints, we had an initial response — that provided by the Commission with its proposal on prices.

Only on Monday did the Council launch a proper and thoroughgoing round of talks, enabling individual Member States to put forward their own preliminaries and general assessments. I must tell you that we have managed, however, to make some head way, which will probably enable the Council to tackle the crux of the prices question in more reasonable and less tense conditions and with a greater degree of trust. The Presidency of the Council seemed to be marked from the outset of its term of office by obligations inherited from the previous six-month period; firstly, the wine package — it was decided in Dublin that this question had to be concluded before the first European Council in March. Well, we have concluded the wine package, both with regard to market measures, compulsory distillation and the more significant and long-term aspect of structural measures.

Secondly, we had to deal with trends emerging from the first season of the milk — cheese scheme. This question has been resolved and to some extent the foundations have been laid for a re-examination of some aspects of the definitive scheme.

The third question concerns the package of structural measures. This package is even more important than the previous ones because, as is well known, one of the main criticisms of the common agricultural policy is the ratio of expenditure under the Guarantee Section of the EAGGF. In the last fifteen years, various financial, economic and political vicissitudes have resulted in expenditure on structures being obliged to remain at below minimum level, so that it amounts nowadays to only one-twentieth of the total expenditure on the agricultural policy.

There is an inevitable risk that, by linking the question of structures with other problems — such as the Integrated Mediterranean Programmes — any decision on this point will be blocked in a kind of vicious circle.

By working extremely hard, and thanks to an excellent contribution by the Commission — which I should like to stress to this House — it was possible to reach a conclusion at dawn this morning. Even with a slight reduction in the overall financial allocation with respect to that originally put forward by the Commission, I feel that the result must be considered satisfactory.

We might as well say that all these operations had to be sorted out before the prices proposal could be examined. Coming now to the question of prices, I should say that my main task is above all to listen to

what the European Parliament has to say. Besides, the position of the Presidency has its limitations, as you can guess. I am speaking here on behalf of the Council, but the Council has not yet expressed its view in a sufficiently precise manner; I have to take care to play down certain inclinations deriving from my national responsibility and which must be subordinated to a certain extent to the prevailing Community responsibility. I can however say that we will be dealing with four different points.

There is a primary question regarding the general level of prices. I should like to point out that not all prices have the same meaning in terms of their influence on the level of farmers' incomes. This year, probably more than in previous years, the Council — backed up by Member States who have held different attitudes in the past — intends to safeguard as much as possible farmers' income. The general price level which we will establish is certainly an important factor in farmers' incomes, but the individual prices will have a diverse and selective impact. It is along these lines that we will try — within the limitations imposed by the Community budget — to have the most effect in the direction which is, moreover, imposed upon us by Article 39 of the Treaty. I provide only one figure: an increase in the general level of prices corresponds to an additional 103 million ECU for the Guarantee Section of the EAGGF. I should like to remind you that the Commission's proposals would bring the total expenditure of the EAGGF Guarantee Section to 19 995 thousand million ECU, with an increase of 138 million ECU with respect to last year.

It is understandable that this House should support an increase in the general price level. I have seen the figures contained in Mr Pranchère's report; I have had the good fortune to hear other figures in the short time I have been here, but I should not like to hazard any predictions or conclusions. I can however reassure Parliament that the Council's thrust will be to have as positive an impact as possible on farmers' incomes as related to a given general price level.

Another question concerns a balance between the various prices. In one way, farming Europe is both wealthy and blessed by its differences, which encompass practically the entire spectrum of farming produce and it also has the advantage of an inestimable diversification of qualities and originality of production at a time when people in industrialized countries are beginning to regard food not just as nutrition, fortunately, but also as a source of satisfaction and as an integral component of the quality of life.

On the other hand, Europe is penalized by its differences and it is no mean feat combining support for continental produce with that for Mediterranean produce, even when account is taken of the objective differences between these two types of produce. This is a topic which is very dear to my compatriots and I believe that, quite objectively, and without contradict-

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ing my responsibilities to the Community, I can say that some progress will have to be made with a view to achieving a better balance between the various types of produce. I should like however at the same time to add that it is up to the individual Member States — such as Italy — to provide different conditions — as we are doing for our major crops, such as tomatoes and citrus fruits — in order to avoid a situation where the drug of guaranteed withdrawal from Community support ends by removing produce from the market. While each Member State must do something about this, it is also clear that some kind of balancing action must be introduced at the level of Community decision making as well.

This year's outlook will be dominated by decisions on prices and the cereals and milk questions, which are without doubt the most crucial and delicate parts of the entire package.

There is a third aspect to the measures that have to be taken: agromonetary matters. The Commission has suggested — and I have witnessed agreement to this in this House — following the line which was traced last year in dismantling monetary compensatory amounts, which have caused a certain amount of disruption in intra-Community trade in recent years and introduced not a few imbalances in the price fixing system. I think that this is a path we should pursue.

Finally, there are the related measures, that is to say all those measures which, by changing the various ways of common organization of the market have tended to lead to huge excesses of production on the market: this is the most dramatic problem of our common agricultural policy.

Last year, a number of guarantee thresholds were introduced, as were some financial ceilings. We had a hard time applying regulations which narrowly avoided the contortions of pigheaded government control. In the light of these bad experiences, I believe that even the related measures can be decided upon in a spirit of greater realism and in a way which completes but does not distort the whole exercise.

As I draw to a close, Madame President, ladies and gentlemen, I should like to say that a more ambitious goal for the common agricultural policy can already be envisaged — beyond the prescribed time limit for a decision on prices — thanks to the joint efforts of the Presidency of the Council and of the Commission.

I should like to express my heartfelt thanks to the Commission, to President Jacques Delors, to Vice-President Franz Andriessen for having been ready to envisage — from the earliest days of their appointments — a new type of effort, different in quality from previous efforts, to lend decisions on agricultural policy a less episodic, less erratic and less provisional character and thus to render it less incomprehensible

to the Community's farmers. We are trying to redefine a medium-term strategy for the Community.

The Italian Presidency had in fact laid the groundwork for this operation in the latter months of 1984 and had already adopted a position on this topic, in such a way that it can be implemented as soon as the decision on prices has been taken. Thus it will give some certainty — finally — to producers who are wondering what type of produce they should aim for. At the same time, it will give assurance to the peoples of Europe that, while farming is going through a transition, it is not going to suffer a decline and, least of all, a collapse. It will also give national governments a framework in which to place their own individual efforts and, above all, it will serve as a lasting signpost and direction for the common agricultural policy.

What are the threads of this strategy?

I will merely list crop selection, where there is still room for development, by which I mean the identification of new internal outlets, including the whole new area of the industrial use of agricultural commodities. Farming is geared not only to demand by consumers but also intermediary demands. It is not merely a sector, it is above all a system. If we do not come to grips with the whole agricultural and industrial system we will fail in an extremely crucial task in this transition period of agriculture. Goals are emerging which are within our grasp: ethanol extracted from cereal surpluses and also the enrichment of any surpluses which could ultimately be utilized for the Third World and countries suffering the trauma of hunger. I would add that some aspects of this strategy will be taken care of by the Community's external policy.

1985 will probably be remembered in the history of world farming as the year when the United States tackled the reform of its basic agrarian legislation, the Farm Bill, which, fifty years ago, was one of the prime elements of Roosevelt's 'New Deal'. Fifty years on, those responsible in the United States are girding themselves up for an operation similar to that which our Community carried out on 31 March 1984 when it decreed — and this was inevitable — that the time had come to end the principle of support and unlimited guarantees to all agricultural produce and engage in the difficult task of redirecting agriculture back to the market. We have already done this in Europe. We do not yet know exactly what the final outcome of the Farm Bill reform will be when it has been duly processed in law. One thing is certain: if outlets within the American Continent become more restricted, they will be sought elsewhere on world markets, including our very own Community. We can assume that the degree of competitive tension between the United States and the European Economic Community will increase. These issues will be tackled with due seriousness and according to a certain strategy, not episodically, but in the light of an overall view of what the Community's vital interests are, while we will obviously have to deal

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with them in a way which is compatible with the general interests of the world farming economy.

Those are the various strands of the new strategy. The Council will be able to place these ideas on a practical footing at the informal meeting to be held in Siena at the end of May. I fully trust that it will also be able to give a message of hope to European farmers, which has been demanded from the Community authorities. It is the aim of the Commission and Council Presidency that the debate to follow will involve all the Community institutions — above all, the European Parliament — as well as involving the major representative organizations from the agricultural world. This is an ambitious objective.

Madam President, ladies and gentlemen, I was thinking in recent days that what is needed in politics is a correct balance between the head and the heart. We must avoid the dangers of a bad combination of these two elements, namely a hot head and a cold heart. It is our duty, I believe, to keep a cool head on our shoulders and a warm heart within.

(Applause)

Mrs Jepsen (ED). — *(DA)* The common agricultural policy has so far functioned successfully. It has been such a great success that one of its aims, namely to make Europe self-sufficient, has been achieved in the vast majority of sectors — though this has even led to overproduction in various areas.

If we are to prevent this success turning into fiasco, it is time we revised our agricultural policy so that it will no longer reward overproduction, but will be much more geared to market conditions. We must reestablish an incentive to produce those goods for which a market exists, or for which a market can be created.

The Pranchère report, which we are looking at today and which was adopted by a majority on the Committee on Agriculture, proposes an average price increase of 4.5%. In our view, this is excessive and will encourage overproduction on a scale that could erode the Community's economy within just a few years.

Thus with this proposal, the Committee on Agriculture will not be able to do anything in the long term to increase the chances of survival of either the farmers or the European Communities. The immediate impression of the Danish Members of the Conservative Group is that the Commission has recognized the gravity of the situation with its farm price proposals for 1985/86, and is proposing a necessary reduction in the Community's agricultural expenditure. We nevertheless believe that the proposals contain too drastic price cuts in some sectors, which will impose a serious and immediate drop in incomes on certain producers. The only correct solution is therefore for us to formulate a new common agricultural policy leading in the

long term to structural changes and restoring the producer's interest in — and share of the responsibility for — the development, marketing and selling of products. In the coming years, the term 'product development' will become a key word in European agricultural policy.

We want a quality yardstick incorporated, to the effect that the quality for which there is a market is the right quality. We want to do away with some of the red tape in the common agricultural policy. We expect the Commission to maintain its control over policy and to combat the spread of national aid schemes and national protectionism.

These are the ideas behind our amendments to the Pranchère report. The price increase we propose will go solely to alleviate the drastic cuts mentioned earlier and will therefore be relatively modest compared with the Commission's draft proposals.

This scheme will be acceptable to the Council of Ministers. No MEP — unless he is completely out of touch with his home government — can see the Council ever agreeing on a price increase of 4.5%.

Ladies and gentlemen, if we want to do European agriculture a service, we will adopt a realistic proposal tomorrow, which will spare us protracted negotiations resulting in the postponement of a decision on prices and hence increased uncertainty, and which will put us in a better position to stand up to outside competition. Do bear in mind that financial cover must be found for the new prices. Let us, by acting intelligently, help to direct developments ourselves instead of realising in a few years, when it is too late, that we are being controlled from outside.

Mr Iversen (COM). — *(DA)* Madam President, the other day the President of the Commission, Mr Delors, said that 25% of all Community expenditure on agriculture currently went on butter stocks, meat stocks and the destruction of food. At the same time, Parliament's Committee on the Environment is working on a proposal to use sex hormones in agricultural production. The sole justification is to increase growth, with no thought for the Community's consumers.

Just these two examples are sufficient to show that the Community's agricultural policy has truly reached a crossroads. The fundamental problems of agriculture in the Community cannot be solved by a cut or an increase in farm prices of 1 or 2%, or more. In the coming years, we will have to examine the link between Community agriculture and the problems of the environment. In this respect, we support the intentions behind the Committee on the Environment's opinion on the agriculture report. Agricultural policy in the Community has hitherto encouraged the use of artificial fertilizers and pesticides to such a high degree

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as to jeopardize the quality we rightly expect of our food. Likewise, agricultural soil and ground water are now seriously threatened by the methods of production used in the Community countries. We must therefore adopt a different approach in our agricultural policy so as to support farmers so that they in turn can change their methods. There must be financial support for environmentally safe farming methods, and farmers must be given an incentive to produce quality goods.

If the Community's agricultural policy is to have a future, attention must be given to consumer demands for foods free of drugs and hormones. It is hence quite incredible that the Commission will not allow individual Member States to ban antibiotics in animal feed-stuffs, for example. Why do we not take advantage of the current surplus situation to completely overhaul agricultural policy and aim for quality rather than quantity? It is high time we changed course in our agricultural policy, and shifted the emphasis to the environment and the interest of the consumers in high-quality products.

Mr Brøndlund Nielsen (L). — (DA) Madam President, a free, prosperous closely cooperating Europe was what the founders of the Community set in motion and worked towards with foresight and energy and, through the Common Agricultural Policy, agriculture has made a major contribution to this cooperation and prosperity. However, the original drive and resolve of the founders of the Community to achieve this ideal would unfortunately seem to be lacking nowadays, and it is in some respects agricultural policy which has suffered.

The farmers have borne the brunt of the Community's inability to achieve greater integration in its monetary and economic policies — which might have resulted in uniform interest rates, among other things — while both agriculture and farmers are also now suffering from the Community's inability to develop the system of Community financing, so that those who have always wanted to destroy the common agricultural policy are now able to point to the financial difficulties facing the Community.

Yet many of the individual countries do not hesitate to use public funds to support agriculture. Agriculture is the driving force behind our work towards the Community ideal, which is too weak at the moment. It is vital that we reestablish this resolve and idealism and I hope that the efforts being made in numerous areas within the Community will bring this about.

Thanks to the Common Agricultural Policy, we now have abundant supplies. The next thing we must do is consider the role of agricultural policy in the further development of the European Community. The policy should now be modified, since we have achieved the aim of ensuring plentiful supplies, and this must be

done by incorporating a set of new goals, one of the most important of which is concentration on quality production, so that aid is not granted to any old thing, as in the case, for example, of intervention in products regardless of quality. Not least within the milk sector, which is after all the largest, it is extremely important that we go further in this direction.

Mr Iversen talked about environmental considerations, and this is also one of the aspects that need to be incorporated into an up-to-date agricultural policy. But Mr Iversen and others must realize that the reason we are having to discuss forced production is that farm incomes have been squeezed again and again; neither agricultural policy nor the farmers can stand this, and the Commission should acknowledge this fact. Therefore the forthcoming negotiations should provide for a certain adjustment of prices to allow traditional agriculture to adapt gradually to future conditions.

Mr Vandemeulebroucke (ARC). — (NL) Madam President, ladies and gentlemen, I think I would be right in saying that we would all agree that the common agricultural policy can no longer rely on a market and price policy alone. The present restrictive price policy has been damaging to a good many farmers, especially the small farmers.

It is therefore extremely important in the short term to look for mechanisms which will not cost too much and which will guarantee farmers' incomes without encouraging the production of surpluses. A new approach of this sort should be coupled with a new structural policy with access to more resources than are at present available. By this I mean a policy which forms part of a more integrated approach in which not only social and regional considerations but also the environment and energy will play their part.

I am therefore expecting a great deal from Mr Andriessen's resolve to organize a discussion in the first half of this year within the Community institutions and with the professional bodies.

I would like to see particular attention given in these discussions to the use of biomass. Numerous studies have shown that European agriculture could very well be adapted so that not only a large part of the surpluses could be used up but at the same time we could become more independent in energy. Biomass can also play a very important environmental role. I am thinking of the addition of 5% ethanol, produced from cereal or sugar, to petrol to replace lead. I hope, then, that the Commission will pay particular attention to the possibilities offered by the development of biomass projects. Studies have shown that, for example, 12 million hectares of land in the Community could easily be used for these alternative resources instead of for food production.

I have tabled a number of amendments on this point, Madam President, and I hope that they will have Parliament's support.

Mr Rothe (S). — (*DE*) Madam President, ladies and gentlemen. The annual debate on agricultural prices is surely the most important debate held in this Parliament, on an equal footing with the budget debate. We must all lay our cards on the table. The debate clearly shows whose interests we want European policy to serve. The question of the credibility of our Parliament arises, for, as every serious politician knows, agricultural policy is becoming the stumbling block of the Community. It is becoming impossible to finance, and will give the majority of people a bad impression of the European Community.

More than 13 million people who are denied work in the Community, and millions more — in agriculture too — who see their jobs at risk, are expecting answers from us. It is a good thing that they also expect answers from European policies. But in my opinion this answer must not take the form of an increase in the costs of agricultural policy. Together with my political friends I appeal to you to approve the cautious price policy of the Commission. The zero price increases which the Commission is striving for is a necessary step in the right direction, although we are of the opinion, as explained in detail by my colleague Mr Woltjer this morning, that this price policy must be complemented by suitable social and structural policy measures.

The Commission has done nothing more than provide a realistic continuation to last year's resolutions of the Heads of Governments — which were, by the way, confirmed by our Parliament. There was a 23% increase in agricultural prices between 1981 and 1983 and the average reduction by 0.6% was the inevitable reaction to this figure. The Commission's rational and logical decision is now being subjected to the worst possible abuse by the European agricultural lobby. I heard this very clearly in the Committee on Agriculture, Fisheries and Food, where people were claiming that the implementation of these proposals would seriously threaten the existence of European farmers.

But we know that high prices bring large profits to those who achieve high rates of productivity. Small farmers were never able to gain from this agricultural policy. Dogmatic adherence to a linear price policy has contributed to destroying the existence of more than 10 million farmers. It has also led to the fact that in the European Community of today there is an income ratio between poor and rich farmers of 1:20. In some regions the ratio is as high as 1:45. This clearly illustrates that farmers' existence can be guaranteed by means of social and structural policy, but not by price policy alone!

Furthermore the financial situation of the Community does not permit higher prices. Even the Commission proposals for 1985 will cost 138 million ECU more than estimated. It is irresponsible for the majority of the Committee on Agriculture, Fisheries and Food to present us with a proposal which would cost an addi-

tional 529 million ECU. In 1986 these extra costs will amount to 1 300 million ECU. I ask you — and not for the sake of controversy — do you want to restrict future European politics to regulating agricultural markets? Do you want just a European agricultural Community? No thank you!

But if you do not want just an agricultural Community, please do not block the way for European social, development, regional, research and environment policies!

These interdependencies are beyond dispute, and not just at European Community level. I ask my German Christian Democrat colleagues, whose group first of all demanded 3.5% — followed by Mr Bocklet asking for 4% — and some of whom voted for 4.5% in the Committee, where do you expect to find the money? Bearing in mind the German contribution to the Community budget, every additional percentage point — even after the decimal point — means an extra burden to the tune of millions on the budget of the Federal Republic of Germany. Will that then lead to further economies in the social policy, as we have already experienced?

How can you reply to people who condemn the European policy for allowing and encouraging subsidies to be produced, stored and even destroyed? The excessively high level of agricultural prices is primarily to blame for the structural surpluses — this we know. The situation is dramatically getting worse. Since 1973 we have progressed from an average degree of self-sufficiency of 94% to a current figure of 108%. If nothing is done to regulate the situation, the cereals market will be in the same financial situation as the milk market. A 16% increase of surplus production in the last two years, and now 30%, is evidence of this trend.

This means that price reductions, particularly for products where there are structural surpluses, are necessary. On the other hand the brake on production must not hit the farms which cannot take it. This is echoed in a motion tabled by my colleague Mr Woltjer, which I fully support. Related measures to help small dairy farmers and small cereal farmers and subsidies for the marketing and quality improvement of Mediterranean fruits are necessary. You will find these proposals in our motions for amendment, and I would ask you to vote for them.

If you seriously want to help European farmers, I think that you will prefer to vote for our policy. If you want the Community to develop positively, you will decide against price increases. If you do not agree that people in the lower income categories should have to spend more and more money on food, if you do not want our environment to be endangered by a further intensification of farming, if you do not want our surplus production to form a barrier to the self-sufficiency of developing countries, vote against price

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increases, against the Pranchère Report and for a reform of agricultural policy.

(Applause from the Socialist Group)

Mr Debatisse (PPE). — *(FR)* Madam President, Presidents, ladies and gentlemen, perhaps our debate on agricultural prices is one of those for which there is no really good solution. However, this does not mean that some solutions are not less bad than others. One of the worst, without any doubt, is that proposed by the Commission. Although the Commission tells us that it aims to combat unemployment and social inequalities and to fight for the protection of the environment, it is pursuing a policy which would be absolutely certain to weaken even more an industry which has already suffered a major exodus and been severely affected by a continuous drop in income, yet which contributes more than any other to the defence of our natural heritage.

The contradictions in the Commission's position are truly surprising. It talks to us about the need to adapt, invest and acquire high-performance technologies. Does it believe that freezing prices is going to allow agricultural holdings to fulfil such objectives? And does it believe that the hundreds of thousands of job losses which these proposals would certainly cause would have no budgetary effects?

Finally, we would like more precise information on the monetary hypotheses on which the Commission has based its proposals. It maintains that cereals exports can no longer be financed by the Community. But is that true if the dollar remains at its present level? We cannot therefore seriously expect the Commission proposals to be accepted, though that does not mean that we do not recognize the importance of budgetary constraints. We know that a controlled and stabilized budget constitutes an essential precondition for an improvement of the common agricultural policy. We also know that beating inflation is the first step towards returning to the growth which will benefit us all.

This is why we think that farmers must play a full part in the plan to achieve economic recovery. And it is precisely with this in mind that our proposal to increase prices in real terms by 3.5% represents a much more considered measure than anyone imagines. Let it suffice to say that simply passing on the increase in production costs would have meant an increase in agricultural prices of 7.8%. Do not forget this. An increase limited to 3.5% is the lowest which farmers can agree to. And three conditions are associated with this proposal. Increases must vary according to the different production categories; the co-responsibility policy must be extended, particularly for products of which there is a surplus, on the understanding that the sums levied are managed jointly. And the system of production ceilings must be made much more flexible

and as far as possible should function on a self-regulatory basis.

These proposals are not based purely on economic considerations, but on a more general interpretation of the common agricultural policy completely in keeping with the meaning of the Treaty: safeguard of income, support for production in the less-favoured regions, particularly mountain areas, fair management of sums levied, flexibility, self-regulation, participation of the industry in decisions affecting its future, an active and resolute export policy. Such are the principles, ladies and gentlemen, which are the inspiration behind our proposals. If these principles are supported by the majority of this Parliament, it will show this by voting for our proposal in its entirety, that is to say the increase in prices and the accompanying measures. In this way it will be possible to restore hope to the agricultural world if the Commission, Mr Commissioner, and the Council, Mr President, look upon our proposal favourably. Then it will be possible, in the coming months, for the Commission, Council, agricultural organizations and Parliament to seek together the means of adapting the common agricultural policy to face the challenge of the 1990s.

(Applause from the centre)

Mrs Daly (ED). — Madam President, I represent many farmers in Somerset and Dorset West. This is in the South-West of England, an area which was badly hit by severe weather in 1983, and in 1984 by the imposition of dairy quotas. I want to make it clear that our farmers are not greedy and grabbing. They understand the economic realities of life and accept that it is important to contain CAP expenditure. However, they are extremely worried about the future of their industry. What they want to see most of all is that the uncertainty at present surrounding agriculture be removed. For that reason, I could support the Commission's courageous proposals on prices and I welcome the Council's statement on this subject this morning. However, I must express grave concern about some of the related proposals.

I want to appeal to the Commission to look again at abolishing the co-responsibility levy. This levy is purely a tax on dairy farmers, who now have quotas to curb production. I do not accept that this levy is used in a co-responsible way to develop consumption. This levy is very unpopular with farmers and its abolition would ease the burden on those farmers who may not have other alternatives to milk production.

Madam President, small-scale farmers are the backbone of rural areas. They must be supported and not thrown out of business. May I also say that I hope that any suggestion for the introduction of a co-responsibility levy in other sectors will be rejected.

I would also urge the Commission to withdraw its proposal to terminate the variable beef premium. Ending

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the premium system is not the way to encourage beef consumption. It would mean a further increase in Community expenditure on intervention. Removal of the beef scheme on bureaucratic doctrinal grounds can only result in lower consumption owing to the fact that beef prices would increase in our country by 7p-10p a pound, hitting those least able to afford to buy meat. Madam President, tonnes of beef in intervention are no good to anyone.

Finally, I want to support those who have pointed out the need to ensure that any change in the variable premium in the sheepmeat regime is made up for in the annual new premium. We cannot accept a situation where one Member State would be treated unfairly *vis-à-vis* the other so I hope Parliament will support these points.

(Applause from the European Democratic Group)

Mr Filinis (COM). — *(GR)* Madam President, once again the Greek Communist Party of the Interior will not agree to the Commission's proposals on agricultural prices and related measures for 1985/1986.

We consider these proposals unacceptable and reject them because they are geared to the known objectives of reducing agricultural expenditure without at the same time providing a way out for European farmers. The fact that there is no way out is recognized by the Commission itself, which promised in its 1985 programme to begin discussions on setting up future policies in European agriculture.

With what justification is the Community now to punish farmers this year again, when the Commission itself admits that it has not drawn up any plans for what is to be done about European agriculture in the future? Why, for the sake of reducing agricultural expenditure, must we propose a blanket price reduction even for those products which are in deficit in the Community?

We must repeat that we find it unacceptable for rich and poor regions and small and large-scale producers to be treated the same, since this leads to the destruction of the livelihood of small farmers and helps to concentrate ownership of the land in the hands of the few.

We could agree with the Commission that continuous price rises do not always help to guarantee a stable income for farmers. But in its proposals we do not see any measures which would increase the incomes of small producers. Neither have substantial structural measures been adopted, such as the regulation on structures and the Mediterranean programmes, which would lead to the long-term improvement of the incomes of producers and would make European agriculture more competitive.

As regards my country, Greece, I consider the Commission's proposals are totally inadequate. With inflation running at about 18%, with constant increases in the price of fertilizers, and with the uncontrolled rise in agricultural costs, the Commission's proposals will wipe out whatever improvement has been achieved in agricultural incomes in recent years.

Quota restrictions even on products which are in deficit in the Community, such as cotton and grapes, the discouragement of promising crops such as maize, the lack of satisfactory subsidies for goat and sheep rearing in order to cover the constantly rising cost of imported feedstuffs, all these things do not provide solutions to the problems of Greek farmers.

If the proposed prices are adopted, it will lead to many crops being abandoned, such as happened last year with sugar beet, with the result that Greece has been forced to import 250 000 tonnes of sugar.

As regards fruit and vegetables, the solution of reducing prices as proposed by the Commission with a view to reducing production does not solve the problem. What is required, in my view, is the immediate application of Community preference so that the problem of the destruction of surpluses can be solved. The destruction of one year's production of citrus fruit in Spain was enough to prove that there is no problem of overproduction of oranges in the Community, with not a single kilo of oranges being destroyed in Greece this year. Thus the solution is the immediate application of Community preference and not the reduction of prices.

Madam President, it seems that the Commission has shown even less sensitivity than the Council as regards the promotion of Community interests. After yesterday's initial discussion in the Council it appears that the supranationalization of CAP expenditure is to be avoided. We regret that the Commission lacks the courage to recognize that it has been overtaken by events. For all these reasons we reject the Commission's proposal.

Mr Di Bartolomei (L). — *(IT)* We should be grateful to Mr Pandolfi, Madam President, for giving us a breath of fresh air in this debate by drawing our attention to the fundamental problems of reforming the CAP.

When this policy was devised in the 1950s, I am sure that nobody thought that it would turn out to be so protectionist, complex and bureaucratic. Price support measures were conceived as collateral to basic measures of the structural type designed to make agricultural enterprises more economic and competitive. But the outcome is exactly the opposite to what we had hoped. Rather than destroying a growth in expectations, this reinforces them, despite the fact that financial resources are dwindling and the market is becom-

Di Bartolomei

ing increasingly more difficult to penetrate, since we are facing tough and aggressive competition from the United States.

Given this situation, I ask myself, how are we going to approach the next round of GATT talks? It is obvious that we must change course. It seems to me that none of the proposals before us take account of this need. We have before us proposals for an average price increase of 7 to 8%, or 4 to 5% or 3%; all I can say in this House and to those putting forward these figures is that they know they are just playing with sums or indulging in hot air because we know full well that these proposals will not be covered by any budgetary commitment. A serious-minded Parliament does not make a government commit itself to spending when it does not know where the money will come from.

Has Mr Pranchère been given private assurances concerning the feasibility of satisfying requests for increases, have these requests been satisfied, which we all consider a priority, on social expenditure? Do our colleagues on the Committee on Agriculture propose something else for next year and for the years to follow, instead of the usual huge increase in prices? Surely we are on the wrong road!

It is nevertheless true that in the Commission's proposals there is a great deal regarding the rationalization of expenditure that could be looked at again. We do not find any mention in the proposals of the need to match interventions with the effective requirements of the various sectors and regions, given restrictions on the budget. This is a point that should be looked at again, Mr Pandolfi, just as commitment to the IMPs should be re-examined. Mr Pandolfi is sometimes attacked in Italy because he is one of the few people to put the emphasis on development and not on mere assistance; now he is having to justify to the Italians how it could have happened that the projected expenditure on IMPs — more than 6 000 million — has come to be cut down to 1 or 2 000 million ECU. I think that some kind of adjustment needs to be made.

I find the whole situation, as well as the requests that have been made absurd, and I think that Parliament would do well to confine itself to reminding the Council of its responsibilities, just as the Committee on Budgets reminded this House of its responsibilities, rather than bandying about a percentage figure for price increases.

Mr Ulburghs (NI). — (NL) Madam President, agriculture is one of Europe's most important sectors, but one which has been thrown increasingly into the shadow of other economic areas. The labour force is falling faster there than anywhere else. Society often seems to view the reduction of employment in the agricultural sector as a good thing. I would like to say a few words about this.

First, are we not laying too much emphasis on production methods which favour large-scale farming? Farming methods are often used to increase quantity rather than improve quality. Technology must be encouraged, but with a view to benefiting mankind, not increasing profits. I believe that technology must be used to improve the quality of production and the quality of labour.

Secondly, large-scale farming has often proved harmful to the environment. Uprooting hedgerows and clearing vast expanses of land, the use of chemical fertilizers and pesticides, all these are destroying the land's natural protection. The frequent use of heavy farm machinery whatever the weather, for example when it rains, is accelerating the erosion of the best soil. It has been calculated that every year millions of tons of the best farming land in Europe are swept into the sea. If this continues, within a century if not before, Europe's fertile land will have been turned into something resembling the Sahel. Production costs should also take into account the cost to the environment.

Thirdly, I believe that Europe should strive for self-sufficiency in agriculture. Farming should be planned on a Europe-wide scale and decentralized to the different Member States. This would permit surpluses to be absorbed and would release money no longer needed for the storage of the butter and milk mountains and the oil and wine lakes for the producers themselves.

Greater economic autonomy is important if Europe is to compete with the United States. Eighty percent of cattle fodder is imported, mainly from the United States, which is an equivalent of 10 million hectares and which has meant that the area of land in Europe under crops has been heavily reduced while the butter mountain has grown. With these imports, our dependence on the United States will grow.

Finally, solidarity with the third world. The STABEX system guarantees the import of agricultural products from the third world. I agree with Mr Kuijpers that we are jeopardizing the self-sufficiency of the third world.

Mr Thareau (S). — (FR) Mr President, the history of the common agricultural policy is littered with an impressive number of statements, mandates, plans for reform, guidelines, documents entitled (COM) 500, (COM) 300 etc, all intended to improve the operation of the policy. As early as 1969 the Mansholt memorandum recommended solutions for the imbalances in certain markets. We are now faced with the results of the first measures taken under the mandate of 30 May as described in the memorandum 'Guidelines for European Agriculture', published in October 1981, and the further extension of those measures in connection with the decisions taken after the Stuttgart summit. All very complicated.

Thareau

For the first time a connection has been drawn between the future financing of the Community, the development of new policies, enlargement and budget discipline. Sacrifices have been asked of European farmers with the introduction of guarantee thresholds, coresponsibility levies, quotas and a restrictive prices policy. The Commission has unflinchingly followed this line, although at the time it stressed that the sacrifices would be divided fairly between Community producers and the Community's partners. Has the Commission been as eager rapidly and effectively to restrict imports of cereal substitutes which are largely responsible for production surpluses? Has it been as eager to review certain trade concessions or to tax oils and fats? Has it been as eager to implement Community preference or to devise a Community export policy? Has it made any effort to allow Third World countries to export products which would guarantee their economic survival, instead of giving in to pressure from American lobby groups which regard the European market as their special preserve?

On this subject we are entitled to expect attitudes to change. None of the proposals which have been made have tackled the main cause of these surpluses: the policy of guaranteeing prices without limiting volume. This system is also responsible for the growth of inequalities between countries, producers and products. Among medium-sized farmers there is a 1:5 disparity between the weakest, in Greece, and the strongest, in the Netherlands. Within any one country the disparity between the averages of the top and bottom 25% is 1:10. Looking at production, the disparity between livestock production and crop production is 1:4. The one-price system favours the wealthiest and largest farms and encourages undesirable trends. We hope that the working plan undertaken by the Commission, which includes wide-ranging talks within the various Community bodies before the end of the first half of 1985, will produce not only a new outlook, but also some means of redressing these imbalances.

Once again this year the Commission's proposals stem from the same approach, but this approach has been pushed to its very limits by views which are essentially budget-bound and which in the final analysis lead to nothing but price freezes or reductions. It is not for us to deny the facts or to under-estimate the Community's financial problems. The French Socialists did not wait for the crisis to break to make realistic, concrete proposals. We are firmly in favour of controlling production, but this must go hand in hand with guaranteed prices for farmers. The Commission is proposing to penalise producers both on prices and on production volume. This is just as unacceptable as the demands of some professional bodies for both guaranteed prices and unlimited production.

Contrary to what is required under the Treaty of Rome, the Commission's proposals ignore the devastating effect that they will have on the income and even the very existence of small- and medium-sized

farms. Nor do they take into account the need to adjust the north/south balance in the Community and, in broader terms, the action to help under-privileged areas which everyone is calling for in magnanimous speeches, but for which, in the final analysis, hardly anyone is prepared to make the necessary effort.

If we consider the Commission's proposals, what future is there for the CAP when we all know that the coming years are going to be dominated by the trade offensive of the United States? Where is there even a trace of respect for the fundamental principle of Community preference? We cannot — and this is the main point of my argument — accept these proposals today and merely promise ourselves that we will talk about them sometime later on. We already know, unfortunately, that direct aid to earnings and structural policies can never compensate for the loss of income caused by a price freeze or reduction, particularly when the cost of production is increasing. French Socialists refuse to support the plans to reduce the income of a whole economic and social sector. Now more than ever we condemn the linear prices policy pursued by the Community, which is largely responsible for the surpluses and the unacceptable exacerbation of existing disparities. Now more than ever we urge the introduction of a differentiation policy. What would be the point of increasing the income of all farmers by x per cent if we claw back the same amount in linear coresponsibility levies, making the smallest pay for the over-development of the largest?

Whether by prices or levies, we are convinced that it is by restricting EAGGF support to farmers that the Community can face the challenges of controlling agricultural expenditure, controlling production, guaranteeing incomes and reducing inequalities — make no mistake about it — the renationalization of the CAP which would be the inevitable result of the Commission's proposals would jeopardize the very existence of the Community. This is why we believe in Europe. It is because we want Europe to survive that we support the Pranchère report.

Mr Mizzau (PPE). — *(IT)* Madam President, ladies and gentlemen, what is Europe's main problem nowadays? Unemployment, especially among young people. Unemployment cannot be combated with words or even — as some Italian trade unionists seem to believe, strangely enough — by organizing strikes to safeguard their jobs. Unemployment has to be fought on two other fronts: inflation and investment. You do not need to refer to Bastiat, Mr Pandolfi, to understand economic balances. Penalizing agriculture means driving young farmers off the land and sending them to swell the ranks of the unemployed. Economists who are not besotted with Socialist prejudices are in agreement on one thing: when inflation is low, investment is high and when investment is high, more jobs are created. If we stymie agricultural prices and at the same time cut the budgetary funds destined for struc-

Mizzau

tural improvements, we will be adopting a policy which flies completely in the face of fighting inflation. In other words, we will be discouraging investment, but investment *has* to be encouraged by all incentives possible, with adequate budgetary appropriations and an intelligent tax policy which will exonerate those who are accepting a risk by investing in productive activities from the intolerable pressures of shoring up welfare systems.

What about the surpluses, ask the critics of European farming? To produce in abundance, cleanly and efficiently should be considered a sign of providence and not a misfortune, as those who are harking back to the days of the Enlightenment seem to think. Of course a reasonable answer has to be given to the question of surpluses. And the answers, even in economics, ladies and gentlemen — as Professor Ezio Vanoni used to say, who taught me at university and who as a minister went on to become the main author of the Italian economic miracle in the 1950s — the answers must be simple ones. Surpluses are to be regarded not as a problem but rather as a prime instrument of growth if, by investing in research, we find ways of transforming them into energy and into low-cost food which can be consumed by starving populations. Once again, therefore, investments are a priority, as is job creation, and research must be geared to life, not death. Surpluses, therefore, will have to be regarded as raw materials to be transformed and thus to boost jobs. Man has been to the moon, ladies and gentlemen, and has returned to earth. Doesn't this mean that we are capable of transforming agricultural products into energy? Instead of wasting valuable time and money on macabre experiments to artificially fertilize women, researchers and scientists should be finding out ways of enriching petrol with alcohol from wine at economically acceptable prices.

So let us find ways of transforming surpluses into foodstuffs for the hungry peoples of the world, Mr Pandolfi, by applying the principle of communicating vessels and at least removing what you called the 'objective reasons' preventing it. This, ladies and gentlemen, is the way to proceed if we draw our inspiration from, and wish to preserve, life.

(The sitting was suspended at 1.00 p.m. and resumed at 3.00 p.m.)

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

3. Question Time

President. — The next item is the second part of Question Time (Doc. 2-1804/84)

We begin with the questions to the Council.

Question No 76, by Mrs Banotti (H-587/84):

Subject: Lomé Convention and sport

With reference to the European Parliament's resolution on sport and the Community (adopted in April 1984) what action has been taken to implement paragraph 18 of the resolution which 'requests that when the Lomé Convention is renewed, a special section be devoted to sports events, with the objective of promoting contacts between young people engaged in sport, providing assistance for the provision of facilities and training competent personnel'?

Mr Forte, President-in-Office of the Council. — *(IT)* The third ACP-EEC Convention, signed in Lomé on 8 December 1984 does not contain any provision in the area referred to by the honourable Member.

This Convention, which was negotiated on the basis of the guidelines issued by the Council in September 1983, introduces a cultural and social dimension into cooperation for the first time in the history of ACP-EEC relations. It also reflects the principle that man must be at the centre of all development efforts.

The Chapter which the Convention devotes to cultural and social cooperation includes a section on operations to enhance the value of human resources. These operations concern, *inter alia*, the fields of education, training and health.

Mrs Banotti (PPE). — I welcome the Minister's answer, but I should also like to ask him what sort of money is anticipated for this programme of cultural activities. Also, does he not consider that, given all the concern this Parliament expresses about human developments within the ACP countries, the encouragement of sporting activities, in which many of these countries make a significant contribution at international level, would benefit greatly from the addition of some funding through the Lomé Convention?

Mr Forte. — *(IT)* I have a great deal of sympathy for the points made but we must nevertheless stress that the specific choices made will depend principally on the wishes of the ACP countries. Similarly, the funds earmarked for a particular purpose or another are, as we see it, a matter for the free choice of the recipient countries under the Lomé Convention.

President. — Question No 77, by Mr McMahon (H-601/84):

Subject: Sugar quotas for Portuguese entry into the EEC

President

Would the Council please let Parliament have an up-to-date position of Portugal's entry into the EEC. In the December Parliamentary session, the Minister and President of the Council, Peter Barry, replied to a supplementary question that the subject would be discussed at the December meeting of the Council of Ministers. Nothing appeared in press reports of the meeting nor in the communiqué issued by the Council to the Office of the European Commission in Edinburgh. In view of the keen interest in the west of Scotland by the sugar industry and by Tate and Lyle Limited would the Council please give an update position in negotiations?

Mr Forte, President-in-Office of the Council. — *(IT)* During the last quarter of 1984, the sugar sector was the subject of an exchange of statements between the Community and Portugal which was followed by exploratory talks between the Commission and the Portuguese delegation in January. This sector is still the subject of negotiation. The honourable Member will accordingly understand that the solution to emerge from the accession conference with Portugal in relation to this sector in the agricultural chapter may not be prejudged.

Mr McMahon (S). — I should like to thank the Minister for his answer, although I do not think it is very satisfactory. Is he aware of the growing concern in the sugar cane industry, both in the United Kingdom and in Portugal, regarding the required quotas? Is he further aware that five sugar cane refineries have closed in the United Kingdom since Britain entered the EEC and that the Portuguese sugar industry is in a similar situation today? Also, is he aware that in the United Kingdom over that period there has been a net loss of 3 570 jobs? Does he really think that the proposals will ensure the continuation of employment both in the UK and in Portugal, particularly in the Tate and Lyle refinery at Greenock and in the Tate and Lyle refinery in Lisbon? Is he prepared to give the House an assurance that he will not further the interests of wealthy sugar beet farmers at the expense of the Portuguese sugar workers and at the expense of the people of the Third World?

Does the Minister not agree that the Member States of the EEC are being hypocritical when they pay lip service to trade with the Third World and yet, by their actions and their agricultural policy, discriminate against the sugar cane farmers?

Mr Forte. — *(IT)* The questions which Mr McMahon has just put in fact go very much beyond the scope of the original Question, which concerned the negotiations between Portugal and the European Economic Community, and clearly reflect the regional problems affecting various agricultural areas of the Community. The Council is keeping a close eye on these problems

in this very difficult sector, which are monitored and dealt with by the Commission under the sugar policy.

However, as we all know, there is no easy solution to these problems I should like to stress that it would appear from the observations which have been made that the problem in Portugal is a relatively minor one compared with the difficulties facing the European Community in this sector.

Mr Lomas (S). — May I press the President-in-Office a little further? I also represent a cane sugar refining mill in my constituency which employs between two and three thousand workers. Although negotiations are taking place, as the President-in-Office says, there is a specific proposal to Portugal to reduce its cane sugar quotas from the present 300 000 tonnes to 70 000 tonnes. That is a massive reduction, and the Council must be aware of the disastrous effect that will certainly have on jobs in Portugal, possibly in the UK and certainly in the Third World. Will the President-in-Office ask the Council to reconsider this inflexible attitude it has taken so far? Otherwise there will be yet another common market policy increasing unemployment in Europe.

Mr Forte. — *(IT)* As I have already pointed out, this matter is the subject of negotiations in connection with the accession of Portugal, and since these negotiations are still in progress there is nothing for the Council to change.

Mr P. Beazley (ED). — In view of the very poor state of the Portuguese economy, and the adverse effect which Portugal's entry into the Community is likely to have on the majority of its industries, would it not be in the interests of both the Lomé territories and Portugal that these volumes should be maintained? Is the matter still to be decided upon, or has it been finalized?

Mr Forte. — *(IT)* The talks are still in progress and the terms of the agreement are still to be finalized.

President. — Question No 78, by Mr Hughes (H-613/84):

Subject: Imports of Namibian uranium into the European Community

Can the Council advise Parliament of the current amounts of Namibian uranium imported into the European Community; is the Council aware of the worker exploitation involved in the production of uranium in Namibia, South African illegal presence in Namibia and the fact that illegal uranium is used to make nuclear bombs; can the Council give an undertaking the European Community will cease importation of Namibian uranium?

Mr Forte, President-in-Office of the Council. — While realizing the importance of this question from both the moral and political points of view, we must nevertheless point out that the issue of Namibian imports referred to in the honourable Member's question has not been put before the Council.

Mr Hughes (S). — The President-in-Office has only partly addressed the question, to say the least. He side-stepped the most important issues. Can he assure us that these are issues which fall within the remit of the Council, in view of the Community's concern with South Africa, with energy issues and with oppression and exploitation in the Third World? Is he aware that EEC importation of Namibian uranium infringes United Nations Security Council and General Assembly resolutions which were found to be binding by the International Court of Justice in 1971? In view of these facts, if the Council has not considered these issues, I think it should do so urgently and ban the importation of Namibian uranium.

Mr Forte. — *(IT)* The Council and — if I may add — myself personally on behalf of the Italian Government deeply deplore apartheid and the illegal presence of South Africa in Namibia. We expect the Members of the European Community to respect their commitments and the United Nations resolution which has been mentioned. As the questioner is aware, it is not for the Council but rather for the Commission under the Euratom Treaty, to ensure that the rules laid down are fully respected. We can only hope that the Commission will in fact take effective action to ensure respect of the relevant legislation.

Mr Seligman (ED). — Does the President-in-Office realize that a large part of the economy of Namibia is dependent on uranium production? How many jobs would be lost if Mr Hughes' recommendation were put into effect? Is there any evidence that South Africa is at present making a nuclear bomb, as he implies? I believe not, and I believe they are open to inspection by the Vienna IAEA. I think the question is misguided and irrelevant. Does the President-in-Office agree?

Mr Forte. — *(IT)* I have nothing to say on this point.

Mr Wijsenbeek (L). — *(NL)* Can the President-in-Office of the Council also tell us whether or not Namibian uranium is used for purposes other than those which have been mentioned and, if so, whether we in the Community could get by without the supplies from Namibia?

Mr Forte. — *(IT)* As I have already stressed, it is up to the Commission to ensure compliance with the rules laid down in this field.

President. — Since its author is absent, Question No 79 will receive a written reply.¹

Mr Deprez (PPE). — *(FR)* I should like, if you will excuse me, to raise a point of order in connection with Mrs Lizin's question since, as a Member of this Parliament elected in Belgium, I found it hard to accept my country being accused of dragging its feet in a question addressed to the Council. I think this is going too far and that the question should therefore not be admitted.

In view of the insulting way in which the question has been worded, I would be grateful if the Council would tell us whether or not my country is really dragging its feet in the Council of Ministers. I think we deserve an answer to this question.

President. — Mr Deprez, since the author of the Question is absent, we cannot discuss it.

Question No 80, by Mr Fitzgerald (H-453/84):

Subject: Fishery protection vessels to prevent closure of Verolme Cork dockyard.

Will the Council indicate if there are provisions in the negotiations with Spain and Portugal for financial assistance to the Irish Government for the purchase of two additional fishery protection vessels, and furthermore, does the Council agree that such a requirement is necessary because of the size of the Spanish fleet, and because of recent incidents in Irish territorial waters and that such an arrangement would prevent the closure of Verolme Cork dockyard and preserve badly needed employment in the area?

Mr Forte, President-in-Office of the Council. — *(IT)* The Community financial contribution to inspection of surveillance of fishing in Irish waters is a matter for the common fisheries policy and has been determined in the course of the implementation of that policy. It does not arise under the accession negotiations now in progress with Spain and Portugal.

Mr Fitzgerald (RDE). — Would the President-in-Office not agree that an answer of this nature indicates that the Council is closing its eyes to a problem which is about to be one of the biggest the Community has experienced? He must surely agree that the present common fisheries policy will be drastically altered once the accession takes place. If he does agree, as he no doubt must, surely it is not enough for him to say that we have to wait until all negotiations have been completed to protect our waters, which will need far greater protection then, particularly in view of the fact

¹ See Annexe

Fitzgerald

that there is likely to be a moratorium period or certain protection for some areas of Community waters over an initial period? In those circumstances, I would beg the President-in-Office to be more forthcoming in his replies. I do not say that to him personally, but I do say to him: This constant dragging of feet by the President-in-Office, on behalf of the Council, is frustrating to this Parliament.

Mr Forte. — *(IT)* As the questioner knows, the problem of monitoring fishing by Spanish vessels in the waters with which the questioner is concerned already exists even before the accession of Spain and Portugal. Thus, while we are not able to predict the future, we agree that the problems of inspection and surveillance will indeed increase when these countries accede.

Mr Wijsenbeek (L). — *(NL)* Does the President-in-Office of the Council agree that, quite apart from the accession negotiation, it is high time governments stopped granting all sorts of subsidies to enterprises which might well survive with or without these subsidies? Particularly when we consider the name of the undertaking in question here today, I would remind the President of the Council of the survey conducted by the Lower House in the Netherlands.

Mr Forte. — *(IT)* This is outside the scope of the question in hand.

Mr Taylor (ED). — Would the President-in-Office agree that if the Dublin Government, with the financial assistance of the Community, should decide to place an order for two fishery protection vessels it would be contrary to the principles of free competition that tenders should be restricted to one shipyard only, namely that in Cork? Would it not be better and more in compliance with Community principles that other shipyards, including the major shipyard on the island of Ireland, namely that of Belfast, should also have the opportunity of tendering?

Mr Forte. — *(IT)* These questions are covered by Community regulations.

President. — Question No 81, by Mr Flanagan (H 510/84), for whom Mr Fitzgerald is deputizing:

Subject: Postponement of EEC decision on turf development

Could the Council explain why it postponed a decision on 13 November 1984 on a planned £ 730 million solid-fuel programme which includes long-overdue aid to Ireland's vitally important turf industry?

Mr Forte, President-in-Office of the Council. — *(IT)* In the course of its proceedings on the Com-

munity energy strategy, the Council has, on numerous occasions, confirmed that solid fuels are an essential element of this strategy. In this context, in August 1984, the Commission submitted to it a proposal for a Regulation (EEC) on Community financial support for Community industries producing such fuels.

Work within the Council gave rise to serious difficulties. In September 1984, the Commission submitted a revised proposal to the Council, but this also presents difficulties. Nevertheless, all delegations were anxious to improve the efficiency of the Community's energy policy and expressed their desire to achieve the objective they had set themselves and thus make progress towards a fair and comprehensive Community solid-fuels strategy. In particular, they decided to continue their efforts to increase the share of solid fuels in the Community's energy balance.

The Council would assure the honourable Member that it will immediately resume examining this question as soon as the new Commission has informed it of what action it now intends to take on the matter and in the light, in particular, of the Opinion of the European Parliament.

Mr Fitzgerald (RDE). — Could the President-in-Office tell me what type of difficulties were encountered? What were the problems? When he says that examination of the proposals will resume immediately once an opinion is submitted by the new Commission, what expectations does he have as to when the programme already proposed, even with some alterations, can go ahead?

Mr Forte. — *(IT)* As the questioner and to some extent all of you will, I think, be aware, the difficulties concern the fact that while there are certain people who advocate the use of coal and turf, there are also those who do not wish to spend too much on the fuel they have to buy.

We are therefore trying to arrive at a decision which takes account of the interests of both producers and consumers of energy. However, it is the aim of Community energy policy to reduce our dependence on oil and consequently increase the use of, say, turf and coal. I repeat: there is, unfortunately, no clear course to take in view of the various economic interests at stake, nor will it be easy to find one.

Mr Wijsenbeek (L). — *(NL)* Since the President of the Council has been somewhat cautious in the answers he has given so far, does he not think that we should exercise similar caution in connection with a project of this kind in view of the possibly harmful effects which the burning of turf might have on the environment. Perhaps he could fill me in on this point.

Mr Forte. — *(IT)* The Community dossiers on both turf and coal take account of all the various aspects including the ecological considerations. Moreover, it is possible, as you know, to prevent the pollution resulting from the various energy sources: it is simply a question of costs.

Mr Taylor (ED). — Is the President-in-Office aware that, unbelievably for Ireland, we are now concerned that we are running out of bogs, and before the President-in-Office decides how much Community money should or should not be allocated to the excavation of turf, could he first of all tell us how many years of turf are left for provisional fuel in Ireland?

(Laughter)

Mr Forte. — *(IT)* I do not know anything about this and I do not think it is my job to.

(Laughter)

Mr Clinton (PPE). — Could I ask the President-in-Office whether it is not a fact that a considerable amount of money has been spent on coal and that no money has been spent on peat, even though it is a long time now since a report was approved in this Parliament recommending strongly that peat get the same consideration as other solid fuels? Is he aware that Mr Taylor's knowledge of what bogs are left in Ireland is very much greater than his imagination allows him to accept?

(Laughter)

Mr Forte. — *(IT)* We are aware of the existence of problems of this kind, and this is why it is difficult to reach an agreement. If I may repeat what I said in my original answer, the Council can assure the questioners that it will resume its examination of the turf dossier as soon as the Commission has informed us of what action it intends to take on the matter and in the light, in particular, of the Opinion of the European Parliament. Thus, the European Parliament is, we hope, the most likely source of clarification on the question of turf and coal.

President. — Since they deal with the same subject the following two questions will be taken jointly: Question No 82, by Mr Van Miert (H-534/84):

Subject: Building of a Channel tunnel

On 30 November 1984 the French President, Francois Mitterrand, and the British Prime Minister, Mrs Thatcher, gave the go ahead to an immediate study on building of a Channel tunnel. In a joint statement, the two leaders declared that such

a project was not only technically feasible but would also be financially rewarding.

In the past the European Parliament has repeatedly and consistently advocated the building of a Channel tunnel and Community participation in such a project.

What practical steps does the Council intend to take to ensure that the Channel link project is brought to a successful conclusion?

Question No 88, by Mrs Thome-Patenôte (H-615/84):

Subject: Programme of major European infrastructure works

A major European infrastructure programme is a means both of combating unemployment and of ensuring the development of major intercontinental transport links. The progress of the project for a fixed link across the Straits of Dover is an important step in the direction. In the Council's view, what priorities should be set and followed as regards major intercontinental transport links?

Mr Forte, President-in-Office of the Council. — *(IT)* The Council would point out that the Community contributed 0.5 MECU under the 1982 budget to the financing of work entrusted to a group of banking establishments for the evaluation of the project for a fixed link across the Channel. The report from that banking group has since been submitted to the governments of the United Kingdom and France and to the Commission. The amount in question was granted under Council Regulation (EEC) No 3600/82 of 30 December 1982.

Under this Regulation, the Commission is required to submit a report to the Council upon completion of work which has received Community support. The Council has not yet received such a report, nor been apprised of any Commission initiative concerning the possible construction of a fixed link across the Channel. Upon receipt, the Council will not fail to examine the Commission report with all due care and despatch.

Mr Van Miert (S). — *(NL)* Does the President of the Council agree that the Commission is defaulting here and is the Council prepared to take steps to persuade the Commission to submit its conclusions as soon as possible?

Mr Forte. — *(IT)* We are not prepared to force the Commission's hand one way or another.

Mr Marshall (ED). — The President-in-Office said that the Council would deal with this matter with due care and despatch. Will he accept that many in this

Marshall

House regard such statements with a great deal of fear in that the Council is renowned for its inertia rather than its activity? Can we have an assurance that on this occasion at least there will be some sign of life and activity from the Council instead of neglect of action?

Mr Forte. — *(IT)* We have taken due note of Parliament's concern on this question.

Mr Vandemeulebroucke (ARC). — *(NL)* Since half a million ECU has already been allocated to this project, I would have liked to have heard the President-in-Office's views on the question of whether we should, with an eye to maintaining employment, examine the extent to which existing air and sea links would be cut back if a Channel tunnel were constructed. This would involve tens of thousands of jobs and I should like to ask whether the Council has given this question the attention it deserves?

Mr Forte. — *(IT)* All this should be covered by the abovementioned study which we have commissioned.

Mr De Courcy Ling (ED). — Does the President-in-Office agree that, since we have waited a very long time for a Channel tunnel, it would be a great mistake now to rush this project? Does he not agree that the political impetus exists in London and in Paris and it is very important that we should have a properly conceived Channel link which will comprise, not only a railway link, but also a sufficient motorway link? Secondly, is the President-in-Office aware that the centre-right majority of this Parliament prefers private enterprise to public expenditure and the Channel link is no exception?

Mr Forte. — *(IT)* These are precisely the subjects which are being studied.

Mr Cryer (S). — Would the President-in-Office accept that recently the Yorkshire and Humberside annual regional conference of the Labour Party rejected the concept of the Channel Tunnel and the reasons that were advanced included the fact that there needs to be more investment to provide decent schools and decent housing, not only in the United Kingdom, but throughout the rest of the common market.

Will the President-in-Office convey to the Council of Ministers that point of view and ensure that they do not embark on an expensive fanciful scheme in order to satisfy the eccentric minority who want to use the Channel Tunnel, not as a genuine means of transport but as a symbol of the union of a trading organization called the common market?

Mr Forte. — *(IT)* It is for Britain to make its own decisions on its economic policy.

Mr Wijsenbeek (L). — *(NL)* Quite apart from the claim that the 'centre right' necessarily has a predelection for private enterprise — which is in fact irrelevant in the context of concerted European effort — I should like to ask the President of the Council whether or not he agrees that building a Channel tunnel would present a threat to that particular protected species known as the 'insular'.

(Laughter)

President. — Question No 83, by Mr Hutton (H-538/84):

Subject: Improvements to conciliation procedure

Following my question (H-116/84)¹ on this subject at the December 1984 session, will the President-in-Office in the absence of a vital national interest, seek a majority decision of the Council favourable to the opening of discussion with Parliament on the reform of the conciliation procedure?

Mr Forte, President-in-Office of the Council. — *(IT)* The Council considers that an agreement of all its members is required for the adoption of a common position concerning modifications to the existing joint declaration on the conciliation procedure. At this stage the Council is not able to obtain such agreement. However, the President of the Council has sent a letter to the President of Parliament concerning further talks on the revision procedure.

Mr Hutton (ED). — I thank the President-in-Office of the Council for the last part of his answer. Would he accept from me that the first part has a defeatist tone about it and would he not give this House an undertaking that he will put the matter on the agenda of the Council again and attempt to persuade the Danish Government that after two direct elections the European Parliament has every right to play a larger part in the Community's decision-making process?

Mr Forte. — *(IT)* I can assure the honourable Member that the Italian Presidency intends to make pragmatic use of elements contained in the compromise proposal, which was mentioned at the meeting between the Enlarged Bureau and the Foreign Ministers, although, in keeping with what I said in my first answer, this is without prejudice to the legal position.

¹ Verbatim Report of Proceedings, Provisional Edition of 12. 12. 1984, p. 170.

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Parliament itself has published a resumé of the proposed improvements and I would draw the attention of the honourable Member to Parliament's bulletin of 11 February.

For the rest, the letter states that in his statement to the European Parliament on 16 January 1985, the President-in-Office of the Council indicated his position with regard to this question which, as you know, is favourable.

Mrs Hammerich (ARC). — *(DA)* Does the President of the Council not agree that it is up each individual Member State, and not Mr Hutton or the President of the Council, to decide what are vital national interests? I ask because it would appear from Mr Hutton's question that he thinks he is competent to make this decision himself.

President. — I think you should consult Mr Hutton on this point.

Mr De Vries (L). — I have the greatest respect for the positive attitude of the Italian President to this Parliament. However, I think we could go one step further than the President of the Council has just described. My question, therefore, is as follows. Does the President-in-Office of the Council share my view that the vital but problematic issue of lead in petrol would be a prime candidate for a conciliation procedure between the Council and Parliament, and is the President of the Council prepared to discuss this question with his colleagues?

Secondly, if the final report of the Dooge Committee calls for greater use of majority decisions, would the President-in-Office of the Council be prepared to propose once more to his colleagues that they take a majority decision on the question of the conciliation procedure?

Mr Forte. — *(IT)* As regards the first question — i.e. the question of lead in petrol — I do not think this is relevant to the subject in hand, although it is undoubtedly a matter of the utmost importance.

As regards the second question, the views of the Council and, in particular, my own personal view are well known. However, we feel that this matter should be dealt with — as it is being — by the Committee on Institutional Affairs, i.e. the Dooge Committee, and we will therefore be glad to communicate the results of this Committee, which we expect to be positive, when they become available.

Mr Vandemeulebroucke (ARC). — *(NL)* I should be grateful if the President-in-Office would give us a definition of the term 'vital interest' and tell us whether or

not he agrees that this depends in every case on the subject or Member State involved?

Mr Forte. — *(IT)* I do not think it is for us to define this term.

President. — Since their authors are absent, Question Nos 84 and 85 will receive written replies¹.

Question No 86, by Mr Deprez (H-611/84):

Subject: Return to Belgium of the seat reserved for Greenland

During the negotiations concerning the first direct elections to the European Parliament, Belgium agreed to give up the 25th seat it had been allotted in order to enable Greenland to be properly represented. Since Greenland is leaving the European Community in 1985, would it not be fair for the seat assigned to Greenland to be returned to Belgium?

What is the Council's opinion on this matter?

Mr Forte, President-in-Office of the Council. — *(IT)* The number of representatives to the European Parliament elected in each Member State is laid down in Article 2 of the Act of 20 September 1976 concerning the election of the representatives of the Assembly by direct universal suffrage, as amended by Article 10 of the Act of 28 May 1979 concerning the Accession of the Hellenic Republic.

The Council has not received any draft revision of these provisions.

Mr Deprez (PPE). — *(FR)* I see that the President of the Council has at any rate not denied that, as I pointed out in my Question, my country made a gesture in this respect.

On the other hand, I am concerned at the fact that the Council would appear to be less sensitive in connection with the small countries than in the case of the larger countries when the principle of fair returns is concerned. It is enough for a big country simply to want its money back for its wish to be granted by means of non-Community procedures. Thus I would like to ask the Council of Ministers whether or not it intends to take steps to return to Belgium the seat which that country gave up in order to help bring about a political agreement with an eye to the first elections by direct universal suffrage.

Mr Forte. — *(IT)* Belgium has never given up a seat to Greenland. When it was decided that the European Parliament should be elected by direct universal suf-

¹ See Annex.

Forte

frage, it seemed it appeared inappropriate that Belgium should have the same number of seats as the Netherlands, which has a population over 50% greater than that of Belgium.

Furthermore, the Belgian Foreign Minister has had ample opportunity to put the question to his National Parliament.

Mr Vandemeulebroucke (ARC). — (NL) I am somewhat surprised that figures are being compared, since if we are consistent, Luxembourg would have no seats at all, considering the size of its population. My question however, is as follows. Is Belgium right in thinking that this seat was in fact allocated to Denmark, and not to Greenland, which would mean that it would not be returned to Belgium?

Mr Forte. — (IT) We are obviously all familiar with the principle whereby when dealing with very small quantities we have to simply make a distinction between a positive number and zero and the Community has adopted a special formula for this purpose. This is the mathematics underlying my answer.

Mr Wijsenbeek (L). — (NL) Quite apart from the fact that we should not apparently be discussing figures, does the President of the Council nevertheless agree that the Danish legislation which determined what would happen with this 25th Belgian seat flew in the face of the previous agreement?

Mr Forte. — (IT) I do not think this was a point of contention.

Mr Croux (PPE). — (NL) In view of what has just been said regarding the formal aspects and the contents of the Act, I should like to ask the President of the Council whether he is aware that the question of the 25th Belgian seat was in fact brought up during the preparatory work for this Act and that Belgium agreed, by way of a compromise, that this seat should be allocated to Greenland?

Mr Forte. — (IT) I think I have already answered this question.

Mr Christiansen (S). — (DA) Am I to take the answer given by the President of the Council to Mr Deprez to mean that Denmark had 16 seats at the first direct elections and still has the same number?

Mr Forte. — (IT) Yes.

President. — Question No 87, by Mr Evrigenis (H-741/84)¹ :

Subject: Publication of the preparatory documents for the Brussels Convention on international jurisdiction and the enforcement of judgements in civil and commercial matters.

The Brussels Convention of 27 September 1968 on international jurisdiction and the enforcement of judgements in civil and commercial matters, together with the supplementary interpretation of the European Court of Justice in its Protocol of 3 June 1971, is one of the fundamental legal texts governing every day contractual arrangements in the Community, as evidenced by the jurisprudence of the European Court of Justice and the Courts of the signatory States as well as the wealth of interpretative literature. The awaited ratification of the Accession Conventions of 9 October 1968 and 25 October 1982 will extend the scope of the 1968 Convention to all the Member States of the Community.

The preparatory documents for the 1968 and 1978 Conventions (official records and working documents), which are of particular importance for the interpretation of the corpus of the Convention, were recently released by the responsible Commission service and are now housed in the library of the legal affairs department at the Commission.

Does the Council intend to publish these preparatory documents and thereby make them available as they should be to the large number of jurists engaged in the interpretation and implementation of the Convention?

Mr Forte, President-in-Office of the Council. — (IT) It is not customary for documents relating to preparatory work on Conventions of the type mentioned by the honourable Member to be published. However, useful information will be found in the report on the Convention of 27 September 1968 and the Protocol of 3 June 1971, and the report on the Convention of 9 October 1978, which were published in Official Journal C 59 of 5 March 1979.

Mr Evrigenis (PPE). — (GR) Madam President, I thank the President-in-Office of the Council very much for his reply. I should like once again to state how very important I feel the publication of these preparatory documents is. I appreciate that it is a difficult task which, in addition to the cost of publication, also requires some processing of the material. However, I should like to ask the President-in-Office of the Council and the Council to go ahead with the publication of these documents, which at the moment are accessible only to those who visit the European Com-

¹ Formerly oral question with debate (O-115/84), converted into a question for Question Time

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munity's library in Brussels and not to the hundreds, if not thousands, of jurists whose daily job it is to apply and interpret this important text.

Mr Forte. — *(IT)* We are certain that Mr Evrigenis' report on this subject will be of enormous interest.

President. — Since I see that its author is not present at the moment, Question No 89 will be called later during this part of Question Time.

Question No 90, by Mr Toksvig, for whom Mrs Oppenheim is deputizing (H-692/84):

Subject: European space programme

Will the Council report on the meeting of the Council of Ministers of the European Space Agency in Rome on 30 and 31 January 1985?

Mr Forte, President-in-Office of the Council. — *(IT)* Like the question we were discussing just now, this is a matter of great importance and interest. However, it does not fall within the competence of Council of the European Community to express views on the proceedings of the European Space Agency.

Mrs Oppenheim (ED). — *(DA)* I should like to put a supplementary question. Can the Minister assure us that the ESA and its Council of Ministers have exclusively dealt with the civil use of space?

Mr Forte. — *(IT)* As I said before, this matter does not fall within the competence of the Council of the European Community.

Mr Pearce (ED). — Madam President, you are going very fast, I had my hand up on Question No 87. I received a nod from a member of your staff, but somehow we moved onto Question No 90, even though Mrs Ewing was waiting to raise Question No 89. I would like to put a supplementary, because my hand was up before the honourable Minister finished on Question No 87.

I would like to ask the honourable Minister whether . . .

President. — *(IT)* Mr Pearce, I would point out that we are currently discussing Question No 90.

Mr Pearce (ED). — Madam President, would you therefore kindly advise me what I am supposed to do to attract your attention? If you wish me to take my clothes off or something, I would be happy to oblige.

(Laughter)

No, you wouldn't like that, Madam President! Therefore, would you kindly advise me what I should do, and would you also kindly advise me that when I receive a nod from the second gentleman on your left, what am I supposed to believe that that means? Otherwise, my right to ask a supplementary question is denied to me.

President. — Mr Pearce, I obviously cannot let you put a supplementary question in connection with a question which has already been dealt with.

Since its author has returned, I call Question No 89, by Mrs Ewing (H-642/84):

Subject: Last meeting of the Council of Fisheries Ministers

Will the President-in-Office comment on the outcome of the last meeting of the Council of Fisheries Ministers?

Mr Forte, President-in-Office of the Council. — *(IT)* In reply to this Question, I would refer the honourable Member to the Council Decisions set out in the press release issued after the last meeting of the Fisheries Council on 19 December 1984, which I have made available to the honourable Member. I would further point out that by virtue of Regulation No 97/85 of 14 January 1985, the decisions taken by the Council at its meeting on 19 December 1984 (OJ L 1 of 1 January 1985), which were valid until 20 January 1985, have been extended until 31 December 1985.

Mrs Ewing (RDE). — I think that that must be one of the least informative answers I have ever received! Are we to understand it that nothing has changed since 19 December, despite the fact that we all know perfectly well that some very high level hard bargaining talks have been going on? Is the President-in-Office aware that Commissioner Andriessen was kind enough to come and give a very frank statement on the latest bargaining position, as he understood it, of the Ten? So could we not now get some actual information: what is the bargaining position with regard to the Spanish entry in particular following more recent meetings than that of 19 December?

Mr Forte. — *(IT)* I think my reference to the press release constitutes a very clear answer to this question which, after all, concerned the decision reached at the last Fisheries Council.

Mr Pearce (ED). — I would like to use the opportunity to clarify whether the Council is satisfied that its legal procedures to assist it in implementing decisions which come out of the Council of Fisheries Ministers are sufficient to deal with the situation in some Mem-

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ber States where certain executive powers are operated by provincial governments, *Bundesländer*, States, provinces or what have you.

Is the Council satisfied that Community decisions on matters such as fishery policy can be made fully effective where the administration of such functions is in the hands of these provincial or local administrations?

Mr Forte. — *(IT)* The Regulations adopted by the Council ensure a balance between the various types of fishing operations. As regards the implementation of the decisions, it is, as you know, up to the Commission in collaboration with the competent authorities in the various Member States — and hence to a large extent up to these national bodies themselves to ensure that the requirements are met.

President. — Question No 91, by Mr Bocklet, for whom Mr Rabbethge is deputizing (H-693/84):

Subject: A common approach by the Member States of the European Community towards various infringements of the law by the new organizations operating under the protection afforded to religious bodies.

On 22 May 1984, the European Parliament adopted a resolution¹ on the above subject which includes specific demands for action at Community level.

Has this matter been discussed by the Council, and are there plans for a common approach by the Member States?

President, President-in-Office of the Council. — *(IT)* I can inform you in connection with this very delicate matter too that the Member States have been informed of the resolution adopted by the European Parliament. However, the Council has no powers to take action on the matter.

Mr Rabbethge (PPE). — *(DE)* Mr President, could you give us some more details? Why has the Council no powers to take action on this matter? After all, the resolution was drawn up in such a way as to call, very cautiously, for general social provisions, without encroaching on national jurisdiction. There was no question of interfering with national sovereignty. To put it plainly, it was simply a question of sects and their influence on vulnerable young persons. I should be grateful if you could explain in detail why the Council cannot adopt a position on this matter.

Mr Forte. — *(IT)* I should like to remind you on behalf of the Council of the joint declaration made by

the Council, Parliament and Commission, in which the three Institutions stressed the great importance they attach to the respect of fundamental rights and in particular, those arising from the Constitutions of the Member States and the European Convention on the protection of human rights and fundamental freedoms which was signed by the Member States and has been incorporated into Community law.

In view of these points, which we regard as important, it should be clear that this is not a matter which concerns the powers of the Council but rather certain aspects of Community law for which other bodies may be competent, such as the Human Rights Tribunal.

Mrs Hammerich (ARC). — *(DA)* On a point of order, Madam President, I should like to ask why we do not move on to the questions addressed to the Foreign Ministers but are still discussing these questions to the Council when the two-thirds of the time allocated has long passed and, according to the agenda, we should have started dealing with the questions addressed to the Foreign Ministers at 4 p.m.?

President. — Mrs Hammerich, the Presidency is sticking very closely to the timetable for this part of Question Time.

Mr Sutra (S). — *(FR)* I should like to say for the benefit of the representative of the Council that we should not allow anyone to tell us that human rights, and in particular children's rights, are none of our business. Human rights are the business of any citizen of this planet worthy of the name. In particular, when very young children are being refused their rights and outrageously brainwashed, we cannot say that this is not a matter for the Council of Ministers.

Mr Forte. — That was an opinion, not a question.

President. — We proceed with the questions addressed to the Foreign Ministers.

Since their authors are absent, Questions Nos 109, 110 and 111 will receive written replies.¹

Question No 112, by Mr Evrigenis (H-742/84):

Subject: Member States' relations with UNESCO

On 31 December 1984, the United States of America withdrew from UNESCO. The Government of the United Kingdom has also announced its intention to withdraw from the same organization at the end of 1985.

¹ OJ C 172 of 2. 7. 1984, p. 41.

¹ See Annex

President

Do the Foreign Ministers believe that these developments which, *inter alia*, create enormous financial problems within UNESCO, are expressions of a profound crisis in the workings of the organization.

If so, have they considered the problem in the context of political cooperation and are they taking steps to draw up a common or harmonized Community policy towards UNESCO?

Mr Forte, President-in-Office of the Foreign Ministers. — (IT) The Ten are keeping a close eye on the current crisis in UNESCO, including the financial problems resulting from the withdrawal of an important Member State, which had been the organization's main contributor.

The nature of the problem and the most appropriate means of improving the running of the organization and guaranteeing adherence to the fundamental principles underlying this important specialized UN institution are receiving careful attention within the context of European political cooperation.

Mr Evrigenis (PPE). — (GR) Perhaps it is natural that the President-in-Office is unable to give a clearer indication of the policy which is probably part of the cooperation policy of the Ten. If this is the reason for his rather vague reply, I should not like to insist any further.

Mrs Hammerich (ARC). — (DA) Does the President of the Council agree that the relations between the individual Member States and the United Nations and its organizations such as UNESCO are matters of national sovereignty and do not fall within the scope of European Political Cooperation — i.e. that it is for each individual country to make its own decisions about its relations with the UN and its various organizations?

Mr Forte. — (IT) I should like to say in reply to the second question that this matter is receiving careful attention, for obvious reasons, in the context of political cooperation. As regards the original question, if my reply was not sufficiently clear I will try to be more explicit on these matters, which would appear to be somewhat delicate. We are currently, as I said, studying the problem with a view to re-establishing, if possible, the original function of this worthy institution.

The Foreign Ministers meeting in political cooperation feel that cultural cooperation and cultural activities at world level are of vital importance. However, I should like, if I may, to point out that we are concerned at the substantial cost of representation in this institution and would be pleased, therefore if something could be done so that it could tighten things up somewhat as

regards the pursuit of its objectives and utilization of its financial resources.

President. — Since its author is absent, Question No 113 will receive a written reply.

Question No 114, by Mrs Fontaine (H-694/84):

Subject: Christians in Lebanon

In recent months, there has been a steady increase in the harassment and intimidation of Lebanese Christians. Monasteries, convents, bell-towers and schools are being razed to the ground, and every effort is being made to force the Christians to leave a land where they have lived since the dawn of Christianity. So far, the political response from the European Community has been virtually non-existent.

Will the Foreign Ministers state how they plan to assist a Community whose fate has always been so closely bound up with our own?

Mr Forte, President-in-Office of the Foreign Ministers. — (IT) We cannot help but be affected by the human aspects of this question, which concerns the suffering of a section of the Lebanese population, i.e. the Christians, and should be examined in the overall context of the Lebanese question and of human rights in general. The position of the Ten has traditionally been based, *on the one hand*, on the aim of safeguarding the independence, unity and territorial integrity of the Lebanon while at the same time endeavouring to promote the process of conciliation between the various groups in that country. Only by overcoming the various differences and conflicts which have for so long stood in the way of peaceful coexistence will it be possible to guarantee a peaceful and prosperous future which will be more humane than the present for the Lebanese population, regardless of their race or creed.

The Ten have repeatedly affirmed their undertaking to make an active contribution, when appropriate, to the reconstruction of the Lebanon.

Mrs Fontaine (PPE). — (FR) I should like to thank the President of the Council for his answer. However, I do not find it entirely satisfactory since it is not precise enough. I shall therefore have to be more insistent. A few years ago while the rest of the Middle East was being torn apart by conflict, the Lebanon was a haven of peace and prosperity and a rare example of the possibility of cultural and religious co-existence. In less than ten years, this country — which has some many historical, cultural and religious links with Europe — has been brought to its knees by war and robbed of a large part of its sovereignty — a point which you yourself stressed, Mr President — as a result of a whole range of internal, regional and world-level conflicts all coming to bear simultaneously on this small

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nation. It is, of course, true to say that all the various communities have suffered and continue to suffer, and live in constant fear of attack. However, the fact that I have drawn particular attention to the Christian community is not because I am unaware of the dramatic situation of the Palestinian refugees or the blatant insecurity in Israel, but simply because I wished to emphasize one particular situation, i.e. the fact that the differences in the demographic developments of the Arab and Christian communities look likely to put the balance which had been established in the Lebanon in serious jeopardy.

I should therefore like to ask whether or not you agree that it is a serious matter that the European Community should merely look on without lifting a finger, while the situation could easily explode into genocide?

Mr Forte. — (IT) The Council has adopted a number of resolutions and taken several initiatives which, as I see it, amply meet the requests embodied in the remarks made by the Honourable Member. I would refer you in particular to the text of the initiative by the Ten on the Lebanon, dated 12 February 1985, of which I should be glad to send a copy to the Presidency of this Parliament. The document as a whole, and in particular section D), deals with the sufferings of the various communities and, in particular, the different religious groups. I should repeat that this is not only a declaration, but an initiative, i.e. a political measure taken by the Community.

Mr Marshall (ED). — Would the President-in-Office accept that, after the statesmanlike withdrawal by Israeli troops, what is making it difficult to preserve peace in the Lebanon is the refusal of the Syrians to leave and the fact that the Lebanese Government's remit does not run throughout the Lebanon? Can he give us a guarantee that the Ten are going to bring pressure to bear on the Syrians to withdraw their unwelcome troops from the Lebanon?

Mr Forte. — (IT) Like other documents concerning previous initiatives, this present document — which amply illustrates the steps we have taken — makes it quite clear, I think, that we are bringing this pressure to bear in areas where this appears necessary, including the one mentioned by the Honourable Member.

President. — Question No 115, by Mrs Castle (H-704/84):

Subject: Trading with South Africa

Have the Foreign Ministers meeting in Political Cooperation discussed the question of sanctions against South Africa, in respect of both exports, particularly military and related products, and imports, in particular fruit, clothing and minerals?

If not, when do they propose to discuss these imports and exports?

Mr Forte, President-in-Office of the Foreign Ministers. — (IT) Mrs Castle, Resolution No 418 of 1977 of the United Nations Security Council calls for an embargo on all exports of military and related products to South Africa.

As was pointed out in reply to an Oral Question put by Mr Iversen in 1984, the Foreign Ministers meeting in Political Cooperation have examined the question of the application of this resolution and each of the Ten adheres strictly to it. So much for the question of the ban on exports of military and related products to South Africa.

As regards the imports of South African fruit, clothing and minerals, this has not been discussed in the context of Political Cooperation.

Mrs Castle (S). — Is the President-in-Office of the Council aware that this month has been dedicated to the campaign for the boycott of goods from South Africa? Can he therefore assure me that the Council will start to give urgent consideration to the question of a ban on imports from South Africa — the boycott that has been called for in the United Nations and elsewhere? Is he aware, for example, that in 1983, 4 000 000 tonnes of coal were imported into the EEC from South Africa and that this increased to 5 500 000 tonnes in 1984? Is it not scandalous that we should be importing coal from this *apartheid* regime when our own pits are being closed and miners are being turned out of work in the EEC?

Or take fruit and vegetables. Is he aware that in our markets it is often impossible to get anything but South African fruit and vegetables? Yet we have got a lot of jolly good Mediterranean produce to which we should be giving priority. Will he assure us that this boycott on imports will be given serious consideration by the Council?

Mr Forte. — (IT) Mrs Castle has just raised two points, one of which might be described as political in nature, and it should be clear in connection with this specifically political point that the Council can only act on the basis of initiatives such as the Resolution of the United Nations Security Council which specifies an area where restrictions or a boycott, in the legal sense of these terms, are to be applied. This is obviously of considerable significance. The other point, however, does not fall within the scope of political cooperation and could be brought up in a different context in this House. This would involve finding out whether the European Community adequately monitors the flow of Mediterranean or imported products and similar problems, which are certainly matters for which this Parliament is competent but which do not, I

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repeat, fall within the scope of the Foreign Ministers meeting in Political Cooperation, on whose behalf I am speaking.

Miss Brookes (ED). — While I appreciate that the question I am going to put is not directly related to exports, it is, in fact, deeply concerned with South Africa. Would the Foreign Ministers agree that sport and culture would be one way to break down racial barriers, particularly athletics and — since I come from Wales — rugby? These things could help to break down the constitutional barriers which exist.

President. — (IT) The President of the Council is obviously under no obligation to answer this question.

Mr Maher (L). — Could I ask the President of the Foreign Ministers if he would not agree that the weakening of the South African economy as a result of possible action taken against it by the European Community could also have a damaging effect on many of the countries that surround South Africa?

Secondly, would the Council of Foreign Ministers consider making an approach to the United States Government, which seems to be constantly supporting the South African regime with its abhorrent *apartheid* policy, to try to prevail upon it to bring pressure to bear on the South African Government to dismantle *apartheid* as quickly as possible?

Mr Forte. — (IT) The declarations made by the Council regarding its policy *vis-à-vis* South Africa are, I think, sufficiently clear. We stick by what we said in these declarations and do not regard various other points which might be made here as relevant.

Mr P. Beazley (ED). — Could I ask the President-in-Office why Europe should take this attitude to South Africa when South Africa is supplying all the black States that surround it with massive exports, which they are delighted to get, and providing work for them in its own country? Why should we boycott South Africa if, in fact, the black States that surround it do not find it necessary to boycott its food, engineering products and the rest, and are seeking employment in South Africa.

Mr Forte. — (IT) Perhaps I was not as clear as I should have been. We are applying a United Nations Resolution concerning an embargo on the export of arms and that is all there is to it.

President. — Question No 116, by Mrs Hammerich (H-730/84):

Subject: Participation in EPC

Are the Foreign Ministers willing to invite other countries, for example Norway, Sweden and Finland, to participate in EPC as soon as possible?

Mr Forte, President-in-Office of the Foreign Ministers. — (IT) I would remind you that, pursuant to the Copenhagen report, Political Cooperation constitutes an additional aspect of the joint activities of the Member States of the Community. Thus, participation in Political Cooperation is restricted to the Member States of the Community. It should be borne in mind, however, that there are well-established procedures for contacts between the Ten meeting in political cooperation and third countries in connection with questions covered by the Ten in the context of European Political Cooperation.

Mrs Hammerich (ARC). — (DA) My question concerns the Dooge Committee which is currently operational and has plans for a fixed EPC secretariat. There is considerable opposition to this in Denmark and for this reason, the idea has been put forward in certain political circles that EPC should become the starting point for broader political cooperation in Western Europe, which everyone feels would be a good idea or indeed essential. It would therefore be nice if you could tell us quite clearly once and for all whether or not there are plans to extend European Political Cooperation to third countries? You have just referred back to the Copenhagen declaration and told us that it is still only the Member States of the European Community which are involved in Political Cooperation. I am now asking you whether or not there are plans to extend European Political Cooperation to cover countries which are not Member States of the European Communities.

Mr Forte. — (IT) As you know, we have a Committee on institutional questions and all we can say is that this committee is not discussing this question and that therefore the answer is 'no, there are no plans to extend political cooperation beyond the Ten'. I might add, furthermore, that it would be somewhat self-contradictory if in the context of our need to strengthen political cooperation between the Ten, we were to discuss political cooperation not between the Ten but between the Ten and others. These are two completely different questions.

Mr Christiansen (S). — (DA) You said that there were no plans to extend European Political Cooperation. May I ask, however, as a supplementary question, whether or not this question is discussed from time to time by the Foreign Ministers meeting in the context of political cooperation.

In addition, you said there was an established procedure governing dealings with third countries. Can the President of the Council assure us that this established

Christiansen

procedure is used, for example, in connection with Norway, to which Mrs Hammerich referred in her question.

Mr Forte. — (IT) All I can do is repeat that political cooperation takes place between the Ten, who can, in the context of this cooperation, also deal as a single unit, as it were, with other countries on certain specific questions, which I will describe to you shortly, according to a procedure which has over the course of time become formally established on the basis of precedent and agreements.

The procedure followed since 1982 in connection with Spain and Portugal provides for 'troika' meetings every six months at ministerial level and two separate bilateral meetings every six months between the heads of political departments of each of the countries concerned.

In the case of Norway, the Norwegian Foreign Minister visits the Foreign Minister of the country holding Presidency at the beginning of his period of office. Other contacts take place in Oslo.

In the case of Turkey, meetings are held every six months between the heads of political departments and, occasionally, at ministerial level, when this appears appropriate in the light of international events.

In the case of Canada, 'troika' meetings are occasionally held between the heads of political departments every six months.

In the case of Japan, the procedure established in 1983 provides for a 'troika' meeting at ministerial level every six months. In addition, on 9 March 1985 a 'troika' meeting between the heads of political departments was held for the first time in Tokyo.

There is no established procedure in the case of China. In practice, however, a ministerial level meeting was held in Paris on 5 April 1984 and there have been various meetings between officials. Over the last few days, Mr Bottai, ambassador and head of the political department of the country currently holding the Presidency, i.e. Italy, has been meeting top Chinese officials in Peking.

Contacts with India have similarly not been formalized. However, there was a ministerial-level meeting in Paris last April and the Italian Foreign Minister and President of the Council of Foreign Ministers of the European Community, Mr Andreotti, is to meet the Indian authorities on behalf of the Ten in New Delhi in the near future.

Various meetings are held with the United States as and when they seem appropriate. Exchanges of views take place via the Presidency before and after each important political cooperation meeting. In practice

there have also been four additional meetings between the heads of political departments.

Finally, there are also contacts with other bodies and groups of countries such as the Council of Europe, Asean, the Central American countries and San José di Costarica.

Miss Brookes (ED). — Madam President, before you proceed to Question No 117, may I have it recorded in the proceedings of today that I did not receive an answer from the President-in-Office to my supplementary question to Question No 115. You did say that he may not answer if he did not wish to, but may I have it recorded that in fact he did not answer the supplementary question at all?

President. — Certainly, Miss Brookes.

At its author's request, Question No 117 has been withdrawn.

Since their authors are absent, Question Nos 118 and 119 will receive written replies¹.

Question No 120, by Mr Croux (H-757/84):

Subject: Convention against torture²

On 4 February 1980, twenty States, primarily Western and Latin American countries, signed the above Convention.

The Governments of all countries that have special relations with the European Community should be urged to sign and ratify this Convention.

Can the Foreign Ministers say whether they are prepared to take such action, particularly in the case of Member States of the Community that have not yet signed, the applicant countries, the associated countries and the countries that are signatories to the Third Convention of Lomé.

In so doing, would they also urge the countries concerned to authorize the Committee against Torture, established under the Convention to carry out on-the-spot investigations of complaints, and will they ensure that the Member States themselves ratify the Convention as soon as possible?

Mr Forte, President-in-Office of the Foreign Ministers. — (IT) Madam President, as was pointed out in the reply to the Oral Question by Mr Cot in 1984, the Foreign Ministers meeting in Political Cooperation have recognized the appropriateness of the Ten becoming signatories to this Convention.

¹ See Annex

² Resolution 39/46 of the United Nations General Assembly of 10. December 1984.

Forte

The procedure is still in progress in some Member States, while others have already completed it.

Mr Croux (PPE). — (NL) I am disappointed at the answer given by the President-in-Office since the purpose of my question was to find out clearly once and for all whether or not the Foreign Ministers meeting in Political Cooperation can play a more active role and the answer I received tells me nothing new. 'Yes, we've talked about it'. I am told, 'but we see that not all the Member States have so far completed the procedure.' It was not until February that twenty countries got round to signing the Convention and I should therefore like to ask once more whether, in the light of the solemn declaration of Stuttgart and the programmes of various Presidents of the Council, including the Italian President, whether or not the Community and, in particular, the Foreign Ministers meeting in Political Cooperation, could not play a more active part in promoting action to combat torture in the world, at which we feel such concern.

Mr Forte. — (IT) As often happens, these were two questions in one.

One of these questions, as I see it, suggests that the Convention against Torture, which the Ten have decided to sign, should be extended to the other signatories of the Lomé Convention, i.e. the associated countries.

We must be clear on this point. For this extension outside the Community proper to have credibility, the procedure must first be completed by all the Ten Member States, which is in line with the Council's intentions.

The other question concerned the way in which the Foreign Ministers or the various governments could encourage ratification. In this connection, the Council is endeavouring to bring about ratification as soon as possible, while taking account of the democratic procedures in the various countries involved. This is precisely what we are doing in accordance with the Council's competency. Obviously, unlike the various individual Foreign Ministers, the Council is not competent for internal matters in the individual countries.

Obviously, we cannot make judgements or interfere in matters which are the responsibility of the individual Foreign Ministers.

Mr Kuijpers (ARC). — (NL) Various European countries share some of the blame in this respect since it is known that various Western European countries manufacture these instruments of torture and export them to Latin America. Is the Commissioner aware of this, and what steps does the Commission intend to take to ban the manufacture of such instruments in the Member States?

Mr Forte. — (IT) Thank you for referring to me as 'the Commissioner'. However, this is not one of my various functions. Unfortunately, in my capacity as representative of the Council I do not have access to information which may be at the Commission's disposal. We in the Council have no knowledge of anything along the lines described by the honourable Member, who obviously has information which he could bring up in a Question of his own. For the rest, I repeat that the Council is not aware of anything of this nature.

President. — Question Time is closed¹.

4. *Agricultural prices 1985/86 (contd)*

Mr P. Beazley (ED). — Madam President, I want to make three points, the first two to the Commission. (1.) I fully support your 1985-86 proposals. (2.) I believe that you must declare your future plans within the next 6 months. (3.) And here I address the Council: you must face up seriously to the change in the Community agricultural production and market situation and you must support plans to make the excellent potential of European agriculture fully viable in the world market.

As regards my first two points, I support the present proposals because the Commission has no better option this year. The crops are already planted, the livestock is in being. No more fundamental approach can be taken to balance supply and demand at a reasonable cost. However, I do not believe that the present proposals will produce the results which the Commissioner, the Member States and the farmers want for the future. I very much doubt that the present system of guarantee thresholds will be effective in constraining the growth of cereal stocks, nor do I believe that the present level of quota and price arrangements will remove surplus stocks of milk products resulting from a fall in demand.

That is why I ask the Commissioner to declare his proposals for 1986-87 this season and his basic plan for future years within 6 months. It is neither fair nor feasible to ask farmers to change direction without sufficient warning and the industry must be given future long-term security on the basis of its efficiency.

Production efficiency has changed in Europe and will continue to change even faster. The world market has changed too. The United States has changed its agricultural policy and furthermore the US dollar is likely to be much weaker in the 1986-87 season. But the CAP has burst its European bounds. Unlike the USA's approach, European agricultural policy must be con-

¹ See Annex.

Beazley

ceived on a world market basis. There is no case for exposing farmers without warning to the dangers inherent in pursuing past policies in a new market situation.

The Commission has plenty of choices in developing new policies to reduce the cost of the CAP whilst maintaining both the highest level of efficiency and the social requirements of a rural policy. To decouple these policies is only one answer. High-protein farming is another and there are many, many more.

Finally, from the Council, I must ask for a real sense of responsibility on a European plane. It must participate fully in the development of a viable, cost-efficient agricultural policy in present and future world market conditions. I hope they are listening. Europe has already an outstandingly good agricultural industry. The Council should lead it forward to meet the present and future challenges and so win both the respect and the hearts of the farmers.

Mr Rossi Tomaso (COM). — *(IT)* Mr President, ladies and gentlemen, the Italian Communists are firmly convinced that the old agricultural policy is no longer tenable. The CAP has always devoted all its energies to prices, and I am sure we would all agree that the results have been far from happy. Social disparities have widened, with the large-scale producers benefiting at the expense of the small farmers who have been hard put to make ends meet. Regional imbalances have grown, with disastrous consequences for the South. Finally, the problem of surpluses has worsened, becoming an increasingly severe problem for Community policy.

It is also proving an ever greater drain on Community resources, preventing growth in other sectors which might have benefited our farmers.

The debate as to whether too much or too little is being spent on agriculture is fierce. The truth is that the money is being misspent. We cannot afford to put off a radical reform of the CAP any longer. We want to see the 1985/86 price proposals form part of a medium- and long-term plan to transform European agricultural policy.

However, this does not seem to be what the Commission has in mind.

Our position on prices is clear: we are opposed to indiscriminate freezing. We favour a better graduation of prices according to product and agree with the need for restraining prices where there is over-production.

It does not make good sense to regard the figures in isolation: we need a clear and detailed definition of the criteria on the basis of which a concrete price policy can then be built.

But prices are not the only problem we have to contend with. We need to look at the fundamental question of structures as well. We stress this not without good reason, because we feel that the formal recognition of the need to change the CAP must be followed up by an indication of definite decisions, coherent measures, without which social and regional disparities will remain.

To keep policies on prices and structures separate is to perpetuate a situation of crisis and difficulty.

We will not pull through the agricultural crisis unless we can get to the root of its causes, unless we can change our blinkered way of thinking, our blanket approach.

Of course, we need a restrictive price policy to adapt production to consumer needs. But that would be ineffective if it were not accompanied by structural measures. This, as we see it, is how agriculture can be made an increasingly productive and competitive sector of the economy. It will mean changing the old relationship between funds for prices and funds for structures.

This, for the Mediterranean regions, is a vital issue. These regions can make a significant contribution to deficit production, to quality improvement, to cost reduction. Until today, these results have not been forthcoming, because this was not where Community support, such as it has been, was being directed and it could not therefore bring about the necessary changes.

The IMPs can offer an important opportunity for wholesale transformation and introduce a new approach to intervention in agriculture. A programme of coordinated intervention, involving agriculture, small and medium-sized industry, science and technology, and marketing; this is the way we will pull through the crisis, and turn Mediterranean agriculture from a recipient of aid to a productive sector.

Mr President, we believe that Parliament should propose a unified and realistic strategy to initiate, at last, a new phase in Community agricultural policy.

IN THE CHAIR: MR PLASKOVITIS*Vice-President*

Mr Maher (L). — Mr President, I have the feeling that there is a kind of principle developing in this House, judging by what a lot of the Members have said and also what the Commission is proposing, that we can only have policies that will fit in with what the Council is prepared to give us in terms of money.

Maher

I think that is a very dangerous principle because if you carry it to its logical conclusion, the Commission could not in future propose new policies if the Council would not agree to give any money, nor could the Parliament propose new policies because the Council would not agree to give the money. We would have to operate within whatever terms the Council was prepared to allow us. That is extremely dangerous and I do not understand the people in this House who now say we cannot have any increases in prices for agricultural produce because the governments are not prepared to provide any more money. The very same people themselves have in the past proposed new policies that would involve the budget in considerable increases and they pay no attention to that. But when it comes to agriculture there is a different criterion altogether.

I would also say, Mr President, that there is a different criterion used by governments when it comes to agriculture and the expenditure that is needed. I can only refer to the classic case of my friends the British. A couple of years ago they became involved — through no fault of their own, I must admit — in a row in the South Atlantic over a few windswept islands. Did they budget for the cost of holding on to those islands? Did they sit down and say to themselves, how much can we spend on this campaign? Will it be 500 m, will it be 1 000 m, can we afford it? Not at all. They simply went ahead. They did not even ask about the price. It did not matter what it cost. It cost 3 000 m in fact, perhaps more. They said we have got to have those places, we are going to spend that money by hook or by crook. But when it comes to agriculture, the money is not there. Frankly, I think it is time that we had some consistency in the approach of some of these countries.

The problem of course is basically: we are trying to apply a blanket policy to a myriad of different situations between countries and also between regions, as far as agriculture is concerned. I would like to remind the Members of this House that they should not think only in terms of the big farmers they know about or the big corporations who own thousands and thousands of hectares. They should also bear in mind that the average farm in the European Community is still only 19 hectares, and that there are an awful lot of little ones that badly want an increase. I must compliment the Commissioner for agriculture who at last rather belatedly, but at last has proposed to examine where we are going with agriculture in future.

I hope, Mr Andriessen, that you will produce this policy not at the end of the year, but before July. If you produce it at the end of the year we will still be in the same trouble next year.

Mr President, I have to ask another question. Can we continue to use taxpayers' money at the same level per unit of production, whether that production comes from 10 000 hectares or 19 hectares? I do not think we

can. We have got to look at those farms above a certain size, particularly those owned by corporations who *can* continue commercially, as distinct from those family farms that need these increases badly.

My final point is this: how will the European peoples, who have been so disturbed by the hunger in Africa, understand us when we are now preparing to pursue a policy that is directed towards depressing the very product — cereals — that is most suitable for food aid. How will people respond to that? How will the people in the Third World respond? They will say the Europeans are not serious, that they are trying to get rid of the very commodity that is most needed to keep them alive.

(Applause)

Mr Kuijpers (ARC), *draftsman of the opinion of the Committee on Development and Cooperation.* — *(NL)* Mr President, ladies and gentlemen, on 25 February our Committee expressed its opinion, concentrating on five main issues.

The first concerns sugar. The Committee feels that over-production is to blame for the present low prices. We are at the moment producing more than we are consuming and our sugar stocks now stand at some 40% of total annual consumption. Our committee therefore feels that a very cautious price policy is called for, with at the same time an adjustment of production quotas. We are requesting the Commission to do this.

Next we turn to cereals, where we have seen an annual production increase since 1978 of 3%. This has meant not only a certain amount of disruption on the domestic market but also export problems. There is also a need — and this is perhaps a new departure for this report and should be seen as a personal comment — to curb the import into Europe of cereal substitutes for cattle fodder, and I refer in particular to manioc and soya, which are all bought by the cattle fodder industry on the third world market. Ladies and gentlemen, Mr Andriessen, we cannot go on buying manioc, swede rape and so on in the third world at lower prices than our own grain. We will end up with surpluses in Europe and the collapse of structures in the third world.

The third point is dairy produce. The Community is 113% self-sufficient, the production level having been brought down by the quota system. So what about the management of surpluses? This is the question I am still pondering myself. We do not think that the answer lies in the use of milk powder to which water has to be added on the farms.

Finally we come to fruit and vegetables, and here I will be brief. The committee looked at this problem in the light of the possibility of the accession of Spain and

Kuijpers

Portugal. Even the President of Israel mentioned the problem in his speech, it appears. There are clearly a good many questions to be answered on this issue.

Mrs Castle (S). — Mr President, I am delighted that a new note of realism has begun to creep into our discussions of the Common Agricultural Policy. In saying that, of course, I am not referring to the Pranchère report, because we all know that the Committee on Agriculture, Fisheries and Food is the last refuge of the Bourbons of the European Community who forget nothing and learn nothing and who are the worst enemies of a proper system of agricultural support. However, faced with that report, we have had a refreshingly bold and sweeping attack on it by the Committee on Budgets, and I congratulate it on the amendments it has put forward. I agree that it is rather odd that we should depend on the Committee on Budgets for a detailed, realistic agricultural policy, but the Agriculture Committee has left it no other alternative.

I am also glad that British Conservatives have begun to see the light. My mind goes back to June 1981 when, on behalf of the Socialist Group, I moved a comprehensive amendment to the Plumb report in which we in the Socialist Group spelt out a realistic, alternative and sensible agricultural policy, based not on artificially high prices but on realistic economic pricing, coupled with direct income aids to help those in agriculture who most need help. The British Conservatives voted against that amendment. If it had been adopted then, we should not be in the mess that we are in at the present time. I invite everybody in this room to re-read that amendment, because the adoption of it in due course is absolutely inevitable. We, in the British Labour Group, believe that the Commission's price proposals are a minimum step in that direction, and we will support them as such.

However, it is nonsense to pretend that the proposals go far enough to get to the root of the problem which faces us. With regard to milk, for example, we are in favour of a cut in the co-responsibility levy. However, when the Commission itself, in its report on the agricultural situation in the Community, points out that up to 1990 the excess of over production is going to continue and indeed increase, it is nothing short of madness to propose any increase at all in the price of milk at the present time. As for the 6.8% increase in the price of skimmed-milk powder, it is nothing short of lunacy.

With regard to cereals, the Commission knows perfectly well that it should have recommended a 5% cut instead of merely a cut of 3.6%. It is also supreme folly at the present time to seek to abolish the variable beef premium in the United Kingdom which has helped to keep down prices and thus to keep consumption higher than it would otherwise have been. The Commission, to its shame, is still hankering after a tax on oils and fats, thus putting further burdens on

the poorest consumers by taxing their vegetable oils and margarine.

I entirely agree with my good colleague, Eisso Woltjer, that the Commission's proposals do not begin to deal with the social problems that follow a price restraint policy. I agree with him that we need — and this is in our amendments — greater help for small farmers. We need a serious examination of the feasibility and forms of direct income aids. We need more money for structural policy. The Council's decision yesterday — and the President-in-Office mentioned it in his speech to us a short while ago — to cut the proposed structural aid to farmers by 10% is an outright scandal and a shame, particularly as my own government, among others, is insisting that some of the money for the Mediterranean programmes should come out of this reduced amount. So it wants to starve the poorer farmers in Greece, Italy and France of desperately needed aid. That is no way to get a better system of agricultural support.

I welcome the Commission's call for a fundamental review of the Common Agricultural Policy. We do not have it in these price proposals. We do not have it in the structural proposals. We do not have it in a planned and orderly form before us this afternoon. I urge Commissioner Andriessen to turn up the Socialist Group amendment of June 1981. If he cannot get hold of it, I will send him a copy. It gives him a detailed blueprint of a five-year plan to switch from a system of price support through artificially high prices and from an artificial system of quotas towards a phased system of economic pricing coupled with proper structural measures and direct income aid, Commissioner Andriessen, you can make your name and win fame for yourself in your period of office if you will follow the policies outlined therein!

Mr Früh (PPE). — (*DE*) Mr President, ladies and gentlemen, it is rare for us to hear words like basic reform and transfer of income as often as we have heard them in this debate on agriculture. Of course there is broad agreement on this. Mr Andriessen, with his unquestionably realistic approach, will be thinking hard and long about whether he wants to win fame for himself with his first proposal as the previous speaker suggested. That is why, after lengthy discussions on this proposal, we in my Group have also reached the conclusion that we must reject it in its present form.

We know we are in a difficult position, that it will be difficult to fulfil farmers' expectations as regards income, that surpluses in certain markets constitute a major problem and that the budget situation is a great obstacle to finding a solution to this vicious circle. Nevertheless, we believe that we are on the right road because we have recognized that both prices and structural measures are a path which we must follow together and which we cannot simply abandon. There is without doubt an urgent need to increase the

Früh

incomes of farmers — I am thinking here of medium-sized farming concerns in the European Community. In some countries farmers' incomes in this category are as much as 40% lower than comparable average incomes. Of course I know that there are broad variations in incomes, but I believe that these can be regulated and balanced out by taxation.

As far as surpluses are concerned we must be clear about one thing: we cannot use a prices squeeze to get rid of them without causing major social repercussions. On this subject we are in favour of a cautious prices policy, but in conjunction with co-responsibility and quota management so that we can gradually feel our way towards establishing balanced markets. We must also bear in mind that the EEC wants to remain an agricultural power on the world market and has major responsibilities with regard to food aid and guaranteed supplies for its population.

Let me give you three examples of what we would like to change. We are completely convinced, Commissioner, that the cereals pricing method which we have been using and are to continue to use for another three years is not the right line to take. You know that it means a 15% drop in prices because there will still be record years. We believe, however, that there are other possibilities, such as changing farming patterns, increasing the use of cereals as animal feed, or promoting certain products in which production is still inadequate. This is how we can get ourselves on course. In the milk sector too we would urge you most strongly not to introduce a further reduction when we have still not recovered from the effects of the last one. We know how difficult that is, but we believe that it is better to hold the right course and keep co-responsibility rather than introduce a further reduction now. There is one point on which I am in agreement with Mrs Castle, which does not happen very often. We both believe that the proportion of protein to fat should not be changed at this time.

I should like to add one thing. I congratulate you, Commissioner, on your success in getting the structural proposals passed. But in my opinion one thing is sure: only if we can make a whole package of prices and structures the development of rural areas, increased employment, social measures and good environmental conditions in rural areas will we really be helping European agriculture. Do not forget, Mrs Castle, that structures in Europe are different from those in Great Britain.

Mr Howell (ED). — Mr President, I am grateful to you for calling me. My remarks are going to be aimed specifically at the cereals sector and I must declare an interest, as Mr Cryer asked me so to do this morning, in being a cereal producer in Norfolk, East Anglia, in the United Kingdom.

I am deeply aware of the very great difficulties that Mr Andriessen, our Commissioner, faces. I am aware

that he is the Commissioner at probably the greatest moment of change in terms of agricultural policy that Europe has ever had to face. I am deeply aware that 1984 marked, probably for the first time ever, the fact that Europe moved from being a deficit area in terms of food production to an area where for the first time Europe become a net exporter of cereals. I am deeply aware also of the great changes that are occurring in the United States of America and indeed in the Soviet Union and of course, that all that is happening at the very same moment that all of us are witnessing on our television screens the famine and starvation in Ethiopia. Indeed, I must tell Mr Andriessen that I arrived back from Eritrea about 24 hours ago and witnessed with my own eyes the great difficulties that emerged there.

My problem is this: as a cereal producer, I am faced with a policy from the Commission of a restrictive price. As a cereal producer and owner/occupier of land, I am determined to do but one thing. That is to hang on until the very bitter end to the land which I have worked and my family has worked on for so many years. If it is that the price of wheat declines and declines, then I will do my damndest to grow more and more of that product in order to survive. If it is that I have to plough the fields right up to the white lines in the middle of the road, than that I will do.

Mr Andriessen, the policy you are embarked upon will not in any way reduce the budgetary problems that you face because of the surplus in production. It will increase the level of production. I ask you only to look at the acreage of winter wheat which is now being planted. It is 16% above that of last year. So for the first time I have to say to the Commission that they face great difficulties in the milk sector. They ignored a policy which I looked to for so many years, that of a quota on production. They twisted and turned in every direction and finally came up with a quota on milk. So they will do in cereals, and the sooner they recognize that just as in the milk sector, so in the cereal sector there is but one option, the better for the farmers of the European Community.

The alternative is simple. That is the destruction of the Common Agricultural Policy as we know it. I urge the Commission to give farmers in the Community a clear guide and recognize that price and price alone will never solve the problem that we have, and through all the difficulties of quotas, recognize that perhaps therein, with the difficulties that that entails, there is an answer to preserve our countryside, to preserve our farming community with a degree of change and to preserve to some degree of commonality in the policy that we call the Common Agricultural Policy.

Mr Maffre-Baugé (COM). — (FR) Mr President, ladies and gentlemen, on 11 and 12 March the Council of Ministers of the Ten had a first round of talks on agricultural prices for 1985-1986.

Maffre-Baugé

According to our information the Council supports the Commission's *démarche* which involves maintaining a squeeze on prices and incomes while at the same time using the quota system to impose new compulsory reductions in production.

Parliament is going to have to give its opinion on the report by the Committee on Agriculture presented by Pierre Pranchère. We do not have to point out how important the vote will be. It is vital that this vote should make our Governments more aware of what is at stake: the social, economic and personal future of our farmers.

The choice is simple: either Parliament follows the Committee on Agriculture and thus opens up new prospects for farmers so that they no longer have the hateful impression that they are the cuckolds of Europe, or else Parliament accepts the Commission's proposals and commits itself to free trade, rejecting the spirit of the Treaty of Rome, thus beginning a process whereby agriculture is alienated in favour of world trade, under the remote control of President Reagan in Washington.

The French Communist and Allies members have decided in favour of European agriculture, their own agriculture, the agriculture of the real people of the land, the tillers of the soil, who accept the stresses of their job but will not be the scapegoats for so-called budget stringency, the budget discipline which is intended to reduce them to the level of serfs.

Farmers will not be treated as if they were living on State aid. All they ask for is payment for their work, which should be classed as a high-risk job in economic terms.

We wholeheartedly support the Pranchère report because it aims to keep the agricultural policy within a coherent framework on a sound and fair basis while still taking into account its inadequacies and shortcomings.

The French Communists and Allies reject any ill-conceived, unsuitable Mediterranean agricultural policy which simply blindly opens the door to enlargement. Are we the target for the Eurocrats? Up to now we have refused to accept this and have succeeded to a certain extent in foiling them. We adopted many reports — on fruit and vegetables, wine, olive oil — which meant that these products were given greater consideration and brought about a fairer balance in EAGGF expenditure and in the common agricultural policy. We were, it seemed, going in the right direction. Unfortunately the Commission put a stop to it — the *force majeure* of enlargement! Instead of improving the various systems and increasing protection, Brussels is clumsily trying to play off Spanish produce against the Community's Mediterranean produce. What is to become of the promises to restore the north/south balance? And what about the integrated Mediterranean

programmes? They have sunk without trace in a sea of illusions.

In fact the Commission is emphasizing the differences and fanning the flames of the war among the poor to the greater advantage of the agri-foodstuffs multinationals. We are being sacrificed to open up new markets for the benefit of a number of German and British firms. Do you think that bankrupt farmers in the South of France are just going to stand by and watch the procession of lorries transporting vegetables to the countries in the north for them to process and send back to us with a greatly increased value? Do you think that, in a Europe which shows no mercy to the weak, the Spanish and Portuguese will find that it pays to be Members? Instead of progressive cooperation, tackling problems in whatever manner seems appropriate according to specific criteria — such as choosing outlets for production, forward planning, improving structures and guaranteeing incomes for farmers — as provided for in the Treaty of Rome, we are being presented with a Europe under Uncle Sam's thumb and the spectacle of his rather exaggerated flirtation with Mrs Thatcher.

As far as our Group is concerned, we still support the immense economic potential which agriculture represents for the Community, we still support our farmers and good relations with our Spanish and Portuguese neighbours. But we cannot agree to be sacrificed to the politics of a Community which is forgetful of the fact that the first cement which bound its people together was mixed by Community farmers under the CAP, a policy directly inspired by the Treaty of Rome.

Mr Romeos (S). — (GR) Mr President, we especially appreciate the efforts made today by the President-in-Office of the Council to get away from the Brussels fog to be with us in this debate which is so crucial for the future of agriculture.

We fear, however, that he has brought the fog along with him, since his speech of almost half an hour was extremely vague, apart from the reference to the adoption of the new structural policy. But we totally disagree with his position when he congratulates the Commission, stating that its proposals on prices are a new, if only medium-term, strategy seeking above all to protect farmers' interests. We disagree because the Commission's proposals have not taken account of the special circumstances in the various countries, particularly the rate of development, inflation, structural problems, and the social cost to each Member State. It is absolutely sure that these proposals will hit mainly the Mediterranean countries and will widen the North-South gulf, referred to today by the President-in-Office of the Council and yesterday by the Commission in its work programme for 1985. And the main brunt will have to be borne by Greek farmers, the most wronged farmers in the Community.

Romeos

It is impossible to consider the Commission's proposal as a new strategy when it adopts appropriations of 220 million ECU for dairy products, which continue to take the lion's share, while at the same time, in order to save a few million, it condemns small-scale producers in Greece to a reduction in their incomes. If it is not deliberate, it is at least strange that the proposals for almost all Mediterranean products involve either freezing or reducing prices. And we cannot accept the argument that there is surplus production of some of these products, since it is not farmers alone who are responsible for this over-production when the structural policy was adopted only in the early hours of today without our knowing exactly what it is, when Community preference is being infringed every day by the free and plentiful imports of similar products from third countries, and when the additional measures which are proposed are totally inadequate.

We all agree that there is a need to review the CAP. We all agree that European farmers must find out without delay what their future will be in the Community. But with the simple promise of a better future farmers, and especially small producers, cannot accept a reduction in their incomes or accept without protest this year's proposals by the Commission. I hope that the Commission and the President-in-Office of the Council will have got the message from today's debate. We consider that the CAP prices as proposed by the Commission do not perform the two main functions: firstly, they do not provide guidelines for or have any influence on the structure of production; secondly, they do not have a positive influence on the level of agricultural incomes, with the result that the gap of 1 to 20 between rich and poor is maintained and the paralysis of the CAP is made even worse.

In fact, there is a tendency to assess expenditure solely from the accountancy point of view and not with economic, social and political criteria. The trend towards the liberalization of the CAP is becoming stronger, with the result that Community preference is gradually being abolished and efforts are being made to abolish the CAP's regulatory interventionist role. The trend towards ignoring regional problems, i.e. the requirements of Article 39 of the Treaty, is being fostered. On the other hand, the only way to avoid stifling the CAP is to increase own resources, since any other option is incapable of guaranteeing a stable agricultural policy with immediate results. And of course the above choice will have to be accompanied by positive proposals for a structural policy which will seek to reduce surpluses and income differentials, to restructure crops and to make agricultural products more competitive.

In the Commission's 1985 work programme, which was presented to us only yesterday and which Parliament adopted by a large majority, the Commission stresses the following: the regional imbalances in the Community have increased over the last fifteen years. The problems of the development of Europe's south-

ern regions, which are in the main agricultural, nevertheless demand special treatment. However, this policy which was promised to us only yesterday is now being flung to the winds by the Commission itself with its price proposals, since it is certain, I repeat, that the proposals chiefly hit farmers in the southern regions, because the proposal for a considerable reduction in the prices of Mediterranean products serves to increase the imbalances.

Where, Mr President, is the special treatment promised yesterday by the Commission for agriculture in the South? In the considerable reduction in prices, in the continued delay in implementing the Mediterranean programmes, in the vagueness of the structural reforms, or in the free importation of competing products from third countries, and in what amounts to the abolition of Community preference?

Mr President, the Commission will have to understand that besides austerity, financial discipline and bulky programmes intended to impress, the Community needs credibility. But the way in which it is tackling the important economic, structural and social problems of the Mediterranean regions can do nothing to gain it credibility.

Mr Marck (PPE). — (NL) Mr President, ladies and gentlemen, listening to this debate, it strikes me once again that our proposals are all one-sided and that we are talking at cross purposes. No doubt we are keeping public opinion happy and perhaps we are winning the backing of the media at home, but it is not getting us one step nearer to finding a solution to the problems we are facing. Can we not try to reach a compromise so that this Parliament can give a lead to the Council and Commission? As long as we have no power of decision this is all we can do.

But what do we hear? The members of the Committee on Budgets support the Commission's proposals, although most of them would have preferred to see a few less: this is meant to offer some scope for budgetary discipline and perhaps for other areas of non-compulsory expenditure. This cold, mathematical reasoning means, of course, that the farmers can say goodbye to the incomes they were guaranteed under Article 39 of the Treaty of Rome. The common agricultural policy therefore has to suffer because we cannot come up with new resources; it is playing second fiddle to other policy options which are undoubtedly quite laudable but for which there are no other funds. The only common policy we have is therefore in jeopardy and there is no guarantee of anything else to replace it.

Our British Conservative colleagues are particularly strong advocates of this budgetary approach: even those in the farming profession cannot make any headway against the strength of their opinion. They are not in the least concerned that British farmers have probably gained more from the common agricultural

Marck

policy than anyone else. They are not in the least concerned that flagrant exceptions like the import of New Zealand butter, also put a strain on the budget. And on top of this, they refuse to have anything to do with the overall oils and fats policy.

What does the opinion of the Committee on Development Cooperation tell us? That the existence of surpluses puts an unbearable pressure on agriculture in developing countries. It advocates returning to small-scale farming and restricting ourselves to self-sufficiency, but in the same breath criticises us for not providing sufficient food. How can we preach self-sufficiency and still feed the third world with surpluses?

But I must also say to Mr Pranchère that the rapporteur from the Agricultural Committee is not being quite honest. He should have looked for a consensus so that we in this House could have agreed on a workable figure, but I have the impression, Mr Pranchère, that you were thinking more about your farming electorate in the local elections than on getting a realistic figure for European farmers. With the original 5%, with the abolition of the co-responsibility levy, with the introduction of a levy on oils and fats, there can be no majority vote in this House, although personally I do have a certain amount of sympathy for these proposals.

What the farmers want is a price adjustment which takes into account the increase in their production costs and which will also make some real difference to their incomes. Since Parliament and the Council have opted for restriction of production in the surplus sectors, we must maintain this policy. However, I would recommend the Commission to make some improvement to surplus management. When we see that we have a current stock of 300 000 tons of butter more than 16 months old in our freezers, we would be hard put to claim that we are making a good job of managing the surpluses, but we will come back to that in the discharge next month. However, I must congratulate Mr Andriessen on his initiative in finding new resources for the agricultural policy. I think that he has the right idea and he has our support.

A cautious price increase, provided it can be expressed in real market terms, the co-responsibility of the producer, together with his involvement in the administration of funds, and an effective market management, these are what we must press for for the coming agricultural year and what are laid down in the EPP compromise amendment. We should all bear in mind that the rejection of this amendment could lead to a loss of influence in this House.

Mr Newton Dunn (ED). — Mr President, I am very sorry to tell you that because of the high consumption of saturated fats, a number of Members of this House and many many thousands of Europeans outside this House will die prematurely from coronary heart dis-

ease. There is wide agreement among medical experts that the current intake of saturated fats is much too high. And people over there who groan and say it is not true are disregarding the medical evidence. Coronary heart disease is a major cause of death in Europe, and, of course, the major source of saturated fats is the dairy sector — such things as butter and cheese. I am therefore standing to advocate that the Parliament accepts my Amendment, No 181, proposing a new paragraph — 133a — towards the end of the report which asks that we gradually, as a Community, move towards reduced market support for the dairy sector. If we can do that we shall not only prolong a few lives within this House, but very many thousands of lives in the Community.

Mr Happart (S). — (FR) Mr President, ladies and gentlemen, the two conflicting arguments in the CAP at the moment concern prices and structures. Instead of being in conflict, the two arguments should be combined to give Europe eventually — perhaps in ten years or so — an agricultural sector which corresponds to the wishes expressed in the Treaty of Rome.

A linear prices policy which would involve guaranteeing profitable prices no matter what the production level or volume, would automatically result in production surpluses which would quickly become financially intolerable for the EEC. A prices policy on its own automatically brings us to our present situation, in other words to prices which cause surpluses while making large-scale farmers richer and not even giving a decent living to smaller farmers.

A structures policy could not work without a satisfactory economic environment, in terms of either production costs or the selling prices of agricultural products. Farmers do not want to be given social assistance. They want to play their own part in the general economic framework. They do not want to be regarded as machines producing cheap food, but as fully paid-up economic partners.

There is therefore no point, as is now the case for milk, in imposing linear quotas and freezing prices. This approach involves all the problems of both arguments without providing any long-term solution, and is unfair and financially intolerable for small farmers who are not themselves responsible for overproduction.

Until we get improved structures we must increase prices to compensate for increases in production costs, following the objective calculation methods used by COPA.

And please let us have no more budget hypocrisy! Every European spends 4-5 000 Belgian francs per year to guarantee his independence in food supplies, and over 10 000 francs on arms and defence. So there is enough money if we want something badly enough.

Happart

We must also take positive steps to tackle the social side of agriculture which has for so long been neglected or even forgotten. On this subject it is urgently necessary for us to acknowledge the work of farmers' wives in accordance with the demands made in the proposal for a directive on equal treatment for men and women in the private sector, which is still pending before the Council of Ministers. Farmers' wives, as a class, are more exposed to the effect of unsocial working conditions, and the directive must deal specifically with their situation. That is why I have tabled a motion for a resolution under Article 47.

In the six months that I have been in the European Parliament I have witnessed the decline of a Europe in which I would still like to go on believing.

The Member States are refusing to pay the price for Europe's existence because they want more emphasis on national States and less on Europe. Some of them, like the Germans for example, are in favour of a price freeze at European level but give 70 000 million Belgian francs per year in direct aid to their farmers; others, like the British, criticize and condemn milk surpluses, but refuse to stop importing New Zealand butter. It is the same people who argue that agriculture is too expensive and who refuse to impose levies on imports of oils and fats.

Mr President, it is in times of great difficulties that great solutions can be found. The time has come to decide what Europe's future is to be. More emphasis on Europe means less on national States. It is easy to say, but that is how it is. And if we want Europe we are going to have to pay for it.

Mr Commissioner, the young people of Europe need Europe because they need hope.

Mr Borgo (PPE). — *(IT)* Mr President, ladies and gentlemen, the debate on agricultural prices for 1985/1986 has come at a particularly difficult time for our Community, when on the one hand our financial resources are undeniably limited and on the other we need to continue to pursue the objectives of Article 39 of the EEC Treaty.

The debate is seriously complicated by the Commission proposals, since they take account only of the budgetary obligations, and compound existing injustices and disparities, particularly for some products.

The short-term effect, if corrective measures are not taken at once, could be to drive farmers in the least-favoured regions of the Community off the land, particularly young farmers who will certainly find it very hard to comprehend a policy which offers them no prospects.

The Commission itself recognizes this state of affairs, and that it will in all probability lead to a renationali-

zation of the CAP, with all that this will mean for the construction of Europe.

The amendment tabled by Mr Ferruccio Pisoni, among others, is therefore an attempt to impel the Commission to put forward as soon as possible proposals to reform the CAP which would give us new means of achieving the objectives of Article 39 of the EEC Treaty and give European farmers security for the future.

This is what must happen if the 1986/87 farm prices are to be set on a new foundation on which a new policy, no longer piecemeal and dictated by contingency, can be built.

If we look at the price proposals individually, what is very surprising is that in an attempt to lessen the effects of exceeding the guarantee thresholds, price increases are proposed for the very products which are recognized as being at the root of our present difficulties.

On the other hand, the penalties on certain products, vital to areas of the Community which have no alternatives — penalties the like of which have never before been seen in the history of the CAP — reflect the Commission's lack of concern for the problems facing the less favoured regions. The first priority must therefore be to give a proper balance to the proposals, to give these products, particularly the Mediterranean ones, the attention they deserve and need and to consolidate the present aid schemes.

As to the other sectors, the proposals have neglected a number of points:

- there is a need, in the dairy sector, for a maximum of flexibility in the management of quotas and the abolition of the co-responsibility levy, to make the current system less rigid by providing for the possibility of linking the allowed increase in volume of the production to the real growth rate of final consumption;
- while they should still be managed, the assignment of physical quotas is to be avoided as too is the double penalization of the processed tomatoes sector;
- durum wheat should not be included in the guarantee thresholds for other cereals;
- prices in the cereals sector should be graduated according to quality;
- we urge the adoption of measures concerning the project for the improvement of crop yield and for new regulations governing quality wines s.p.r.

These guidelines will not of course significantly lessen the destructive effects of the 1985/86 price proposals but will only alleviate some of them.

Borgo

In other words, the restrictions adopted in March 1984 and the present proposals do not go far enough to achieve the rationalization of the CAP. Steps must be taken to avoid contingency measures in the future which only serve to disrupt the farming world. The steps we advocate to revise the CAP are therefore the only realistic way of coping with the problems facing European farmers.

Mr Morris (S). — Mr President, an increasing number of people in Europe see that the CAP is now out of control and requires, as many Members have suggested, basic and fundamental reform. The CAP soaks up something like 70% of the total EEC budget, while the 13 million unemployed only receive approximately 10% of the total EEC budget. So I for one welcome the Commission's report.

But I am also expressing here concern for people in my own part of Britain, namely Wales and Dyfed — the Dyfed dairy farmers and the Welsh hill sheep farmers — and their counterparts throughout the whole of the EEC. On behalf of these farmers and the consumers I want to see a more radical reform of the CAP and the agricultural support system. I want to see a move away from supporting agriculture through a price mechanism to a system based on direct subsidy and deficiency payments. This shift is not intended to subject farmers to the indignity of means testing or charity; rather it would enable the EEC to concentrate and focus its increasingly scarce resources on these farmers who need support to sponsor new development and to aid diversification.

There is another important side to this debate which not many people seem to have mentioned, and that is that currently the consumers have to bear the burden of supporting agriculture. There is a need to take off the backs of the consumer, that is off the backs of the least able the responsibility of paying for the CAP. In many respects we have in the CAP and its higher food prices a form of regressive taxation. The Labour Party has often been accused of being against the farmer. Well, we have a proud and good reputation of supporting the farmer. We have always said in fact very clearly and concisely that food production should not be left to the uncertainties of free market forces. But we are persuaded that a deficiency payment system provided out of taxation is fairer and more socially just than a system which puts the burden of support for the CAP on the shoulders of the old, the unemployed, the low paid and the less able.

Mr Clinton (PPE). — Mr President, I have to say at the outset that I never remember a time when the farmers throughout the Community were so despondent about the whole future of agriculture. Why is this so? The answer is quite simple to me. They have done a good job and now they are being kicked in the teeth, so to speak. The Commission has put forward propo-

sals making savage cuts in the prices of many important products, providing no price increase in the case of others and only a small increase in the case of the remainder. This, taken in conjunction with the removal of some special measures and the imposition of levies, quotas, guarantee thresholds, delayed payments, which have the same effect as reducing prices, and changes in quality standards for intervention purposes, gives us a package and a policy based solely on budgetary considerations, with no concern for farmers' incomes and no policy or prospect, either short or long term, for the future of agriculture.

Article 49 of the Treaty setting up the Community is being ignored. Community preference is being ignored. As Mr Pranchère points out, 51% of imports into the Community involve products that could be produced in the Community. No worthwhile effort has been made to find alternative lines of production that farmers could turn to. No attempt has been made to find new uses for agricultural products. In the case of surplus grain, no scheme has been put forward to give incentives to feed-merchants to incorporate a greater percentage of Community-produced grain in feed rations.

Why is the Commission not pushing a forestry programme crop which is in serious deficit in the Community to the limits? I do not mean just a scheme of planting grants, but a scheme that would give the owner of such land an income for the first 15 years. Because there is a difficult situation in agriculture, we cannot be content with saying to Community farmers that they have to cut production and at the same time accept an uneconomic price for the reduced amounts. Neither can we fairly tell farmers that we shall tie them to a quota that will remove the surplus and also insist that they pay a co-responsibility levy on what is, in fact, the essential need of the Community. This was done in the case of A quota sugar. It was totally wrong then, and it is totally wrong now in the case of milk. There is a small surplus in the case of beef, due in the main to the culling of large numbers of cows. The Commission proposes for budgetary reasons that there be no increases in prices for beef and veal, even though it is wellknown that the margin on beef production has always been very small.

It has always been the policy of this Community to protect family farms and to provide reasonable livelihoods for hill-farmers and farmers in other disadvantaged regions. If this policy is now to be abandoned, it will be done at very great cost to the Community budget.

We should never forget that what the farmer gets for his produce is less than one-third of what the consumer has to pay. Nor should we forget that for every one person employed on the farm, there are two people employed outside in processing and providing the farmer's inputs.

Clinton

The Commission's proposals would, according to their own estimate, give a price increase of 0.2% to Irish farmers, whose income is still 25% below the 1978 level. This in a country that had an inflation rate in 1984 of 8.5% and in circumstances where nearly 50% of our people are dependent on agriculture.

By way of conclusion, may I say that the beef market was better managed last year than ever before, but there is now a serious slump in both cattle and beef and also in lamb. If serious losses are to be avoided, urgent action is now required in this sector.

I am in favour of retaining the variable premium on its present form and I want to see the most serious pressure possible out on the Canadians to restore the 1984 levels of beef imports from the Community.

Mr Guarraci (S). — *(IT)* Mr President, the report adopted by the Committee on Agriculture, Fisheries and Food on the fixing of agricultural prices for 1985/86 is a fairly faithful reflection of the immediate concern of the majority of European farmers and the way they are feeling, or rather their reaction to the Commission proposal, which they see as in many ways unfair, unbalanced in its treatment of the Member States as a whole and hitting the Mediterranean states particularly hard, but above all as inadequate to confront the real problems of the CAP, which are not of course those of last year or next year but of the whole future of European agriculture.

The Commission in its proposals is still working along the same lines as the old, out-moded agricultural policy, a policy which is no longer appropriate. In fact, we have paid highly for our single-minded pursuit of the ambitious and primary aim of self-sufficiency in food in Europe, because we have created an imbalance in the development of farming in the Member States. The stimulation of production and over-production has resulted in a pathological formation of surpluses, with all its negative consequences, including speculation, with the result now clear to us all that we have aggravated what was already a division in agriculture.

In fact, by supporting, consolidating and strengthening the already wealthy farms in the North at the expense of the poorer South, we have compelled the Mediterranean farms to neglect the inadequacy of their structures and assume the role, noble — if you like, — but passive, of a market for the absorption of the continental surpluses.

This is why we need to return to a uniformly developed European agriculture. And the way to do this could be, as has already been suggested by a number of speakers, to produce fewer and better goods for the market, penalizing those who produce more for intervention; but without, of course, repeating the mistakes of the past, without, that is, crystallizing and making irreversible the disparities, which is what would hap-

pen if we follow the Commission proposals and work in two opposite directions: on the one hand maintaining the system of support, increasing prices, compelling the Mediterranean countries, Italy, for example, to make up its shortfalls with Continental surpluses (such as milk); on the other hand, reducing the price to a maximum of -6%; reducing the guarantee threshold; rejecting too the slightest preference, for whatever product, tomatoes, citrus fruits, durum wheat of which there are severe shortages in the Community.

However, this is once again to neglect the social aspect, which is the fact that we are dealing with some of the weakest regions, with lower incomes and higher inflation rates and unemployment, which the famous IMPs were designed to help and which, together with special funds, could have meant the start of a serious structural policy, capable of tackling the problem of restoring a balance to Mediterranean agriculture.

In the light of this, Mr President, I must point out that we are not interested in a policy of high prices but of contained prices, graduated for each individual product, so that we can achieve a balanced development in the Community, discouraging real surpluses and ridding ourselves of the misguided policy which still has the effect of penalizing Mediterranean products.

In conclusion, we feel that an agriculture based on price policy is totally inadequate under the new production and market conditions in the Community and that this could therefore be the time to embark seriously on a reform of the CAP which has now become necessary and urgent. Mr Pandolfi has today presented us with a package of structures. Perhaps there is a glimmer of hope — it's never too late.

Mr Stavrou (PPE). — *(GR)* Mr President, I wish to state at the outset that I shall vote for Mr Pranchère's report, although this does not mean that I agree with everything it contains. I shall do so because, compared with the Commission's measures, those proposed by the rapporteur are a slight consolation for small and medium-sized producers of Mediterranean produce, who are being hit particularly hard this year.

The Commission's proposal for implementing a restrictive price policy appeared for the first time — unless I am mistaken — in the Commission's communication to the Council in June 1983 on the restructuring of the Common Agricultural Policy. The objective of this policy is to restrict the production of those products which are responsible for structural surpluses. And I wonder, Mr President, what the logic is behind the Commission's reduction of the price of products which have nothing at all to do with creating such structural surpluses. It is proposing to reduce the price of citrus fruit by 6%, of peaches and apricots by 3%, and of tobacco by 5%, even though it is well known that the Community has a considerable deficit of these

Stavrou

products, for which its average level of self-sufficiency is hardly 65%.

Against the interests of the Community consumers, the Commission, instead of considering or reconsidering the permanently ailing system of Community preference, and flying in the face of any notion of Community solidarity, is dealing a blow to the production of southern Europe, is indifferent to the high rate of unemployment which is particularly affecting the southern regions of the Community, particularly Greece, and is confining itself to withdrawing produce from the market with the excuse that this constitutes a guarantee, while in reality it is simply compensation for the producer, who at the same time is utterly downcast to see the fruits of his labour being buried.

I also wonder, Mr President, how it is possible to impose prices without distinction on the just and the unjust, and when it is known that the main Mediterranean products, such as fruit and vegetables, wine, olive oil and tobacco, have never received more than 20% of the total expenditure of the EAGGF Guarantee Section, compared with the 67% permanently accounted for by the four main products of which there are surpluses, namely cereals, milk, sugar and beef.

Lastly, Mr President, I should like to draw attention to another blatant contradiction in the Commission's proposals. Since 1981 the Commission itself has proclaimed the application of two basic principles which were to reform the Common Agricultural Policy: the principle of equivalence and the principle of equality. The practical aim of these principles was to reduce the gulf between the levels of development of the Mediterranean and the northern regions of the Community, a gulf which, with the Commission's proposals and the already known fate of the Mediterranean programmes, we are very much afraid, Mr President, will not cease to widen and will certainly become bottomless with the forthcoming, and otherwise welcome, enlargement of the Community.

Mr Besse (S). — (FR) The term 'surplus' is merely an excuse for some of the Community to attack the principles of the common agricultural policy, as if it were a scandal to produce more than one needs. The indicators which are used, such as the self-sufficiency rate or the level of stocks, are causing confusion, and thus blurring the issues and offering a misleading basis for any decisions.

The Community has a political responsibility to maintain production at a level which will first guarantee material independence through strategic stocks of the most important food products, secondly enable the Community to play a sufficiently important role on the world markets for agricultural produce, thus preventing major powers from being tempted to use food as a weapon, and thirdly enable the Community to cope

with natural disasters. Ethiopia illustrates the need to have sufficient food stocks to be able to cope with the needs of countries stricken by famine.

Does not the Commission have some responsibility in the confusion which now surrounds the problems of surpluses? Should we not improve statistical criteria? It should supply the information which would make it possible to distinguish between strategic emergency stocks and intervention stocks for regulating the market.

The Commission should introduce measures to prevent produce from being merely either used for intervention or destroyed.

It is not right that people should produce food and should speculate simply because there is a guaranteed price no matter how much they supply.

The Commission should introduce systems to protect itself against fraud and surpluses. It should be only in exceptional circumstances as a result of exceptional climatic conditions that produce is stored or destroyed to regulate the market.

Finally, it would be advisable for the Commission to put forward proposals on the rôle which the ECU could play in trade in agricultural produce within the Community and with third countries. In seeking to establish itself, the ECU could give a much-needed new lease of life to European agriculture. I do not have the time to go into this point today, but I will count on the Commission to include the subject in its working plan.

Mr Mühlen (PPE). — (FR) Mr President, I shall restrict myself to making a few specific comments.

First, regarding the average price increases proposed, I must say that the Commission, in proposing to maintain prices at their present levels, has caused profound disappointment in the agricultural world. Of course for the large-scale producers and in particular those who have industrialized production — I mean farms which are no longer family concerns — the situation may not yet have become critical. But this is by no means the case for small farms; it is for them that I deeply regret that, when introducing its proposals, the Commission did not bear in mind Article 39 (b) of the EEC Treaty, which states that it is the objective of the common agricultural policy 'to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture'.

Although I cannot support the aims of the prices policy for cereals, I shall restrict my comments here to milk production. I have always understood from the Council debates which I have been privileged enough to attend, that the introduction of milk quotas would

Mühlen

make the prices policy for milk production less severe, and would thus be in the interest of small producers. To me, as a representative of a country in which milk constitutes the bulk of all agricultural produce and in which the number of small farmers is relatively larger than in most other countries, this prices policy is a disaster, particularly because the new measures for market management — and in particular the increase in the payment periods — will affect the earnings of small farmers still further, and they now no longer have the possibility of using quantity to make up for this. In other words if, after the introduction of the quota system, price levels are the next target before there is even any proof that we have first managed to bring about fundamental improvements in the structures policy, my country more than any other is in danger of feeling the full impact. This is all the more worrying because I cannot think of any other products which could make up for the cut-backs in milk production.

I do not deny that, in his report, the rapporteur took care to underline these negative implications and I broadly support the conclusions of the report. However, I wanted to draw attention to the repercussions which these price proposals will or would have in my country, which demonstrates how right the rapporteur is.

Mr Vernimmen (S). — (NL) Mr President, ladies and gentlemen, after this long day of discussion I will be very brief and limit myself to four points, because I think the debate is starting to lose touch with reality.

First, we cannot hope to achieve an efficient and economic system inside the rigid lines of our present agricultural policy, and at the same time provide a social paradise for our farmers with our limited resources. The only answer lies, in my opinion, in direct support.

Secondly, we need to pay far more attention to what is going on on the world market. The changes in the agricultural economy in the United States will, whether we like it or not, be a determining factor in our future development.

Thirdly, we need to change our way of thinking. We are inclined to forget that cereal and fodder plants can also be an excellent raw material for the non-food sector. This could be the answer for certain of our surpluses. It is therefore crucial to improve co-operation between agriculture and the agri-foodstuffs industry and make more use of what scientific research has to offer.

Finally, I want to emphasize that as Europeans we need to lose our inferiority complex. Technological developments and research in the agri-foodstuffs industry have shown us in which areas and in which sectors we can compete with other parts of the world.

In conclusion, Mr President, Mr Andriessen, better co-operation between agriculture and industry will in my opinion be a key factor in determining whether Europe can achieve a real agricultural economy. We cannot build a social paradise on something which is beginning to look like an economic graveyard.

Mr Cornelissen (PPE). — (NL) As the fiftieth speaker in this debate, I will speak very briefly about the three key issues: 1) how are we going to solve the problem of the Community surpluses? 2) how are we going to secure a reasonable income in the future for farmers who have quite rightly won themselves the reputation of hard-working people, whose working hours are so long that a discussion about a 38 or 36 hour week is totally inappropriate? 3) how are we going to manage agricultural spending in the Community? In view of our present budgetary difficulties, this is crucial to the future of the Community and to the future of our agriculture.

I would like first to tell you how I see the Commission's approach. Courage, coupled with a serious attempt to look further ahead than the next elections: this was my reaction to the European Commission's proposals. This will surprise no-one who knows something of Mr Andriessen's political career. I was therefore disappointed by the negative and unbalanced reaction of the Planchère report. I feel much happier with the opinion expressed by Mr Tolman, chairman of the Committee on Agriculture, who spoke in an interview of what Mr Andriessen has left undone.

I would like to have seen more about a medium-term structural policy for agriculture, offering some prospect for farmers, especially the small and medium-sized family farms in the Community, and providing for a reasonable income for a modern well-run farm. In a structural policy of this kind, export possibilities for European agricultural products will be an important issue. The time for agricultural policy to be based on self-sufficiency in the Community is definitely gone. In a sense, the agricultural policy has been the victim of its own success. Modernization and hard work have boosted output, so that exports are now crucial to the future of agriculture. I wonder if the Committee on Agriculture is fully aware of this. Just as I wonder if the Community development policy is a priority for our Christian Democrats, I would like to hear the Commission's opinion on this.

My third question to the Commission is whether I am right in thinking that the proposals put forward by the Committee on Agriculture would mean a greater need for the quota system in agriculture and that, for example, the superlevy on milk products would become a permanent fixture. Surely that was not the intention.

Finally, I am concerned that we are discussing today two reports from our own Committees which are diametrically opposed but which have been approved by a

Cornelissen

large majority, one by the Committee on Agriculture and one by the Committee on Budgets. I think we are going about this in entirely the wrong way. As the elected representatives of the people we should weigh all aspects and come to a responsible conclusion. If we continue as we are, we will do our credibility no good. We are not going to win any medals. In fact, according to a magazine article, Mr President, it will be a couple of generations before anybody is winning any medals. I only hope that Mr Andriessen will still be around to receive them.

Mrs Gredal (S). — (DA) Mr President, I am speaking on behalf of the Danish Social Democrats and I can say that we broadly support the Commission's proposals — though with certain reservations. Frankly, we are afraid that there will not be enough money to finance the Commission's price proposals and we would therefore be running the risk of an intervention in the middle of the marketing year involving savings on refunds, for example, which might have unfortunate consequences for Denmark's exports to Japan, the USA and elsewhere, as well as the exports of other countries. There would also be the risk of Community payments suddenly being suspended — as has happened in the past — and none of these things will benefit agriculture; on the contrary, they will be disastrous from the point of view of rational planning in agriculture.

We are very pleased that a cut has been proposed in cereal prices relative to the world market level, amongst other things to avoid a price war with the USA, in which the Community would inevitably be the loser.

Today, the Danish Conservatives and others have tabled a series of amendments that seem to me to be quite inconsistent. One of them proposes a gradual transition to a free market economy, whereas others call for increased cereal prices, amongst other things, even though the world market price is lower than that proposed by the Commission for the Community. I think that it is also important to note that there are currently 17 million tonnes of cereals in storage in the Community — more than there has ever been before. The Conservatives also demand higher milk prices. However, if we want a free market and a gradual transition to such a situation, I think we should start straight away. And again there is the question of where we get the money from.

A number of speakers today have called for quality requirements to be imposed on production. I agree wholeheartedly. High quality and a share in the benefits of the price cuts proposed by the Commission must in future be among consumer demands.

As I have stated previously in this Assembly, I continue to be rather concerned about the Common Agricultural Policy. It does not seem likely that we will

achieve our aims with the resources we are proposing, especially if we also bring the Pranchère report into the discussion, as we have done today. Since it proposes biting off much more than we can chew. The question is whether on the whole the will exists to reduce surplus production through increased use of the price mechanism.

It is also my view that the weaker regions in the Community do not receive sufficient aid from the regional and social funds. Agricultural policy involves many fine words, but one may well ask whether the facts are not a little tragic.

Mr Raftery (PPE). — Mr President, there is now widespread agreement in the Community, both in the farming and in the non-farming sectors, that the problem of surpluses must be solved without delay. Our success in finding a solution will depend very much upon accurate identification of the causes of these surpluses.

Clearly, on the basis of the price proposals submitted, the Commission feels that high prices have been the main cause and hence price cutting, it is felt, will solve the problem. This is not the case. The main factors responsible for the continuing increase in output are the adoption of new technology and, to a lesser extent, farm rationalization and market security. Greater and more efficient use of fertilizers, allied with better crop protection using newer and more effective fungicides, weedicides and pesticides plus new varieties and new techniques of planting and harvesting and storage, have given and are continuing to give and will give in the future higher yields per acre. Likewise, better breeding, feeding and management of livestock has given and will continue to give increased output of animal products.

Furthermore it is now widely recognized that if the average level of output were brought into line with that achieved by the top 10%, who are all using modern technology, the total agricultural output would virtually double.

Cutting prices, therefore, I suggest, will not solve the problem. It will simply force more of the larger farmers to increase output using modern technology to maintain their incomes while at the same time pushing more of the smaller farmers out of farming. The net result would mean even greater surpluses and longer dole queues. I would remind this House that unemployment is now costing the Community two-and-a-half times as much as the Common Agricultural Policy.

Furthermore, price-cutting, like quotas will be relatively more damaging in some countries and regions, particularly the less-developed areas. In this regard Ireland would be hardest hit as our economy is much more dependent on agriculture than any other country

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in the Community. And we have a higher proportion of under-developed and under-capitalized farms incapable of utilizing much of the new technologies to help them increase output to maintain their incomes.

The very people who are not causing the problem, namely the small producers, would be the first victims of these price proposals. In an economy like Ireland's with the highest level of unemployment in Europe, the highest level of dependence on agriculture for employment — over 40% directly and indirectly employed in agriculture — and the highest proportion of marginal farmers, we must simply reject these proposals as too damaging to our economy in the short term and ineffective for solving the problem in the longer term.

The solution must be in finding alternative uses for our soils and for the products of our soils. To continue producing products that are in surplus, like milk and beef, from soils that are quite unsuitable for the production of these products, whether this be in the wetlands of the west of Ireland or on the hillsides of the Alpine regions, is clearly a nonsense when these areas are eminently suitable for the production of timber, a product that will be in deficit for the foreseeable future. Some of the money spent on surpluses would be better used supporting a forest policy which could give an annual income to the landowners and would encourage them to plant timber and to get an annual income until the time of harvesting.

Likewise some of the good lowland soils producing cereals which are in surplus should be used to produce products which are in deficit and of which we import large quantities, such as proteins and fibres. On the product side we must find alternative uses for these products in surplus. The incorporation of ethanol, for example, at 5% in our petrol as a replacement for lead, which will soon be banned, would take up roughly 15 m tonnes of cereal and leave a very enhanced protein feed for livestock, thus reducing protein imports and reducing pollution.

There are many other useful items that can be produced from the land and from the produce of the land which the Community requires. It is along these more imaginative and constructive lines that we must find a way to reduce surpluses while at the same time maintaining the farming population of Europe.

(Applause)

IN THE CHAIR: MR LALOR

Vice-President

Mr Prout (ED). — Well, Commissioner, you have had a long day. I understand that you have had a

rather long night too. I know you must be very tired. We appreciate how much attention you have given to this long debate.

We admired enormously your skills as the Commissioner in charge of DG IV and we know that you are going to bring the same qualities of courage and intellect that you brought to that Directorate-General to the Directorate-General in charge of agriculture. I am going to speak very shortly to a point that my distinguished colleague, Mr Simmonds, spoke to earlier and to ask you if you would pay particular attention to it, Mr Commissioner, when you come to give us your answer. It is this vexed question of the mobility of dairy quotas.

I know it is a complicated question because the ten Community countries have different systems of land tenure and different systems of taxation. You have got the really difficult question of the relationship between landlord and tenant. But I believe that the success or failure of the quota system will depend on how effectively you as a Commission approach the question of mobility. It is absolutely vital if resources are to be used effectively, that the producers who wish to expand are able to obtain quotas from those who do not. Not to allow this will restrict the scope for efficient producers to exercise their entrepreneurial skills. The problem really needs your urgent attention because if it is left too long the system will fossilize, resources which are valuable and important to the Community will be lost and once again you will be faced with the problem of having to make a major reform of our dairy sector.

(Applause from various quarters)

Mr Ducarme (L). — *(FR)* Mr President, out of respect for the Common Agricultural Policy we should vote for the 7.8%, and I know, Commissioner, that this may make people think me a demagogue. I think that in the Parliament Committee it was important to remember — as Mr Mouchel reminded us with one of his amendments — how much the common agricultural policy needed this increase in the normal course of events, purely on the basis of objective calculations. But as we see from the general debate on agricultural prices, we have a 'budgetary' attitude and an 'agricultural' attitude, and in the final analysis we must take account both of what we can do and what we must do.

That is why I have submitted an amendment on prices in which the 'budget-minded' and the 'agriculture-minded' may find some common ground. And if Parliament is to behave in a responsible consistent way it must give some indication of how the increase which it wishes to introduce is to be financed. I have been re-examining some Commission documents which show that the Commission itself has forecast revenue of 840 million ECU for 1985 and 1986 from a non-discriminatory levy on marine and vegetable oils and

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fats. If we apply this levy it will be a new source of income for the Community, and I think that if we compare these figures with the 1% increase in agricultural prices, we are entitled to call for a price increase of around 3% as a compromise between the demands of those who are mainly defending agriculture and those who, within Parliament itself, prefer to adopt the attitudes of certain governments who do not want to increase the finances for Europe in general and certainly not for the common agricultural policy. And that is why I would very briefly call on Parliament to state its position at least on an average price increase of around 3%, which could be financed by introducing a non-discriminatory levy on marine and vegetable oils and fats. This would be fair to farmers and would certainly be a progressive attitude as regards developing an overall oils and fats policy at Community level.

Mr Pranchère (COM), rapporteur. (FR). — Mr President, I should now like to say a few words at the end of this debate and to thank all those who have spoken, whatever the position adopted by my colleagues from the Committee on Agriculture. I should also like, if I may, to thank various departments of the European Parliament, particularly the secretariat of the Committee on Agriculture and its chairman. My thanks also go to the translators who, although the proposals were submitted late for reasons which we all know, managed to get the texts out in good time, enabling the report to go through the various stages and be put to the vote. And finally — a rare occurrence — my thanks go to various departments at the Commission who speedily and faithfully provided me with the information and documents which I needed for the report, whatever use I made of them subsequently of course!

I should like to say a few words about an idea which seems to me to be central to this debate. I was very interested to hear what was said about the report I presented, which was actually the report of the Committee on Agriculture. At no point did I hear any basic criticism of the *démarche* itself, since I based the report not only on the price proposals submitted and related measures but on the concept of an agricultural policy consistent with the principles of the Treaty of Rome.

Before Mr Andriessen gives us the Commission's views I should like to reply to some of the points which have been raised.

Yes, as regards my attitude to the agricultural policy, I have made it quite plain that my main concern is to guarantee farmers' incomes. But I am fully aware of the wide disparities which exist and which have become more marked from region to region and from farm to farm. The CAP as originally conceived and applied hitherto has certainly contributed to this. That is why I am proposing to correct its faults and inadequacies by making it fairer and more just.

I am also concerned with the social problems which are becoming increasingly serious in agriculture. But I do not think that they can be solved by a price-freeze policy with accompanying social measures as some have suggested. Such an approach would result in two-tier agriculture, with on the one hand a farming elite with connections with the agri-foodstuffs firms and on the other the majority of the family farms living off social assistance. Farmers have their pride! They do not want to be given assistance but to work for their living! To this end prices remain one of the major elements which contribute to income. I don't want to throw the prices baby out with the CAP bathwater, I prefer just to change the water. That is why prices must be accompanied by structural or some such measures to compensate for handicaps, reduce production costs and combat inequalities. My report also contains proposals to this effect, and in the follow-up to the agriculture policy talks we will be able to go into these matters in more detail.

As far as budget matters are concerned, I think I dealt with them at length when I presented the report. But some people brought them up again in the discussion and deliberately inflated the figures. It is wrong to claim that the Committee on Agriculture's proposals would cost 2.7 thousand million ECU. According to the Commission the figure would be under 1 000 million ECU spread over two years. I am not saying that this is a negligible amount, but we have just heard one speaker a moment ago speaking of revenue possibilities which I myself proposed.

The finances to cover this additional expenditure exist. But there are none so deaf as those who do not want to hear. I cannot hope to convince those who have for years been leading regular attacks against agriculture and farmers. One of our colleagues mentioned the levies which I proposed in my report.

But my honourable colleague from the Committee on Agriculture should be well aware that these are basically the proposals of the Commission itself which were still on the table after the Fontainebleau Summit and which have since been axed. I am referring to the proposed levies on oils and fats. Parliament had already adopted a special report on this by a former colleague of ours, Mr Geurens.

I think that the question is really whether we wish to preserve the irreplaceable tool which our Community agriculture represents or if we want to leave the field open for the United States on the world market. All those who insist on refusing to tackle farming problems today on the basis of the principles of the Treaty of Rome and the concern voiced by the President of the Commission when he came here in January, should tell us what they really want. We cannot adopt a *démarche* which states that we must preserve European agriculture and at the same time behave in a way which jeopardises it.

Pranchère

I was interested to note that the President-in-Office of the Council saw the Committee on Agriculture's report as a signal. That was indeed how it was intended, and I feel that the Committee's discussions showed that the signal had a particular ring, didn't it? But I must point out that to make the Community institutions aware of the seriousness of the agricultural problems and the urgent need to find solutions, we had to make the signalling sufficiently loudly. But a signal, Mr President, is meant to be heard. Otherwise, if you are on the railway line, for example, you are in danger of being run over... As I see it the problem today is how to respond to this signal.

That is why I think Parliament will have a grave responsibility tomorrow when it votes. We must arrive at a clear position which will serve as a warning to the Council and a basis on which to reach appropriate decisions. These decisions cannot be the Commission's proposals.

Today the farming world is expecting the European Parliament to adopt a credible position, and I think that Parliament will face its responsibilities fair and square. That is what I am hoping for, but we shall see tomorrow when we vote.

Mr James Elles (ED), draftsman of the opinion of the Committee on Budgets. — Mr President, since Mr Pranchère has just challenged the Committee on Budgets over its estimates on the Agriculture Committee resolution, I should like to ask Commissioner Andriessen to cover this point in his reply. Mr Dankert mentioned earlier today that it was 2.7 billion for the two years. Would the Commissioner also tell us if he thinks there is any chance of an oils and fats tax in the next 18 months?

President. — I have no doubt that Vice-President Andriessen will refer to this. Before I call him, I should like to inform the House that the Council has informed us that, in view of the number of holidays between now and the April part-session and the fact that the European Council is meeting on 28 and 29 March, the deadline for forwarding questions for Question Time is Wednesday, 27 March.

Mr Andriessen, Vice-President of the Commission. — (NL) Mr President, I would like to begin with an apology. It was not because of the long night that I failed to arrive on time for this morning's session but rather because fog had prevented my flight from leaving Brussels. Otherwise, I would have been more or less on time.

Mr President, I should like to try and enhance this debate by responding to the best of my ability not to each individual speech — which would seem a hopeless task since there have been more than fifty of these

— but rather to a number of central themes which have emerged.

The importance of the debate stems from the fact that it is taking place just as it is dawning on people that — as has already been voted during this debate — something has got to happen in the agricultural world. Everyone is agreed on this point, but not on how to go about the problem.

The second significant feature of this debate is the level at which it is being held. This is the first time that I have participated in a debate on agricultural prices in this Parliament but I am put in mind of other debates of a completely different complexion.

Thirdly, this debate is significant because of the speech by the President-in-Office of the Council, and I would like to take this opportunity to say that during my few months as Commissioner for Agriculture I have been able to build up a form of cooperation with the President of the Council which has undoubtedly played a great part — and I would like to stress this point — in enabling the Agricultural Council to take a number of extremely important decisions in only a few consecutive meetings. All the major problems plaguing us at the end of last year have been dealt with and the decks have been cleared for the Council's decision on prices. That in itself will help the atmosphere and objectivity of the debate. The Community has — with some justification — been criticized for dragging its feet when it comes to making decisions but it is undeniable that in some respects the Agricultural Council is an example of an institution which can and does take decisions — even if not everyone is always in agreement with them.

Today's topic can be approached from any number of angles and this has indeed been done during the debate today. One way is to look at the problem of surpluses; other approaches include prices, incomes, budgetary policy and the budgetary problems currently facing us. You can take a pragmatic approach or apply fundamental economic principles provided that you bear in mind that it is not always possible simply to transfer to agriculture the rules that apply to other industrial sectors. Agriculture has its own characteristic features which must be taken into account in any economic and social analysis of agriculture.

That notwithstanding, it is my personal opinion — and I have made no secret of it — that, all other measures aside, the basic precept for our agricultural policy must continue to be a market-oriented policy. Of essential importance within this, of course, is the pricing policy and here one runs into some difficulty. After all, if I say that prices must fall to limit production, there is a chorus of 'Yes' but in fact more will be produced. If, however, I raise prices then I shall find even a greater increase in production. At this point the question arises: 'what now?' Or could it perhaps be that it is all inter-related with the entire workings of the market; that the systems we have developed are so

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supportive that certain market mechanisms cannot perform their functions? I am prepared to look into whether this is indeed so and whether we will need other supplementary instruments in the future. I will return to this at the end of my speech.

May I begin by thanking the Committee on Agriculture, Fisheries and Food, together with its rapporteur and the other committees that have issued an opinion on this matter. Whatever else, such thanks are due for the speed with which they have worked and for a number of important points they have raised — although I must obviously continue to disagree with a number of the essential conclusions reached, particularly by Mr Pranchère.

I can only hope that the preparatory work we have done within the Council, clearing the decks for a swift and orderly debate on prices, will enable the Council to make decisions on prices in good time, i.e. before April 1. There is already quite enough uncertainty in agriculture without additional uncertainty about future pricing policy. I therefore echo the words of the President-in-Office here this morning in hoping that it will indeed prove possible for the price negotiations in the Council to be completed by the deadline now set, in other words before the beginning of the new marketing year. I would add, however, that the first round of discussions — in which I took part last Monday — did not give me the impression that this will be easy.

During the February part-session, I had the pleasure of describing, in broad terms, the Commission's price proposals. A lively discussion then followed so. I will not go into all the various elements of that policy, since they are already well known and have been the subject of extensive comment during this debate. I do, however, want to say that even when I made the proposals I already realized, particularly in the light of subsequent reactions that these price proposals were less than ideal and would cause problems. On the other hand, let me point out that virtually no-one denies that they follow on consistently from policy agreed on in past years, and particularly last year, by the Council and that major elements of this policy had been approved by this Parliament.

The complaint is sometimes voiced that the Commission has been too consistent and too rigid in following policy guidelines. I don't believe that this is fair. Faced with today's market conditions, I don't think we had any option but to make the proposals now before you. May I point out that, since this policy was formulated, the market situation has deteriorated rather than improved.

I want to give a few figures though not too many. In spite of the extremely expensive action taken by the Commission — partly at the instigation of Parliament — to reduce our stocks of butter, we still have between 845 and 850 thousand tonnes in intervention, quite apart from private stocks.

As far as milk powder is concerned, after average stocks between May and October 1984 of 950 000 tonnes, we still have over 600 000 tonnes. Over that period, our average beef stocks rose from approximately 400 000 tonnes to 660 000 tonnes in spite of the fact that we have, at very high cost, virtually doubled our export of beef on the world market in two years. Turning to grain, we see that approximately 14 million tonnes of various kinds of grain are currently in storage.

That is the current situation and against that background there is simply no alternative to a restrictive and sometimes even negative pricing policy. As far as agricultural incomes are concerned, the situation is now a little better than I was able to describe in earlier statements. We now estimate that — taking into account differences between sectors and Member States — there was an average real increase throughout the Community of over 4% in 1984 while inflation is, fortunately, still falling and I therefore, I find some of the criticism of the Commission's proposals excessive and unacceptable.

I would like to get rid of one misconception. Too often I hear that the Commission has put forward what one might call a linear price proposal. That is not true. I concede that the margins are relatively small but does not constitute a linear price proposal. We have made a proposal of this kind in the past but this year we have incorporated price increases for those products where this was possible and price reductions for those deserving them. That is not a linear price increase.

Since a great deal has been said about certain products, I would now like to turn my attention to these — beginning with milk. There is considerable pressure, including some from the general public to delay by one year the one million tonne reduction in milk production agreed on in 1984. I am completely opposed to this idea — let us get that quite clear. This is one element in a policy which was deliberately and consciously decided, and I believe that such a delay would reduce the credibility and acceptability of both the system and its budgetary implications. I therefore stand for the proposal for an approximate one million tonnes reduction as agreed. People have made the point that it is hardly realistic to retain the coresponsibility levy if you have a milk quota system . . .

(Approving comments from the auditorium)

I haven't yet said that I don't want to retain it!

(Laughter)

I've just told you what other people are saying!

(Laughter)

What I wanted to say was this. In a situation where, in spite of quota we still produce between 13 and 14 mil-

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lion tonnes more milk than we can consume — milk that has to be marketed at considerable expense — I consider it perfectly acceptable that people should make some small contribution to reducing the burden of those marketing costs. Whether this should continue is another question, but I certainly think that it is justified. I would like to point out — as a budgetary argument of some relevance — that a single point within the coresponsibility system for milk represents 270 million ECU and that abolishing this coresponsibility system would cost approximately the same amount as could be raised by introducing a tax on oils and fats, at least in 1985. I therefore think this budgetary argument is one that should definitely be borne in mind.

In this context, Mr President, comments have also been made about the mobility of quotas, the extent to which they can be transferred. At present, milk quotas are tied to property and that gives only very limited mobility since this can occur only where land changes hands. I understand the reasoning put forward by Mr Simmonds and Mr Prout, but I can see a number of difficulties that could arise.

The first problem is that such negotiability of quotas — and that's what it comes down to — would obviously mean an even more rapid structural change in the milk sector, whereby small farms would increasingly be replaced by larger ones. I have my doubts as to whether this would be altogether a good thing under present circumstances. I will, incidentally, come back to small farms later on.

Secondly, it is clear that any negotiability of quotas would mean assigning some kind of capital value to them, which would make them much more difficult to abolish at a later date.

This brings me to a more general topic. I have been asked for my own opinion and it has been stated that quotas are the ideal instrument for dealing with surplus production. I want to make my views quite clear, Mr President. It proved impossible to avoid quotas in the milk sector and it has been decided to introduce them for five years. The Commission is expected to bring out a report in three years time on a possible continuation of the system. I have not yet resigned myself to the idea of quotas being permanent and inevitable feature of the milk sector in the future, nor am I convinced that they are the best way to deal with surplus production in other sectors.

We should not forget, Mr President, that a quota system makes it almost impossible to avoid national and owner's quotas which, in turn, lead to complete segmentation of the market and to the phenomenon so rightly pointed out by Mr Prout as he was recommending giving milk quotas some kind of negotiability. As I see it, we have to do all we can, taking into account the prospects I will try to sketch in for you at the end of my speech, to find other ways and means of

combating the problem of surpluses which also take account of the related aspects of social conditions and farm incomes since these are inextricably linked with the central issue.

This brings me to a few comments on the budgetary aspects of agricultural policy. Let me begin by saying that the budget does have an influence on policy. There is no getting away from this but it is certainly not the sole or in my opinion, even the main reason for adopting the policy which the Commission feels to be necessary.

Secondly, I can well imagine — and this has been evident from this debate — that the unease and uncertainty in agricultural circles is compounded by uncertainty as to whether we will be able to cover the cost of the agricultural policy this year in the absence of a Community budget. It is clear to everyone that the provisional twelfths regulations will mean everything grinding to a halt sooner or later. At some stage, we will get into difficulties. I can therefore only hope that a solution will be found to this element of uncertainty from which our farmers really deserve to be freed as soon as possible.

In this context, I would like to sound a warning for those who advocate using the revenue from a new tax on oils and fats to finance higher agricultural expenditure which, in my opinion, is not justified by market circumstances. I am not saying that we in the Community do not need more own resources — we do. The Commission has put forward a proposal for such a tax and that proposal is now before the Council. In fact, when this topic came up in the Council this week, I made a point of asking what was preventing them from discussing this proposal.

Whether we should immediately use the revenue from this tax for new agricultural expenditure is another matter which I regard as a question of priorities that should be discussed in another and wider context. I emphasize that, Mr President, not because I would not like to have sufficient money for the agricultural policy but rather because I think it structurally important for agricultural policy in the longer term that Community use of new own resources should be decided as part of a serious weighing up of various priorities — a process which should also involve other policies.

Mr President, I have been asked what the budgetary implications of the Pranchère report would be. The answer is as follows: compared with the Commission's proposals, the Pranchère report would cost 490 million ECU in 1985 and 1 170 million ECU in 1986, giving a total over the two years of approximately 1 700 million. These calculations include the tax on oils and fats which according to the proposal before us, would yield some 260 million ECU in 1985 and 580 million ECU in 1986 or a total of 840 million

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ECU. Those, Mr President, are the best figures I can put before Parliament today.

Mr President, I would now like to make just one comment on the rapporteur's motion for a resolution. Obviously, I cannot reply to every point in this extensive report so what I will do is respond either implicitly or explicitly, various views put forward in that report while speaking on a few specific topics.

At this point, I would like to make two comments that I consider extremely important. Firstly, the Commission has put forward a price proposal which inevitably involved stating percentages. They had no choice in this matter, since this an intrinsic part of a pricing policy. It is fair to ask — and I believe that this was in fact done this morning before my arrival — whether Parliament also needs to reach an opinion on a specific percentage. Would it not be possible to give its opinion on the proposals in more qualitative terms? It is of course not for me to say but on looking around and hearing a number of percentages being quoted, it seems to me an idea well worth considering.

My second comment concerns incomes. I think one thing is of primary importance, namely that agricultural incomes which are entrepreneurial in nature, are essential dictated by very specific circumstances and, by definition, vary from year to year. This means that trends must not be examined on a year to year basis but rather over a period of years. Any other approach would lead to very unbalanced policy making. If, Mr President, we then look at agricultural income over a number of years, we see that there has been an average increase in income within the Community of 7% since 1980 in real terms, i.e. taking inflation into account. Compared with a number of other sectors in the Community economy, that is definitely not the worst performance. And I might even say — even if it seems a little insensitive after what has already been said — that this was partly thanks to the Community's agricultural policy, particularly when you consider it was during a severe recession.

As for the future, I think we must look further than just prices if we are to guarantee incomes. Other aspects are involved, including both costs and quality: and does not the rapporteur himself note in his report that continued increases in prices will make it difficult to abolish regional disparities and that they may even become more serious. In my own opinion, the vital need is for a medium-term or even long-term view of agriculture, and an analysis of how this will affect trends in farm income, in order to ensure a structural situation in which we can avoid empty promises, such as pricing proposals that we cannot fulfil, but instead give real guarantees that incomes will show steady gains. That being so, I do not believe that anyone can say that over the past few years the Commission's proposals have done no justice to Article 39 of the Treaty where this refers to incomes. Am I denying that we are confronted with a number of serious cases? By no

means. Existing circumstances, and the problems we can expect in the future, make it more urgent than ever to look at the social aspects of agricultural policy. And I would like to take the opportunity of saying, Mr President, that this will indeed be one of the elements in the study we have already started and which will I hope soon, at in any rate before the end of June, be available for public discussion.

I now turn to small and medium-sized enterprises. Ever since the Community's agricultural policy was formulated, family farms have been one of the basic features — indeed a corner-stone — of that policy. Concern has quite rightly been expressed about trends in this area and I share that concern. I continue to believe that family farms, the small and medium-sized holdings, are an important element vital to the maintenance of the structure of our agriculture, to the protection of the environment and to the preservation of a tradition of quality production. The question is what, under current circumstances, we can do to ensure that family farms, the small and medium-sized holdings, have a fair chance of survival. Quite apart from the specific measures we have already taken — but which have been criticized by a number of members of this Parliament as completely inadequate — we will also have to take this factor into account in the study I mentioned a moment ago.

Various speakers have voiced the need for cooperation rather than confrontation between agricultural and environmental policy and I am 100% in agreement. For hundreds of years now, agriculture has been largely responsible for defining and forming the European landscape and continues to be one of the environment's major allies, as it were. Nevertheless, serious questions have to be asked about the increasing use of certain practices. These questions have, indeed, been raised quite explicitly during this debate and we will have to take them into account. Incidentally, I believe that this is an area where our proposals are a step in the right direction and I would like to state at this point that one of the working parties I formed last week as part of the study is specifically concerned with agriculture and the environment, so that aspect can receive all the attention it merits.

There has been less comment during this debate on the enlargement of the Community and the implications this will have for Community agriculture. On what is, I hope, the eve of the last decisive negotiations on enlargement, I would nonetheless like to make a brief comment. The accession of Spain and Portugal will obviously present the Community with a new challenge. How can we incorporate the agriculture of the two future Member States into the Community structure without demanding unacceptable sacrifices from existing members — particularly those people around the Mediterranean who earn their living from agriculture?

Let me begin by saying that we cannot hope to enlarge the Community without sacrifices on both sides — i.e.

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on the part of the existing Ten Member States and of the two who want or are prepared to join the Community. What is important is that the sacrifices are shared in a reasonable way and that, in the end, the advantages outweigh the disadvantages — as has proved to be the case in the past for the Community of Ten. This means that we must strive to make our own '*acquis communautaire*' as strong as possible and as much as possible in tune with the new situation in the way that we tried, not so long ago, to do on the case of wine. In the second place, the negotiations will inevitably result in relatively long transitional periods and divergent arrangements in order to allow the smoothest and most economically acceptable dovetailing of these economies. In consequence, we will not be able to benefit immediately from all the advantages of normal intra-Community trade. And even then, with the exception of a single comment today, we have still said nothing about the obligations we have to the countries around the Mediterranean which will not be members of the Community. As a Community, we also have to meet our obligations to those countries since, there too, agriculture involves very significant economic, export and other problems.

Mr President, I would now like to turn my attention to import and export. This is a major item in the report and I must say that I am in complete disagreement on a great number of issues. Let me begin by saying that we have to act, and quickly, wherever there is an element of unfair competition. That is what we try to do through our market management and by using instruments based on international agreements.

There can be no doubt that we have to retain one important element of our agricultural policy, i.e. the Community preference, and we will do this during the difficult negotiations currently underway or about to be opened with third countries — not least with the United States, which have been mentioned by a great number of speakers in this debate. I do, though, just want to utter a word of warning. We must be careful that protectionism is not smuggled in under the cloak of Community preference. In the long term, that would not be in the interests of the Community — indeed it would, I feel, ultimately or even in the relatively short term be to the Community's disadvantage.

We should not forget that we have recently — and a number have pointed this out with a certain degree of satisfaction — become one of the largest agricultural exporters in the world. We hold first place in the case of beef and second place for other products. How can we expect to achieve the exports we need on the world market if we are not at the time prepared to give the rest of the world access to our own markets, or if we are not prepared to honour, to a reasonable or even generous extent, the international obligations we have accepted, since we certainly expect this from our other trading partners.

Import and export, Mr President, is a two-way process and one cannot try to ignore this fact and get away with it.

At any rate we have increased our agricultural exports over the last ten years twice as fast as our agricultural imports and this is a point which must be taken into account in the debate on prices.

I now have just one comment to make on structural policy. Yesterday — as described in detail this morning by the President-in-Office of the Council — it proved possible for the Agricultural Council to take a final decision in principle — not yet a formal decision — concerning future structural policy and also the financial resources to be made available for it. These resources are less than the Commission had requested but they are adequate, I think to permit a responsible structural policy. Moreover, the figures are merely guides, which means that the normal budget procedure can, if necessary, always be invoked to examine whether supplementary funds are required. In this context, a number of members have asked about the relationship between this structural fund and the so-called 'IMP', the integrated Mediterranean programmes. At this point in time, I can only describe our approach but not give any figures. The Commission envisages allocating part of the fund, now about to be decided, to the IMPs, for use in the agricultural section.

It has further been suggested, that if the Council decides to provide additional resources for the integrated Mediterranean programmes — and the Commission believes this will be necessary — this money should, as far as agriculture is concerned, be added to the EAGGF guidance section to allow an integrated analysis of the agricultural component of the Mediterranean programmes. From the point of view of both policy and the budget, I believe this would be the best approach. What I cannot tell you is the sums involved. Obviously there is a link between the sums now approved and the sums originally requested. You cannot change one item by 400 to 500 million and then expect other sums to remain unchanged. That is clearly not possible, but the Commission still has to discuss this matter.

Finally, I would like to make a few comments about the study which I have mentioned once or twice. I will keep it very short. Two weeks ago, I instituted six working parties under the leadership of a steering group. These six groups are to study the following topics with the aim of identifying the options for a future approach. The Commission does not envisage coming up with specific Commission Directives in June. Its intention is to put forward a number of options so as to stimulate debate with the Parliament, with people professionally involved and with all interested persons so that at the end of the year conclusions can be drawn which can then serve as a basis for planning the following year's policies. That is what is

Andriessen

envisaged and, by the end of the first six months an option paper will be tabled as a basis for discussion.

The six working parties cover the following areas. 1. New, non-alimentary applications for agricultural products, e.g. ethanol; 2. Alternative crops for land becoming available through the abandonment of surplus production, i.e. production reorientation; 3. Future prospects for cereal production — cereals are increasingly assuming a key role in our policy; 4. The role of agriculture in the environment and, particularly, environmental protection; 5. Trade policy; 6. The issue I have referred to under the heading of 'agriculture in society', a topic that includes the problem of incomes and possible incomes supplements, together with more general issues. I am quite prepared to include in these deliberations — because it is not my decision — the 1981 amendment mentioned by Mrs Castle during the debate. What I do hope is that the business world will also be prepared to accept its

responsibilities, since government authorities alone cannot determine what has to be done.

I have one final comment to make, Mr President. The Chairman of the Agriculture Committee said that Andriessen's 'Unfinished Symphony' was slowly developing into a more complete piece of music. May I say that I in fact view my work as a concerto for three violins — Parliament, the Council and the Commission — and let us hope that we can tackle agricultural issues in harmony as befits public institutions.

(Applause)

President. — The debate is closed. The vote will be taken at 3 p.m. tomorrow.

(The sitting was closed at 7.30 p.m.)¹.

¹ *Agenda for next sitting: see Minutes.*

ANNEX

I. *Questions to the Commission**Question No 4, by Mr Barrett (H-364/84)*

Subject: Shannon study

In view of the importance of the Shannon Estuary to the economic and social welfare of the West of Ireland and the stated purpose of the ERDF which is to contribute to the correction of the principal regional imbalances within the Community through participation in the development and structural adjustment of regions whose development is lagging behind, will the Commission indicate whether or not it would be prepared to fund a study into the infrastructural problems of this region?

Answer

The Commission is quite prepared to consider jointly with the Irish authorities any proposals to study the infrastructural problems of the Shannon Estuary.

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Question No 8, by Mr Andrews (H-387/84)

Subject: Food assistance to hunger-stricken countries

Could the Commission tell us why, considering that some of its food productions are in excess, it does not increase its food assistance in favour of populations suffering from starvation?

Answer

Each year the Community may implement food aid projects within the limit of the appropriations set aside for such projects in the budget. In 1984, it was possible with the appropriations available to earmark approximately 1 127 663 tonnes of cereals, 122 500 tonnes of milk and 32 760 tonnes of butteroil as food aid, together with various quantities of sugar, vegetable oil and other products.

The Community may not use its food surpluses to provide food aid unless budget appropriations are voted for that purpose.

However, in view of the exceptional extent of the famine in Africa, the European Council decided at its meeting in Dublin of 4 December 1984 that 1.2 million tonnes of cereals should be earmarked by the Community and the Member States for the countries most severely affected by the drought; this represents a substantial increase in the Community's and the Member States' food aid contribution to the countries concerned.

To enable this particular project to be implemented, additional appropriations had therefore to be found and were made available by means of a transfer approved by the Council on 18 December after consulting the European Parliament on 12 December 1984.

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Question No 26, by Ms Tongue (H-260/84)

Subject: Child care provision in the European Community

Given that equal treatment for male and female workers constitutes one of the objectives of the Community, is the Commission aware of the inequality suffered by women seeking access to the labour market because they do not have equal access to adequate child care provision in all EEC countries?

Convinced that public provision of child care facilities for the under fives is necessary to guarantee real equality for women, will the Commission undertake to draw up proposals for a framework directive calling on Member States to acknowledge their responsibilities in this field and to make the necessary provisions?

Answer

The Commission is aware that adequate child care facilities are of vital importance for promoting equal opportunities for women in working life.

In action 15 of the action programme on the promotion of equal opportunities for women 1982-1985, the Commission set itself the following target: 'to enable both men and women to find fulfilment in and combine satisfactorily their career, their family and their social life'. In this connection the Commission undertook to monitor trends in the area of public services and facilities for the care of children, with a view to drawing up guidelines at Community level.

A study has been commissioned on this subject and the report forwarded to Parliament. On the basis of the conclusions reached in the study, a high-level seminar will be held at the end of March, organized jointly by the Commission and the Italian Presidency and with the participation of Ministers and senior civil servants from the relevant ministries, representatives of the European Parliament, both sides of industry, equal opportunities commissions or organizations and experts. This seminar will provide an opportunity to discuss ways of encouraging the provision of child care facilities.

The problem has also been raised at Council level. The resolution on measures to combat unemployment among women of June 1984 and the recommendation on the promotion of positive action for women of December 1984 both emphasize the importance of supporting measures, particularly in terms of social services and means of ensuring a fairer sharing of responsibilities. Child care facilities are seen as a vital element of such supporting measures.

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Question No 27, by Mr Marshall (H-267/84)

Subject: VAT on food

Would the Commission please confirm that it has no plans to ask the UK Government to impose VAT on feed?

Answer

The Commission has no such plans.

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Question No 29, by Mr Van Hemeldonck (H-501/84)¹

Subject: The status of conscientious objector

On 7 February 1983 the European Parliament² adopted a resolution on conscientious objection, on the basis of the report drawn up by Mrs Macciocchi.³

Can the Commission indicate what action it has taken on that report?

What progress has been made in implementing its provisions in the various Member States?

Is the Commission aware of the recent adverse developments in this area in Belgium, Germany and France?

Answer

The Commission has already stated its views on conscientious objection in the answer to written question 1354/83, which was also put by the honourable Member, by stating that this matter lies outside the Community's field of competence.

One of the things the Commission pointed out on that occasion was that problems connected with conscientious objection to military service were being studied by the responsible bodies in the Council of Europe, in whose work the Commission participates as an observer.

Since then the Steering Committee for Human Rights has drawn up a draft recommendation which has been submitted to the responsible bodies of the Council of Europe for their opinion.

As regards the recent developments in Belgium, Germany and France, the Commission does not possess any information, since this is an area which lies outside the Community's field of responsibility.

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Question No 32, by Mr von Wogau (H-496/84)

Subject: German regulations governing the issue of a German driving licence to citizens of Community Member States

Under paragraph 15 of the German Road Traffic Regulations as amended on 23 November 1982, (Federal Law Gazette I, p. 1533), a citizen of a Member State of the Community can 'exchange' his driving licence from a different Member State for a German driving licence if he has taken up residence in the Federal Republic of Germany and no more than 12 months have elapsed since he took up residence.

The holder of a driving licence from the German Democratic Republic on the other hand may do so at any time, i.e. without observing a one year deadline (paragraph 14a of the Road Traffic Regulations).

Once the year has elapsed, irrespective of any previous driving experience and irrespective of the fact that he has acquired over a year's experience driving in West Germany, the Community citizen has to retake the driving test to acquire a German driving licence which involves considerable expense.

¹ Former oral question without debate (0-65/84) converted into a question for Question Time.

² Verbatim report of proceedings, 10 October 1984, p. 142.

³ OJ, C 68/1983.

I would therefore ask the Commission:

Does the Commission regard the one year deadline in paragraph 15 of the Road Traffic Regulations to the detriment of Community citizens as compatible with the EEC Treaty, and would it not be appropriate to extend the provisions for citizens of the German Democratic Republic in paragraph 14a of the Road Traffic Regulations to Community citizens?

Answer

Art. 15 of the German regulation on road traffic (Sf. VZO),¹ which provides for the exchange of driving licences issued in other Member States against a German licence where the holder has become resident in the Federal Republic for less than one year, is in line with the provisions of Article 8 of Council Directive 80/1263/EEC on the introduction of a Community driving licence.² The Commission is of the opinion, however, that the latter article does not prevent an exchange being made after expiry of the one year period, if there are good reasons for doing so and if this is in the interest of the applicant.

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*Question No 33 by Mr Mattina (H-709/84)*³

Subject: The critical situation in the Third World

- A. Noting that, as a result of Community policy on milk production, Italy has decided to slaughter more than 70 000 dairy cows;
- B. whereas this constitutes an intolerable destruction of resources given that in many Third World countries food products are in very short supply;
- C. considering that 70 000 dairy cows could be put to better use by increasing the livestock resources of poor countries;

Does the Commission not think it would be a good idea for the animals in question, which are not suffering from diseases and could still be productive, to be saved from death and sent to Third World countries where they can be of further uses?

If so, will it act accordingly?

Answer

No special programme for the slaughtering of milk cows has been introduced in Italy. The normal culling of dairy herds however involves the replacement of 20-25% of cows per year.

To transport live cows to developing countries rather than to slaughter them would not only be very costly but the cows would be hardly likely to adjust to the totally different climatic and other conditions in such countries. It therefore would not be responsible to allocate limited funds to such a project. The funds available should be used in other ways, e.g. by promoting programmes for the improvement and extension of indigenous stocks.

The Community, through its European Development Fund, does in fact finance stock improvement programmes in numerous ACP countries and in addition assists similar programmes in certain other developing countries.

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¹ Regulation dated 23. 11. 1982 (BG B1.I, p. 1533).

² 4 December 1980.

³ Former oral question without debate (0-93/84), converted into a question for Question Time.

Question No 36, by Mr McMahon (H-600/84)

Subject: Iron and steel employees: ECSC Readaptation Benefit

Can the Commission spell out in detail the regulations for payment of benefits to certain steel workers who lose their jobs as a result of capacity reductions in the iron and steel industry; in particular, BSC wish to close the Glengarnock Works and transfer the work to Shelton. The product at Glengarnock is universal flats and TH arches. If BSC transfer production to another mill and do not cut back on production of TH arches and universal flats; will the workforce at the Glengarnock Works still be entitled to assistance for retraining under the ECSC scheme?

Answer

Under Article 56(2)(b) of the ECSC Treaty, readaptation benefit is granted to workers in the coal and steel industry who have been made redundant, the detailed arrangements being determined by bilateral agreements with the various Member States.

The rules are fairly complex but are generally available in published form, as is the case for those applying to the steel sector in the United Kingdom. It should be pointed out, however, that the Commission can intervene only at the request of a Member State.

In the specific case of the Glengarnock works, the Commission can only give a provisional answer since the British Government has not yet submitted any application for aid and the Commission is not in possession of all the facts it requires to assess definitively whether the workers concerned would be entitled to benefit.

If, as the honourable Member indicates, the Glengarnock works is being closed down but the company's overall output is being maintained at its original level, this would constitute a transfer and concentration of production, resulting in a permanent loss of jobs. A closure on this basis would constitute a restructuring measure in line with the General Objectives for Steel.

The Commission would therefore be able to contribute, as it has done in all similar cases in the past, towards the cost of measures to benefit the workers concerned — including retraining costs — provided that the necessary application were submitted by the British Government.

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Question No 37, by Mr Deprez (H-608/84)

Subject: Second European programme to combat poverty

Despite weaknesses and gaps, the first programme (1975-1980) created hopes that resources could be amassed, combined or boosted at European level to support or direct measures and policies to combat poverty in the Member States.

Unfortunately, the limited resources available (44 million ECU over five years) restricted the scope of the measures and projects undertaken.

With the second programme the Commission considered that the sum of 35 million ECU over five years (i.e. an average of 7 million ECU per annum) was a minimum for carrying out a programme with even a little impact. On 13 December 1984 the Council of Ministers of Employment and Social Affairs adopted the second programme to combat poverty but restricted it to 25 million ECU over four years (or 6.25 million ECU per annum), i.e. 10 million ECU less than the Commission's proposal and 19 million ECU less than the first programme.

What will the Commission be able to do with such a restricted sum at a time when there is a substantial increase in poverty throughout the European Community?

Answer

1. The total Community expenditure on the first programme to combat poverty was in effect just under 20 million ECU over the period 1975-1980.
2. Article 2 of the 19 December 1984 Council Decision on specific action to combat poverty in the Community does in fact estimate that the funds 'necessary to implement the measures proposed by the Commission in its Document COM(84) 379 final of 18 July 1984, amount to 25 million ECU for four years (1985-1988)'. This compares with the Commission's proposed expenditure of 35 million ECU for five years (1985-1989).
3. The Commission's stated objective of implementing a most rigorous programme of projects coordinated in a close-knit manner is unchanged but in the present circumstances all the elements (including the projects) of the programme will necessarily have to be pared down.

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Question No 39, by Mr Schmid (H-776/84)¹

Subject: Council Regulation (EEC) No 1890/84 introducing special measures of Community interest relating to energy strategy

Article 4(4) of Council Regulation (EEC) No 1890/84² introducing special measures of Community interest relating to energy strategy reads as follows: 'Community financial assistance shall be made only in respect of projects, schemes or measures initiated after 1 January 1983. No contribution shall be made in respect of projects or schemes completed before the entry into force of this Regulation.'

The Commission Decision of 17 October 1984 (84/511/EEC)³ approves nine projects in the Federal Republic of Germany. Which specific projects, schemes or measures initiated after 1 January 1983 are concerned?

Answer

Commission Decision 84/511/EEC of 17 October 1984 granted financial aid, for nine measures to be taken in the Federal Republic of Germany. All these measures consisted in activities or projects which were carried out after 1 January 1983 but were connected with current projects or programmes of Community interest. Thus the requirements of Article 4(4) of Council Regulation EEC/1890/84 have been satisfied.

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Question No 40, by Mr Griffiths (H-623/84)

Subject: Maritime transport

With whom did the Commission consult in the preparation of their draft paper entitled 'Progress towards a common transport policy — maritime transport'?

Answer

All the consultations on the memorandum during its preparation were informal, as they were on the previous policy papers. Discussions were held with, and comments received

¹ Former oral question without debate (0-112/84) converted into a question for Question Time.

² OJ, L 177, 4. 7. 1984, p. 7.

³ OJ, L 283, 27. 10. 1984, p. 50.

from individual shipowners, trade unionists, high officials of Member State governments, shippers and others in the maritime industry on the understanding that this would not preclude more formal (and even differing) comments when the Commission had formulated its views. In addition some of the matters covered in the memorandum, none of which is of course new, were the subject of specific consultations over the period during which it was written.

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Question No 43, by Mr Vandemeulebroucke (H-665/84)

Subject: Commission's attitude to the FIFA transfer system

A meeting was held in December between the Commission and FIFA representatives to discuss problems arising from the current transfer system and its incompatibility with the provisions of the Treaty of Rome governing the free movement of persons. Would the Commission indicate the outcome of the talks and its attitude to this issue?

Answer

At the meeting held in December 1984 between the Commission and FIFA representatives, the question of the current transfer system and its compatibility with the provisions of the Treaty of Rome was not on the agenda. The aim of the meeting was to seek progress towards the elimination from the Association's rules of nationality clauses limiting the numbers of Community players in each playing division.

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Question No 44, by Mr Pearce (H-679/84)

Subject: Use of animals for research and training purposes

What steps has the Commission taken to bring about in the Community a general code of practice on the extent and the nature of the use of animals for research and training purposes?

Answer

- (a) Even though I have only recently taken up responsibility for new matters in the Commission, I have already been struck by the great interest in this sector, in particular that of the Parliament.
- (b) We have already promised to consider what initiatives the Commission can take.
- (c) You will know that we think it important for the Community to take into account the work of the Council of Europe in this field. Accordingly we have already made proposals to enable the Community as such to participate in the International Convention which has been drafted.
- (d) I recognize that there may be the need for other Community measures in order to ensure progress. This concerns the possible need for:
 - (i) Community measures of application and legislation;
 - (ii) the research into alternative methods not using live animals;
 - (iii) the coordination of data systems to avoid duplication;

(iv) and the role that codes of practice may have.

(e) At present we are studying the priorities for work in respect of animal protection in relation to the resources we have available. We shall then be able to decide the best course of action.

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Question No 45, by Mrs Crawley (H-695/84)

Subject: Second EEC anti-poverty programme

Following the approval by the Council of Social Ministers last December of the second EEC anti-poverty programme, due to begin this year, will the Commission state when it will be requesting tenders for the 'action-research' projects which make up the main part of the programme, and when the common criteria for selection of these projects will be made public? In particular, will the Commission state what directions will be or have been given to Member States to ensure a fair and open bidding process from interested groups to establish the credibility of the programme amongst disadvantaged groups in the EEC; furthermore, what measures will it be taking to advertise this programme throughout the Community?

Answer

Article 3(1) of Council Decision 85/8/EEC of 19 December 1984 on specific Community action to combat poverty stipulates that:

'Applications for Community financial assistance shall be approved and forwarded to the Commission by the Member State or States on whose territory the projects are to be carried out.'

This implies that the responsibility for advertising the programme nationally and calling for tenders for action-research projects rests with national authorities which have undertaken to forward those approved to the Commission by 31 May 1985.

Article 1(a) of the same Decision stipulates that the Commission may promote or provide financial assistance for various types of action-research measures:

Third indent: 'of particular interest to the Community in that they are addressed to problems common to several Member States'.

The framework for the 'problems common to several Member States' has been defined in COM 681 (84) of 26 November 1984. Entitled 'Specific areas of particular sub-themes for a second specific Community action to combat poverty', this document gives the list of priority themes and sub-themes to be tackled by projects to qualify for Community financial assistance under the anti-poverty programme (1985-1988).

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Question No 46, by Mrs Dury (H-699/84)

Subject: New pesticides

The Belgian press recently reported on the mysterious cases of neurological illnesses at Fernelmont in Belgium.

Investigations have revealed that land near Fernelmont has been used for experiments involving phytopharmaceutical products under development in the United States, prior to marketing, though no causal connection has been established.

What legislative steps has the Commission taken to prevent Europe from becoming a test bed for new pesticides prior to marketing in the United States? How does it supervise this type of activity?

Answer

The Commission is aware of the pesticide testing facilities which exist at Fernelmont in Belgium.

There are no Community provisions at present in respect of controls on field testing of pesticides prior to their commercialization. Member States are responsible for controlling the extent and scope of such testing. Therefore, concerning the case in question, it is the Belgian authorities which are responsible for laying down the regulations under which pesticides may be tested.

Whilst the Community has no existing provisions controlling the pre-commercialization testing of pesticides, it should be noted, that it is the Commission's intention to consider making such a proposal to the Council following adoption of the proposal concerning the placing of EEC-accepted plant protection products on the market.¹ This proposal is still under examination in the Council, and envisages *inter alia*, laying down the necessary field testing requirements for Community acceptance of pesticides used as plant protection products. It is only after the adoption of this proposal, which has been under examination in the Council for eight years, that the question of Community harmonization of controls on the pre-commercialization field testing of pesticides will arise.

In its resolution of 10 May 1984, establishing a programme of work in the field of the harmonization of veterinary, plant health and animal feedingstuffs legislation,² the Council adopted a timetable which envisages, *inter alia*, adoption of the EEC-acceptance proposal by 1 January 1986.

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Question No 47, by Mr Collins (H-702/84)

Subject: Soil pollution

Will the Commission say what work is being carried out in the Community on soil pollution, soil erosion and soil conservation? How is this work funded, and is there any indication that some Member States are withdrawing resources from such work in spite of widespread concern about the interrelationship of agriculture and the environment?

Answer

The Commission has been mindful of the need to safeguard the natural environment and, in particular, of the need to combat soil erosion ever since the first socio-structural measures were adopted within the framework of the common agricultural policy.³ In this regard, the Council has adopted a series of regulations relating specifically to certain agricultural areas in a number of Member States.⁴ The new regulations which are currently

¹ OJ C 212, 9. 9. 1976, p. 3.

² OJ C 134, 22. 5. 1984, p. 1.

³ Directive 72/159/EEC.
Directive 75/268/EEC.
Regulation 355/77/EEC.
Regulation 269/79/EEC.

⁴ Regulation 1820/80/EEC.
Regulation 1938/81/EEC.
Regulation 1939/81/EEC.
Regulation 1942/81/EEC.
Regulation 1975/82/EEC.

being drafted and which concern the integrated Mediterranean programmes, measures to improve the efficiency of agricultural structures and wine-growing in Greece will serve to complement the legislation already in force. Measures to protect the soil against chemical pollution are covered by directives on plant health products¹, a proposal for a directive and the use of sewage sludge in agriculture and proposals for directives on air pollution.

In addition, the European Community is coordinating important studies concerning soil pollution and soil conservation in the context of its environment research programme and agronomic research programme.

In the light of information available to the Commission, the problem of soil pollution and soil conservation is tending to become a matter of major concern in the Member States. However, in the present climate of budgetary austerity, it is at times difficult to find sufficient resources to finance the measures needed.

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Question No 48, by Mrs Castle (H-705/84)

Subject: VAT

Is the Commission aware that Britain has never levied a tax on books and that the last tax on newspapers and journals was abolished in 1855 on the grounds that knowledge should be made as widely available as possible and be as cheap as possible? Would it agree that VAT on newspapers, journals and books constitutes a tax on knowledge and culture, which is contrary to the principles of a civilized Community? When reviewing the Sixth Directive on the harmonization of the laws of the Member States relating to VAT, will it promote an amendment to make it clear that harmonization should exclude the essentials of life, of which the right to knowledge is one, and thus make an effective contribution to the creation of a people's Europe?

Answer

The Sixth VAT Directive which was adopted in 1977, provided that zero rates should only be allowed on a transitional basis until, at the latest, fiscal frontiers were abolished and then only if they were for clearly defined social reasons and were of benefit to the final consumer. The Commission have no plans to propose any amendment to this provision.

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Question No 50, by Mr McCartin (H-711/84)

Subject: Factory closure in Castlebar, Ireland

Is the Commission aware of the closure of Travenol Ltd and their factory at Castlebar, Ireland with the loss of 700 jobs?

Can the Commission state whether in fact the decision to close this factory whilst maintaining a factory producing identical products in France was influenced by the public procurement policies pursued by the French authorities?

¹ Directive 78/631/EEC.
Directive 79/117/EEC.

Answer

The Commission is aware of this proposed closure. The Commission has no information which would lead it to suppose that this is due to the factors referred to by the honourable Member.

The Commission understands that Travenol operates a number of plants and the company has itself announced a rationalization of its production facilities in order to face up to declining world demand coupled with increased Japanese competition. This plan includes the closure of the plant in Kansas City as well as the plant in Ireland and a restructuring of production into larger units.

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Question No 51, by Mr Wurtz (H-712/84)

Subject: Food aid and emergency aid to Nicaragua

The Nicaraguan Government recently requested food aid for 1985, as well as emergency aid, including deliveries of cereals and milk powder.

Has the Commission acceded to this request? If not, can it explain the reasons for its refusal and indicate whether it proposes to grant such aid to Nicaragua in the future? In addition, has it received requests for this type of aid from the NGOs?

Answer

It is true that the Nicaraguan Government recently addressed to the Commission a request for food aid for 1985. This request concerns the delivery of approximately 180 000 tonnes of food (cereals, red kidney beans, milk powder and vegetable oil). The Commission is in the process of examining the request, and it should be possible, while taking account of the various limitations affecting the food aid programme, to grant Nicaragua quantities equivalent to those which are traditionally supplied.

The honourable Member's attention is drawn to the fact that since 1979 Nicaragua has received food aid from the European Community for a total value of 47 million ECU (i.e. an annual average of approximately 8 million ECU or an average quantity of 50 000 tonnes grain equivalent).

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Question No 52, by Mr Marck (H-719/84)

Subject: Dumping prices for milk

A number of reports have indicated that various German distributors are selling large quantities of milk on the Belgian market at retail prices which are well below the cost price of the domestic products. When one learns that the price which these same distributors are paying for milk supplies in Germany is higher than the price paid to Belgian producers, one is entitled to ask the reason why. Is the Commission able to explain this phenomenon? Has it something to do with the refund on VAT to compensate for the dismantling of monetary compensatory amounts? Is any other form of subsidy involved?

Answer

1. According to the statistics available to the Commission, it is true that the quantities of drinking milk imported into Belgium from the Federal Republic of Germany increased from 8 500 tonnes in 1980 to 26 400 tonnes in 1983 (i.e. an increase of 17 900 tonnes).

But during the same period imports of drinking milk into the Federal Republic from Belgium increased from 45 200 tonnes in 1980 to 93 800 tonnes in 1983 (i.e. an increase of 48 600 tonnes).

2. The average unit value of the above quantities for 1983 is practically the same in both directions (0.32 to 0.33 ECU/kg).

3. Although it has no information on trade during recent months as regards prices, the Commission holds the view that the compensation granted in the Federal Republic for the reduction of monetary compensatory amounts in the form of a reduction in the rate of VAT ought not to affect export prices. In fact, when goods cross a frontier the VAT paid at the outset is refunded when the goods leave the Member State concerned and is charged at the rate applied in the importing Member State.

Furthermore, the Commission has no knowledge of any aid granted by the Federal Republic to promote such exports.

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Question No 54, by Mrs Hammerich (H-724/84)

Subject: Developments in the case involving Stanley Adams, Hoffmann La Roche and the Commission

Can the Commission give details of the latest developments in the case involving Stanley Adams, Hoffmann La Roche and the Commission?

Answer

The Commission assumes that the honourable Member refers to the actions which Mr Adams has taken against the Commission pursuant to Articles 173 and 215 of the EEC Treaty since there have been no recent cases involving Hoffmann-La Roche. However, since these matters are before the Court (Cases 145/83 and 53/84), and are therefore *sub judice*, the Commission cannot comment any further than to inform the honourable Member that the written pleadings have been completed in both cases, that a Hearing of Witnesses has been held in Case 145/83, and that the final Oral Hearing before the Court has not yet taken place in either Case.

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Question No 55, by Mr Seefeld (H-727/84)

Subject: Programme of action to promote the social and economic integration of disabled people¹

Can the Commission give details of the latest state of social and economic integration of disabled people at Community level, with particular reference to the standardization of the definition of the term 'disabled person' in all Member States, the introduction of a disabled person's pass valid in all Community countries, building regulations for residential and public premises that take account of the needs of disabled people, measures to integrate disabled persons in working life and greater access for disabled young people to vocational training?

¹ May 1982 — May 1987, adopted by the Council on 21. 12. 1981.

Question No 56, by Mr Peters (H-728/84)

Subject: Programme of action to promote the social and economic integration of disabled people¹

By the end of 1984 the Commission was supposed to have submitted a report on its activities relating to the implementation of the abovementioned action programme and on the latest state of progress with regard to measures at Community level.

Is this report by the Commission available in the official languages and, if not, why not? Has the Commission drawn up draft directives providing for the introduction of common criteria and standards governing the rights of disabled people in the Member States and of a workable quota system for the employment of disabled people in the Member States?

Joint answer

The Commission's action to promote the social integration of disabled people is in full operation, and all the activities intended are progressing well. A limiting factor however has been that for 1983, the intended first year of full operations, only half the credits needed for the programme were available. Inevitably, therefore, the programme got off to a slower start than planned and it is for this reason that I have decided to present the progress report on the programme in June of this year.

The Commission is currently completing the preparation of its first policy initiative within the programme and will submit a memorandum and draft recommendation to the Council on the employment of disabled people within the next two months. The aim is to establish common guidelines on all the key issues affecting employment, including vocational training and the impact of new technologies; the question of quotas will be fully treated.

The Commission is, moreover, well advanced in the preparation of its second policy initiative which will concern the environment of disabled people — that is the questions of housing, access and mobility. Very soon we shall start work on the third initiative which will cover social security and benefit systems. Other initiatives will follow, so that within a reasonable period Community guidelines will be established covering all the principal needs and rights of disabled people.

As to the level of social integration in the Member States, the story is one of generally encouraging developments which are now being checked or indeed reversed by financial constraints. Medical and technological advances have dramatically changed the opportunities for a full and independent life for disabled people, including many of the most severely disabled. There have been many improvements also in public and professional attitudes and in the realization by disabled people of their own potential. The battle now is to ensure that disabled people get at least a fair deal when job opportunities are shrinking and public services are being reduced. That is why the Commission is giving priority to the series of policy guidelines I have outlined; which are aimed to ensure that we persist in challenging the system and that disabled people are never forgotten.

These guidelines will of course cover most of the specific points in Mr Seefeld's question. Harmonization of definitions will develop gradually as an outcome of our initiative on social security, and of our action to develop a computerized information network on disability questions.

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Question No 57, by Mrs Cinciari Rodano (H-735/84)

Subject: Fight against tuberculosis in Vietnam

Has the project submitted by TROCAIRE on behalf of CISDE (International Cooperation for Development and Solidarity) to combat tuberculosis in the Pham Ngoc Ehang

¹ May 1982 — May 1987, adopted by the Council on 21. 12. 1981.

Hospital in Ho Chi Minh City (Vietnam) been financed in accordance with the European Parliament's resolution of 17 February 1984 on the granting of humanitarian aid to Vietnam and, if not, what are the reasons for refusing to do so?

Answer

It is several years since the Community stopped giving development aid to Vietnam.

Since then the Commission has stated on several occasions that it was not prepared to consider a resumption of such aid unless there were some signs of a positive trend in the region.

On 15 and 16 November 1984, at the ASEAN-EEC ministerial meeting, the Foreign Ministers of the ASEAN countries and of the Community reaffirmed that Vietnam should not be given any aid likely to support or reinforce its occupation of Kampuchea.

The project for the construction of an extension to the Pham Ngol Trach Hospital in Ho Chi Minh City and the purchase of equipment do not in themselves constitute a humanitarian project but one of structural development which is not easily eligible as an exclusively humanitarian project.

As regards humanitarian aid proper, the Commission would remind the honourable Member that on 13 February 1985 it dealt favourably with the request from UNICEF to supply 300 tonnes of skimmed milk and 100 tonnes of dried fish to be distributed to mothers and young children who were victims of the recent typhoon Agnes.

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Question No 58, by Mr Filinis (H-737/84)

Subject: Disbursements from the European Social Fund

Although Greece has been classified as a priority area eligible for the highest amount of Social Fund intervention, it emerges from statistical data published in 'Agence Europe', an authoritative bulletin of information on the Community, and in the explanatory statement of the RAGGIO report that in 1984 Greece received only 5.1% of the ESF's total budget, which is an extremely small amount in comparison with the ESF grants to the other Member States, considerably lower than the percentage Greece received in 1983 (6.4%) and not at all commensurate with the country's structural problems.

What, in the Commission's view, is the reason for this retrogression in ESF disbursements and what measures does it intend to take on Greece's behalf to remedy this situation?

Answer

The Social Fund does not operate on a quota basis but rather through the selection of applications based on eligibility criteria defined in the guidelines on the management of the Fund. Therefore the amount of assistance received by individual Member States can vary from year to year.

The amount of Social Fund assistance to Greece increased from 3 557 million ECU in 1981 to 13 406 million ECU in 1983. It should be noted that in 1983 — before the reform of the rules on the operation of the Social Fund — Greece benefited from multiannual approval, part of which covered operations to be carried out in 1984. Furthermore the Commission has recognized the particular problems of Greece in relation to a lack of basic training infrastructure in the framework of the Greek Memorandum through its five year programme to assist the Greek authorities in the construction and equipment of training centres in urban areas. The reduction in assistance in 1984 as compared with 1983 can be explained by the relatively high number of non-admissible and non-eligible applica-

tions submitted in 1984. Although this situation is unlikely to be repeated in 1985, the Commission departments are available to the Greek authorities for consultation prior to the introduction of applications for assistance.

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Question No 59, by Mr Hoon (H-745/84)

Subject: Operation Flood

Given that 'Operation Flood is regarded by the European Commission as a prime example of how food aid can be used to promote long-term rural development', and that it provides help to 10 million families in India through the provision of Community skimmed-milk powder and butteroil, does the Commission intend to continue with this valuable programme on the same scale?

Answer

The 'Flood II' operation, whose purpose was to provide milk products, was jointly financed by the World Bank (via an IDA loan) and the European Community.

Started in 1978, it was planned that the operation should be for a period of seven years, i.e. that it should be continued up to the end of 1985.

The objectives fixed at the outset are currently being attained:

- the operation has been extended to 23 of the 26 states of the Indian Union and has assisted 29 219 cooperatives comprising 3 172 000 stock farmers;
- national milk production rose from 28.3 million tonnes per annum in 1977/78 to 36.3 million tonnes per annum in 1983/84;
- the incomes of farmers and their living conditions in the villages have improved, and urban consumers have benefited from a more regular availability of supplies and from a marked improvement in the quality of products.

The Commission is therefore convinced that there is much to be gained from providing food aid with a view to encouraging the economic and social development of the poor countries.

It purposes to undertake during the current year an exhaustive appraisal of the results obtained and to consider the scope for extending this kind of aid operation both in India and in other countries where the conditions are conducive to success.

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Question No 60, by Mr Schinzel (H-747/84)

Subject: The Euro-Arab dialogue

What is the Commission's assessment of the current situation in the Euro-Arab dialogue? Is it planning to step up the dialogue and if so, what initiatives has it considered?

Answer

Since it began in 1974, the Euro-Arab dialogue has been faced with the differences in stress placed by the two parties on its different facets, political on the one hand, economic

and technical on the other. This fact has had a lasting effect on the development of the dialogue and explains its successive stops and starts. However, it was given new impetus by the Euro-Arab political meeting (Troïka) which took place in Luxembourg in 1980 and which has led, among other things, to the following:

- an extension of the work of most of the working committees and specialized groups;
- the fifth meeting of the General Committee held in Athens in 1983.

This meeting did not succeed on agreeing on a joint final communiqué owing to differences of opinion on the content of the political facet. However, the two parties considered that the conclusions arrived at concerning the economic and technical facet represented a definite convergence of opinion and provided a basis of reference for further work in this field.

Since the end of last year two Euro-Arab meetings (Troïkas) have resulted in progress in the preparation of a sixth meeting of the General Committee. It should be stressed that the Commission has already begun the preparatory work for the economic and technical facet within the appropriate Community bodies.

Since the dialogue is by definition two-sided and in view of its organization and procedures, any intensification of work requires, on the one hand, an approach which is coordinated between the Member States and the Commission and, on the other hand, a similar determination on the Arab side. The Commission takes an active part both in all the preparatory work of the General Committee and in the activities of the working committees.

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Question No 61, by Mr Ephremidis (H-751/84)

Subject: Conditions governing the sale of motor vehicles in Greece

The automobile industry is in severe crisis in Greece — where its level of development does not of course compare with the level in most of the Member States — with successive closures of companies or the conversion of production (assembly) plants into commercial enterprises.

Would the Commission state whether and, if so, how it has intervened in order to put an end to the favourable credit terms under which motor vehicles assembled (or produced) in Greece are sold in comparison with imported vehicles, in view of the fact that this will create additional problems in Greece in this sector in which a large number of workers have already been made redundant?

Answer

It is true that the Commission has initiated infringement proceedings against Greece.

However the proceedings are in no way an attack on hire-purchase sales of cars.

The proceedings apply only to a discriminatory aspect of the arrangements in question: the advantages are restricted to national products, while hire-purchase sales of imported cars are prohibited.

During the proceedings before the Court of Justice, the Greek authorities submitted the text of a new provision on the subject, which indicates that the arrangements forming the subject of these proceedings will be in force until the end of February 1985.

This was confirmed in discussions between the Commission and the Greek authorities during a meeting in Athens on 4 and 5 March. The Commission understands that as of 1 March 1985 credit arrangements will be extended to imported cars.

The Commission is at present examining the new arrangements to determine how far they are compatible with Community law. If these arrangements are compatible with Community law, the Commission will withdraw its action before the Court.

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Question No 62, by Mr Adamou (H-752/84)

Subject: Subsidies and imports of fertilizers into Greece

The proposed total abolition of subsidies on fertilizers will raise the price of fertilizers by at least 100% and will adversely affect agricultural income by increasing production costs for agricultural produce. Moreover, liberalizing imports will severely affect the domestic fertilizer industry and the workers employed in it.

In view of all the detrimental effects on the Greek economy and to Greek workers which abolition of fertilizer subsidies and the liberalization of fertilizer imports will entail, does the Commission intend taking steps to prolong the system of national subsidies and to maintain the restrictions on imports of chemical fertilizers?

Answer

1. Council Regulation (EEC) No 37/81,¹ which is based on Article 69 of the Act of Accession of Greece to the European Communities, provides for the progressive reduction by 20% each year, over a period of five years, of the original amount of aid given for the supply of fertilizers to producers at less than cost price.

In fact, national aids to means of production, such as the supply of fertilizers to farmers at less than cost price, are considered to be incompatible with the provisions of Community law. However, Greece has not met its obligations.

2. The Commission, informed by the Greek Government, is well aware of the difficulties which the latter encounters in the application of Regulation No 37/81.

The Commission is at present considering whether an authorization of a particular measure by the Council, on the basis of Article 42 of the EEC Treaty, would constitute an appropriate solution to the problem.

Such an authorization would allow Greece to grant another national aid for a more effective and rational use of fertilizers within the framework of a specific programme for structural development in this sector, which will have to be discussed jointly by the Commission and the Greek Government.

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Question No 63, by Dame Shelagh Roberts (H-753/84)

Subject: Status of 'au pairs'

Has the Commission taken any action to improve and protect the status of 'au pairs' within the Community following the resolution of the European Parliament passed in 1983?

¹ Council Regulation (EEC) No 37/81 determining certain national aid measures which Greece is authorized to maintain on a transitional basis in the field of agriculture (OJ L 3, 1. 1. 1981, p. 1).

Answer

The Commission has taken note of the Resolution of the European Parliament and felt that the European Agreement on au-pair placement sponsored by the Council of Europe provided a suitable instrument to counter most of the problems linked with au-pair placement.

To this end, the Commission, on 20 November 1984, recommended that the Member States should sign and ratify the Agreement of the Council of Europe.

Member States will inform the Commission on the follow-up to this recommendation. At that time, after careful examination of the various national reports, the Commission will decide whether the need arises for introducing, at EEC level only, new provisions to improve and protect persons placed au-pair.

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Question No 64, by Mr Sherlock (H-755/84)

Subject: Hormones

Will the Commission please indicate what action it proposes to take in regard to the French Government's introduction of the three new hormonal substances as growth promotants in cattle raising, contrary to Directive 81/602/EEC¹ Since the French action prejudices both Parliament's opinion and the Council's decision on the Commission's current proposals on hormonal substance (COM(84) 295 final), as well as the Commission's own *ad hoc* committee of scientific experts, will legal measures be taken?

Answer

(a) The Commission follows closely the way in which the Member States fulfil their obligations, in respect of the application of the Council directive of 1981, prohibiting the use of certain hormonal substances and thyrostatic substances.

(b) We have studied the new laws recently introduced by the French Government. I regret to say that they do not appear to be in accordance with Community rules.

(c) The Commission will use procedures laid down by the Treaty to ensure the respect of Community law.

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Question No 65, by Mr Croux (H-756/84)

Subject: Statute for Members of the European Parliament

On 13 February 1985, in its answer to an oral question by Mr Van Miert, the Council stated that in November 1983 it had consulted the Commission on the proposal submitted by Parliament's enlarged Bureau on 29 September 1983 and that it was still awaiting the Commission's reply. Without wishing to go into detail, i.e. into the substance of the enlarged Bureau's proposal, I should like to put the following question to the Commission on the procedure for drawing up a uniform statute for Members of the European Parliament.

¹ OJ L 222, 7. 8. 1981, p. 32.

Why has the Commission not yet informed the Council of its opinion on this proposal, does it consider that it is obliged to deliver such an opinion and, if so, on the basis of which provisions of the Treaties or other Acts?

Answer

On 11 October 1983 the President of Parliament forwarded to the Council a resolution on the Statute for its Members, made up of one part dealing with their remuneration and social benefits and another part dealing with the adjustment of the Protocol on the Privileges and Immunities of 8 April 1965. Since it had no right of initiative regarding the 'Privileges' section, the Parliament asked the Commission in November 1983 to submit a draft to the Council. A draft was drawn up by the Commission and forwarded to the Council on 12 December 1984.

Once this part of the work was finished, the Commission was able to give its attention to the draft Statute on which it must give an opinion (pursuant to Article 13 of the Act on the election of the Members of the European Parliament by direct universal suffrage).

The Commission expects to present its opinion in April 1985. (Mr Delors has just replied to this effect to a letter from Mr Pflimlin of 18 December 1984.)

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Question No 67, by Mr Newton Dunn (H-781/84)

Subject: Commission Memorandum on Maritime Transport

When will the Commission formally issue the Memorandum on Maritime Transport understood to have been approved by the Commission in December 1984, informal copies of which have been circulated to all interested bodies, except the European Parliament?

Answer

The amendments to the Memorandum on Maritime Transport as approved by the old Commission were approved by the new Commission on Wednesday 6 March. The Memorandum will soon be officially transmitted to the Community institutions, including the Parliament, in the normal fashion.

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Question No 69, by Mr Di Bartolomei (H-785/84)

Subject: Transmission of broadcasts by the RAI

Beginning in June 1984, it was possible in certain areas of Belgium and Luxembourg — in the areas around Liège, Charleroi and Gent — to receive the RAI first channel. The explanation is that certain private television companies were able to pick up RAI broadcasts transmitted via the ECS 1 satellite which is also used by francophone television for channel 5 broadcasts. Consequently, these television companies, equipped to receive channel 5, were able to retransmit Italian programmes, giving great enjoyment to people of Italian origin who, up till that time, had no access to information, cultural or entertainment sources from Italy. Does not the Commission consider that the Community should use its good offices to encourage the resumption of the broadcasts in question, in view of its institutional duty to promote closer relations between the States and peoples that comprise it?

Answer

1. The Commission agrees Community citizens should have access to programmes broadcast from all Member States.
2. Shortly after the Belgian PTT decided to prohibit Belgian cable distributors from receiving and relaying the RAI programme through their cable networks, my colleague Carlo Rima di Meana addressed a message to the relevant Belgian and Italian authorities calling upon them to resolve this matter in a constructive manner.
3. In the meanwhile negotiations have been taking place involving the Belgian and Italian PTT (Post, Telephone and Telegraph Services) the French and Flemish speaking communities, cable operators, the RAI and the competent authorities. I understand that the problems that led to the interruption of the relay of RAI programmes to Liège, Gent and Charleroi have now been resolved. As a result the Belgian PTT issued licences for the distribution of RAI programmes on these three networks last Friday. Applications for other networks are to be considered on a case by case basis. The Commission will be following further developments.

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Question No 70, by Mr Selva (H-792/84)

Subject: Economic relations with Malta

Does the Commission not think that economic cooperation relations with Malta should be reviewed or even suspended since the Maltese authorities have for the umpteenth time violated the freedom and right of expression? Massimo Gorla, President of the European Young Christian Democrats, was in fact arrested and sentenced on 24 February merely because he had taken part in a meeting of the opposition.

Answer

Since it has no information about the problem referred to in the honourable Member's question, the Commission is unable to pronounce on the matter.

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Question No 71, by Mr Zahorka (H-795/84)

Subject: Further development of the cooperation agreement with the ASEAN states

What alterations or additions to the cooperation agreement with the ASEAN states does the Commission now think are possible and should be sought, and will it be possible in the near future to extend the agreement to include a cultural dimension?

Answer

The first period of application of the cooperation agreement between the Community and the ASEAN, concluded in March 1980, is due to expire in October of this year.

During the fifth meeting of the Foreign Ministers of the Community and of the ASEAN States held in Dublin in November 1984, the two parties agreed to extend the agreement beyond October 1985. They also gave a commitment to improve the implementation of the agreement and to study new priorities and approaches with a view to achieving even closer cooperation. To this end an extraordinary meeting of Community and ASEAN

ministers will be held in Bangkok in October 1985 and will be devoted to economic affairs.

The Community and the Member States have begun preparations for the ministerial meeting in October. As a preliminary comment, it can be stated that the Community will make every effort to propose projects seeking to bring about greater involvement of Community industry in the ASEAN region, particularly as regards investment. Another sector in which the Community will have to display imagination and make repeated efforts is that of training. The objective will be to increase all types of training facilities for nationals of the ASEAN countries so as to achieve a level comparable to that of our main competitors in the region, namely the United States and Japan.

Except for activities in the training sector, it does not at present look as if there will be much scope for extending cooperation to the cultural sector proper.

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Question No 72, by Mrs Nielsen (H-799/84)

Subject: Funding of a Centre for Small and Medium-Sized Companies for the functioning of a liaison centre

According to certain sources, the Commission has directed the funds allocated in the 1984 budget for the setting up of a Centre for Small and Medium-Sized Companies, which so far has only been agreed in principle, with no definite decision on the exact means by which it is to be effected, to the functioning of a SMC liaison office based in Brussels. Can the Commission confirm the accuracy of these assertions, in which case can it specify the nature of the expenditure undertaken and the identity of the office benefiting from it, and its type of activities and can the Commission also confirm that it has not allocated funds from the 1985 budget to ensure the functioning of this office?

Answer

Aware of the important role played by small and medium-sized businesses in the economic life of the Community, the European Parliament drew attention, as long ago as 1979, to the need for a European centre for small and medium-sized businesses, which was conceived as an interface for contacts between such businesses and Community bodies. This demand was reinforced in the Parliament Resolution of 19 February 1982, at the celebration to mark the start of the 'Year of the craft industry and small and medium-sized enterprises' in 1983, and lastly in the Parliament resolution of 24 May 1984.

For its part, the Commission has endeavoured to bring closer together the views of the various organizations representing the craft industry and small and medium-sized businesses so that agreement can be reached on the tasks and the structure of a centre for small and medium-sized businesses.

On 23 March, at the Commission's initiative, talks were held between all the organizations representing small and medium-sized businesses in the Community. These organizations expressed widely differing views.

A working party was set up, but the organizations concerned gave a very cool response to the idea of a Centre.

At the end of October 1984 some organizations proposed that an SMB contact group be set up; the Commission endeavoured once again to arrive at a consensus on setting up such a very basic body.

During the talks it turned out that only a few organizations were prepared to form a contact group open to all organizations representing small and medium-sized businesses.

In the circumstances, on 31 December 1984 the Commission committed 100 000 ECU to help those organizations which had succeeded in forming a contact group. If they had not done so, the corresponding appropriations entered under Item 7777 of the draft budget would have lapsed. The following four organizations participate in this contact group, which decided to call itself the 'European Group of Small and Medium-Sized Businesses':

- EUROPMI European Committee for Small and Medium-Sized Industrial Enterprises
- EMSU European Medium and Small Business Union
- AECM European Small and Medium-Sized Business Association
- CCADD General Committee of Agricultural Cooperatives of the European Communities.

The Commission is encouraging the other organizations which represent small and medium-sized businesses at European level to join this group, which has chosen Brussels as its headquarters.

The 100 000 ECU allocated to the 'European Group of Small and Medium-Sized Businesses' is intended to help it to start up and to cover initial administrative costs. The organizations concerned are to increase their financial contribution in the future. For 1985 the Commission has not yet taken a decision on the use of the 100 000 ECU entered under Item 7777, since the draft budget for 1985 has not yet been finally adopted.

The Commission will check that the aims of the Group are in line with the agreement concluded with the participants, involving the following:

- an information and research data base is to be set up and is to be accessible to all small and medium-sized businesses;
- cooperation between the participating businesses in all fundamental areas which may be of interest to the craft industry and small and medium-sized businesses;
- coordination of the approaches of all the participant organizations in all the fundamental areas which may be of interest to the craft industry and small and medium-sized businesses;
- assessment of the European programmes to aid small and medium-sized businesses;
- proposals are to be drawn up for Community-wide projects to aid small and medium-sized businesses.

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Question No 73, by Mrs Boserup (H-800/84)

Subject: Commission as sponsor of a European sailing race

On 18/19 February 1985 the press agency Agence Europe announced that the Commission had decided to sponsor 'The European Sailing Race' to the tune of 44 000 ECU, more than Dkr 350 000. In return for this gift, the organizers have to comply with the following conditions: they must promote the Community's image by using the Commission's emblem on sails and in advertisements. Knowledge of the European idea (whatever that is) must also be spread through competitions.

Which budget item is to be used for this sailing race and is the amount the Commission is to spend in this way 44 000 ECU or is it also going to contribute to the 450 000 ECU to be provided by public funds? Lastly, does the Commission also intend to sponsor holiday events for poor hill farmers and the unemployed and if so, will it refrain from insisting that they go around with the Commission's emblem on their clothes?

Answer

On 13 February in Strasbourg the Commission made public its decision to sponsor the 'European Sailing Race' and to grant a subsidy of 44 000 ECU. The agreement between the organizers and the Commission was signed on 18 February and the conditions applying to the race were presented to the press on 25 February in Brussels.

A information memo was issued at the time under reference No IP(85)44.

The Commission's financial contribution is entered in the general budget of the Commission under Item 2720, 'Expenditure on information, publicity and participation in public events' for 1985.

The Commission's contribution represents less than 10% of the public funding of the race, which actually amounts to 450 000 ECU, as pointed out by the honourable Member, and less than 5% of the overall budget of the race, which amounts to 900 000 ECU. In addition to the Commission's contribution of 44 000 ECU towards the 450 000 ECU of public funding, each town on the route is contributing 22 000 ECU, and contributions are also being made by the local and regional authorities concerned, the participants in the race, etc.

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Question No 75, by Mr Iversen (H-802/84)

Subject: Ban on imports of hormone-treated beef and veal

Denmark bans the use of hormones of any type as growth-promoting agents in livestock production. Other Community countries however use both natural and artificial sex hormones as growth-promoting agents in livestock production.

The Commission has issued a directive which permits the use of certain natural sex hormones as growth-promoting agents.

It should be possible, armed with the Treaty of Rome, to defend a Member State's sovereign right to uphold sensible legislation in the interest of the consumer and not give in to perpetual abuses by referring to the abolition of quantitative restrictions between the Member States.

Article 36 of the Treaty of Rome states that:

'The provisions of Articles 30 to 34 (quantitative restrictions on imports and exports) shall not preclude prohibitions or restrictions on imports, exports and goods in transit justified on grounds of public morality, public policy or public security; *the protection of health and life of humans, animals or plants*; the protection of national treasures possessing artistic, historic or archaeological value; or the protection of industrial and commercial property. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a *disguised restriction on trade between Member States*.' Will the Commission permit Denmark to draft legislation pursuant to that article prohibiting the sale and import of foodstuffs in which natural sex hormones have been used?

If the Commission will not permit recourse to Article 36, how will it ensure that consumers in Denmark do not have to eat foodstuffs imported from other Community countries that use hormones in livestock production?

Answer

1. (a) Our recent proposal on the use of hormones for fattening and systems for control has already provoked very widespread debate. I know that it is now being considered by your parliamentary committees.

(b) I must first emphasize the very extensive scientific investigations that we have made before presenting our proposal. We have always maintained, and still do, that no substance should be authorized for this use until it is shown to be safe.

(c) We have asked not one but three most important Community scientific committees to study the question. They have all agreed unanimously that the three natural hormones that we have studied 'would not present any harmful effects to the health of the consumer when used under the appropriate conditions as growth promoters in farm animals'.

(d) It is on the basis of this work and with the addition of an extensive framework of controls that we have proposed that Member States may authorize the use of these substances in their territory subject to specific conditions.

Our proposal does not oblige Member States to give this authorization.

(e) The Commission is not in a position to authorize Member States to use the derogations provided for under Article 36 of the Treaty. Member States must in any case always justify any restrictive national measures. In this case the Commission does not consider that there are reasons of protection of health and life of humans or animals which justify recourse to Article 36 of the Treaty to prohibit or restrict imports, exports or goods in transit, in this case trade in animals or meat. Certainly the Commission considers that any animals or meat which are traded, should not contain any dangerous residues.

2. (a) The Commission considers that the full and detailed application of the measures it has proposed; including proper conditions of use and control of those conditions, will provide much stronger safeguards to the consumer than those at present generally available.

(b) The Commission will, however, consider an additional step that has been demanded by European consumers, namely a system of labelling.

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II. *Questions to the Council*

Question No 79, by Mrs Lizin (H-669/84)

Subject: Measures to ensure compliance by Belgium with Community directives

One Member State, Belgium, is not implementing a considerable number of Community directives. Can the Council publish a list of these and propose measures to prevent Member States dragging their feet in this way?

Answer

It behoves the Commission to ensure that the provisions of the Treaties and of the acts adopted pursuant thereto are implemented.

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Question No 84, by Mr Ephremidis (H-571/84)

Subject: Mediterranean Programmes

Can the Council state what stage has been reached, since the European Council in Dublin, with authorizing the implementation of the Mediterranean Programmes and what precise steps have been taken to this end?

Answer

I would ask the Honourable Member to refer to the reply given during the European Parliament's February part-session to Oral Question No 0-60/84 and 0-107/84 on the same subject.

Moreover, the Council has just received a Commission communication on the subject and will therefore shortly continue its discussions thereon.

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Question No 85, by Mrs Dury (H-605/84)

Subject: Accession of the European Economic Community as a party in its own right to the European Convention for the Protection of Human Rights and Fundamental Freedoms

The European Economic Community has not yet applied to accede as a party in its own right to the European Convention for the Protection of Human Rights and Fundamental Freedoms. There are considerable differences of opinion between certain Member States and these are delaying this accession which is of great importance for the people of Europe.

Can the Council of Ministers of the European Economic Community explain the difficulties that actually stand in the way of accession? How strong is the Council's desire for the Community to accede to the Convention and when could accession become effective?

Question No 96, by Mr Pannella (H-708/84)

Subject: Human rights

Since, in the case law of the Court of Justice human rights are already considered an integral part of the Community legal order, does the President-in-Office of the Council intend to propose that the Community formally accede to the European Convention on Human Rights?

Joint answer

With your permission, Mr President, I should like to give a joint reply to the two questions on human rights put by Mrs Dury and Mr Pannella.

The Commission sent the Council a memorandum on 3 May 1979 concerning accession by the European Communities to the European Convention on Human Rights.

Examination of this memorandum by Council bodies has not produced a general line in favour of the principle of such accession.

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Question No 93, by Mr Balfé (H-700/84)

Subject: Volunteer development workers

What action is being taken to harmonize social policy in the Community with regard to volunteer development workers in the Third World, so that their full social and political rights can be maintained during and after their service?

Answer

The Council has received from the Commission a draft recommendation on social protection for volunteer development workers. The object is to give volunteers equality with other Community workers in social protection and to ensure that they are not penalized for having worked on development projects.

The Council intends to act on this draft as soon as possible on the basis of the conclusions of the Fontainebleau European Council in June 1984 and in the light of the opinion of the European Parliament which was requested on 7 January 1985.

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Question No 94, by Mrs Castle (H-703/84)

Subject: Aid to Africa

Which governments have agreed to contribute money to establish the proposed \$1 billion World Bank fund to help rescue Africa from growing famine and economic collapse, and will the Council take action to ensure that all Member State governments agree to make the necessary contributions to launch the fund?

Answer

According to the information provided at the meeting organized by the World Bank on 31 January and 1 February in Paris on the subject of the special facility for Africa south of the Sahara, direct contributions from the Member States amounted in dollar terms, at the exchange rate applicable on 5 February, to approximately 15 million for Denmark, 150 million for France, 1.5 million for Ireland, 135.5 million for Italy and 97.5 million for the Netherlands.

Germany and the United Kingdom were providing for special co-financing amounting to approximately 95 and 82.5 million dollars respectively. The question of Belgian participation was being studied.

The total contribution of the Member States of the Community would thus be nearly 600 million dollars out of an expected total of more than 1 000 million from all donors, to be committed between 1 July 1985 and the end of 1987, in accordance with normal World Bank/IDA procedures, in the countries eligible for IDA situated south of the Sahara which undertake structural reform programmes approved by the Bank. It will be noted that the United States has not announced any contribution to this facility.

The Community is fully aware of the need for concerted action to help Africa against the threat of growing famine and economic collapse, and is therefore also pursuing, with the Member States and other donors, the practical implementation of the conclusions reached at the European Council in Dublin on famine in Africa. Aid equivalent to 1 200 000 tonnes of cereals is being supplied until the next harvest in October/November to the worst-hit countries. Furthermore, the third Lomé Convention of 8 December 1984 makes provision for the Member States and the EIB to contribute considerable financial resources (8 500 million ECU over 5 years), most of which will go to Africa south of the Sahara. The Council hopes that the scale of, and the procedures for, the facilities made available to Africa will go a long way towards alleviating the gravity of the problems facing that continent.

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Question No 95, by Mrs Oppenheim (H-706/84)

Subject: Organized hold-ups of lorries

What action does the Presidency propose to take in response to the renewed hold-ups of foreign lorry-drivers in Italy, who are risking life and limb while going about their legitimate business as hauliers in that country in spite of the fact that the free movement of goods and persons is laid down in the Treaty of Rome?

Answer

The question put by the honourable Member is a matter for the Member States, which are responsible for maintaining public order within their territories.

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Question No 97, by Mr Costanzo (H-720/84)

Subject: European television

It appears that, despite encouragement from the European Parliament, pressure from public opinion, a positive attitude on the part of the EBU and the fact that various schemes and projects are currently being studied by the Commission, it would be some years before a European television service can be set up due to the very considerable difficulties encountered in a number of areas.

This being the case, what does the Council intend to do in the meanwhile, and as soon as possible, to bring about a free interpenetration of national programmes which would have the advantage of allowing an exchange of information amongst the peoples of Europe before a future European television service can be inaugurated?

Question No 106, by Mr Di Bartolomei (H-786/84)

Subject: Transmission of broadcasts by the RAI

Beginning June 1984, it was possible in certain parts of Belgium and Luxembourg — in the areas around Liège, Charleroi and Ghent — to receive the RAI first channel. The explanation is that certain private television companies were able to pick up RAI broadcasts transmitted via the ECS 1 satellite which is also used by francophone television for channel 5 broadcasts. Consequently, these television companies, equipped to receive channel 5, were able to retransmit Italian programmes, giving great enjoyment to people of Italian origin who, up till that time, had no access to information, cultural or entertainment sources from Italy. Does not the Council consider that measures should be taken, by joint agreement between the governments concerned, to allow the broadcasts in question to be resumed? This would be a positive step in the direction of a 'people's Europe' about which there is so much talk.

Joint answer

May I take this opportunity in answering Question No H-720/84 to also reply to question No H-786/84 by Mr Di Bartolomei on a related subject.

The Council and the Ministers responsible for cultural affairs meeting within the Council are deeply interested in the utilisation of new technological developments in the mass media for the strengthening of the European film and television programme industries and for bringing the peoples of Europe closer together. Work so far on broadcasting within the European Community has led to the adoption by the Ministers of a resolution on measures to ensure an adequate place in all European audiovisual media for programmes

of European origin and to the examination of a multilateral system of support for European programme industries, concerning which Commission proposals are expected shortly.

The Commission issued on 14 June 1984 a green paper 'Television without Frontiers' which is relevant to the subjects raised by the honourable Members, and it has promised a green paper on copyright questions which would also be relevant. The Council awaits with interest any proposals which the Commission may make after its consultations with interested milieux on these subjects have been completed.

Any questions concerned with ensuring that the provisions of the treaty establishing the European Economic Community are applied should of course be addressed to the Commission.

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Question No 101, by Mr Alvanos (H-749/84)

Subject: Community aid to Turkey

At the part-session in February, the President-in-Office of the Ministers meeting in political cooperation refused to answer my question whether there were plans to freeze in 1985 the funds provided for in the 3rd and 4th Financial Protocols and the special financial aid from the Community to Turkey, because it had been put as a supplementary question to an oral question by Mrs Ewing¹ during Question Time.

Would the President-in-Office of the Council, therefore, in his official capacity, state the Council's position on this matter, bearing in mind that democratic and human rights continue to be violated in Turkey, as he himself admitted during discussion of Mrs Ewing's question?

Answer

As regards Mr Alvanos' question on Community financial aid for Turkey, I would refer to the reply given by the President of the Council to the questions put by Ms Tongue and Mr Van Miert at your part-session in January, and inform you that the Council's position on the matter is still the same. Thus, I would remind you that the funds under the 3rd Financial Protocol, which expired in 1981, were committed a long time ago and that, as regards the special aid decided on in June 1980, no new financing has taken place since the end of 1981. Finally, the 4th Financial Protocol was negotiated in 1981 but, for reasons of which you are aware, the Community has not yet signed it.

I would furthermore point out that on the occasion of the Council meeting on 18 February 1985 developments in the situation in Turkey were again discussed briefly by the Ministers of the Ten.

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Question No 105, by Mr Newton Dunn (H-782/84)

Subject: Commission Memorandum on Maritime Transport

At the meeting of the Committee on Transport in Genoa in November 1984, Mr Signorile, Italian Minister for Transport, promised to start work on the Commission Memorandum on Maritime Transport as soon as it was available.

¹ Oral Question H-477/84, Verbatim record of proceedings, 31.2. 1985, p. 148 (provisional edition).

Can the Council now indicate when it intends to start work on this memorandum?

Answer

The Council would confirm that it still intends to start work on the Memorandum as soon as it has been forwarded to it.

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Question No 107, by Mr Clinton (H-790/84)

Subject: Trade with Canada

What action has been taken in order to counteract the decision of the Canadian Government to restrict imports of beef and veal from the EEC to a quota of 2 700 tonnes whereas 23 000 tonnes were exported from the EEC to Canada in 1984?

Answer

Following the restrictive measures adopted by Canada under Article XIX of the GATT in respect of beef and veal imports, the Council, at its meeting of 26 February last, authorized the Commission to notify a list of retaliation measures to the GATT.

It should be stressed that the Community's objective in taking such action is to secure a substantial increase in the Community beef and veal export quota to Canada during the consultation period of 30 days, at the end of which the measures will come into force if no satisfactory solution is reached.

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Question No 108, by Mr Elles (H-794/84)

Subject: Sessions of the Council

The European Community had the great advantage of being founded on the sound democratic systems of its Member States. Decisions are habitually taken openly by legislators in full public view. Would the Council please explain why its sessions are held in secret and is there a specific provision in the Treaty of Rome to this effect? Can the Council cite any other democratic State or organization which normally takes all its votes *in camera*, and would the Council be willing to open its deliberations or even part of them to the public?

Answer

I would draw the honourable Member's attention to the reply I gave to Oral Question No H-583/84 put by Mr Pearce at the part-session in February, in which I stated that the Council's proceedings do not lend themselves to the same kind of analysis as parliamentary proceedings, since the Council is made up of representatives of the Member States. If the Council's meetings were made public, together with the positions and votes of its members, this would make it more difficult to secure the concessions which each member has to make in order to ease the way for the adoption of decisions by the Council.

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III. Questions to the Foreign Ministers

Question No 109, by Mrs Lizin (H-671/84)

Subject: WEU

Have the Ministers meeting in political cooperation tackled the subject of the WEU, and in particular the updating of its objectives, and what are their conclusions and proposals for action?

Answer

As pointed out in the reply to oral question No H-471/84, the WEU has not been discussed as part of European political cooperation. The Ten, as such, do not express opinions on developments within the WEU.

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Question No 110, by Mr Ephremidis (H-429/84)

Subject: Steps to frustrate the deployment of Pershing 2 and Cruise missiles in Europe

In response to Question (H-242/83)¹ which called for the whole of Europe to be declared a nuclear-free zone, I received the following answer: 'The Ten support all specific, balanced and verifiable disarmament measures which enhance the security of Europe and elsewhere, and which lessen the risk of nuclear conflict. For the Ten nuclear disarmament is a matter of top priority.' In view of the fact that peace and disarmament is a matter concerning the whole of mankind, i.e. it is clearly a political matter which cannot be confined within the narrow concept of military security, what measures have the Foreign Ministers meeting in political cooperation so far taken to prevent the deployment of nuclear weapons in the United Kingdom, West Germany and Italy, where an accelerated rate of deployment of Pershing 2 and Cruise missiles has recently been observed — especially in West Germany, where, according to the Washington Post, 46 Pershing 2 missiles have been deployed.

Answer

As has already been stressed, both the military aspects of security and defence questions do not fall within European political cooperation. There is consequently no measure regarding the installation of nuclear weapons which can be examined or proposed by the Foreign Ministers meeting in political cooperation.

I should like, however, to repeat that the Ten support all practical, balanced and sincere measures which might bring about disarmament and thus reduce the risks of nuclear conflict.

In particular, the Ten were pleased to learn of the forthcoming resumption of talks between the United States and the Soviet Union in Geneva, as was expressed in particular in the declaration on East-West relations adopted by the Foreign Ministers on 12 February last.

They were also pleased to have contributed, whether as the Ten or otherwise, by their action to the resumption of the dialogue, of which the Geneva talks form an essential part — but obviously not an exclusive one, since account must be taken of the efforts being

¹ Debates of the European Parliament No 1-303/83 of 13. 9. 1983, p. 98.

made elsewhere — and intend to continue this action with a view to broadening the basis of this dialogue.

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Question No 111, by Mr Van Miert (H-445/84)

Subject: Gibraltar

On 23 October 1984, the Spanish Prime Minister, Mr Felipe Gonzalez, made a statement to the Spanish Parliament on the most important aspects of Spanish security policy, including Gibraltar.

According to Mr Gonzalez, a British colony which formed an integral part of the NATO command existed on Spanish soil. Attempts must be made to solve this problem by bringing Gibraltar under Spanish sovereignty.

What is the attitude of ministers to these statements, what initiatives have they already taken and what results have been achieved?

Answer

The question of Gibraltar has not been discussed as part of European political cooperation.

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Question No 113, by Mr Adamou (H-664/84)

Subject: Cyprus and the Italian Presidency

Would the Foreign Ministers meeting in political cooperation state why the Italian Presidency's policy statement, though making reference to a large number of international issues, ignored the Cyprus problem, when the northern part of the island is occupied by Turkish troops despite the fact that Cyprus is a member of the United Nations Organization and the situation on the island is currently at a critical juncture and calls for the active support of the international community?

Answer

The Ten constantly follow developments regarding Cyprus with the greatest attention.

It draws the honourable Member's attention to the declaration by the Foreign Ministers of the Ten of 29 January 1985.

In it the Foreign Ministers expressed their regret at the failure of the New York meeting between President Kyprianou and the Turkish-Cypriot leader, Mr Denktash. They called on the parties concerned to resume negotiations with a view to achieving a just and practicable solution to the problem of Cyprus, via the good offices of the United Nations Secretary-General and based on the UN resolutions. The Foreign Ministers once again call on the two parties to abstain from any action likely to jeopardize such a dialogue.

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Question No 118, by Mr Schinzel (H-748/84)

Subject: A peace settlement in the Middle East

What contribution, in the Ministers view, can the European Community make to bringing about a lasting peace settlement in the Middle East?

Answer

The principles and objectives of political action by the Ten with a view to bringing about a global, just and peaceful solution to the Middle East problem are clearly expressed in the Venice declaration of June 1980 and in the successive statements by the Ten on this matter.

On this basis, the Ten have constantly striven to help bring about a solution to the Middle East conflict. This problem remains one of the main topics of discussion in European political cooperation.

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Question No 119, by Mr Boutos (H-750/84)

Subject: The Iraq-Iran war and attacks on merchant vessels

The continuation of hostilities between Iraq and Iran represents a constant threat to shipping in an extremely sensitive crisis area. Recently, attacks on merchant vessels have become more frequent again, very often seriously endangering the lives of Community citizens and Community interests.

What action do the Foreign Ministers intend to take on this serious and pressing matter in order to put an end to a situation which underscores the Member States' inability to take effective measures in such circumstances?

Answer

As was pointed out in the reply to oral question No H-392/84 by Mr Mancel, the Ten have on numerous occasions expressed their concern at the great risks involved in the conflict between Iran and Iraq.

Calling on both parties to comply with the Security Council resolutions and to cooperate in the search for a peaceful solution, the Ten have particularly stressed both to Iran and to Iraq the importance they attach to security and to the freedom of navigation and trade in international waters.

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Question No 122, by Mrs Crawley (H-783/84)

Subject: Progress of Banotti Resolution

Are the Foreign Ministers meeting in political cooperation aware of what progress has been made to implement the resolution by Mrs Banotti (Doc. 2-1417/84) adopted overwhelmingly by Parliament on 17 January 1985 and what opportunity will there be for Members to be involved in the recommendations of the resolution?

Answer

The matter considered by the resolution cited by the honourable Member does not fall within the terms of reference of the Foreign Ministers meeting in political cooperation.

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Question No 123, by Mr Alavanos (H-787/84)

Subject: Need to respect international agreements to avoid war

In connection with the planned rally in the FRG of German war veterans from Polish Silesia, the Prime Minister, Mr Helmut Kohl, and the chairman of the parliamentary Christian-Democratic Party, Mr Dregger, have been adopting slogans and making territorial claims that amount to contempt for international agreements such as the Helsinki Final Act, which guarantees the inviolability of borders and the territorial integrity of States, and the 1945 Potsdam decision on the establishment of Poland's western border along the Oder-Neisse line.

What view do the Foreign Ministers take of this serious matter and do they intend to make a statement to the effect that respect for international agreements and the safeguarding of peace are the central pillars of the Member States' political cooperation?

Answer

The episode to which the honourable Member refers and the statements by the Chancellor of the Federal Republic of Germany on that occasion — statements which, in fact, do not correspond to the honourable Member's version of them — have not been discussed as part of European political cooperation.

The position of the Ten on respect for international treaties and the principle of the inviolability of frontiers was clearly stated in the reply to oral question No H-335/84 by Mr Ephremidis, to which the honourable Member is referred.

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Question No 124, by Mr Wurtz (H-789/84)

Subject: Human rights situation in Turkey

Do the Foreign Ministers meeting in political cooperation endorse the stance taken by Sir Geoffrey Howe, Foreign Secretary, in Ankara on 13 February 1985 in support of the release of \$ 600 million in Community appropriations for Turkey? Do they not think that this money should instead remain frozen, as the European Parliament has clearly indicated, until democratic rights have been restored in full in Turkey?

Answer

Although the human rights situation in Turkey is the subject of close scrutiny within European political cooperation, any question dealing with the Association Agreement between Turkey and the Community, including appropriations intended for that country, is dealt with by the appropriate Community body. However, the specific question raised by the honourable Member has not been discussed by the Foreign Ministers meeting in political cooperation.

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Question No 125, by Mr Iversen (H-791/84)

Subject: Code of conduct on wages in South Africa

In the Foreign Ministers' press release of 20 November 1984 on the fourth analysis of national reports on how Community undertakings with subsidiaries in South Africa apply the Community's code of conduct the Ten noted that the percentage of workers whose wages were higher than those recommended in the code had fallen slightly, presumably because of the economic recession in South Africa. Do the Foreign Ministers meeting in political cooperation consider this trend gratifying since they merely take note of this deterioration of the situation of workers in South Africa, and does the fact that it is the black workers that have to pay for the economic recession in South Africa reflect their attitude to the South African apartheid regime?

Answer

The Ten share the honourable Member's concern on this matter.

The position of the Ten on the system of apartheid in force in South Africa, as well as on the grave implications and consequences, including economic and social, which such a system has, is well known.

The Ten are closely following developments in labour relations in South Africa, and among other things require firms with branches in South Africa to submit periodical reports on the application of the Community's code of conduct.

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Question No 126, by Mr Selva (H-793/84)

Subject: Restriction of liberty in Malta

What do the Foreign Ministers intend to do about relations with Malta following that country's umpteenth attempt to restrict the liberty of a Community citizen, in this case Massimo Gorla, President of the European Young Christian Democrats who was arrested and sentenced on 24 February merely because he had taken part in a meeting of the opposition.

Answer

The case to which the honourable Member refers has not been examined as part of European political cooperation.

Mr Massimo Gorla was arrested on 24 February last and brought before a Maltese court for having made a speech at the Congress of the Nationalist Party without obtaining prior authorization, as provided for by the law currently in force in Malta, from the authority responsible for supervising the external relations of political parties.

Mr Gorla was released the same evening pending a ruling by the Maltese Supreme Court on the plea introduced by his defending counsel to the effect that the law was unconstitutional.

SITTING OF THURSDAY, 14 MARCH 1985

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IN THE CHAIR: MR ALBER

Vice-President

(The sitting opened at 10 a.m.)¹

1. *Topical and urgent debate*

1a. *Enlargement*

President. — The next item on the agenda is a joint debate on the following motions for resolutions:

- by Mr Guerneur and others, on problems involved in the accession of Spain and Portugal with regard to fisheries (Doc. 2-1849/84);
- by Mr Didò and others, on the result of the negotiations on the enlargement of the European Community (Doc. 2-1870/84); and
- by Mr Giummarra and others, on the accession negotiations with Spain in the fisheries sector (Doc. 2-1878/84).

Mr Didò (S). — *(IT)* Mr President, we all know that the negotiations with Spain and Portugal, after dragging on for eight years, have reached a crucial phase.

In fact, in the next few days, on the initiative of the Italian Presidency, there is to be a so-called 'marathon' Council to go thoroughly into the question.

We know too, Mr President, that these negotiations have to a large extent taken place between the Member States themselves rather than between the Community and the applicant countries, since the problems

raised by the enlargement are problems concerning the present Community of ten, whose cohesion required and requires an urgent solution to be found.

Significant progress has already been made, and we are well aware that the final steps to be taken require, in addition to sensible appraisals of the interests at issue, political courage on the part of all the governments concerned.

With our motion for a resolution we are therefore addressing an appeal to the governments on both sides so that every effort may be made to overcome certain inflexible attitudes which still exist and that the necessary political will may be shown by all parties in order to achieve the objective of the entry of Spain and Portugal into the European Community from 1 January 1986, which has always been advocated by the Parliament.

The failure to achieve that objective, Mr President; would constitute above all a most serious defeat for those whose hopes and beliefs are in Europe, in the prospect of European Union not only as an instrument to solve our national problems but also as a factor of stability and peace in the world.

Moreover, the negative consequences would be immediate, since the impossibility of increasing its own resources would put the Community on the slippery slope towards a free-trade area rather than a European Union.

That is why we are asking all the governments to show a consistent political intent, flexibility in dealing with the final difficulties and readiness to adopt a comprehensive solution as regards the points still under discussion.

Mr Guerneur (RDE). — *(FR)* The Subcommittee on Fisheries has tabled this motion for a resolution, signed by a number of our colleagues whom I should like to thank. Our intention was to present a problem with two aspects, the first concerning reference to the European Parliament of this matter of pre-accession

¹ For approval of the Minutes, see the Minutes of Proceedings of this sitting.

Guermeur

aid of 28.5 million ECU which was announced without official reference to the Parliament, and the second concerning the essential strengthening of the common fisheries policy before the entry of Spain and Portugal into the European Economic Community can be considered.

As regards the first problem, we considered this matter of pre-accession aid on our own initiative, since it seemed to us to be inappropriate for aid to be announced and officially suggested to Spain without official consultation of the European Parliament — which votes for or against the budget — of the principle of the arrangements for use and the areas to which such aid is to apply. We received no information on any of those questions. We therefore asked Mrs Péry to consider the matter and to draw up a report. We have discussed the question and have now prepared a number of perfectly reasonable proposals concerning the use to which that aid should be put in order both to promote modification under the best conditions of the Spanish fishing-fleet — the main subject at issue — and also to take account of the requirements already in existence in the Community concerned with modification of the European fleet. Things have not yet reached finality and we must adjust the catch capacities of the various fleets and improve profitability and productivity even before the entry of Spain. We therefore ask, Mr President, to be officially consulted as soon as possible, so that the European Parliament may have the opportunity to express its opinion on the use of this aid. That is the first point.

The second point concerns the essential modification and essential strengthening of the common fisheries policy. We cannot allow the Spaniards into Community waters without having first strengthened structural policy, improved our technical knowledge of reserves of biological resources and identified their capacity for renewal.

We are at the initial and very delicate stage of a common fisheries policy. Whilst the question of European fisheries is so delicate we cannot fling the doors wide without having taken the precautions necessary for our protection and for resistance.

Finally, Mr President, it is absolutely essential at the time when we are envisaging the entry of Spain to launch a true diplomatic offensive to increase the number of fisheries agreements throughout the world and to seek elsewhere the fish which is becoming scarce in our waters.

That is what I wanted to say in a few moments to introduce this motion for a resolution.

Mr Giummarra (PPE). — *(IT)* Mr President, the proposal put forward in my name and that of other honourable Members is justified by the imminence of the meeting of the European Council on 22 and 23

March, at which the unsolved problems related to the question of the accession of Spain and Portugal are to be dealt with.

In referring to the political importance of the enlargement of the Community, particularly from the point of view that Europe's rôle as regards world stability is growing ever clearer and more decisive, the resolution is intended to provide the Council with an incentive from the Parliament to find a common denominator of consensus as the basis for a wise and acceptable political compromise which may strike a balance between conflicting requirements.

The need for the Parliament to exert pressure on the Council is, moreover, evidently recognized by other political groups, which have taken similar initiatives such as the Didò proposal—substantially the same as that put forward by my colleagues and myself — and the Guermeur proposal, which, whilst expatiating on the more sensitive aspects of the problem of the common fisheries policy on which we are agreed — such as the organization of markets, monitoring arrangements, structural policy, social policy, agreements which third countries — requests that, apart from upholding the principle of relative stability defined by the Community of Ten, prospects for Spanish fishermen should be guaranteed.

And so, ladies and gentlemen, we should like to offer the Council support and encouragement to disentangle the fisheries knots with courage and wisdom so as to hasten accession. It is urgent for Parliament to declare itself on the proposals, so that the process of enlargement may not be subjected to any impediment or delay.

Mr Wettig (S). — *(DE)* Mr President, in the motions for resolutions which we are discussing and in the contributions made by those who have already spoken, the political and economic grounds for enlargement have been expressly referred to once again. Although these grounds have been known for many years — since the beginning of the negotiations and since Spain and Portugal put forward their applications — the negotiations have been dragging along and have even yet not been concluded in spite of the solemn declarations that the Community is adhering to its aim of admitting Spain and Portugal. From time to time one has the impression that ever fresh obstacles are being raised in the negotiations, as for example with the fisheries policy for some time past.

In spite of all the exactitude with which such negotiations must naturally be conducted — as is clear also from experience with the first enlargement — it is no longer comprehensible that negotiations with the two applicant countries should be carried on in this fashion.

The European Community is not merely a fair-weather community operating when the economic cli-

Wettig

mate is good and cash-boxes are full. It has to stand its real test when difficulties arise, and at present we are without doubt in a difficult situation. These difficulties naturally determine the accession negotiations to a considerable extent. It is not acceptable, however, that the negotiations should be determined by a climate in which only the advantages achieved by the present members of the European Community are protected and that the Community should no longer exhibit any political or economic fairness towards applicant countries.

Hence our appeal before the last round — for on grounds of time it will be the last round if accession is still to take place on 1 January 1986 — that now a break-through must actually be achieved. This appeal is addressed above all to those Member States which have been blocking the negotiations with ever fresh objections.

It will be some time yet before the national parliaments have ratified the accession negotiations, and the European Parliament too will have to insist on being consulted where appropriate.

Now a final word with regard to a special situation which might arise in the near future in the accession negotiations. It might happen that the negotiations with Spain fail. Then earnest consideration would have to be given to the question whether Portugal's wish to become a member of the European Community on its own could actually be fulfilled. For if there are no longer any serious problems with Portugal, accession should be open to it. Certainly the European Parliament desires the accession of both countries, but this special situation must also be contemplated.

Mr Ebel (PPE). — *(DE)* Mr President, ladies and gentlemen, I should like to draw the attention of all honourable Members in this debate to one quite special point. I mean the pre-accession aid to Spain in the fisheries sector. With regard to the previous history, it should be realized that this initiative goes back to 1983, when this House, in its wisdom and fully conscious of the difficulties there would be with Spain regarding the accession, decided to consider a pre-accession aid amounting to 28.5 million ECU for the reduction of the Spanish fleet.

It was then more than a year before the Commission took up this initiative on the part of the Parliament. That was only in October last year, and today on the eve of adoption, if I may call it that, we have to state that until this moment the Council has failed to consult the Parliament on this initiative.

We regard this initiative, as we always did, as a constructive contribution which might clear away the still existing difficulties at the last moment. We therefore regard it as intolerable that we have still to this very

day not been consulted on this initiative. Hence now our pressing appeal to refer this initiative at last to the Parliament so that we may ensure that our view on the matter has an influence on the process of decision-making.

Lord Douro (ED). — Mr President, my group warmly welcomes these three resolutions and we intend to support them all with one exception. The resolution by Mr Guerneur calls for a review of certain aspects of the common fisheries policy. We believe that the common fisheries policy took so long to create, establish and agree on that it would be rather dangerous to conduct a review of it, and we therefore prefer to preserve what has been achieved. On all the other clauses of all three resolutions, we will give our support.

There is one point, Mr President, that I would like other groups to support. My colleague Mr Provan has tabled an amendment calling on the United Kingdom Government to establish a 200-mile fishery zone round the Falkland Islands. The reason for this is that the waters round the Falkland islands are perhaps the last international waters in the world that are not controlled, and they are being over-fished. The boats of probably 10 countries from all over the world are fishing there at the moment. There is virtually no fishing by EEC fishermen. There is extensive fishing by Spanish fishermen and we think that should be encouraged. We believe that if the United Kingdom Government were prepared to declare such a zone and we were then to give a large number of licences to Spanish fishermen, that would relieve the pressure on European waters. This idea is supported by Spanish fishermen. As I say, the waters are being over-fished, and this is a matter of great concern from the point of view of conservation and management of the fish-stocks in that area.

More generally, Mr President, I would agree with those such as Mr Didò and Mr Wettig who have said that the Council, next week, must make a decision. We have made a commitment to take Spain and Portugal into the Community. There is talk now that perhaps a shorter ratification period would be necessary. I do not believe that. I think that is simply an excuse to account for a possible failure next week. I believe every country, including my own, the United Kingdom, should next week weigh up its wider interests against sectional interests at home. I hope Mr Andreotti will keep the Council meeting until they decide: they cannot break up next week without making a final agreement to bring these two countries into the Community next January.

(Applause)

Mr Wijsenbeek (L). — *(NL)* Mr President, it is, of course, a good thing that this Parliament should

Wijsenbeek

appeal to the wisdom of both parties in the accession negotiations. The time is fast approaching — as we have already heard in various national parliaments — when we should be submitting the accession treaty to them for ratification. If we fail to do this, we shall simply be too late, and that will mean postponing the date from 1 January 1986 to 1 January 1987 at the earliest. No one in this Parliament can want that, certainly not after all the resolutions we have adopted on the desirability of accession.

If we turn our attention specifically to the fisheries policy, Mr President, I realize, of course, that Spain has a much larger fleet than any of the Community countries. This does not alter the fact that at present there is no Community policy on Mediterranean fishing and that something must be done about this very urgently, because fish-stocks in the Mediterranean are far lower than in the North Sea and the Atlantic Ocean.

If we allow excessively long transition periods, the basis for accession will in fact be uneven, and I am opposed to that. I believe that we should shorten these transitional periods, that they should not amount to ten or fifteen years.

Mr President, at the moment Spain is an importer of fish, which means the Community countries have something to gain if we, in return, give the Spanish fishing fleet the opportunity to take their rightful share of fishing in Community waters.

Mr Musso (RDE). — (FR) Two observations — one on the basic issue and the other on the specific problem of fisheries.

On the basic issue I repeat what my group has always said — namely, that we are not against the principle of enlargement, quite the reverse, but it seems to us that we have been rather hasty in not providing ourselves with the means for such enlargement and that those most in favour are those who are the least prepared to make the effort involved.

As regards the special problem of fisheries, we shall vote only for Mr Guermeur's resolution and I should like to point out to some of my colleagues who have questioned that resolution that it in no way casts doubt on the substance of the problem, but rather favours consideration of the details so that we are not required to re-open negotiations and discussions following accession, which again some people wish to bring about very speedily, although they do not want to make the effort involved.

Mr Habsburg (PPE). — (DE) Mr President, whilst we are discussing here for the last time the question of Spain's accession, a delegation of the Generalitat de Catalunya, led by its President, Mr Pujol, is in this

building. I think it is significant, precisely in view of our present discussions, that the Catalans are here today. The Catalan delegation is here to remind us how old the presence of the Iberian Peninsula in Europe already is. They have reminded us in particular of the fact that the Catalans' first visit was to Aachen and that Charlemagne was the first to cross the Pyrenees and there to represent Europe against the Moors. I feel we should not receive these historical reflexions with hilarity. . .

(Cries from the left)

. . . because, my dear socialist friends, your representative too is with them and he has more sense of history than certain other people.

The question of Spain's accession is always discussed from purely economic points of view. In actual fact Europe is not only an economic market but a moral proposition, a tradition, a genuine force, and this is not complete without the accession of the Iberian Peninsula — without the accession of Spain.

I therefore particularly welcome the fact that in this debate, which otherwise would have borne too deeply the imprint of economic policy, as I should like to tell Mr Didò and those who with him have signed the motion for a resolution, the political aspect has been clearly deleted. We are simply committed to perform what we have promised for years, namely that Spain shall be admitted to the Community once it is a democratic State. If we now leave Spain out in the cold there will be questions in Spain about this democracy. As freely-elected representatives of the people we must be concerned to encourage democratic development in Spain by arranging for accession as soon as possible and in this way to set Europe a further step forward on the right road and not on the road to a mere free-trade area.

(Applause from the centre and right)

Mr Natali, Vice-President of the Commission — (IT) Mr President, honourable Members of Parliament, on the occasion of this urgent debate the Commission reaffirms what it has previously declared on a number of occasions, most recently when presenting its own work programme. The Commission has not spared and will not spare any effort to contribute within the limits of its powers to the solution of the final problems arising in the accession negotiations.

As regards specifically the negotiations on fisheries, the subject of two resolutions, I should like to remind the House that in this sector, in the case of the accession of Spain, the solution of the difficult problems of access must necessarily satisfy one fundamental requirement — preservation of the essential equilibrium, on which the common fisheries policy is based, which has for so long been the subject of our debates

Natali

and the definition of which we have achieved after so many efforts — and this, naturally, by ensuring the speediest possible integration of this special sector of Spanish activity in accordance with that policy.

It is in the light of these requirements that the Commission, not only as regards fisheries but as regards all the items still in suspense, has presented and — I venture to say — lavished proposals and suggestions. Work in the various Community bodies is continuing at this moment even though, naturally, we cannot yet foresee the outcome. The Commission, nevertheless, fervently hopes that this work may in the next few days reach an equitable solution which will satisfy all parties' legitimate aspirations. We well know that we are at a critical juncture and that it is essential to avoid postponements. They would not solve anything; they would increase difficulties; they would, it may be, put a stop to a political process to which, as we have been reminded in this House, especially by Mr Didò and Mr Giummarra, we are all committed. We hope that an awareness of this will inspire all parties — Member States and countries applying for accession — to put forward on the occasion of the next Council every effort necessary to attain our common object.

President. — The debate is closed.

(Parliament adopted the three resolutions in succession)

1b. *IMP*

President. — The next item is a joint debate on the following motions for resolutions:

- by Mr Ducarme and Mr Romeo, on behalf of the Liberal and Democratic Group, on the Integrated Mediterranean Programmes (Doc. 2-1834/84);
- by Mr De Pasquale and others, on the amendment by the Commission of the European Communities of the proposal on the Integrated Mediterranean Programmes (Doc. 2-1848/84);
- by Mr Musso and others, on behalf of the European Democratic Alliance Group, on the Integrated Mediterranean Programmes (Doc. 2-1854/84); and
- by Mr Costanzo and others, on behalf of the European People's Party (Christian-Democratic) Group on the Integrated Mediterranean Programmes (Doc. 2-1875/84).

Mr Romeo (L). — *(IT)* Mr President, my honourable friend Mr Ducarme and I are happy for our proposal to be amalgamated with the text agreed as Amendment No 1, to which we have also put our names. As regards its substance, two days ago Mr Delors asked for Parliament's support for the Commission's policy

on the Integrated Mediterranean Programmes. The new approach, he said, does not entail a reduction in the commitments originally provided for. Yet the budget heading of two thousand million which has now been presented is equivalent on an annual basis to scarcely 25% of the initial appropriations. On the other hand, many doubts remain as to the supplementary nature of the means which it is hoped to provide by drawing on loans from the EIB and the NCI and the already meagre resources of the existing funds.

The punitive and inequitable policy adopted by the Commission in the matter of prices for Mediterranean agricultural products should also be taken into account — a policy which even after yesterday's debate Mr Andriessen revealed himself as unwilling to modify in any way. Is it on this basis that our support for the Commission's policy towards the Mediterranean regions is invited?

On the other hand, we agree without reservation as to the criteria on which the Commission proposes to base the new programmes and in particular the abandonment of national allocations and the adoption of a Community basis, the wider powers envisaged by the Commission and the quest for more rapid procedures in relations with the Member States and the regions directly concerned. On the other hand, if the intention is to start the programmes off already in 1985, the prompt adoption of the proposed outline regulation seems indispensable, and what will be required is an extremely flexible approach adapted to a speedy adjustment to the new developments being recorded in national legislation.

In particular, I should like to call attention to the new phase now opening in the policy hitherto followed in Southern Italy after the abolition of the Cassa per il Mezzogiorno, on which for 35 years assistance in those parts has been based. Let us speak clearly: we reject the logic of fair returns and for that reason we have supported enlargement, notwithstanding the economic risks which are easily foreseeable for our regions, whilst it is obvious that other countries may have derived certain advantages from the situation. This Community and European logic is still the foundation of our position today.

Mr De Pasquale (COM). — *(IT)* Mr President, ladies and gentlemen, as my honourable friend Mr Romeo has just reminded us, the day before yesterday the President of the Commission in mournful tones asked for our support for the efforts being made to overcome the obstacles affecting approval of the Mediterranean Programmes and to reach a satisfactory conclusion in time. Our positive reply to that appeal, to be effective, must be clear and not give rise to misunderstandings, and it is exactly because of the need for clarity that the authors of the resolutions have agreed to a compromise amendment for which we shall vote.

De Pasquale

What are we asking for? First of all a quick decision. The Commission must present its formal proposal without delay, and the Council must decide within this half year after consulting the Parliament. Secondly, we declare that we accept the implementation of the programmes as outlined by the communication from the Council on 21 February last. I shall go further: we should be particularly glad if, in the new proposal, the innovative features for which the Parliament has always fought were developed to the utmost. We were the first to criticize the narrow inspiration and the bureaucratic structure of the former proposal. We want programmes in which the integration between the various financial instruments involved and bank loans is actual and not fictitious; we want programmes intended to develop the internal economic potential — and not merely in agriculture — of the Mediterranean regions; we want flexible programmes capable of adhering to reality in its different aspects and in which the rôle of the regions is fully recognized. We want programmes which are genuine Community projects — that is, approved, directed and supervised by the Commission.

But for all this to function and have some effect what is needed is financing which will be, I will not say adequate, but at least significant. It would be pointless to build a fine fireplace without putting any firewood in. But this is the very part of the proposal that is still uncertain and hazy. The two thousand million in seven years are insufficient and unacceptable. We are told that in addition loans for two-and-a-half thousand million and a special mobilization of structural funds in favour of the Mediterranean regions will be facilitated. But we ask; what is the machinery for this? What is the guarantee? That is what is not clear; and hence it is not possible to sign a blank cheque. Of course we have no objection to the fact that financing is to be effected in various ways, but it must be clear from the beginning that the whole of the financing, whatever its source, will actually be a full supplement to the present flow of Community assistance in these regions and not a substitute for it.

We are therefore ready to examine the problem with the maximum of co-operation, conscious as we are of present difficulties, but determined to fight for financing which is not far removed, as we said in February, from that originally provided for.

Mr Musso (RDE). — (*FR*) Ladies and gentlemen, we have been discussing the Integrated Mediterranean Programmes for two part-sessions now.

The Commission made some proposals in a statement issued in 1983 — there have been no others since then. The new Commission appeared before us during the February part-session to explain to us its new options and its philosophy. Then yesterday, or was it the day before yesterday, I am not very sure, the President of the Commission, following our debate on these guide-

lines, begged for our help with regard to the Commission's proposals to the Council for IMPs, since if he did not receive the support of Parliament he would withdraw his proposal. So, as Mr De Pasquale has just said, we are co-signatories to a compromise amendment which we shall of course approve, since we are anxious, as we should be as Members of Parliament, to respond to the request of the President of the Commission but not, as was mentioned a moment ago, on no matter what conditions.

This clearly brings us back once again to the consequences of an enlargement which is desirable in principle but once again badly prepared and hastily negotiated. And it is the poorest regions, the Mediterranean regions, that will feel the backlash and impact of such a badly prepared enlargement and for which there is a blunt refusal to make the necessary efforts. In fact there was a proposal for one thousand one hundred million ECU per annum; today the proposal is for two hundred and eighty-five. Is that acceptable? Is that conceivable? No. Because we are told that all that is going to be supplemented by the structural funds, but how can we forget that our Community is synonymous with 'solidarity' and that those structural funds, which do not have large resources, are to be drawn on for the amounts which it might be thought could be given to us, that is, that there will be no more funds available either for the other regions — and I am thinking in particular of regions such as Ireland, Scotland etc., — or for the Mediterranean regions. Let us be told, then, how these funds are to be allocated and where they are to come from; let the funding of the IMPs be raised to an acceptable level, as provided for initially, and then we can discuss them again.

Finally, we can accept the proposal for the intervention of lending organizations. So much the better if that is to be in addition to the rest, but there can be no question of its being a substitute.

In conclusion, I would ask the Parliament to give support to all the Members from the Mediterranean regions so that, with the newcomers in our Community, they do not become the victims of an enlargement, which politically nevertheless we support.

Mr Costanzo (PPE). — (*IT*) Mr President, this Parliament has been discussing the Integrated Mediterranean Programmes off and on for more than four years. Ever since the Commissioner then responsible, Vice-President Natali, put the proposal forward, the Parliament has expressed itself, always with a very large majority, in favour of a type of assistance of a comprehensive and integrated nature for the Mediterranean regions more exposed than others to the difficulties and, so to speak, to the 'stress' of enlargement in the South.

The Parliament expressed a broadly positive opinion, even though with amendments, on the first proposal

Costanzo

for a regulation. It subsequently gave its view also on other points and finally, last month, it confirmed what it had previously stated in the Kazazis resolution.

Today a kind of promise is made by the presentation of another specific proposal for a regulation. From what Mr Delors told us in this House, we are led to believe that the Commission — and, it is to be hoped, the Council too — has no intention of going back on what has been said. Accordingly, we agree with what Mr Delors forecasts and what he gives us to understand. We therefore declare our approval in principle of what he has forecast, and we look forward to the presentation to us at an early date of the regulation — that is, of the proposal on which we are to give our opinion. We thus anticipate our attitude and give expression to our expectations by referring to what we have already stated several times in this House. We are asking, that is, that the comprehensive nature of the assistance intended for the whole of the Mediterranean regions be re-affirmed; that assistance be provided with adequate financing, as has been previously provided for in the first regulation, and that the Council commit itself to agree to these requests of ours directed to considering such assistance not as a charitable donation in favour of certain regions but as one of the acts of justice which the Community must perform in favour of the regions more exposed to underdevelopment, to the risk of an increase in their difficulties and of their own inequality as an effect of the enlargement of the Community in the South.

Mr Mattina (S). — *(IT)* Mr President, ladies and gentlemen, I feel that the compromise amendment represents a measure of great responsibility and common sense.

As previous speakers have already said, we recognize the efforts being made by the Commission to initiate the Integrated Mediterranean Programmes. I think that what is important above all is the confirmation of the objectives of the programmes. I think it important that the Commission should be aware of the fact that the problems of the late-developing regions must be tackled promptly and comprehensively.

It is interesting, I feel, to note how these problems — as Mr Delors again has said — are not solely related to the contingent fact of enlargement but to the impact on these regions of the processes of economic transition which Europe and the whole world are undergoing. But I would say that it is this very awareness of the problems on the part of the Commission which makes us regard the specific proposals subsequently presented as frankly disproportionate. The gap between means and aims is too wide.

As regards the supplementary resources, I have the impression that if the available resources are reduced or it is proposed to reduce them and if it is proposed to reduce the time for application of the programme,

in the end such resources would become too small to make possible even a single programme of assistance. We must therefore state in clear terms: neither the populations nor we representatives of the populations of the Southern regions can accept a solution of that kind. In these regions what is required is the promotion of economic development, not an extension of welfare policy; welfare policy, though we have tried it out with national schemes which have miscarried on many occasions, has unfortunately cut these regions off from the conditions of economic growth of the more advanced regions of Europe; we do not believe we should continue on that road.

We are not clear, however — as my honourable friend Mr De Pasquale was saying — how the structural funds can supplement the Community's own resources for this assistance. Everything about the IMPs has already been said, above all in the debate last February and in the previous debates to which my honourable friend Mr Costanzo was referring just now. I think that on this point the only solution is for the Commission, as my other colleagues have suggested, to present the new regulation promptly, to have regard to the basic lines of the Integrated Mediterranean programmes and to make the resources available consistent with those basic lines.

Mr Lambrias (PPE). — *(GR)* Mr President, the unanimity with which the parties insist on support for, and press for the early implementation of the integrated Mediterranean programmes is the best possible expression of respect for Parliament. They demonstrate the adherence of a majority in the parties to the democratic principles that should govern Parliament's function, because it would be intolerable if Parliament were to ignore its own decisions, reached after exhaustive and detailed work.

Unfortunately, such due respect for parliamentary functions is not echoed in the matter of the IMP's by the Community's other institutional bodies. First and foremost of course, Council, which not only misled us, lulled us with promises, and achieved nothing during the period allowed for fulfilling its assumed obligation to issue the requisite regulation, but when the dramatic clash took place at the eleventh hour in Dublin, made a 180-degree turn and entrusted the newly-constituted Commission, and in particular its very able president, with the thankless — not to say worse — task of reconciling irreconcilables, persuading Parliament that the IMP's are to be promoted whereas the developmental and political philosophy that inspired them is being abandoned, and maintaining that they are being implemented and broadened whereas the resources earmarked for them are being drained away. Mr Delors has now appeared before us three times, promising, as recently as the day before yesterday, that he will repeat the miracle of the Marriage in Cana; in other words, that he will satisfy the tremendous needs of entire regional populations in the Community with

Lambrias

five loaves and a few fishes. Because how otherwise, colleagues, are we to interpret the fact that the finance earmarked to begin with has now essentially been cut to one-third, and complex criteria and procedures are being introduced so that even that fraction is now subject to doubt?

Fellow-Members, when we hear so much discussion nowadays about the inadequacy of a 3.5% rise in the prices of agricultural products, does it make sense to think that a specific policy of balancing out the tragic inequalities between North and South can be achieved with a two-thirds reduction of the finance available for it? If so, then we are surely moving in a world of paradox or hypocrisy.

Colleagues, my country is currently passing through a very severe crisis, a political crisis which could well become constitutional. Let us not give those who oppose parliamentary normality and the European Ideal in Greece the great satisfaction that the Europe of the Ten is making a fool of a poor but proud nation by reneging on promises made since 1979!

Mr Hutton (ED). — Mr President, this group would like to see IMPs start this year, but this Parliament seems to be going about it very oddly. We are running out of money; our voters are beating on our doors demanding huge efforts to feed the starving world, and yet this Parliament is being asked to say that 2 000 million ECU is too little to add to the very considerable sums already earmarked for Greece and Italy through the structural Funds. It is being asked to conjure another 4 500 million ECU out of the empty air — for it is certainly not going to come from anywhere else! This sort of demand is unrealistic, and this Parliament will be making a fool of itself if it condemns the Commission's latest efforts to be realistic about getting IMPs going this year in the same week as it is praising the Commission for its financial realism over farm prices. We appreciate that the Mediterranean areas need assistance, but we must cut our coat according to our rather sparse cloth at the moment.

Mr Alavanos (COM). — (GR) Mr President, I would first like to tell the speaker from the New Democracy Party that I think he confused the Marriage in Cana with the Sermon on the Mount, where in fact the loaves and fishes were distributed — as they are to be distributed to us in the 20th century by the EEC — and he also confused parliamentary normality in Greece with the 'European Ideal'. I think he tried to sow an alarmist spirit here, which his faction is developing in our country itself, without good reason.

Secondly, I would like to say that in the Committee on Regional Policy and Regional Planning we believed that Parliament would offer some resistance to Mr Delors' proposals. We fear, however, that the joint motion before us here today, in the form of amend-

ment No 1, was just a first reaction and that despite the known good intentions of those who introduced that amendment, Parliament may today substantially accept Mr Delors' proposals acting on the argument of the lesser evil. For example, paragraphs 3 and 4 merely assert that the finance is insufficient, or that the existing funds will not be able to cope with the Mediterranean programmes, without any explicit insistence on the previous proposals or on the previous amounts of finance.

Furthermore, paragraph 5 views favourably the implementation of a policy of subsidized loans, whereas it is crystal clear that according to the Delors proposals subsidized loans are not additional to the previous finance, but are intended to replace it. We fear that this represents yet another degeneration, so we have reservations and will not vote in favour of the amendment.

Mr Ducarme (L). — (FR) Mr President, first of all I should like to say that my group welcomes the Commission's efforts which respect a promise given but a promise so far ignored by the Council of Ministers, and which moreover reflects all the significance of this programme for the Mediterranean regions as such, whilst taking account also of the special situations, in particular as regards certain instances of agricultural speculation on which only these regions themselves can act. I think that the Commission is taking an important step here and I was particularly impressed in this connection by the intervention of the President of the Commission in the Committee on Regional Policy and Regional Planning.

The only point at issue between the Commission and the Parliament concerns the amount of what is to be granted to the Mediterranean regions within the context of the IMPs. I think you can, even now, give us a much clearer reply on this matter. We are told that it is a question of two thousand million or perhaps two thousand million plus two thousand five hundred million plus also something from the structural funds. The file supplied to Members of Parliament setting out the Commission's work programme for 1985, shows on page 80 an additional budget heading under IMPs.

I should therefore like to ask a specific question in this context: what amount is to be entered in the budget under this additional heading? The Parliament will then be able to see whether we are concerned with two thousand million or two thousand million plus two thousand five hundred million plus something else. I believe that budgetary clarity must be apparent and that when we have that Parliament will be with you, and this is perhaps the crux of the matter.

In conclusion I should like to turn to Mr Hutton and tell him that I am very favourably impressed by the work which he and his group have carried out within the Parliamentary Committee and I feel a great deal of

Ducarme

sympathy for his group on a number of policies. But I should nevertheless like to remind you that one of the basic principles of the existence of the Community is financial solidarity. If the rich regions do not arrange to provide a minimum of help for poorer regions there will be no more European Community. That must be made clear. Our friends in Southern Europe must know that people in the North are also ready to help them.

Mr Kuijpers (ARC). — (NL) Mr President, ladies and gentlemen, we must obviously consider the Integrated Mediterranean Programmes very carefully. Why? The problem connected with the relationship between North and South in the European Community is principally one of different political cultures, which will culminate either in complementarity — which should surely be the goal of enlargement — or in conflict. Everything that is helpful in this connection is based on a financial denominator. We must be fully aware of this.

On the other hand, I should like to emphasize the principle of solidarity. This principle must apply not only to the southern regions but also to the northern regions which have undergone industrial decay. This will unfortunately not be achieved by increasing the Community's own resources to 1.6%.

I should also like to stress the institutional friction. The Delors proposal provides for the replacement of the committees with national officials operating within the framework of COREPER, the Permanent Representatives Committee. The Commission itself should undertake these activities, and this must be fully sanctioned in the budget. In short, Mr President, I feel that something must be done about this integration as soon as possible.

Mr Buttafuoco (DR). — (IT) The Group of the European Right associates itself with the request for greater clarity and commitment as far as the Integrated Mediterranean Programmes are concerned.

Greater clarity, because it must be stated, once and for all, that the IMPs must not be regarded as concessions or gifts but rather as assistance which structurally and organically forms part of the various aspects of economic and social reality in the countries concerned.

Initiatives, then, not isolated or in the nature of welfare — the group in whose name I speak is far from promoting welfare policies or supporting them — but programmed in harmony with local requirements, both present and future.

Greater commitment because it is indispensable to invest in this region of vital importance for Europe, a region in which we come face to face with the peoples of Africa and the Middle East, a region of cultural

exchange and hence a possible bridge linking races, languages and interests which are different but which could be shared and become indispensable for breathing greater life into European initiatives.

For all these reasons, therefore, we condemn this re-appraisal, which may amount to a denial of the financial commitment towards the regions concerned, and we ask the Commission to present as soon as possible new proposals for regulations taking account of the actual problems of the Mediterranean regions in view also and above all of the necessary enlargement of the Community with the entry as members of Spain and Portugal.

Mr President, our group will vote for the amendment agreed between the authors of the four motions for resolutions.

Mr Avgerinos (S). — (GR) Mr President, the Commission's new proposals on the IMP's are characterized by three basic points: increased duration, substantial reduction of the additional appropriations envisaged, and activation of a loan-granting mechanism. There is a clear backing away from the initial proposals, and an emergent tendency for the IMP's to become limited to trivial interventions by the Community in the Mediterranean regions, without any ambition to respond to their specific aims.

I do not see how any compromise can be achieved between these proposals and our own, which have repeatedly been stressed in this Parliament, both in the relevant opinion and in its latest resolution. The President of the Commission tells us that since we have not solved the problem of the Community's own resources we cannot subject ourselves to sacrifices for the IMP's. He seems, however, to forget that the word 'sacrifice' only features in the Community's vocabulary with reference to support for the South, while metamorphosing into references to fundamental imperatives of the Treaty when support for northern regions is being considered.

How can we speak of sacrifices when for so many years 70% of the Community budget has been devoted to the support of northern agricultural products such as milk and beef so as to secure uneconomical reserves? And now, when the southern regions come to the Community, asking it to cushion the negative consequences of enlargement by making available 4% of the Community budget for 6 years, now we talk of sacrifice? We do not ask for sacrifices, we ask only for equal treatment of southern and northern products and that the Community should share the cost of enlargement in a fair and humanitarian way.

Mr President, we shall once more reiterate our position by rejecting the proposed text. We do not accept the view that there is no possibility of finding finance

Avgerinos

with new additional resources at the level defined by the previous proposal. We categorically oppose the incorporation of subsidized loans into the supplementary finance. We do not accept the abolition of the distribution keys, both for the supplementary finance and for the granting of loans. Any such abolition would mean that there is an intention to maintain the same existing unequal distribution of the Funds' resources within the framework of the IMP's as well. We consider that any participation of the structural Funds in the financing of the IMP's must derive from additional resources, and be registered as a separate item in the budget.

Finally, this proposal must be disassociated from the five-year budget of the EAGGF (Guidance Section) for the IMP's. Any such association would lead to a substitution of resources, which would conflict with the principle of additionality. We cannot just forget our obligations when it comes to helping out the weakest regions and mitigating the negative consequences of the third enlargement. That is just the time when respect should be shown for the Treaty. We ask for nothing more than obedience to the fundamental imperatives of the Treaty of Rome, the application of solidarity, and respect for assumed obligations.

And one thing more — in my country, ladies and gentlemen, there is no crisis. The crisis is that of the opposition party. The application of constitutional principles in my country is not appreciated by those who do not respect them. I feel for them, because they bear the mark of their suffering.

Mr Filinis (COM). — (GR) Mr President, the interior Greek Communist Party, which I represent, aligns itself with the views of the European Left, which calls for a positive and decisive response to the IMP problem. For this reason, we shall vote in favour of the proposed resolution.

There is now a universal conviction that, first, the IMP's must be implemented straight away, i.e., during 1985; secondly, that it is unacceptable to reduce the financing appropriations drastically to 2 billion ECU, and this, moreover, spread out over a longer period of 7 years; thirdly, that the various Funds can only support the IMPs subject to the precondition that they will be supplemented from budgetary sources so that what they give to each country at present will remain unaffected; fourthly, that the IMP's must make real contributions to appropriate regional planning.

Unfortunately, there is a constant tendency for prior commitments of the Commission, and much more so of the Council, not to be honoured. Thus, working people in Europe and the people in Europe's least well developed regions see that the very just aim of convergence is now being used as a pseudonym to disguise today's sad reality, not only of extensive unemployment, but also of a broadening chasm between the

Community's richer and poorer countries, granted that the Commission itself admits that regional inequalities have increased within the Community during the past 15 years.

Mr President, the European Parliament must demand that all commitments of the Council and the Commission must be honoured, especially those assumed at Fontainebleau namely, that there is to be a substantial increase in budgetary items destined for the various Funds, so that implementation of the IMP's may become a reality.

Mr Natali, Vice-President of the Commission — (IT) Mr President, honourable Members of Parliament, I hope you will not be surprised to see me here presenting to the European Parliament in this urgent debate the Commission's guide-lines for the Integrated Mediterranean Programmes.

It is not only a matter of simple solidarity between members of the Commission, but also, I would say, a question of conscience, since you know, I imagine, the attachment to the fundamental objectives of convergence which the realization of the programmes represents for Europe and which inspired the original proposal.

Like President Delors, I am here again to ask you for the support of the European Parliament for the cause of the Integrated Mediterranean Programmes, convinced that they represent the only possible answer to the two basic problems on which the Commission's initial proposal was based: the consequences of enlargement and acceptance of the requirements referred to in the Greek Memorandum.

And, it would be as well to emphasize — and it is for that too that I am here — that the Commission's new proposal reflects the spirit of the first.

They are in fact the same priorities of structural adaptation, concern for the diversity of needs, consideration for the less-favoured regions, more efficient use of our instruments; these are, today, the foundations of the new proposal.

It has been stated here that it is necessary to face up to reality, above all budgetary and financial reality, and to make an effort not to distort our original plans.

That is what we have tried to do, and that, it seems to me, is recognized in Amendment No 1.

We have attempted to restrict as far as possible the reduction in the total quantity of resources which might potentially be reserved for the IMPs. I stress the word 'potentially' because the source of 6.6 thousand million was not really defined: it too might have come from the existing funds. I think we all remember the debates which took place in this Parliament.

Natali

Thanks to the mobilization of loans — and it is hardly necessary to recall that that was one of the suggestions put forward by Parliament in the previous proposal — facilitated by interest rebates, the new proposal makes it possible to earmark for the Mediterranean regions resources of roughly one thousand million per annum — that is to say, 7 thousand million over 7 years. Here I should like to emphasize that that period was chosen in view of the transitional period foreseeable for the agricultural sector, the subject of the negotiations with Spain.

Seven thousand million over 7 years, made up as follows: 2.5 thousand million in loans, 2 thousand million in supplementary resources — and I would stress that that has been entered under a budget heading of its own and independently of existing funds — the remainder, 2.5 thousand million, capable of being drawn from existing funds. I should like to remind the House here that the present rules of the funds, approved by Parliament, allow adequate flexibility for intensive assistance to be provided for the less-favoured regions and as regards integrated programmes.

We are speaking therefore, in all, of considerable sums if the Integrated Mediterranean Programmes come into being in accordance with the method proposed by the Commission.

I should like to revert to the problem of the additional resources so as to remove all doubts on the subject. I wish to state that the 2 thousand million additional resources allocated to the IMPs will indeed be in addition to the contribution made by existing structural funds. Thus, for example, the Commission's proposal to set aside within the EAGGF (Guidance Section) a sum of roughly 180 million ECU per annum for IMPs will be in addition to the 2 thousand million in 7 years of the additional resources in the strict sense.

I should like to pause a little on another point to make it clear that I am particularly sensitive to the criticisms — which we have heard here too — expressed as regards the Commission's tactical use of the concept of 'fair returns' so as to resist an *a priori* sharing out of the IMPs between the various countries and because, too, on this subject I can speak from personal experience. In fact I know — and this is an Italian experience too — how difficult it is for the less-favoured regions to have access to Community financing.

It is thus with all sincerity that I express here the Commission's intention to put at the disposal of such regions all technical means to allow them to make their preparations and to devise their programmes in the best conditions.

If, as a result, the less-favoured regions can increase not only their investment potential but also their local capacity for organization and mobilization, then this initiative of ours — and when I say 'ours' I mean not

only the Commission's initiative but also the Parliament's — will, I think, have attained its object.

A previous speaker warned against the dangers of welfare policy. I should like to be perfectly clear in this regard once and for all. Ours will never be a welfare policy. We do not believe that it can be so regarded, for example, to allow certain agricultural producers, after a whole life of hard work, the advantage of an early pension comparable with that obtained by employed persons. 'Support' simply means that modernization and reconversion programmes have limits.

I recognize, Mr President, that many questions will have to be faced. I shall not deal with them, because President Delors has specially called attention to them. The rules for an urgent debate, too, compel us to be particularly brief, the more so as Parliament will have the opportunity to examine the regulation when we present it, which I think will be as soon as possible.

I should just like in conclusion to stress two significant points which we note in Amendment No 1.

Conscious as we are of the risks of too bureaucratic a procedure, convinced of the fact that the local and regional authorities know the local requirements better than anyone else, we shall do all in our power to encourage, subject to national legislation, the opportunities for programmes to be locally inspired.

What we are proposing is perhaps difficult, but I think there is no other way to get back to the actual source of the Treaty — that is to say, to the spirit of solidarity, which alone can permit a harmonious integration of our Community.

(Applause)

President. — The debate is closed.

(Parliament adopted Amendment No 1, replacing all four motions for resolutions)¹

1c. *Lead in petrol*

President. — The next item is the motion for a resolution by Mrs Weber and others, on opening of the conciliation procedure (Rule 38 of the Rules of Procedure) (Doc. 2-1847/84).

¹ Amendment No 1 was tabled by Mr De Pasquale, Mrs Gadioux, Mr Martin, Mr Amadei and Mr Didò; by Mr Costanzo and Mr Lambrias, on behalf of the European People's Party (Christian-Democratic) Group; by Mr Ducarme and Mr Romeo, on behalf of the Liberal and Democratic Group; and by Mr Musso, on behalf of the European Democratic Alliance Group

Mrs Weber (S). — *(DE)* Mr President, ladies and gentlemen, with this motion for a resolution we are trying once again to improve co-operation between the European Parliament, the Commission and the Council of Ministers in an extremely important political question — namely, the reduction of lead in petrol and motor-vehicle exhaust emissions, and what is more, before the next meeting of the Council for the environment on 20 March this year.

The procedure so far has, in our view, pursued an unsatisfactory course, and that includes the Council meeting of 7 March. Certainly we were pleased to have a discussion with the Council on the eve of that meeting, but in our view the Council did not consider to a sufficient extent or in sufficient detail our readiness to co-operate. The Commission declares that it is following the wishes of the Parliament and taking up its proposals, but unfortunately that is not yet reflected in the documents.

In December, the Parliament showed a sense of responsibility throughout all groups and nations and by good preparatory work in the relevant committees by demanding the introduction of lead-free petrol and adherence to more stringent provisions for motor-vehicle exhaust emissions from 1986. The object is the diminution of air pollution — an aim which must not be lost sight of as there is an urgent need for it.

Once again we demand a joint European solution which will reduce strains on health and the environment, and for that reason we are demanding also the rapid adoption of the whole package of protective measures — that is, for motor vehicles and large industrial furnaces.

The European Parliament cannot support any decision of the Council which does not approach this goal or fully attain it. We offer the Commission and the Council our collaboration through the renewed conciliation procedure. They should not regard this as mere criticism but also as an offer of co-operation — and should have regard too to the overwhelming majority with which the Parliament adopted the relevant decisions, because that is also the means by which we make known the wishes of the population of Europe. We need conciliation for the sake of better co-operation between the European Institutions, but above all we need it for the sake of the cause itself!

(Applause)

Mrs Schleicher (PPE). — *(DE)* Mr President, ladies and gentlemen, the request for an urgent debate which we have put forward today is intended to support the request made by Mrs Weber: better collaboration between the Commission and the Council. As regards past events the following needs to be said: In December, the Parliament was asked by the Council and by the Commission to come to a decision as soon as pos-

sible. We know how difficult the subject is, and that it is not easy, either, for the Council and the Commission. After genuinely careful deliberation with knowledge of the problems, we have presented a solution which in our view is a tolerable one, so as to bring about a reduction as soon as possible of harmful motor-vehicle exhaust emissions. That is the aim.

When questions of technology are brought up again and again I wish to stress: the Parliament has never proposed any particular technology but only the emission values. We wish to leave the field clear for technology, because if we prescribe technologies we hinder progress with the technical possibilities. Therefore we ask for urgent conciliation with the Council on the basis of what has already been put forward.

I emphasize once again that 80% of the population of the European Community regards questions of the environment as matters of priority.

We need solutions, and hopes for Europe are connected with the question whether we are capable of solving these environmental problems. I therefore ask our President urgently to ensure that the conciliation takes place within the next week.

(Applause)

President. — This conciliation will take place on Tuesday next.

Mr Sherlock (ED). — Mr President, I would suggest that this House support the request for urgent procedure in order to emphasize the point. We wish rather to widen the grounds on which conciliation is granted by the Council of Ministers, and this will, of course, result in a net increase in the power of this Parliament. With regard to the report, it leaves plenty of room for manoeuvre, as my chairman and Mrs Schleicher have already said. There is ground for hope that we can get a sensible agreement if the conciliation procedure is followed.

It is for these two reasons that I particularly ask everyone in the House today to vote in favour of this proposal.

Mr Vernier (RDE). — *(FR)* Mr President, we are, of course, in favour of conciliation between the European Parliament and the Council of Ministers, but we are nevertheless worried by a number of matters regarding presentation of the resolution.

We cannot in particular allow it to be said, as it is in paragraph 2 of the resolution, that the opinion of this Parliament of 12 December 1984 was adopted by Members of Parliament from all countries and parties, since we did not adopt the opinion in question.

Vernier

Nor can we allow it to be said, as in indicated in point D of the resolution, that delay in reaching decisions on this matter is jeopardizing economic recovery and jobs. We would in fact repeat that on the contrary any over-hasty measures will throw us into the arms of the catalytic converter, a technique which entails unacceptable costs for cars with small- and medium-sized engines, putting up the cost of small cars by between 15 and 20% and thus jeopardizing jobs in countries manufacturing these small cars — France, Italy and the United Kingdom.

Furthermore this technique is not only prohibitively expensive, but is also of uncertain efficiency, since American experience has shown that a catalytic converter which is not maintained by the vehicle owner loses all its effectiveness after a short time.

For that reason we therefore repeat that the top priority is on the one hand to make a careful study of the actual part played in damaging our forests by oxides of nitrogen emitted from cars and on the other to make an early study of techniques other than the catalytic converter, in particular the lean-burn engine, to combat effectively pollution by exhaust gases.

Whilst we are in favour of the conciliation procedure, we shall vote against Mrs Weber's proposals, since they seem to us to be unrealistic and expensive.

(Applause from the Group of the European Democratic Alliance)

Mr Clinton Davis, Member of the Commission. — Mr President, while I welcome this debate, which gives me an opportunity to update Parliament on the state of negotiations in the Environment Council on the question of motor-vehicle emissions before the next round — I hope the final round — which will take place on Wednesday, I am surprised, to say the least, that the Commission has been subjected to the criticisms which are set out in this motion, and in particular in paragraph 3.

I hope that these criticisms do not deflect attention from the real issues and the real sources of your frustration and mine. Nevertheless, because they have been made, I must spend a little time in putting the record straight.

First, I have repeatedly stressed, since I took office as the Commissioner with responsibility for environmental affairs, that in the battle against the wanton defiling of the environment — the environment of all the peoples of the Community and beyond — Parliament and the Commission must work together as partners and not treat each other as foes. I adhere to that view and I sense it is also the view of Parliament from the contributions that have been made this morning, despite the barbs contained in this motion.

Perhaps in this connection I might remind Parliament of a Chinese proverb: Don't use a hatchet to remove a fly from your friend's forehead.

When I took the floor for the first time before the House in January and later on before its Committee on the Environment, Public Health and Consumer Protection, I stated clearly that I shared the views of the Parliament on the necessity to react quickly and positively to reduce the lead content of petrol and the emissions of motor-vehicles in an effort to combat atmospheric pollution, and to prevent the destruction of forests. It is of course only one part of the entire battle.

In the light of the Sherlock report, I indicated that the Commission would be prepared to modify its original proposals so as to accelerate the introduction of lead-free petrol and strict emission standards. I pointed out also that it would be neither politically nor technically feasible to impose these new regulations from 1986 — the date requested by Parliament.

I finally indicated that the Commission would be prepared to envisage an approach which included differentiation between cars according to engine size, this idea being based on a proposal in the Sherlock report. These indications certainly helped to give a new impetus to the negotiations.

During February and the early part of March, I did not remain idle. I personally met Ministers for the Environment from Germany, France, the UK, Italy, Belgium and the Netherlands as well as ambassadors of the other Member States. I did so in order to discuss with them the possible ways and means of finding a compromise acceptable to all without freezing the negotiations.

The exigencies of the situation, and in particular the evolution of the Member States' views, were such that I was only able to report to my colleagues from the Commission on these talks on 7 March, the very day of the Committee on the Environment, Public Health and Consumer Protection's meeting and the day before the Council meeting. How then, in so highly sensitive a situation, could I have revealed all my negotiating cards in advance of the Council of 7 March? Surely some degree of reticence was required in the interests of arriving at a solution.

The Commission itself authorized me to negotiate a compromise which fulfilled the four following criteria: substantial reduction of motor-vehicle emissions within as short a period as possible; the integral nature of the common market must be respected; the emission standards must leave open the choice of technologies; and, finally, the cars must be differentiated into categories according to engine size.

At this point may I stress that contrary to what is said in the motion for a resolution, the Commission did not

Clinton Davis

submit amended proposals for directives during the Council meeting. What I have done according to the mandate of the Commission is to put forward possible solutions that meet these criteria so as to reach an agreement.

During the discussion of the Council the difficulties centred on three main points: first, the classification of cars, most particularly the boundary between small and medium cars; secondly, the definition of emission norms, especially difficult for the medium-sized category of cars; and thirdly, the dates for the introduction of new emission norms.

The negotiations recognized, too, the political link between these points and the fiscal incentives proposed by the German Government. I believe that although the Council did not reach an agreement on 8 March, substantial progress was achieved on all fronts towards Parliament's position and towards a common solution. The *Financial Times* in Britain put the matter succinctly and pertinently when it said in a headline: 'EEC nations feel their way through the car pollution fog'. That indeed is what seemed to be happening.

None the less, deeply-held opinions still divide Member States. The wording on emission standards is difficult. The date for introducing these norms for medium-sized cars is difficult, and a declaration of the Council on the question of financial incentives is also a matter of difficulty. In the few days before the next Environment Council on Wednesday, I will do whatever I can to advance the possibility of a solution. I or my services will be having contacts with Member States, starting with the United Kingdom tomorrow, because the United Kingdom does currently appear to have the most difficulties. On Monday I shall be meeting German Ministers, and we shall be joined by the Italian Presidency. All this is an effort to secure a final agreement at the Council on 20 March.

Yesterday I met the Bureau of the Environment Committee to inform them of the results both of my talks with the Environment Ministers and of the Council meeting. I have kept in close touch throughout on an informal basis with the chairman of the Environment Committee, and I will continue to do this. I am ready to report to the committee in April on the results of the next Council, and I shall also be pleased to participate in any consultation meeting between Parliament and the Council on 19 March, I have made this abundantly clear.

I should like to say a few words about one of the points in the motion. I think that the research and development programme on technical alternatives to the catalytic convertors should be supported by the corporations and not by the Community budget. To do otherwise is to be fanciful.

Finally, I should like to remind the House that the Commission, like Parliament, is most anxious to find a

common solution to these vital European issues and to enable a decision to be taken as soon as possible. The negotiations have reached a delicate stage. The cost of no agreement would be immensely high, indeed dangerously high, in terms of environmental protection, industrial certainty and the unity of the common market. Because the stakes are so high, I have forsworn any comment on the Council's say to encourage Member States. However, I hope that the message conveyed to Member States by Parliament today will be heard loud and clear.

I end as I began. I believe that partnership and indeed friendship between the Commission and Parliament, most particularly on this delicate issue, is a prerequisite for success. I must tell Parliament, however, that if I continue to receive love letters of this kind, in particular containing what it says in paragraph 3, then our friendship, I fear, will have to remain platonic. I do not want that to happen.

Thank you for allowing me to explain what has happened over the recent days, and also for being able to convey to Member States the clear expression of will of this Parliament.

(Applause)

President. — The debate is closed.

(Parliament adopted the resolution)

I said earlier that a conciliation would take place next Tuesday. For legal reasons, the Council wishes this to be regarded, not as a conciliation, but merely as a meeting. However that may be, the contents of a bottle of wine are more important, so far as I am concerned, than the label.

IN THE CHAIR: MR SEEFELD

Vice-President

1d. *Hunger in the world*

President. — The next item is a joint debate on two motions for resolutions:

- by Mrs Focke and other members of the Committee on Development and Cooperation, on the campaign against hunger in Africa (Doc. 2-1782/84); and
- by Mr de la Malène and others, on behalf of the European Democratic Alliance Group, on hunger in the world (Doc. 2-1855/84).

Mrs Focke (S), Chairman of the Committee on Development and Co-operation. — (DE) Mr President, honourable Members, members of the Committee on Development and Co-operation from practically all groups are presenting to you this motion for a resolution for combating hunger in Africa. This covers the motions for urgent debate on the same subject which could not be dealt with at the last part-session in February. It is based above all, however, on our committee's constant concern with the famine catastrophe in Africa. In contrast to the usual situation, in which many individual aspects are discussed as urgent, here for the first time in an urgent debate the whole problem is summarized in an opinion of the European Parliament.

What is there now in our motion for a resolution? In the short time available I can only select the most important points. First of all, on Monday and Tuesday a large conference of donor nations took place in Geneva under the auspices of the United Nations. Mr Natali was there. We hope to hear results from him at first hand. We are anxious to know, after a fresh joint investigation, whether the Community is doing enough qualitatively and quantitatively or whether we must adopt further decisions in addition to those already adopted.

Secondly, we are particularly concerned about developments in the Sudan, and we should like the Community to make a very special additional effort.

Thirdly, we ask the Commission to make sure once again whether help is reaching all victims of the famine without exception. We therefore call upon it to pay particular attention to the population in Eritrea and Tigre and to ensure through the non-governmental organizations that the aid is being fairly divided there too and is arriving in sufficient quantities.

(Applause)

Fourthly, we turn to the Council and the Foreign Ministers of the European Community and ask them to ensure that in countries in which there are internal conflicts the distribution of aid receives absolute priority — that is, that the Council should try to ensure with the governments concerned that a truce is arranged for this purpose.

Fifthly, above all, seed, fertilizer, tools and the like must be sent in the next few weeks to the countries concerned so that provision may be made for the next harvest before the next rain comes. Only in that way can we find a real answer to the problem.

Sixthly, we have dealt particularly with the refugee problem because shortage of food and internal conflicts lead here to an escalation. We ask the Commission, in collaboration with the UN High Commissioner for Refugees, to work out a programme so as to increase our help in this field as quickly as possible and present

us with a specific proposal for this purpose in the next few weeks.

Seventhly, we have stressed how essential co-ordination is. We are glad that there is now a crisis staff in Directorate General VIII, co-ordinating in particular the Community measures with those of the developing countries, the non-governmental organizations and also those of other donor countries.

However, we have the impression that this co-ordination can still be improved. In particular, we should be very pleased if as a result we could not only always react to situations but also attempt to, forestall them by estimating what is necessary and arranging it in good time.

Eighthly, we naturally also go into the medium- and long-term measures, since emergency aid *only* is no answer! In this connection, we declare ourselves in favour of decentralized systems of stocks and an advance warning system which will let us know earlier than last time when such a catastrophe is threatened. Further, we ask for immediate rehabilitation programmes, food strategies in the affected areas and a programme to combat desertification.

Last but not least — I am referring to paragraphs 35, 36 and 37 — we wish for a permanent 'follow-up'. We expect from the Commission every two months a report for all the Members of this Parliament — and not only for our committee — on the success of the structural measures.

Finally, we must also establish with our own eyes what is going on on the spot. We therefore wish for a delegation of the Parliament to be sent there so that we are not always dependent on reports from others. Not least, we ask the Parliament formally to charge the committee to keep a watching brief on the subject and continually to monitor the Commission's actions. I hope our decision will meet with broad approval.

(Applause)

Mr Guermeur (RDE). — (FR) I am pleased to see that the resolution tabled by the Committee on Development and Co-operation covers many of the problems and questions we have discussed plus proposals we have made at each part-session within this field of food aid. In particular we welcome the fact that this resolution mentions the situation in the Sudan, the situation of refugees, the misuse of aid by certain states to the detriment of the starving, priority given to food aid over the purchase of arms and the question of infrastructures for the transport of food aid, in particular harbour infrastructures. We are also glad that this resolution mentions aid co-ordination and the strategy of rehabilitation of regions affected by famine and desertification.

Guermeur

Our group will therefore, Mr President, vote wholeheartedly for the motion for a resolution presented by the committee. However, we consider that paragraph 35 presents a problem and we think that demanding a written report from the Commission every two months plus a report twice a year will involve an enormous amount of paperwork and red tape. We consider that the freer the Commission is to implement food aid the better and the less paper-work it has to do the more time it will have. We have therefore asked for that article to be deleted to take account of the oral proposals and avoid increasing the number of written reports.

As regards the resolution which we have tabled on behalf of our group, it in no way runs counter to the main resolution, but rather, complements it. It is merely intended to draw attention to the more dramatic aspects, the most serious infringements of human rights such as war, the exodus of populations, the misuse of food aid in favour of the purchase of arms and other machinations which are all too rarely exposed. We wish it to be known that certain countries in Africa which we are helping must adopt an attitude which is more compatible with the wishes of this Parliament and with the effectiveness required in food aid.

Mr McGowan (S). — Mr President, the poor countries of Africa face an absolutely catastrophic problem. I think we should also note that the response to this problem in the rich countries of Europe has been enormous. We should all grasp this political opportunity to match the public response to the great problems that face Africa.

My recent experience of famine and drought is based on a visit to Ethiopia last month. I have to say that I have never seen such a scale of both environmental and human devastation. I have never seen so many 2 and 3-year old children with faces of 80 and 90-year old men and women. I have never seen so many babies not strong enough to weep. I have never seen so many adults too devastated to come out of emergency tents to receive food. There is an enormous need for more food, especially supplementary food, and for medical supplies and trucks for internal distribution. We know that Ethiopia is only part of a massive problem which affects more than 20 countries across Africa.

The response to this in my own city of Leeds in the North of England is that I have received over 2 000 letters pleading with me to ask this Assembly to help shift resources from this part of Europe to Africa. The public in the United Kingdom has voluntarily raised more funds and practical help than the United Kingdom Government. I am convinced that the Community and the Member States are still a very long way behind the public demand for the deployment of resources and for other ways and means of tackling this problem. I feel that the public interest provides us

with a political opportunity that we must not miss in any way. It is an opportunity for the Community and for all Members of all political parties to shift resources to where they are required and to transform this sympathy for emergency food aid into a real and long-term commitment to development, thus helping our brothers and sisters to move towards a situation of self-sufficiency.

(Applause from the left)

Mrs Rabbethge (PPE). — *(DE)* Mr President, ladies and gentlemen, anyone who has had to see for himself the indescribable misery in the African famine countries is at a loss for words when he has to give a straightforward account. The gruesome reality dumbfounded us. But why has the present situation become so dramatic?

We must answer this question correctly and comprehensively in order to avoid comparable destitution in the future. Apart from obvious emergency aid, what long-term measures shall we have to adopt more speedily and more intensively? The urgent motion now before us contains certain proposals. Admittedly it has been possible for our ideas and those we shared with the Commission to be realized only to a very limited extent.

The cause of the famine should therefore be urgently investigated, because it is simply nonsense to discuss famine in Ethiopia, in the Sudan, in Mali and elsewhere without taking into account the armed conflict there and the flood of refugees. If we do not attack the problem of the deserts more speedily and more intensively, large parts of the land will become permanently unusable for agriculture.

Finally, I think that the whole question of our way of negotiating will have to be fundamentally reconsidered because it seems at the moment as if we cannot win the struggle against hunger and poverty.

On the wall of the government office in Nairobi, Kenya, stands the message in Kiswahili: 'Harambe'. This means: 'Let us all pull together'. The only chance seems to me to lie in a new style of negotiating, with social and humanitarian dedication as before, but with less wishful thinking and fewer idealistic dreams. We should set to work more circumspectly and show more courage in putting before the countries and governments to which we are sending aid unusual but essential proposals as regards their way of working and of administering the aid they receive. *Harambe* — let us pull together with this franker policy of negotiating for the survival of millions!

(Applause from the centre)

Mr Howell (ED). — Mr President, I am delighted to follow the last speaker, because I have just returned

Howell

from 10 days of living with guerrilla forces in Eritrea. I can tell the last speaker that the situation inside Eritrea is becoming more and more difficult and is far more difficult than the scenes we have seen on television from the other side of the conflict inside Ethiopia. We have seen there the medical problems they face; we have visited the prisoners of war; we have watched how war and drought combine to make a famine.

Mr President, we have lived as those guerrillas have lived, and I bring back first-hand information which we shall be disseminating as time goes on.

My problem is this: there is no possibility in the world for this Parliament, the United Nations or anyone else to stop the drought inside Ethiopia or anywhere else; but perhaps we do have the ability to stop the war. The war is as powerful in causing the famine as is the drought. I have seen myself the victims of napalm, of cluster-bombs, of the bombings by Ethiopian MIG jets, and of the devastation that has been caused throughout that country. There can be no hope of getting agricultural production going in that country while MIG jet-fighters fly overhead blasting hell out of everything.

Therefore, I urge Mrs Focke and this Parliament to bring all the influence it has to bear on the Ethiopian Government and to urge that government to accept the ceasefire proposals that the Eritrean People's Liberation Front have still on the table, for, without that ceasefire, no action on earth will stop the famine that exists.

If I can get that message over today, and that message only, then I think I shall have played a significant part in bringing relief to those people in that terrible part of the world.

(Applause from the European Democratic Group)

Mrs Cinciari Rodano (COM). — *(IT)* Mr President, the resolution of the Committee on Development has, in our view, the merit of organic unity and that of containing precise proposals. We are all conscious not only of the gravity of the situation but also of the fact that its tragic force increases as time goes on. We all know very well, we have repeated it many times in this House, that the situation is even more serious where conflicts are in progress and where there are large numbers of refugees. But I think the time has come not so much to repeat the charges made, to go in for a little more propaganda amongst ourselves and even less to engage in polemics which may then be used against one country or another, but rather to act seriously and positively in accordance with the gravity and responsibility incumbent upon a parliamentary institution.

I should like to emphasize two questions only. First: it seems to me that the resolution rightly stresses the

need for better co-ordination of emergency food aid with medium-term assistance. I am thinking in particular of the proposals already made by the Joint Committee at Bujumbura on our request regarding the installation of an advance warning system in the ACP countries, particularly the Sahel, and the creation of stocks of food on the spot.

Secondly: that we should insist on the co-ordination of efforts in the donor countries to ensure that the measures adopted are as efficient and as timely as possible.

I should like to add — as someone raised the problem here — that we think it is indispensable that there should be the maximum collaboration on the part of the Parliament and the Committee on Development, but also that there should be serious supervision — I would say at close quarters — so as to establish that aid is actually reaching its destination in time.

Mr Maher (L). — Mr President, I have just one minute, so I have to be telescopic. My first point is that I would not like us to insist, as Mrs Focke seems to be insisting, upon asking the Commission to present a report very frequently to us — I think it is every two months. Let us be sensible: let the Commission get on with their work; let them produce aid instead of producing more paper. Of course we want to be kept informed, but please let us be practical: let the Commission get on with the job!

My second point is that as these catastrophes occur, they always seem to come on us suddenly, and already there are thousands of people in trouble and thousands of people dying before we take any action. There must be something wrong with the intelligence, because catastrophes resulting from drought do not happen suddenly — they are gradual. There are people who know exactly what is coming. Could we not improve the intelligence, listen to people working in the field? Many religious organizations are doing excellent work: let us listen to them so that we are ready to meet the need before it occurs, not afterwards when millions have died!

Mr Graefe zu Baringdorf (ARC). — *(DE)* Mr President, ladies and gentlemen, we shall support both motions, above all Mrs Focke's, because here it is clear in my opinion that it is not only a question of aid in this case but also of taking a long-term view.

For us, too, this aid is necessary for self-help, because we must recognize that for a long time past food aid has no longer represented for the European Community a pure act of solidarity with the people in these countries. It may also be a convenient way of getting rid of surpluses.

If this food aid is paid for from the Development Aid Fund, means are provided from the Fund. According

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to my estimate, this is already almost 50% of the means, which are then lacking for other projects if they are urgently needed for long-term aid. For us that represents the right of people in these countries to feed themselves. If deliveries of food become the rule, they undermine the efforts of these countries to support themselves with their own home-grown staple food-stuffs.

The eating habits of people in these countries are changing. But they must not become attached to a European diet, for that will result in depreciating native production. In that way native producers are compelled to produce for export and cultivate luxury foods for us here. At the last Green Week in Berlin, there was the curiosity of an Ethiopian stand offering precisely these luxury foods. Visitors could scarcely understand what the connection was.

The agricultural policy, too, about which we have to decide this afternoon, is a part of the connection between hunger and superabundance. If by our price policy — for example in the milk sector — we compel small-scale farmers to go out of business, then ever more milk is produced here on the basis of imported feeding-stuffs from these countries and even lesser quantities of basic foodstuffs are produced there. That is a contribution to further hunger in the world, but not to a solution of this problem! That is what we must always bear in mind.

Mr d'Ormesson (DR). — *(FR)* Mr President, the Group of the European Right will not be taking part in the vote on the motion for a resolution with the exception of the vote on paragraph 35.

Our reasons are as follows: the civil wars provoked by the totalitarian Marxists' desire for domination are the essential cause of the famine in Africa. Because this motion for a resolution does not care to make that point; because, in the same way, it does not have the courage to suggest to the warring parties that they should negotiate to bring about a cease-fire, the withdrawal of foreign troops and free elections; because in so doing the Community becomes each day increasingly a party to a state of affairs which imposes slavery on populations which ask only to live in freedom — for these reasons we refuse to take part in the vote. On the other hand, when budgetary matters are discussed we shall vote in favour of the appropriations for food aid.

(Applause from the Group of the European Right)

Mr Ulburghs (NI). — *(NL)* Mr President, as a member of the Committee on Development and Cooperation I am a co-signatory of this motion for a resolution on hunger in Africa, and I shall therefore be voting for it.

I should like to explain the link between arms supplies and hunger. Food is clearly becoming a strategically important weapon, for both development and armament strategy. Agriculture is being industrialized and monopolized by large companies and financial institutions. To protect these interests, heavily armed governments are needed, unfortunately in both the rich North and the poor South, where more and more countries are being armed to the teeth as time passes. This is true, for example, of Latin America, South Africa, Ethiopia, Zaire and so on. I therefore make a solemn appeal for disarmament. The money now spent on arms could be used to fight hunger.

In this connection, I should like to ask the President of the European Parliament to urge the Belgian Government not to decide this evening, as planned, to deploy nuclear missiles but instead to spend the money on fighting hunger in Africa as a sign of peace and just redistribution.

I wish to propose in this connection that we express our sympathy with our fellow Member Paul Staes, who is at present on hunger strike in Belgium in support of disarmament and the fight against hunger.

Mr President, I will use a few seconds of my speaking-time to commemorate the victims of hunger in Africa and also the victims of Hiroshima and Nagasaki: let us hope that they did not die in vain.

Mr Bersani (PPE), Chairman of the Joint Committee of the ACP-EEC Consultative Assembly. — *(IT)* Mr President, honourable Members, like my honourable friend Mrs Rabbethge, I too express my full support for the resolution and similarly I thank Mrs Focke, Chairman of the Committee on Development, for the efforts she has made to co-ordinate the various proposals; amongst these there was also one of mine on the Sudan. I should like to bear witness to what my colleagues and I were able to see during our far-ranging visit to that country, which, until a few days ago, remained in the background and has now come into the limelight in an extraordinarily tragic way, exhibiting a situation which has few parallels: let it suffice to think of the 4 million persons gravely affected by the drought and the millions of refugees from various countries, primarily Ethiopia and Chad.

These are figures which speak for themselves and show how we must make a special effort on behalf of the Sudan. Since our task involves, over and above individual cases, defining general lines of policy, I should like to stress, on the lines of the resolution, the need to combine immediate aid more effectively with preliminary measures for medium-term and definitive aid in favour of persons who have been affected in various ways. In my opinion, we must regulate our policy in these areas better. In any case, I note the improvement in collaboration between the EEC and

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the Member States and I should like to stress the need for further progress in that direction.

(Applause from the centre)

Mrs Daly (ED). — Mr President, my group supports this resolution, although we have reservations about the first sentence of paragraph 35, because we think it is placing too big a burden on the small staff in the Commission. But I want to address my comments particularly to paragraph 5.

The need for action to help the starving in Eritrea and Tigre is immediate. The Ethiopian Government has refused all proposals for providing safe passage for the distribution of relief through Ethiopian Government territory to the northern provinces. The European Community needs to play its part in providing greatly increased emergency aid by existing supply routes through Sudan to Eritrea and Tigre, in particular through the offices of NGOs. We must stop pretending that this war does not exist: 1 700 people are dying every day, and I am not prepared to have their lives on my conscience just because of diplomatic niceties. The people of Europe have responded generously to the famine throughout Ethiopia: over £ 100 million has been raised. I myself have received 1 400 letters asking us to get help there, and along with other constituents thousands of letters have been received. These people are most unhappy that aid is being denied to 34% of the population of Ethiopia. Until there is a ceasefire, we believe that action must be taken to get aid to that 34%.

The desire to avoid criticizing any ACP partner must not take precedence over our humanitarian principles. Three thousand refugees from Ethiopia are swarming into Sudan every day, which means a drain on their food. We must ensure that food aid goes both to the local Sudanese and to refugees. But we must also look for ways of giving aid for non-food items such as water-pumps, medicine, tents, trucks and fuel. All of these are needed in the Sudan today.

Mr Natali, Vice-President of the Commission. — *(IT)* Mr President, honourable Members of Parliament, the draft resolution presented for our consideration is — and the honourable Member Mrs Focke has made it clear in her explanation — a complex document. It raises a considerable number of subjects each of which would certainly need extensive treatment, even though there is a single strand connecting the whole.

Shortage of time does not allow me to reply specifically to each point of the resolution. I note, however, that on many points — as honourable Members know — there is an identity of views between the Commission and the Parliament. On more specific points I am available for a continuation of the dialogue either with

the Committee of Development or in plenary sitting. However, I should like, as I have been invited, to take advantage of this occasion to harmonize my views and yours with what has recently been said at Geneva in the course of the International Conference on the emergency situation in Africa, in which, as you know, I took part personally.

The purpose of that meeting was a dual one: on the one hand to help to bring about an awareness of public opinion as regards the tragic situation of the countries affected by the drought and on the other to draw up a balance-sheet of foreseeable needs and of the commitments entered into by the donors in such a way as to make possible an assessment of any deficit. I must tell you straight away, with satisfaction, that we were able to establish, even in bilateral meetings, how greatly the position of the Community was appreciated — a position which was expressed in the speeches of the leaders of the Member States and lastly by me. It was appreciated not only for the magnitude of the commitments in the matter of aid but also for the medium- and long-term policy specifically expressed in the Lomé Convention, which pursues that policy so as to combat the consequences of the drought.

That policy is consistent with the main conclusions which emerged from the meeting. I believe, honourable Members, that if you are aware — as I think you are — of the conclusions drawn, you will find in them guide-lines which the European Parliament has frequently asked for and to which we have committed ourselves.

There is the extremely important point of the assessment of the food aid required for the 20 countries most affected by the drought. After the latest corrections, the amount of such needs appears to be 6.2 million tons, a quantity which is almost wholly covered by the promises of supplies envisaged for 1985. The United States, in fact, has assumed responsibility for 2.8 million tons, the Community, in all, for 2.3 million tons and other countries for roughly 1 million tons. Total: 6.1 million tons.

I would remind you that the Community's commitment for 1985 — and when I speak of the commitment I am speaking of both that of the Community and the Member States' contribution — includes execution of the Dublin programmes, to which must be added the share of normal food aid decided on 1984, the execution of which is envisaged for 1985.

I think these figures call for some comment. First of all, I should not like it to be thought that we consider the situation as finally under control. Most important, it is not sufficient to list the commitments; there are logistic and technical difficulties inherent in every situation, to which all aid organizations without exception are subject. For our part, we are pledged to identify delays and shortcomings, which we shall seek to circumvent so that — and I think this is the most impor-

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tant point — our aid may arrive where it is required at the right time.

On this subject, in connection with Mrs Focke's observation repeated by other Members, I should like to stress that we attach priority to purchases and supplies of seed for the next harvest. When we speak of aid we are not speaking only of cereals or milk powder; we know perfectly well that there are other needs. We must not, in fact, make provision solely for feeding the population, but we also have to clothe them, protect them from the severity of the weather, treat them and think of their future. That is why assistance with sowings for the next harvest is a matter of priority. On this subject, I should like to call attention to the fact that we have financed eight operations in Chad, Mozambique, Niger and Ethiopia. We have also financed Food for Work operations in Ethiopia and Niger and are ready to undertake other commitments in that direction.

Moreover, as regards quantities, more detailed assessments still have to be made, above all with regard to the specific requirements of certain countries. The draft resolution rightly refers in paragraph 4 to the Sudan, whose annual needs seem to have increased dramatically even when account is taken of the influx of refugees. We are following the development of this situation with special attention and we shall not fail to take further steps if necessary, even though we must, of course, bear in mind the general frame work of the assistance set aside for that country.

Honourable Members, I should like to emphasize — and not for self-congratulation but because I think that this corresponds to the analyses of the situation made more than once by the Parliament and by the Community itself as interpreter of the great outburst of sympathy and solidarity in public opinion — that the quantity to which we have committed ourselves is considerable, comparable in absolute magnitude to that of the United States, though with the difference that our aid is entirely free and is transported at Community expense to the places of distribution. Our help has been appreciated by the recipient countries.

I have been officially requested to transmit to the peoples of Europe — and I do so before the European Parliament, which is the representative of those peoples — the thanks of the countries such as Ethiopia and Niger, which wished to stress how timely our assistance was. The President of Niger informed me that the Community aid was the first of all to arrive.

A problem which was emphasized by all the speakers at Geneva concerns the co-ordination of aid. On this point I fully agree with what is stated in paragraph 23 of the resolution. We contribute to all forms of co-ordination at various levels, we have assumed direct responsibilities in the Community sphere and are taking an active part in the meetings organized by the United Nations. My view is — and I state it with the

utmost sincerity — that the form of co-ordination which we ought to prefer is that performed on the spot in direct contact with the actual situation in the recipient country. In Ethiopia, for example, our programme, like that of other funds, is co-ordinated directly by the special representative of the Secretariat General of the United Nations.

Ladies and gentlemen, co-ordination is particularly important when what is at stake is to arrange for the aid to arrive where it is needed, such as in regions which are politically difficult and in refugee camps. We provide aid in regions of internal conflict, and it is here that the additional tragedy of these regions has been evoked. We provide aid through the international and non-governmental organizations, and I think I am interpreting everybody's feelings when I express our appreciation and gratitude for the work performed with enthusiasm and self-sacrifice, above all by the non-governmental organizations.

(Applause)

The help which we have supplied since September last year in these regions amounts to a further 8 million ECU. We know the difficulties, and nobody wishes more fervently that do we that peace and tranquillity may once more reign in these regions.

As to the refugees, we have replied promptly to the appeals of the High Commissioner for Refugees. We have made him three successive grants of aid in the past few months for a total of 9 million ECU. Clearly, this category of persons, who are amongst the most under-privileged, because they are not only faced with the problems of famine, but they have had to abandon also their own land, their own country, their own house, their own village, must find again conditions of existence more consistent with human dignity. Wherever possible, I assure you, the Commission will take all appropriate initiatives. Where, on the other hand, political tension makes it more appropriate for the High Commissioner for Refugees to take the initiative, we shall not fail to support the efforts which the High Commissioner may undertake.

As regards the financial commitment, I think the Commission will be able to find the most appropriate means, even though I consider that Article 936 is not institutionally the best adapted for that purpose. However as has been mentioned in the debate and as is stated also in the final resolution, the urgency must not make us forget that the fundamental purpose of the aid is to avoid a repetition of such situations.

The question stressed here is that of the warning system. In this respect, the system organized by the FAO harvest trends branch is already in existence. We have already provided financial support for such a system in Somalia and are ready to study the forms and means by which it might be perfected. Apart, however, from the warning system, I think it is possible to avoid a

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repetition of similar situations only by means of medium- and long-term programmes which will enable these countries to attain what we regard as the priority of priorities, that is, reliability of food supplies.

Honourable Members, in what I said in Geneva I wished to give the maximum emphasis to this point, by stating that the size of the commitment of the Europe of Ten for co-operation in the development of Africa south of the Sahara is such as to impose on us a direct responsibility in that region of the world.

(Applause)

The Commission's programme, in agreement with our African partners, will be developed in two directions: food aid on the one hand, which will have to be integrated ever more closely with the country's production methods, and the structural aids envisaged by Lomé III on the other, which will make it possible to recentre economic policies within the ACP countries. But certainly it is not necessary to explain and interpret Lomé III to you.

I should like to apologize for not having been able to attend Monday's debate, and I asked my colleague Clinton Davis to represent me, which he kindly agreed to do. I was unable to be present because I have not the gift of being in all places at the same time: I was in fact in Geneva. I do not need — I say again — to explain Lomé III to you. It is a heritage common to us all, and it was to Lomé III that the Parliament gave an injection of inspiration and suggestion on which we concentrate our activity and our action.

On the subject of reliability of food supplies I should like, however, to raise two specific points. First of all, food strategies. I can assure you that the Commission intends to extend the experiment of food strategies in a flexible manner adapted to local peculiarities. As regards emergency stocks, the Commission is in favour of their creation and, moreover, always encourages the building up of decentralized stocks at village or regional level within individual countries rather than at regional level for various countries.

I should like to state that we have another great obligation. Our efforts will be more difficult and the efforts and obligations of the ACP will perhaps be frustrated if there is not created a more favourable international economic atmosphere at financial, monetary and commercial level. I should like to say in answer to the Parliament's request to be informed by written reports that for our part we are always available to supply reports and information and that we shall continue to do so each time the Parliament so requests, even though I find it a little difficult to agree to too small intervals such as those envisaged in the resolution.

In conclusion, I note — and the debate in this House confirms it — that we are none of us unaware of what

still remains to be done, above all to fit the present programme into a structural and long-term process — and before fresh unfortunate economic developments accustom us to living with the effects of the tragedy rather than to dealing with its causes. Unfortunately, when we speak of causes it is no longer sufficient to alert people's consciences, and this is our real challenge, a challenge which is — allow me to say — of a cultural and political nature, requiring recourse not only to goodwill but to our best brains and to our responsibility for understanding and for making all those concerned understand that what is at stake is the physical survival of a part of the world but also the legitimate aspiration of the whole world to experience a lengthy period of collective progress and peaceful co-existence.

(Applause)

Mr Graefe zu Baringdorf (ARC). — *(DE)* I should like to ask the Commission to be brief. Clarity in both subject-matter and thought must make for greater brevity.

(Applause from the left)

Mr Wijzenbeek (L). — *(DE)* Mr President, when each group is limited to a speaking-time of one or two minutes, the Commission should not speak for twenty minutes, even if serious and important matters are involved.

(Applause)

Mr Marshall (ED). — Mr President, I should just like to say that I share that sense of frustration that one Commissioner can speak for longer than the whole of my group. May I say to the Commissioner, a speech, to be immortal, does not need to be eternal in its length.

(Applause)

President. — Rule 66(5) of the Rules of Procedure state that 'Members of the Commission and Council shall be heard at their request'. There is no mention there of any limitation of speaking-time. Nevertheless, I share your wish that, particularly in such debates as those this morning, the Commission should be as brief as possible.

Mr Natali, Vice-President of the Commission. — *(IT)* Mr President, I do not intend to take advantage of the option which the Commission nevertheless has to speak at any moment without time-limit. I spoke for a long time, but what I said was perhaps not complete, faced with an extremely complicated resolution. I felt it was my duty to put the Parliament in the picture as

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regards what happened at Geneva and to reply to a series of speeches so as not to run the risk of having it said that I did not cover all points. I therefore thought it best to weary you, perhaps, but I did try to give an answer to the problems raised.

(Mixed reactions)

Mr Fellermaier (S). — *(DE)* Mr President, ladies and gentlemen, a word must also be said here in support of the Commission. The Committee on Development and Co-operation expressly asked Mr Natali in Brussels to report after returning from Geneva on the position which the Commission had taken at that crucial conference on the fight against world hunger. When then all groups in the House — with the exception of the extreme right — present a voluminous motion for a resolution, then we must of course expect that the Commission will make a detailed examination of the requests made by our Parliament on a topic which is agitating the world public.

(Applause)

But that entails also having the patience to listen to the Vice-President of the Commission. As spokesman for the Socialist group on development matters, I should like to give him my special thanks.

(Mixed reactions)

(Parliament adopted Mrs Focke's motion for a resolution and rejected Mr de la Malène's)

1e. *Natural disasters*

President. — The next item is a joint debate on the following motions for resolutions:

- by Mrs Lenz and others, on behalf of the European People's Party (Christian-Democratic) Group, and by Mr Prag, on behalf of the European Democratic Group, on the earthquake in central Chile (Doc. 2-1874/84);
- by Mrs Vayssade and others, on behalf of the Socialist Group, on working conditions and the improvement of safety measures in coal-mines (Doc. 2-1845/84);
- by Mr de la Malène and others, on behalf of the European Democratic Alliance Group, and by Mrs Veil, on behalf of the Liberal and Democratic Group, on the mining disaster in Lorraine (Doc. 2-1857/84); and
- by Mr Piquet and others, on behalf of the Communist and Allies Group, on safety and health in coal-mines (Doc. 2-1863/84).

Mrs Lenz (PPE). — *(DE)* Mr President, this field, too, covers very complex proceedings. We presented a proposal for emergency aid for Chile. This House has always insisted that the poorest people, those in need, should receive help. Emergency aid should therefore also be granted even when we are not in agreement with the government in power there at the moment.

That is why we drew up our motion for a resolution in such a way that the people and not the government are to receive aid. I therefore ask you, ladies and gentlemen, to uphold this principle, which we have always laid down, when you cast your votes.

(Applause from the centre)

Mrs Vayssade (S). — *(FR)* Mr President, the mining disaster at the Simon pit in Forbach was a severe blow to the whole of my region of Lorraine. Twenty-two people killed. Twenty-two deaths that are a brutal reminder that the miner's job is hard and dangerous and that there are too many industrial accidents by the day.

We cannot accept that it is just fate. Enormous progress has been made in coal-mining techniques. These same efforts must be made, continued and strengthened in the field of safety at work. These studies and improvements are, of course, partly the responsibility both of the mining undertakings and of the Member States, but they are also the responsibility of the Community. The ECSC Treaty sets objectives in the field of safety at work and living conditions for miners, in particular in Article 55. Studies and research in this field must be extended. This concerns all coal-mines throughout the Community. It is the essential counterpart of a policy of protection and development in European coal-mining. All miners are attached to their job and are prepared to make considerable sacrifices to protect an aspect of work which is of value to their country. British miners have just given us such an example. We certainly owe it to them to make this job less dangerous and to do so in conjunction with all those concerned both in studies and research and in experiments on safety which may be performed.

For these reasons I think that this Parliament must adopt the resolution at the head of which my name stands and the other two tabled; the resolutions are complementary and do not contradict each other at all, this time.

I should like finally, Mr President, to express once more our sympathy and solidarity with the families bereaved by this disaster.

(Applause from the left)

Mr Vernier (RDE). — *(FR)* Mr President, as Mrs Vayssade mentioned, it is true that the methane explo-

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sion on 25 February in the Lorraine coalfields which cost the lives of 22 workers and injured over 100 people was a sad reminder of the harsh realities of coal-mining and its tragedies.

Faced with the gravity of such an event we must associate ourselves with the wishes just expressed for an increased awareness on the part of the Community bodies, in particular the Commission, on the problem of safety in coal-mines, for research to be developed in this field and for rules to be further harmonized, since at the moment there are only recommendations and no harmonized rules at Community level.

But we must also show our solidarity with the families affected, in particular by means of a financial contribution. We have made great use of the word solidarity today in relation to countries which are the victims of famine in the world and to the Mediterranean countries. We owe it to ourselves to show our solidarity in practical terms by means of emergency financial aid if we want the word 'Europe' to have any meaning amongst the families affected by this type of disaster.

Mr Wurtz (COM). — *(FR)* Mr President, the disaster at the Simon pit in Forbach which claimed the lives of 22 miners is not only a human tragedy but also a totally unacceptable social scandal.

Why should anyone die nowadays down the mines? The French official responsible for combating natural hazards, Mr Haroun Tazieff, answered that question, pointing out that if as much were invested in mining safety as in the aeronautics or nuclear industries, there would be no more accidents in mines. Is it not preposterous that in 1985 22 workers and so many before them should be simply sacrificed on the altar of profit? Some people have taken advantage of this pretext of human tragedy to demand also, quite shamelessly, the closure of the coal-mines. That would amount not only to sacrificing an important source of energy, which is available to most of our countries but also to depriving many regions of natural wealth, a raw material suitable for numerous technological innovations and a source for the creation of skilled jobs.

The Forbach tragedy, far from serving as a pretext for further attacks on the coal industry of Community countries should, we feel, provide the necessary impetus for a final decision to grant the investments essential for miners' safety and the safeguarding of coal in all producing countries.

Mr West (S). — Mr President, there is an affinity between miners that non-miners cannot understand. That affinity allows me as a British miner, and as a member of the National Union of Mineworkers, to understand completely the feelings of the miners employed at the Simon pit. I use this opportunity, Mr President, to express, on behalf of the British miners,

our heartfelt condolences to the bereaved families and to the mining communities in Lorraine.

I note that all three motions recognize that, while sophisticated methods of detecting and controlling methane are available, explosive ignitions are the most common cause of mining disasters. We must ask why that is so. I obviously would not wish to comment on the Lorraine disaster, but I will address the general question of methane emissions. I have worked in the Silkstone seam in Britain. This is probably the most gaseous coal-seam in the world, and, indeed, there are mining engineers who feel it should not be worked at all. However, the dangers involved have resulted in the development of such sophisticated methods of control and detection as boring in advance of the working phase to drain the methane and to pump it to the surface, automatic warning, bells throughout the coalface and through the roadways, banks to fresh air supplies to prevent asphyxiation in the event of an outburst, the banning of materials liable to cause hot sparks.

I accept that serious incidents of methane ignition are not common in the United Kingdom, but they should not, and need not, occur at all. In the UK or in France. I do say that there are numerous minor incidents — many not reported — where only providence prevents disaster. I also say that the major problem is the emphasis placed by senior, middle and junior management on production and productivity. No doubt the needs of the capitalist system create and foster these managerial attitudes, but public perception of the mining industry also plays a part. Death in the pit, like death on the road, is acceptable death. That must change.

It is clearly indicated that the Commission report on the coal industry shortly to be presented to Parliament will also propose measures to promote the drive for production and productivity at the expense of the safety, health and welfare of the miners. When that report is presented, this House will be made aware of the measures that have that effect. It will be incumbent upon those who support these urgent resolutions to oppose those parts of the Commission report.

The Lorraine miners need more than gestures. Lip-service is not enough.

(Applause from the left)

Mr Croux (PPE). — *(NL)* Mr President, the European People's Party wishes to express its sympathy with the families of the 22 miners who died so tragically at the Simon pit in Forbach and its solidarity with the local community. The mining industry and mine-workers are still a particularly valuable historical, social and human feature of Europe, and we declare our solidarity with them.

Croux

The mining disaster at the Simon pit is not an isolated incident: last year eight people died in the Limburg coal-field in my country. We support the call for a further study of safety conditions in mining. We know that very serious efforts are being made in the European mines and that they are setting an example for the rest of the world, but we must constantly increase our efforts. We therefore support the resolution. We consider it important that this should be emphasized once again on this occasion.

Mr Verbeek (ARC). — (NL) Mr President, no one here will oppose the granting of 1m ECU to Chile to help the victims of the earthquake, but it is essential that the aid goes directly to the churches in Chile and to the other aid organizations and does not benefit the Pinochet régime. I have a very good reason for saying this; I am struck by the fact that the very people who have tabled this resolution continue to give systematic support to the disastrous régime in Chile. I am afraid that they are in no way friends of the Chilean people, as they prove by refusing even to discuss human rights in Chile in this Assembly. The earth quaked in Chile, but every day the people of Chile are shaken by the Pinochet régime.

(Applause from the left)

Mr Antony (DR). — (FR) Mr President, we support the resolution concerning Chile, but we note that the aid requested — which we accept — will be distributed through the medium of charitable organizations and the church in Chile.

We should perhaps keep a close watch on the nature of these charitable organizations and the church in Chile, but that is not my point at the moment.

We note above all that the European Parliament henceforth prefers to follow channels other than governmental ones. We trust that such will henceforth consistently be the case for Angola, Ethiopia and generally speaking for all communist or crypto-communist régimes which receive our aid in general. The European Parliament must in fact respect its own principles and not in future aid régimes which work against the interests of their people.

This resolution sets a precedent. We request honourable Members of Parliament to bear it in mind for the future.

(Applause from the Group of the European Right)

Mr Sutherland, Member of the Commission. — First of all, as regards Chile: the Commission shares Parliament's concern as expressed by the various speakers in regard to the events in that country. For that reason it decided, as you will be aware, on 7 March last that emergency aid of 300 000 ECU would be granted for

the supply of essential goods consisting of tents, mattresses, medical supplies, etc., and that this aid would be distributed through the non-governmental organization Caritas. In particular, the aid will be directed to the area of Santiago and the surrounding rural districts of San Antonio and Melipilla.

Caritas was chosen — and I should say this because there seemed to be, in parenthesis almost, in one of the comments, some question about the organization which will be distributing the aid — because it has a magnificent record, and the Commission is absolutely satisfied that it is appropriate that it should be utilized for the purposes of distributing this aid. Indeed, it has already played a rôle in regard to Community food aid in Chile, and the Commission is quite satisfied that the support which has been requested and which has been provided in its entirety will be put to proper use. So the response, therefore, of the Community has, I think, been an entirely proper one which would be approved fully, I am sure, by this House.

Secondly, on the appalling personal tragedy which occurred in the Simon mine, I would like to preface my remarks by saying that any comment seems totally inadequate in the light of the awful events which have been referred to. There are some matters, however, that I would like very briefly to refer to in regard to that matter and relating to the resolutions which are before the House.

First of all, on behalf of the Commission I would like to offer my condolences to those who have been bereaved in this appalling accident. A note of condolence was sent on the day following the event, and the Commission was in fact represented at the funeral ceremony. I would like to add to this, in connection with a specific comment made during the course of this debate, that the Commission will be making monies available for the assistance of those who are bereaved. That decision has been taken.

To pass now very briefly to the accident itself. All serious and fatal accidents are the subject of a most searching enquiry, and the judicial and technical investigations of this accident are taking place. So, in effect, we are dealing with something which is *sub judice*, and it would be entirely improper for me to go into any details even in the preliminary form in which they are known at this stage by the Commission. I can say, however, that our own Mines Safety and Health Committee has been informed and will in due course receive all relevant details and information. Depending on the findings and their own conclusions, the Mines Safety and Health Committee will make whatever proposals are needed to governments in order to reduce the risk of problems such as those which have been referred to today.

Mr West, I think, referred in particular to one problem on which I would like briefly to comment. The main defence against mine explosions is good ventila-

Sutherland

tion standards, which must be continuously maintained. Detection systems are available, but their application in this case will obviously be a matter for the enquiry. I cannot go any further than to say that.

I would like to say that the procedures before the Mines Safety and Health Committee have been reasonably satisfactory in the past. Whilst any accident, particularly an appalling one of this kind, indicates the continuing risks and dangers attributable to this occupation and the very real need to continue improving safety standards, it must also be said that there has been a significant reduction in the number of fatalities and serious injuries during the course of the last few years.

I would also like to say that the Community continues to make monies available for research. Ten million ECU of aid are granted each year under Article 55, which was referred to in the course of the debate. The limited degree of success that we have had does not mean that safety in mining and other extractive industries is less of a priority today than it was in the past. The Commission deplores accidents of this kind, offers its condolences to the bereaved and will continue in its endeavours to ensure that mining becomes safer and that the continuing investigations of the Mines Safety and Health Committee and the results of those investigations are implemented in legislative proposals in Member States.

(Applause)

President. — The debate is closed.

(Parliament adopted all four resolutions in succession)

Ladies and gentlemen, we are unable, for lack of time, to continue the topical and urgent debate any further. Motions for resolutions which could not be dealt with will lapse.

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR PFLIMLIN

President

2. Interpretation of the Rules of Procedure

President. — Yesterday morning, the Chair announced an interpretation of the Rules of Procedure concerning the voting on amendments relating to two or more motions for resolutions tabled under Rule 48.

Mrs Veil, on behalf of the Liberal and Democratic Group, has contested this interpretation and so, pursuant to Rule 111(4) of the Rules of Procedure, the matter must be put to the vote in Parliament.

I accordingly put to the vote the interpretation given by the Committee on the Rules of Procedure and Petitions.

(Parliament rejected the interpretation)

Mr Ford (S). — Mr President, I want to make a point of order which will, I hope, assist the House. There are many rumours going about as to where we are to meet in June or July. Obviously many Members of the House do have to make advance travel arrangements. I request that we have an urgent statement from yourself or the Bureau as to what the arrangements are to be for June or July in view of the obvious serious difficulties for Members caused by all the uncertainty.

President. — This matter will be discussed at the Bureau meeting due to take place on 26 March. Naturally, all Members of the House will be immediately informed.

Mr Huckfield (S). — Mr President, can I rise first of all on a small point of order. I understand that in the Greek edition of Tuesday's Minutes of Proceedings I appear named as Lord de Huckfield.

(Laughter)

I seek not to give an explanation, because I hope that none will be necessary, but for the sake of my antecedents and any that may follow thereafter, can I please have that corrected, because I would not like to see my family name besmirched in that way.

(Applause)

President. — I am not empowered to raise you to the peerage. Otherwise, I might do so.

(Laughter)

The mistake will, of course, be corrected.

Mr Huckfield (S). — I am very glad about that, because I should find it difficult to respond to your call.

Mr President, seriously, I do seek to rise on a perfectly judicious and genuine point of order, which I have, of course, given you and your office notice namely, the matter of the Article 95 request, to ask about progress into the setting up of a committee of inquiry into police brutality and police violence during the miners' dis-

Huckfield

pute, a resolution on which you have since had correspondence from the chairman of the Socialist Group dating back to 13 September of last year.

I would ask you to bear with me while I just make slight reference to a few points.

The matter was referred to the Committee on the Rules of Procedure and Petitions during October and November last year.

(Interruption)

If that is the agricultural oaf from Norfolk again, Mr President, he obviously had a very, very enjoyable time at the Irish Night last night and many of us wish he'd stayed there!

I simply want to say that as you have had possession of that request since 13 September last year, as the setting up of that committee of inquiry is supposed to be automatic, as we are now in March and as we are now told that the Bureau will not be considering that matter again until the end of this month. We have had six months to consider the setting up of a committee on inquiry which under the Rules of Procedure ought to be absolutely automatic. Mr President, I say to you that it is not an insult to me, it is not an insult to my request, it is an insult to the procedures of this House and it is also an insult to your position, because you are charged with carrying out the rules of this House.

Mr President, I think that we are all entitled to know exactly what is going to happen to that request and whether you intend to see that that request and the rules of procedure of this House are carried out. I would ask you please to make a statement.

President. — Mr Huckfield, this call for the setting up of a committee of inquiry has, in fact, been considered by the Bureau. The political groups have been asked to designate their representatives, but in fact only two groups have so far done so, with the result that so far only two Members have been proposed.

According to the Rules of procedure, it is for the Bureau to submit to the House, for its approval, the list of members of the committee of inquiry. Obviously, this list is not yet complete. On the other hand, certain groups have requested that the question of setting up this committee be adjourned until another committee of inquiry, that concerned with the rise of fascism and racism, has completed its work, for this committee has already been set up. These proposals and the question of actually setting up the committee which you are concerned about will be discussed by the Bureau on 26 March, and any decision taken by the Bureau on that occasion will subsequently be submitted to the House for its approval.

Mrs Castle (S). — Mr President, we are in very grave danger of having the rule of the majority in this Parlia-

ment supersede the rule of law as set out in our Rules of Procedure. Rule 95 states that if so many Members of Parliament demand a committee of enquiry, it must take place if it is in order, and you have ruled that it is in order. . . But listen to me, please! There is nothing, as I understand it, in the Rules that says any political group in this House may *veto* Rule 95 by refusing to appoint members.

You should defend the rights of the backbenchers of this Parliament and insist that, as this committee of enquiry is in order, it will proceed! If people do not want to nominate members to it, that is their responsibility. It is not to be used as a method of veto on the decision of the House.

(Applause from the Socialist benches)

President. — Mrs Castle, the Rules lay down that the composition of a committee of inquiry shall be submitted to the House in plenary sitting on a proposal from the Bureau, as I explained just now in my reply to Mr Huckfield. We are encountering difficulties inasmuch as only two groups have so far designated their representatives and, furthermore, two groups have proposed that the matter be postponed until the other committee of inquiry has completed its work.

We are therefore confronted with problems which the Bureau will examine on 26 March, and I shall inform the House of its decisions.

Mr Marshall (ED). — Mr President, would you not accept that now the strike is over, the sooner normality returns to the pits the better.

(Protests from the Socialist benches)

Mr Ford (S), chairman of the Committee of Inquiry into the Rise of Fascism and Racism in Europe. — Mr President, I have the honour to be the chairman of the other committee of enquiry that is currently meeting. Can you tell me which rule of the House specifies that there can only be one committee of enquiry at a time? Also, which rule of the House specifies that a committee has to have full membership before it can meet? Otherwise, we have a situation when any one small isolated group can stop the work of this House by refusing to appoint members to it. I presume that that will not be the case in future.

(Applause from the left. Protests from the centre and from the right)

President. — We shall not continue the discussion of this point any further. I have already given all the information necessary.

(Applause)

President

So far we have shown absolute respect for the Rules in this matter, but there are difficulties. It is true that no rule provides for any postponement, but there is nothing to stop the political groups from making proposals, although this is not to say that such proposals will be adopted. All these points will be discussed by the Bureau on 26 March.

3. Votes

Report by Mr Pranchère, on behalf of the Committee on Agriculture, Fisheries and Food, on the proposals from the Commission to the Council (Doc. 2-174/84 — COM(85) 50 final) for regulations fixing the prices for certain agricultural products and related measures (1985-86)

President. — We begin with the vote on the Commission's proposal to which no amendments have been tabled.

Mr Arndt (S). — (DE) Mr President, it is just here that my problem lies. We asked for amendments to the Commission's proposal from the Committee on Agriculture, Fisheries and Food and the Committee on Budgets, but the committee responsible has not submitted any amendment to the Commission's proposal. Our Rules of Procedure expressly state that Parliament shall first vote on any amendments to the text with which the report of the committee responsible is concerned. The Committee on Agriculture, Fisheries and Food did not, however, as mentioned, present any amendments, unless you regard those proposed in the report as amendments to the Commission's regulation.

I should therefore like to ask that we first vote on the amendments to the Commission's proposal contained in the Pranchère report and only then on the Commission's proposal as a whole.

President. — Mr Arndt, as you know, since we have discussed this question in the enlarged Bureau, Rule 72 lays down the order in which votes have to be taken.

First, voting on any amendments to the text with which the report of the committee responsible is concerned. In this case, as I said just now, no amendments have been tabled to the Commission's text. Not one.

Second, voting on the text as a whole, amended or otherwise. It would therefore be correct for us now to vote on the Commission's text as a whole.

Third, voting on the individual paragraphs of the motion for a resolution and, finally, voting on the motion for a resolution as a whole.

That is the voting procedure as laid down in Rule 72.

Mr Arndt (S). — (DE) Mr President, there is a risk that the whole vote may become invalid, for the following reasons:

The Committee on Agriculture, Fisheries and Food should have made proposals to amend the Commission's proposals, since according to our Rules of Procedure the Commission must have the right to state, following this vote, whether it concurs with Parliament's decisions or not. When no amendments are tabled but we say simply that we are rejecting the Commission's proposal, the Commission is deprived of its right under the Rules of Procedure.

I can only recommend you to put this question as soon as possible before the Committee on the Rules of Procedure and Petitions so that in future other rules may apply for the agricultural prices debate, for we have, I admit, already used this procedure, which I consider to be wrong, in the past. I should like in future to have first the competent committee's amendments to the Commission's proposal, as provided for in Rule 32(4) of the Rules of Procedure, and only then to take a vote on the Commission's proposal as thus amended.

The Committee on Agriculture, Fisheries and Food has thus not carried out its duty and we should in the normal course send everything back to it, since the committee should first of all have proposed amendments to the Commission's proposals and only then decided on its report.

President. — Mr Arndt, it is not for me to comment on what the Committee on Agriculture has done or has not done, but I understand from what you have just said that you want the Rules of Procedure to be modified for future cases. Very well, this question will be submitted to the Bureau, which, if necessary, will refer the matter to the Committee on the Rules of Procedure and Petitions.

Mr Pranchère (COM), rapporteur. — (FR) Mr President, I must say that the Committee on Agriculture voted on the proposals of the European Commission and rejected them. In my report it actually says that during the course of that last meeting it was decided by 27 votes to 7 to recommend that the Parliament reject the Commission's proposals.

*Motion for a resolution**After the rejection of Amendment No 219 to recital E*

Mr Dalsass (PPE). — (DE) Mr President, just one question: We have here a whole series of proposals for

Dalsass

deletions. If I am not mistaken, according to the Rules of Procedure a vote does not have to be taken on such proposals, but those in favour of deletion need simply vote against the text.

President. — If an amendment is tabled, I have to put it to the vote.

Paragraph 35: Amendments Nos 28, 95, 103, 193, 210, 242, 152/rev.

Mr Pranchère (COM), rapporteur. — (FR) As regards the amendments tabled by Mr Gatti, Mrs Jepsen and Mr Mouchel — Nos 152, 242 and 210, which were rejected by the Committee on Agriculture, the rapporteur cannot support them or indeed Amendment No 28 tabled by the Committee on Budgets.

As regards Amendment No 193 tabled by the Group of the European People's Party I should like to make the following points: I see the text as falling into three parts: a first part with an increase of 3.5% which is less than in my proposal but which, for the sake of compromise, I accept; a second part with adjustment according to production, which exactly corresponds to the tone of the report and a third part which supplements the proposal for a policy of co-responsibility still to be settled both as regards the details and production levels concerned. This third part was rejected by the Committee on Agriculture. In order to respect the wishes of the Committee on Agriculture I am therefore tempted to propose a separate vote after 'crops of which there is a shortfall', but according to the meaning of Rule 73(1) of the Rules of Procedure that would break the logical meaning of the amendment.

In the light of all these observations, I leave it to the Assembly to decide as to the voting on this amendment, whilst hoping that it will be adopted.

I am opposed to Amendments No 95 tabled by Mr Galland and No 103 tabled by Mr Ducarme, since I said I would vote for 3.5%.

Mr von der Vring (S). — (DE) Mr President, we have before us a report of the Committee on Agriculture and a vote has been taken on it. I do not know how the rapporteur can now arrive at compromises without having consulted the Committee on Agriculture.

(Applause)

Mr Pitt (S). — Mr President, my point, in addition to the one that Mr von der Vring has made, is that it really does not help a long voting session if the rapporteur has a previously prepared text from which to read two pages of comment.

President. — No, Mr Pitt, we won't make an issue of that.

Mr Provan (ED). — Mr President, I understand that Mr Gatti was going to remove some words from his amendment. Can he confirm that? Can you confirm that that has been done?

President. — Mr Provan, we have not yet reached the Gatti amendment. In this series of votes, which are particularly important, I think we have to be especially careful about our procedure. I shall therefore call the amendments one after the other, and I shall ask the rapporteur to give his opinion on each one by saying either yes or no.

After the adoption of Amendment No 193

President. — I call Mr Ducarme.

Mr Ducarme (L). — (FR) Mr President, thank you for granting me the floor after the vote when I had asked to speak before the vote! I was wanting to ask for a separate vote on this article, since, contrary to what some Members might think, to have adopted this article whilst mentioning co-responsibility means that in practice, if such proposals were made, farmers would receive an increase of less than 2.5%. I am sorry that it was not possible to take a separate vote.

President. — I have noted your observation.

Mr Gautier (S). — (DE) Mr President, I just have one brief question on the motion just adopted, which comes of course from the Christian Democrats and according to which there is to be an average real increase in prices of 3.5%. Does that mean that we are to count the rate of inflation on top of that — since that normally gives the real prices increase? I therefore assume that the Christian Democrats have requested 10.5%.

President. — Mr Gautier, your question is not relevant here.

IN THE CHAIR: MRS PERY

Vice-President

After the adoption of paragraph 64

Mr Gautier (S). — (DE) Madam President, I wish merely to keep within the logic of the discussion; you

Gautier

accepted an amendment under paragraph 60 requesting the competent committee to examine the problem. Consequently we cannot under paragraph 64 anticipate the outcome of the examination. We might as well drop paragraph 60 straight away. I therefore think we really cannot accept this.

President. — Mr Gautier, it is not the function of the Chair to give any appraisal of the content of amendments. All I have done is to record the result of the vote.

After paragraph 78: Amendment No 105

Mr Graefe zu Baringdorf (ARC). — (DE) I asked in writing for a split vote and a vote by roll-call, and I should like that to be done.

President. — Mr Graefe zu Baringdorf, I have indeed received your request for a roll-call vote, but not for a split vote.

Mr Graefe zu Baringdorf (ARC). — (DE) Then I now propose that we have a split vote.

President. — Do you insist?

Mr Graefe zu Baringdorf (ARC). — (DE) Yes, absolutely, I insist.

President. — Could you tell me what your wishes are with regard to the split vote?

Mr Graefe zu Baringdorf (ARC). — (DE) Yes, it is very simple, Madam President, separate votes should be taken on subparagraphs (a), (b) and (c). That was our intention.

President. — Do you want a roll-call vote on each subparagraph?

Mr Graefe zu Baringdorf (ARC). — (DE) Yes, a vote should be taken on each of the three subparagraphs.

Mr Provan (ED). — Madam President, I really must protest at the author of an amendment coming forward and asking for a split vote on his amendment. He should have submitted three separate amendments. It is up to other Members in the House to ask for a split vote, and not the author of the amendment.

President. — Mr Provan, your point is a reasonable one, but it does not figure in our Rules of Procedure. I

shall therefore stick to the split vote and vote by roll-call.

Paragraph 84: Amendment No 205

President. — What is the rapporteur's view?

Mr Pranchère (COM), rapporteur. — (FR) For.

Mr Arndt (S). — (DE) We have here a proposal clearly formulated by the committee, and the rapporteur is supporting a motion which clearly deviates from it. That cannot be allowed, the rapporteur is no longer being objective!

(Applause)

President. — Mr Pranchère, you have the floor once more. Do you remain by what you said, or did you make a mistake?

Mr Pranchère (COM), rapporteur. — (FR) I may say one thing. Yes, the vote referred to did take place in committee, but with Amendment No 193 we adopted a position which it seems to me must now have repercussions at the level of assessment by product.

After the vote on all the amendments

Mr Pranchère (COM), rapporteur. — (FR) Madam President, ladies and gentlemen, I shall be very brief. I welcome the discussion which has preceded this vote on the report which I presented on behalf of the Committee on Agriculture.

I have just one comment. I consider that the President-in-office of the Council, Mr Pandolfi, gave in my view a correct interpretation when he said he interpreted the report as a signal. Since the vote just taken goes along those lines I believe that the European Commission and the Commissioner present today will have to take account of this signal — and that it applies also to the Council of Ministers.

(Applause)

Mr von der Vring (S). — (DE) Madam President, I should now like, instead of the rapporteur, to ask the Commissioner what he thinks about it and what the whole thing will cost, since we have said that this resolution is taking the place of amendments to the agricultural price regulation. In the end we shall have to ask the Commission for its standpoint, and I should like to do so now.

(Cries from the centre and right)

President. — Mr von der Vring, your request is not in order. We are in the middle of voting and have to proceed.

Explanations of vote

Mr Provan (ED). — Very briefly, Madam President, can I thank the Commissioner for being here with us this afternoon during the lengthy process. He must be a very disappointed man. But I hope he does not go away from this Chamber tonight thinking that he has not got some people who will try and assist him in what he wants to achieve for agriculture in the Community in the future.

(Applause)

I also have to thank, on behalf of the Parliament, our rapporteur, even though I totally disagree with him. I think he has performed very well and we thank him for the work that he has done on behalf of the Parliament.

I would like to turn to other colleagues in this Parliament as well. I believe that there must be very many people in this House who are very disappointed in that the votes that they took in the committees to support the Commission have not been delivered on the floor of the House. It seems extraordinary to me that Members of Parliament who in committee — in the Committee on the Environment, Public Health and Consumer Affairs, in the Committee on Development and Cooperation, in the Committee on Budgets and elsewhere — voted for the Commission's proposals did not have the guts to stand up and do it here this afternoon.

(Applause)

My group will reject the Pranchère report, but we will try and continue to support the Commission in what they do for the future of European agriculture. We do not believe that what the Commission is attempting to do will ruin European agriculture. We believe it will give it the only future it has.

(Applause)

Mr Graefe zu Baringdorf (ARC). — *(DE)* We shall reject the report although we agree with many points, but in general we are of the opinion that the measures proposed are not capable of levelling out income disparities within agriculture.

An increase of 3% or 4% in incomes will not help the 40%-50% of holdings in the European Community which are unable by careful management to obtain an income. We can help them only if we undertake drastic income and price increases at the lower production

levels, whilst withholding these price increases in holdings where production is better rationalized. For these holdings, a price-increase always means simply an increase in their profits, which in my view have been quite sufficient in many areas for a long time past, and merely spurs them on to greater production, whilst the other holdings come under pressure and are forced for reasons of rationalization to opt for growth.

We consider, moreover, that the compensatory measures in the social sphere, which are above all constantly being requested by the Socialist Group, are inadequate, and we also regard as unrealistic the possibility of compensating by social means for price reductions and falling incomes for small-scale farmers.

Mr Maher (L). — I was just recovering from my bout of tears after listening to Mr Provan. I wonder whether he was expressing the views of Sir Henry Plumb, the leader of the Conservative group, and why Sir Henry wasn't there to make his point.

What was far more interesting than what happened here this afternoon was the way the extreme left and the extreme right got into bed together. It is unbelievable. I find it hard to understand this happening.

Madam President, I am prepared to support this particular resolution and the price-level, even though I am unhappy that we have inextricably linked the co-responsibility levy with product increases where there are already quotas. I think that is taking the wrong direction. I know that the minister of my government is totally opposed to that and has been fighting a battle in Brussels to distinguish between quotas and co-responsibility.

Finally, I want to address Mr Andriessen directly. I think he tended to mislead the House last night in a certain direction in relation to a certain important product. I compliment him on an excellent speech, but he spoke about increases in beef production. Of course there are increases in beef production. But he did give the impression that this looked like a constant factor. You did not explain, Mr Andriessen, that an increase in cowmeat was an inevitable consequence of milk production quotas, because cows are being slaughtered. Therefore there is an increase in beef production. But that can only happen once. Our farmers are not going to continue to slaughter their cows. In fact, ultimately what will happen is that we shall have a decrease in beef production because there will be fewer animals to produce calves. I think you ought to clear up that point, because you could give a wrong impression.

Mr C. Beazley (ED). — Madam President, I merely want to say that dairy farmers in the west of England, in Cornwall from where I come and which I represent, have suffered very seriously in recent times because of the introduction of milk quotas.

Beazley

The reason why they had to be introduced was that the European Community dodged the issue of prices time and time again. What the dairy farmers want is not false promises from this Parliament and from the Community which we cannot deliver. They want to know where they stand.

I would like to suggest that we should be supporting our farmers throughout the Community, but particularly those small and medium-sized farmers who have real difficulties. The way we can do that is by being realistic, by supporting the Commission's attempts to give them a real future, not promising increases which we will not deliver and which will be quashed by the Council anyway. For that reason I cannot support this motion as amended. If we really have the interests of farmers at heart we must tell them the truth.

Mr Ducarme (L). — (FR) Madam President, I should like to thank the rapporteur for the work he has done and tell him that I have the strong impression that he himself is not very happy with the way the voting has gone.

I should like to say also that I have the slight impression that in voting for this 'fake' amendment, if I may call it that, tabled by the Christian Democrats, we have thrown dust in the farmers' eyes, since they are promised 3.5%, but with the application of co-responsibility they are not even sure to get 2%.

I think that it is dishonest to make a false promise to the farmers and it would appear that certain Members of this House might have shown a little more honesty. One cannot criticize too strongly the dishonesty of this gesture, which involves the handing out of 3.5% with one hand only to take back 1.5% or 2% with the other.

Mr Wettig (S). — (DE) I should like to say, on behalf of the German Social-Democrats, that we cannot agree with the Pranchère report, as it will be adopted by the majority of Parliament here today.

We regret that the Parliament is going to decide here on a price proposal which is fundamentally irresponsible and that it did not grasp the chance it might have had this year of breaking free from its disastrous policy of recent years, constantly giving the Council of Ministers, by excessive price proposals, the opportunity always to reject Commission proposals for a careful price policy. We regret that this is happening in the very week in which the Commission has received broad support for its policy. With this proposal the Commission is dealt a blow to an important point in its policy. It will contribute to a first step towards demolishing the policy announced by the new Commission. We congratulate the Commissioner on the courage he has shown this year and assure him that he can count

on the further support of the German Social-Democrats for his line of policy.

(Applause from the left)

Mr Marshall (ED). — The annual debate on farm prices is one of the least edifying events in this Parliament. We hear far too many unrealistic demands for more help for farming at a time of widespread surpluses. This year has been no exception.

The logic of surpluses should be faced and prices should be cut. The job of the CAP is not to provide the means of encouraging more surplus production but to be fair to consumers and taxpayers alike. The fact of surpluses should lead to lower prices for the housewife, rather than higher incomes for the farmers and increased burdens for the taxpayer.

In addition to the impact of our decisions on the housewife and the taxpayer, we should consider the impact upon the world in general. Continued surplus production by the Community can only pulverize producers in the Third World. Is it right that the sugar-beet industry of France should grow rich at the expense of the sugar farmers of the West Indies? Not only do Community surpluses threaten the Third World, there is a real risk that they will provoke a trade war with the United States. This is in the interests of no one in the Western world.

Today's votes are bad: bad for the consumer and the taxpayer, bad for our relations with the United States and the Third World. They have been motivated by the greed of a small minority unwilling to face economic reality.

Mr Tomlinson (S). — It is a sad day for the people about whom we have heard little, and those are the citizens of Europe: the people about whom we are told so much on every other occasion, but the people who today have been sacrificed to vested interests.

Although I consider the Commission's proposals to be far too generous in many respects, I was prepared in a genuine spirit of European compromise and encouragement to support them this year in the hope that the Commission would do even better next year. But today the majority of this House has disregarded the needs of the ordinary citizens of Europe and engaged in an orgy of financial irresponsibility.

Members of this House who have preached the virtues of financial responsibility have exercised profligacy towards agricultural interests. They can rest assured that their deeds of today will long be remembered in other connections. The message from the majority of this House has been that again they place the farmers before the jobless, before the needs of the Social and Regional Funds and give them a higher priority than

Tomlinson

the needs of the people of the Third World. To have voted to increase expenditure in one area must be to the detriment of other areas at a time of budgetary stringency.

In the light of wider discussions about the future of the European Community this House today has sent a message to all people concerned, to the Commission, to the Council, to our nation states and to our citizens. It is that the European Parliament is far from ready to be trusted with any further powers!

I shall vote against this report and urge the Commission and the Council to ignore the report and put the interest of the citizens before the vote of this House.

Mr Elles (ED), draftsman of the opinion of the Committee on Budgets. — Today's vote on the Pranchère report has revealed that Parliament has a long way to go — I agree with you, Mr Tomlinson — before it can be considered a responsible or coherent institution. If Parliament adopts this resolution, it will be showing the Council the way to add up to 2 billion ECU to the budget in 1986! There is no room for such a luxury.

The irony of this situation is that some of those who insist on increasing Parliament's powers are among those who are now going to vote for short-term considerations, for a price increase which cannot be afforded. Don't be surprised if the Heads of State in June this year turn down many of Parliament's long-term ambitions.

There are, nevertheless, welcome signs in this resolution that there is a significant minority in this Parliament which fully appreciates that there is an urgent need to continue to introduce fundamental changes in the CAP. Like a lazy elephant before a dry waterhole, the Committee on Agriculture, Fisheries and Food refuses to budget to solve its dilemma. I issue a strong appeal to its members, particularly those in the EPP Group, to wake up to reality and to play the rôle that they are required to do! Have some imagination and get down to work! If not, it is the Committee on Budgets, as it has been today, which will continue to be the initiators of policy in this Parliament.

(Applause from the European Democratic Group)

Mr Eyraud (S). — *(FR)* Madam President, I was intending to present my explanation of vote in writing, but after what the two previous speakers have just said, I should nevertheless like to tell them that they are destroying the only policy which is a common policy in Europe and that they are busy destroying Europe.

(Applause from various groups)

I believe that in adopting an amendment for an increase of 3.5% the plenary session showed wisdom and foresight.

The French socialists hope that the Committee on Budgets will be able to draw the appropriate conclusions and in future avoid meetings as painful as that of 27 February. They regret once more that this increase is still a linear one, since it will continue to aggravate the disparities between regions and producers, even though there is provision, which we welcome, for some adjustment according to production of goods.

Moreover, we do not find the new wording of paragraph 35 fully satisfactory. It in fact provides for a producer co-responsibility policy. The Committee on Agriculture will have to define that term. If it implies better participation in market management by the trade organizations, then we agree. If it is a matter of financial participation then that can only be progressive as a function of production quantities. Finally we regret the rejection of the tax on vegetable oils and fats. Subject to these reservations, Madam President, but basically in agreement, the French socialists will vote for the Pranchère report.

Mr Welsh (ED). — We must remember that we are part of an elected House and, therefore, we must respect majority decisions. Therefore, I rather deplore Mr Tomlinson's extravagant language, though I very much agree with the sense of what he said.

Could I make three points? The first is that this Parliament accepted the Commission's programme with fulsome congratulation. Yet at the very first opportunity it torpedoed the first serious set of proposals that the new Commission has produced. We cannot be surprised if they wonder about our consistency.

Secondly, to Mr Andriessen I would say that the Lord will always preserve the ways of the righteous, so keep it up and don't worry!

Thirdly, I would say to my Christian-Democratic friends, many of whom I know have been deeply troubled about the way they had to vote today, that we shall not achieve credibility and power for this Parliament until we are prepared to face the problems of agriculture as well as the other things.

Mrs Lizin (S). — *(FR)* Madam President, we might perhaps point out to our colleagues that today is a great day since it is the first time, I believe, for six years that the French communists are to vote for a report on agricultural prices. That must be the Gorbachev effect, unless it is the Pranchère effect.

As regards our explanation of vote, I should quite simply like to say that the Walloon socialists will vote for the Pranchère report, although they regret that there are two matters on which it has nothing to say. I should nevertheless like to draw the attention of those colleagues who are intending to vote against this report to the enormous social cost which would be

Lizin

involved for all our countries if the common agricultural policy were to fail or be dismantled. The two omissions which we regret in the Pranchère report are that concerning the policy on oils and fats and, in particular, the tax on imported oils and fats. But above all, as Walloon socialists, we believe that there is no long-term salvation for the common agricultural policy unless there is a reduction in disparities, adjustment and differentiation of aid, and taxes to be applied according to the size of agricultural holdings, in such a way that maximum aid is granted to small holdings, and they are exempted from all forms of co-responsibility by moving towards a restriction of financial support to largescale agricultural holdings, which are the very creators of surpluses.

The amendments along these lines tabled by the French socialists have been systematically rejected by this Parliament which has thus once again reaffirmed its anti-social majority choice.

Mr Pearce (ED). — About 1 500 years ago, the Emperor Nero played the violin while Rome burnt. He sat there in decadent luxury. The same thing is happening as elements of this House try to destroy the financial arrangements made under the Treaty of Rome. What motivates this is greed — GREED — which might also be spelled CD or DC. What we have seen here is a will to throw away every idea of Parliament controlling the budget for which we are responsible. No interest is shown in the decline of Europe's industrial base. They do not care about the unemployed. They do not care about the starving millions in Africa. It is just money for the farmers. That is what we are faced with here. And it smells.

I can assure the House that my farmers — and I have plenty of them — have well understood the need to control agricultural spending. They do not asked to be paid to produce goods that nobody wants to eat. They are prepared to accept discipline. It is a pity that the farming representatives here did not represent that kind of farming view.

Dame Shelagh Roberts (ED). — I wish to inform Mr Maher that Sir Henry Plumb voted for the Commission's proposals earlier this afternoon in accordance with the policy of this group. Those proposals, regrettably, were defeated by the House.

I would remind the House that it is only three months ago that by a very large majority Parliament rejected the 1985 budget. It did so for reasons which were unacceptable to me, but I do not think it would be unfair to say that, boiled down, the reasons were that the Parliament was adopting a stance of financial rectitude in contrast, as it alleged, to the stance of the Council and Commission. If today this Parliament by a majority votes for a price increase which requires money we cannot afford to produce food we do not

need, and deprives us of scarce resources to help those who really are in need, I think the Parliament will be showing itself to have been a humbug and a hypocrite when it rejected the budget resolution in December. We shall also be in danger of losing all credibility within the Community. I think if a majority of this House this afternoon succumbs to the pressures of the farming lobby, it will be a disgrace to this Parliament and an act which we shall all regret.

(Applause from the European Democratic benches)

Mr Pitt (S). — I think, and I certainly hope, that the last three hours will be three hours that this Parliament will live to regret. There were only two moments of light relief, and they came after the voting had finished. When Mr Maher talked about the extreme left and right getting into bed together, he presumably was referring to the European Democrats and the Socialist Group. In reality, of course, it was the French Communist Party and his own group.

When Mr Pranchère said that the Parliament this afternoon had given a signal, I would disagree with him. The Parliament this afternoon has given two signals. The first signal is that the French Communist Party is in total disarray and is a tool of the Christian-Democrats in this Assembly. The second signal that we have given this afternoon is that this Parliament is not only irresponsible, but also completely unrepresentative of the millions of people whose interests we supposedly are sent here to protect. We have a Commission which has put forward imperfect but sensible and first-step proposals for going in the right direction; we have a Council which is locked in a tense debate to balance the costs and the genuine needs of agriculture, and we have a Parliament which has voted completely . . .

(Loud protests from the European Democratic benches)

The Parliament is representative and — I end on this point — my party will be angry and determined to fight even harder to stop this monolith of agricultural waste.

Mrs Jepsen (ED). — *(DA)* We have been voting for three-and-a-half hours. We have dealt with a sea of amendments, and at the present time no one has the slightest idea what has been adopted, what the economic consequences of what we have adopted or what the cost of the amendments we have adopted will be — over and above the 3.5%.

No directly-elected Parliament with any self-respect or which expects others to respect its decisions can vote for something of which nobody knows the consequences. I therefore request a qualified assessment of the economic consequences of the amendments

Jepsen

adopted this afternoon and that the vote be suspended until this information is available to the House.

(Applause from various quarters)

Mr Arndt (S). — *(DE)* I am voting against this report since it is one of the most cowardly reports I have ever seen.

(Applause)

The Christian Democrats with their vote are making sure that in future no one in this House knows exactly how high prices are to be in the individual areas. I am voting against the report since it is one of the most dishonourable and untruthful reports that has ever come before me, since it gives the impression that the farmer is being helped. In fact the existence of small- and medium-scale farmers is destroyed by this policy, which helps only large-scale farmers. It is a dishonourable report since it purports to help members from southern European countries, whilst in reality they receive only crumbs, and further support is given to northern European products and the produce of large-scale farmers.

This is a report *against* Europe, it is a report *for* unemployment, it is a report which destroys the economy of the European Community — we shall no longer be in a position to finance it. This report therefore calls in question also the Integrated Mediterranean Programmes, since the money paid out here can no longer be paid out for them. I cannot vote for such a cowardly and dishonourable report, a report which is against Europe.

(Prolonged applause)

Mr Curry (ED). — The good thing which has marked this afternoon, Madam President, is the charm and efficiency with which you have presided over our proceedings.

(Applause)

Everything else was fantasy. Fantasy simply as a form of entertainment is perfectly acceptable and harmless. Fantasy, when it is a form of deception, is intensely dangerous and particularly among politicians. This vote represents a triple betrayal. First, it betrays the farmers themselves. They do not believe this arithmetic. They do not believe in the Monopoly money we have been dealing with this afternoon. They have to live with reality, and they want us to talk and decide on the basis of reality. The CAP does not need enemies, but God preserve it from its friends!

Secondly, it is a betrayal of Parliament. Nobody has mentioned that we are in the middle of a discussion about our own future rôle, about the rôle of Parlia-

ment in budget-making, and the problems of budgetary discipline. How can we conceivably stand up and argue that we are a responsible body with a genuine co-authorship of budgetary matters, that we should shape this Community, when we prove that we do not believe in budgets *or* in discipline?

(Applause)

Thirdly, there is the betrayal of colleagues themselves. They have not resisted the temptation to talk about what they wished were the realities and not to explain to their constituents what their realities are.

Finally, it has betrayed Europe as well. Europe must be founded on realities. The next time I hear my colleagues rattling and prattling about the future of Europe, I shall say to them: Did you vote for Spinelli? Did you want to base Europe on reality? Or did you wish simply to escape into make-believe? To the Commissioner, I say: Do not lose heart! Some of us are with you. When eventually the list is drawn of those who genuinely served agriculture, your name will figure on it. I hope some of ours will, but there will be some which will be notably absent.

(Loud applause)

Mr Ferruccio Pisoni (PPE). — *(IT)* From this debate has emerged an awareness that we have reached the end of the road and that the Commission's proposal is a proposal for mere survival. Consequently, recognizing these difficulties, I should like the Commission to avail itself of what is new in this report.

This parliamentary document is, in my view, courageous and consistent. Even though in some points it may be capable of amendment, we nevertheless trust that the Commission, taking note of the difficulties which have been revealed here, will present the new proposal so as to eliminate such contradictions, to reduce surpluses, to have regard to all regions, even the least-favoured ones, so as to eliminate that tendency to divergence which has been apparent throughout these years.

Mr Tolman (PPE), chairman of the Committee on Agriculture, Fisheries and Food. — *(NL)* I have just one comment to make. It is perhaps fair to compare the Pranchère resolution to a multi-coloured bouquet of wild flowers that contains a number of inconsistencies. The fact is that various quarters insisted on the insertion of paragraphs, and it is then impossible to avoid inconsistency.

I feel that the motion for a resolution in its amended form reflects self-control where agricultural problems are concerned. I believe it is a model of realism.

(Interruption)

Tolman

That attitude makes this clear. I find it difficult to understand. I should like to remain objective, but I cannot ignore the British interruption. How dare Mr Pearce in particular refer to history and accuse this Parliament of decadent luxury and greed? Who is having to find 1 000 m ECU for the British?

(Loud applause)

If we look at the sheepmeat regulation, 94% of all the money, hundreds of millions of ECU, is going to the United Kingdom. The experts must know that . . .

(Loud applause)

. . . and yet I do not say that Mr Pearce and others should be ashamed of themselves. I simply ask them to think before they speak. Then their words will have rather more value.

To conclude, I hope this motion for a resolution will be adopted. It will not raise any unsurmountable difficulties, even for the Commissioner, and I am pleased with his dynamic policy. It is certainly something to go on with. This incomes adjustment is needed. I hope the House will give these proposals their heartfelt support.

(Applause)

Mr Griffiths (S). — Madam President, I bring forward a point of order with reference to Rule 36. In Rule 36 there is provision for the chairman of the committee or the rapporteur to ask the Commission about their opinion now that we have substantially amended the report.

I would like us to have their opinion before we take our final vote, because it seems to me useless for us to take our final vote if the Commission tell us that they are going to reject all our amendments, which I hope they do.

(Mixed reactions)

President. — Mr Griffiths, what I find in Rule 36 is the initial phrase, 'Where the Commission proposal as a whole is approved, . . .'. In fact, however, we have rejected it, and what we are doing is therefore no longer covered by Rule 36.

Mr Bocklet (PPE), in writing. — *(DE)* The group of the European People's Party is pleased to note that the result of the vote on the Pranchère report to a large extent follows the line of the agricultural policy which it supports. It is a line of sound reason which clearly rejects the Commission's price-cutting policy and which strikes a blow for an active pricing policy within the limits of what is financially and economically justifiable.

The proposal for an average increase of 3.5% in agricultural prices put forward on behalf of the group by our chairman, Egon Klepsch, has received the approval of the majority, since it is both responsible as regards the general political interest and gives a positive signal to our farmers at a difficult moment in reorganization. In this regard, it must be expressly stated that the increase in agricultural prices must be suited to the market conditions prevailing at any given time and must be linked with a policy of co-responsibility which involves the producers in market management in the case of surplus products.

We understand co-responsibility as a principle which is applied for the purpose of limiting surpluses in those sectors of production in which it is technically possible. The proposal for 3.5% indicates the basic trend in the increase in agricultural prices. For this reason we have avoided, for the sake of consistency in the resolution, putting a figure on the agricultural price increases required in each case for the individual sectors of production. We should not, however, like to let it be thought that our rejection of a specific figure is tantamount to rejection of a price increase. On the contrary, we are supporting the appropriate price increase in each production sector. It is only unfortunate that the majority did not follow the Christian Democrats' proposals for measures in the cereals sector.

As regards the cost side of the agricultural price decisions, it should be said that, in view of the principle of co-responsibility and the quantitative restriction of the price guarantee, they will remain within the framework of what is financially possible.

Mrs Ewing (RDE), in writing. — I shall vote for the maximum attainable increases in agricultural prices in support of farmers in my Highlands and Islands Constituency.

Deprived of an essential agricultural development programme — which would be theirs in any other EEC State — and betrayed by the present UK Government, farmers in my area require all the support they can get.

I should not like the opportunity of this vote to go by without once again urging the Commission to come forward with appropriate proposals for an agricultural development programme in the Highlands and Islands, in compliance with the demands made in the European Parliament's resolution of February 1983.

I should also like to urge the UK Government to re-consider its position on the ADP proposals.

The success of the Western Isles Integrated Development Programme has proved the need for similar structural measures in the rest of my constituency.

Mr Guerneur (RDE), in writing. — *(FR)* The report presented by our Committee on Agriculture received

Guermeur

my support having regard to the improvements tabled by the Group of the European Democratic Alliance. I congratulate the rapporteur on his work.

The judicious measures he proposes will have to be adopted if the common agricultural policy is to survive, as intended by the obligations entered into by the Member States in the Treaty of Rome.

I challenge both the proposal of President Delors to freeze prices and the solutions suggested by certain other political groups on the basis of a strategy which would destroy the common agricultural policy. I also approve the average price level of 4.5% which was requested by our Committee on Agriculture. I regret that the European Assembly did not accept our proposal and that it decided to limit to 3.5% the increase recommended by the Council of Ministers. I shall however vote for the resolution as a whole, so that the Council of Ministers cannot avail itself of the pretext that the Parliament has made no proposal on prices for refusing to grant any increase. Finally, I regret that the European Parliament has rejected a tax on oils and fats entering the Community.

We must respect the commitments in the Treaty of Rome and not stifle European agriculture on the artificial and hardly serious pretext of false economies on the budget.

The social and economic cost of the collapse of agricultural production would in fact be much greater for Europe than the sums required to support fair prices. The danger then would be that of scarcity in a number of countries already affected by famine.

Mr Jackson (ED), in writing. — The Pranchère resolution, both as originally formulated and as amended, does a disservice to Europe by urging that prices should be increased to an extent that will aggravate our financial difficulties and increase production of goods in surplus.

I support the Commission proposals. I believe we must separate production regulation, by price and quota, from support to the livelihood of poor farmers, who should receive direct income support. There should be a long-term plan for Europe's farmers which gives adequate warning of intended change so that they can make gradual adjustments to production.

I shall vote against the motion.

Mr Colocotronis (S), in writing. — (GR) In a few words I wish to stress certain points which I think will clarify the intention of my vote, for the subject that has been widely debated for three days, concerning the price of agricultural products is of crucial importance for my country.

I reject the Commission's proposals lock, stock and barrel, since they are an insult to Greek farmers, who, as you all know, are the least privileged farmers in the European Community.

I cannot agree with the proposals on wheat, tobacco, cotton, olive oil, beef, wine and soft fruits. The prices proposed are too low. Yet, the contribution of those products to the structure of incomes for Greek farmers is decisive, and in consequence the pricing policy for them plays a very important part in my country's economy. A pricing policy for agricultural products will be positive, and will help our attempts to escape from the present crisis, only if it is combined with a structural, social and regional policy which avoids damaging the interests of small cultivators and bringing to ruin a large proportion of the farmers in Southern European countries with high inflation rates, such as Greece.

I believe that supplementary measures aiming to turn farmers towards more productive types of cultivation are extremely important. For that reason as well, I think it essential that implementation of the IMP's should begin at once, in the form very correctly decided upon originally.

The prices proposed in Mr Pranchère's report do not satisfy farmers in the Community's southern countries, especially farmers in Greece, but they are considerably better than those proposed by the Commission, and they constitute a necessary solution for the time being. There are also many proposals concerning social and structural measures in section of Mr Pranchère's report that have already been approved. Implementation of those measures can result in the maintenance of our farmers' incomes. That is the meaning of my vote in favour of Mr Pranchère's report.

Mr Maffre-Baugé (COM), in writing. — (FR) By adopting the Pranchère report, this House will be demonstrating its firm opposition to the Commission's proposals.

With an average increase of 3.5% in Community prices and the improvement of market machinery, French farmers may expect a real increase in prices of between 5% and 7% provided the negative MCAs, including the 1.5% exemption, are dismantled.

We cannot, however help, regretting that pressure, based on budgetary pretexts, led to the fixing of prices being accompanied by a policy of so-called co-responsibility for certain products. We were, and remain, opposed to the extension of co-responsibility in the form hitherto applied; but we are in favour of measures making it possible to penalize those who bear the real responsibility for the ill-considered increase in agricultural expenditure, that is, for the most part, large-scale agricultural holdings.

That is why we favoured taxation of the 'milk factories', which was, moreover, supported by this House.

Maffre-Baugé

For that reason, my colleagues and I will vote for the Pranchère report, despite any reservations we might express on some aspects where we should have liked to see greater firmness. In particular, we regret the rejection of the taxing of vegetable oils and fats and the application of the instruments of a more dynamic commercial policy. By means of our vote, we wish to give a clear signal to the Commission and the Council in order to draw their attention to the seriousness of the situation in agriculture and the urgent need for the solutions to be applied.

Adoption of the report will also constitute significant support for the struggles in which farmers and their organizations are sure to engage in the near future. I am hopeful that by giving reasonable consideration to their problems this House will, by adopting the report, assist them to overcome the crisis in which they are struggling.

Mr McCartin (PPE), in writing. — If one were to sit in the public gallery of this House for the purpose of getting information on the subject of the CAP, then after hearing the debate one would come away with a very confused mind. On the right we have mainly the demands for regulation and subsidization by the State; on the left, a fairly consistent voice in favour of open competition, less state interference and less public spending. This is precisely the opposite to what would have happened if we had been debating steel, textiles or the motor industry. This proves the point that the stands taken on both sides are motivated by political expediency rather than by economic strategy or ideological belief. Both in the USA and the EEC we have very large amounts of public money spent on agriculture. Both powers have an on-going internal wrangle about policy, and both are poised to launch a trade war for the privilege of providing third countries with subsidized food. Last year, in the USA 1% of farmers enjoyed 60% of all farm income, half of all state aid went to 15% of the biggest producers. In Europe, the money spent gives neither to the regions nor the individual farmers who have the greatest need. Neither in the USA nor the EEC has massive spending succeeded in creating greater social equality nor economic security in rural areas, and above all it has failed to satisfy the hopes of the poorer regions.

The region that I represent and in which I have farmed all my life has 40% of its work-force engaged in agriculture. This is where half of all Irish farmers live, but they only get 20% of all spending under the guarantee regulations. While I will vote for this motion for a resolution, I want to say that it does not sufficiently take account of the problems of the people who sent me here.

State interference and state aid will be necessary from time to time and in various sectors, but if we have an industry that is entirely dependent for its survival on public aid then the taxpayer will be unhappy and the farmer will be insecure.

Mr Paisley (NI), in writing. — I shall be supporting the motion for a resolution contained in Mr Pranchère's report, because it totally rejects the Commission's price proposals package, which if implemented as they stand at present, would be very detrimental to agriculture in Northern Ireland.

The proposed abolition of the variable beef premium would have dire consequences for beef producers in the province. The premium must be retained with no dilution of its effect.

As far as milk is concerned, the proposed price increase of 1½% does not go far enough. Dairy farmers last year were confronted with a three-pronged attack on their standard of living:

- 1) the introduction of milk quotas;
- 2) an increase in the co-responsibility levy from 2% to 3%; and
- 3) a drop in real terms in milk prices.

I support the call in the resolution before the House for a rise in price to take account of the rise in input costs as well as the call for the final abolition of the co-responsibility levy, which constitutes the double taxation of milk producers. I believe there is great merit in the Committee on Agriculture's suggestion of a positive approach to the control of milk production based on the taxation of 'intensive farms'.

I also welcome the call in paragraph 85 for mountain areas and less-favoured areas to be exempted from the dairy quota system at the end of the 1985-86 marketing year, in line with my resolution which is in the annex to the report.

As regards sheepmeat, the Community is still only 60% self-sufficient. The Commission should, therefore, be improving incomes in hill and mountain areas instead of freezing them.

I must, however, declare my opposition to the elimination of the butter subsidy. The sick, elderly and unemployed of our Community will feel very aggrieved that butter cannot be subsidized within the EEC while the USSR and other countries benefit from butter at knock-down prices.

On balance I support this resolution and will be voting in favour.

Sir James Scott-Hopkins (ED), in writing. — I will not vote for the Pranchère report, with its impossible demand for a 3.5% increase in prices. Parliament has made a fool of itself yet again. Year after year with few exceptions since 1973, I have seen this House being stampeded by the farming lobby into voting excessive funds to the CAP.

Scott-Hopkins

Now in 1985, when our grain and cold stores are bulging with surplus production, we have again thrown out the Commission's proposals which would have held expenditure on the CAP to just above 1984 levels.

I can only hope that this year the Agriculture Ministers will restrain themselves, as they have recently done over structural funds, and accept the Commission's proposals in full with the inclusion of a continuing premium for beef as a small benefit to consumers.

I believe that the decisions which this House has taken will jeopardize many other programmes in the social, regional, research and energy fields for which we have voted. There simply will not be funds available.

Mr Seligman (ED), in writing. — I will vote against the Pranchère resolution, because I consider the Parliament has been irresponsible in increasing real farm prices in a situation where cereal, meat and butter surpluses are still increasing.

It is a well-established economic fact that the only way to increase consumption is by reducing real prices. That is why the beef premium has resulted in increased beef consumption in Britain, in contrast to other countries where it does not exist. I trust the Council will follow the Parliament in voting to maintain it.

On milk quotas, I consider it disgraceful that tenant farmers have no financial interest or rights in the level of milk quota they have achieved. Why cannot we follow the Canadian practice, whereby quotas are given a value and are tradeable?

After a man has given his life to building up his quota, he should have a claim alongside his landlord — or some other financial compensation when he retires. Will Commissioner Andriessen take this urgent need into account?

Mr Stavrou (PPE), in writing. — (GR) The New Democracy group of European Members declares that it voted in favour of Amendment No 217 not only because it acknowledges the need for special treatment for Greek farmers, but also because its logical basis constitutes a complete confirmation of the failure of the agricultural policy implemented by the PASOK Government. — A confirmation made in the most solemn way by the partners of socialist change in Greece.

Mr Woltjer (S), in writing. — (NL) I shall abstain during the final vote on the Pranchère report. Although I very much regret that a report like this should be approved by Parliament at this of all times, I am firmly convinced that a price-freeze without adequate social measures, like those the Commission is proposing, is just as unacceptable in view of the impli-

cations for small farmers, the southern Member States with comparatively high inflation rates and the backward regions of the Community.

The additional 3.5% price increase proposed in the Pranchère report will do little to change the situation, in my opinion. As this report rejects an effective treatment of surplus production, particularly of cereals, the blow will be even harder when it comes. Farmers are, after all, investing now, and because of this the problems are likely to be aggravated in the future and, as has happened in the milk sector, to affect the farmers concerned.

As rejection of the Pranchère report in fact amounts to falling back on the Commission's proposals and thus aggravating the North-South conflict and also creates the impression that, if the worst comes to the worst, I shall opt for a liberal-capitalist agricultural policy, I feel that, by abstaining, I shall make it clear that neither course has my vote.

The subject must be discussed in greater depth in Parliament, and the choice made must be more realistic, more consistent and less protectionist than the one made in the Pranchère report. On the other hand, no doors must be closed to form an even greater obstacle to closer relations among the Member States and eventually lead to the complete destruction of the common agricultural policy.

I am convinced that the Socialist solution, as I see it at least, will not be cheaper, but it will enable the resources to be used more efficiently and more directly to the benefit of small farmers. I am concerned less with the question of whether prices should be increased by 0%, 1%, 2%, 3% or 3.5% than with the continued existence of and views on the common agricultural policy. For me this should be a policy which does away with surpluses, but not at the expense of the weaker farms. As Parliament has not made this choice, I shall vote neither for the Pranchère report nor for the Commission's proposals.

(Parliament adopted the resolution)¹

IN THE CHAIR: MR NORD

Vice-President

¹ The rapporteur spoke
— *IN FAVOUR* OF Amendments Nos 16, 39, 88, 92, 98, 117, 133, 161, 188, 193, 205, 208, 209, 212 and 218; and
— *AGAINST* Amendments Nos 1 to 3, 5 to 15, 17 to 28, 30 to 37, 40 to 42, 44 to 58, 60 to 62, 64 to 86, 89 to 91, 93 to 95, 101, 103, 108 to 118, 121 to 125, 127 to 132, 134 to 142, 144 to 148, 150 to 152/rev., 155 to 157, 159 to 176, 178, 180, 181, 185 to 187, 189, 191, 192, 201 to 204, 206, 207, 210, 211, 215, 217, 219 to 270.

4. *Provisional twelfths*

President. — The next item is a joint debate on three reports drawn up on behalf of the Committee on Budgets:

- by Mr Fich, embodying the second opinion of the European Parliament on requests for additional provisional twelfths for the financial year 1985 (compulsory expenditure) (Doc. 2-1789/84);
- by Mr Curry and Mr Fich, on the third decision authorizing additional provisional twelfths for the financial year 1985 (non-compulsory expenditure) (Doc. 2-1788/84); and
- by Mr Curry and Mr Fich, on the fourth decision authorizing additional provisional twelfths for the financial year 1985 (non-compulsory expenditure) (Doc. 2-1860/84).

Mr Curry (ED), rapporteur. — Mr President, I have already made one speech today and that is way above the average, so I do not propose to make another speech. I confine myself to commending to the House the reports which stand in the joint name of myself and Mr Fich.

Mr Megahy (S). — Mr President, I think it would assist the Members of this Assembly if they could be told when the vote on the Tuckman report is to take place, because it was deferred yesterday. I anticipated it would immediately follow this, but if it is going to be anything different, I think Members ought too be told about it now.

President. — This point will be raised immediately after we have finished our present item on the agenda.

Mr Andriessen, Vice-President of the Commission. — (NL) Mr President, I apologize for the fact that, although there is to be no debate on this item, I feel I must draw your attention to one point in this resolution. I will be as brief as possible, but it is important that I comment in view of the controversy that has arisen.

As you are familiar with the background to the requests that have been made, I shall not discuss that aspect. The point I am referring to is the need to bring the advances from the Guarantee Section of the EAGGF into line with payment obligations. I think I should point out that the Commission's interpretation is now shared by the Council of Ministers and Parliament's Committee on Budgets.

The second problem goes further than the request for additional twelfths for the Guarantee Section of the EAGGF in itself and concerns the principle of the

application of the dual limit — the 1984 budget on the one hand and the draft 1985 budget on the other — when determining the amount of each provisional twelfth. The Commission points out that it is empowered by the budgetary authority to align the implementation of the budget as it concerns the Guarantee Section of the EAGGF with the resources available when one or other of the limits is applied. Although the resources have been made available, a fundamental problem connected with the application of the Treaty and the Financial Regulation remains unsolved. The Commission has therefore had entered in the Council's minutes a statement which I should like to read out here:

'The Commission expresses a reservation with regard to this decision, since it feels that the provisions of Article 204 of the EEC Treaty and Article 8 of the Financial Regulation impose a dual limit which applies whatever the circumstances and thus when the budget has been rejected. The Commission notes the Council's position and maintains its own position in view of the responsibility it bears by virtue of Article 205 of the Treaty of Rome. The Commission refers once again in this connection to the importance of completing the revision of the Financial Regulation, which has been under discussion since December 1980.'

The object here, Mr President, is to safeguard the Commission's position of principle. I considered it important for Parliament to know what the Commission's position is.

President. — The debate is closed.

Explanation of vote

Mr Pordea (DR). — (FR) Mr President, the Group of the European Right will lend its support to the demands for authorization of additional provisional twelfths whether as regards compulsory or non-compulsory expenditure.

Following the rejection of the budget last December, it is not appropriate to penalize areas which are particularly vulnerable for lack of budgetary appropriations. I am thinking of the administration of the Parliament, the EAGGF and food aid. Most fortunately, the EEC Treaty (Article 204) and the Financial Regulation are available to alleviate the consequences of the political decision taken by Parliament and to provide for the implementing and emergency measures required.

But above and beyond the arguments about figures — for example technical tricks affecting appropriations for commitment or legal arguments to determine the field of application of the double limit — there lies the real basic issue, which is the only one worth mentioning here: do we want a different Europe? And if so, how do we go about it? By sacrificing the CAP on the

Pordea

altar of budgetary discipline or by going ahead with enlargement of the Community in a hasty and ill-prepared manner; or by lacking the political will to set the real stakes? In order to meet the challenges which we must take up, our governments must have the courage to reach agreement on increasing the ceiling for the Community's own resources and show imagination in finding fresh resources. Then, and only then, shall we be able to think of solving the political, economic and social problems in a truly European spirit without being at the mercy of the veto of one country or another.

(Parliament adopted the three resolutions in succession)

5. *Votes (contd)*

REPORT BY MR TUCKMAN, ON BEHALF OF THE COMMITTEE ON SOCIAL AFFAIRS AND EMPLOYMENT, ON THE NEW COMMISSION'S PRIORITIES IN THE FIELD OF SOCIAL AFFAIRS AND EMPLOYMENT (DOC. 2-1753/84)

Mr Welsh (ED), Chairman of the Committee on Social Affairs and Employment. — Mr President, the House has been voting since 3 o'clock this afternoon, which is a very long time. The Tuckman report has 98 amendments. I have consulted my two vice-chairmen and a number of colleagues on the Committee on Social Affairs and Employment, and with their consent I should like to propose to you that this vote be postponed to the next part-session.

President. — This procedural motion takes priority.

(Parliament adopted the proposal to postpone the vote to the next part-session)

6. *Energy pricing*

President. — The next item is the report by Mr Bonaccini, on behalf of the Committee on Energy, Research and Technology (Doc. 2-1784/84), on

the proposal from the Commission on the application of the Community's energy pricing principles in Member States (COM(84) 490 final).

Mr Bonaccini (COM), rapporteur. — *(IT)* Mr President, ladies and gentlemen, you will all recollect the difficulties there have hitherto been in tackling with some success the construction of a common energy policy. It has been necessary to proceed by successive harmonizations towards certain elements of a possible policy of that kind, having regard to the conditions

existing at one time or another. We now have to take a fresh and more decisive step forward by taking action in the field of the formation of energy and gas prices and thus fixing conditions more favourable for the creation of an internal market for these products: a market governed by more transparent and correct bases for competition. Hence the request for a recommendation put forward in paragraph 23 of the motion for a resolution.

What can the decisive basis be for the formation of these prices? After consideration of the proposals and documents available, the resolution seeks to give an answer and the reference point is that of the total costs which undertakings have to bear; and no one is surprised! Because if costs are not paid by prices let us be told from where else the resources for this simple economic and social transaction are to be expected.

There have been very difficult times in the economic and social life of our countries, and the most general political assessments have made it advisable to find this income by drawing it from general transfers from budgets. This is no longer possible today if account is taken of the changed situation in the electricity generating sector; of the fact that undertakings must be enabled to have a proper budget; of the fact that new costs have been suggested, or rather imposed and emphasized even, during the budget — for example, environmental costs; and finally of the fact that it is necessary to make possible easier and smoother transfers of energy from nation to nation by means of laying gas pipelines and powerlines so as to make possible the application of the rules of competition. All these principles and guidelines are summarized in paragraph 6 to 13, concluding then with the general request for a more complete cost benefit analysis which by itself should reassure the authors of some proposals and certain amendments.

With this consideration there are linked also the checks provided for in paragraphs 24 and 25 of the resolution, whilst those from paragraphs 15 to 18 and 21 and 22 are intended to facilitate trade in gas and electricity by harmonizing certain fiscal bases, as well as to stimulate competition to the advantage of the final consumer. But the emergence of particularly harsh conditions of poverty or of other conditions in respect of which a greater sensitivity and more exhaustive social evaluation are warranted have led the Committee on Energy to propose to you the guidelines for the possible, and already in many cases existing, actions referred to in paragraph 19 and 20.

My practice, Mr President, is to consider all the amendments impartially. I shall do that in this case too, but obviously I shall not be able to endorse suggestions which run counter to the rational options imposed by the situation and to the intentions expressed by the Committee on Energy itself or else which refer to arguments, even though interesting, and to sensibilities to which, it may be, I am not

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opposed but which have nothing to do with the objectives, to which I have already referred, proposed in this resolution.

I should like to assure the House that the committee has acted with the intention of progressing and enabling progress to be made on the complicated path towards the integration of Europe. We trust we have the support of Parliament.

Mr Metten (S). — (NL) Mr President, the hard winter we have just had has made it difficult for a growing number of consumers to pay their energy bills, and in some Member States they have even had their energy supplies cut off altogether. My group finds this shocking and unacceptable and, in an amendment to the Bonaccini report, therefore calls for a minimum of energy supplies to be recognized as a social right. It consequently disagrees with the Commission's view that in the pricing of energy social policy consideration must take second place to the aims of the energy and competition policies. The policy must be designed to keep the price to the private consumer as low as possible, not only for social reasons but also because it makes economic sense: inflation will be restricted and purchasing-power protected.

Community-wide energy-price principles are important because they can ensure that the industries of the various Member States compete with one another under fair and as equal conditions as possible. There is a long way to go. It is agreed that there must be a clear relation between the costs borne and prices paid by the various categories of consumers. If it is to be judged whether realistic prices are being charged, price transparency is needed. In other words, it must be clear how prices are arrived at. Failing this, it is virtually impossible in practice to put the pricing principles to the test. But it is well known that the most serious problems concern the largest consumers. The rates they are charged are usually confidential, and we therefore depend on the media for an assessment. The most serious problem with the special rates paid by large consumers is that the prices charged are lower than actual costs. In some Member States, such as France, the gas and electricity companies make considerable losses as a result, amounting to over 6% of turnover. The Commission's report quotes the example of Pêchiney, which pays 13 centimes, or less than two-hundredths of an ECU, per kilowatt-hour for electricity generated at nuclear power stations since it does not need to pay any capital costs, the largest single cost item in the case of nuclear energy.

In a number of other Member States large consumers pay less than cost price, but the energy supply companies do not make losses. This is due to the wide range of rates charged in these countries: the small electricity consumers pay two to three times as much per kilowatt-hour as the large consumers. I would emphasize that this means the excessively high prices

paid by private consumers and small and medium-sized undertakings at the upper end of the scale make the excessively low prices paid by the large consumers possible. To illustrate the kind of price paid by large consumers, the Commission refers to the supply of electricity by the Hamburger Elektrizitätswerke to an aluminium plant at 2 pfennigs per kilowatt-hour, which is less than one-hundredth of an ECU. The study announced by the Commission of electricity prices paid by aluminium producers is therefore urgently needed.

Where the supply of gas is concerned, Mr President, the problems surrounding especially low prices paid by large consumers are epitomized by the price of gas used as a raw material in the production of artificial fertilizers. I would point out that the findings of the study on which the Commission has reported give little cause for hope. I would also point out that, seen in this light, the reference to the price policy of the Dutch gas undertaking in the draft report is, to say the least, very selective. After all, a number of Member States adopt precisely the same policy, and others flatly refuse to provide any information.

Mr President, two wrongs do not make a right. A policy whereby the large consumers are assisted by the tax-payer through government subsidies or by small and medium-sized undertakings through the excessively high prices they pay is not just. The main argument advanced in defence of the special prices charged to large consumers in the Member States is that they could not otherwise compete with other undertakings in the Community.

I cannot think of a stronger argument for tackling this phenomenon at Community level. Furthermore, although a comparatively small number of undertakings are concerned, they consume a large proportion of the energy produced in the Community, and a policy that keeps this energy artificially cheap is not only costly but also removes a major incentive to these energy-intensive undertakings to conserve energy. It is unacceptable that an increase in energy prices to private consumers should be advocated on the grounds that it stimulates energy conservation when the subsidization of prices means that large consumers, who in a number of Member States form as large a segment of the energy market as all private consumers together, do not have this incentive. At this time of mass unemployment, it is equally unjust to charge small and medium-sized industry, the sector where most new jobs are being created, too high a price for energy in order to subsidize energy- and capital-intensive undertakings. The Commission will therefore have every support from my group in any attempt it makes at Community level to get rid of arrangements which favour large consumers.

Mr Ciancaglini (PPE). — (IT) Mr President, the EPP group has made a positive contribution to the prepara-

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tion of the Bonaccini report within the Committee on Energy and in the research, and supports it in this House because it is a precise frame of reference on the position of tariffs for gas and electric energy in the various countries of the Community.

The application of Community principles on the formation of energy prices in the Member States is a very important aspect of a common policy in the field of energy. For this reason we await with interest a further communication from the Commission going more deeply into the question of prices for the oil and nuclear sectors too.

In this connection, we think it is important to emphasize the strategic value of transparency in the prices in question, which is an essential condition for checking specifically that Community principles are being adhered to.

On the other hand, a remark is called for on the principle of price comparison, inasmuch as in some Member States that principle must be reconciled with the requirement of a political determination of prices and tariffs for energy products within the framework of a relationship which realistically raises the question of costs, so as to permit energy authorities and undertakings to attain such margins as will enable continual investments to be made as well for the improvement of a service which is so essential for families and undertakings and the whole of the general public.

Thus an examination of the principles for the formation of energy prices in all its facets must amount to an important opportunity for political evaluation not only on the part of this Parliament but also by the Commission and the Council.

In taking note, therefore, of some important features contained in the Commission's programme for 1985, we must stress how crucial it is for Europe to have a dependable supply of energy at reasonable prices for a competitive relaunching of the Community's economy and for an improvement of living conditions in all the Member States.

Naturally this requires a common policy, which, frankly, has so far been lacking. Essential foundations of a common policy in the energy sector are: a progressive reduction of dependence on imported oil; a capacity to develop in Community terms research, production and a rational distribution of alternative and renewable forms of energy; the elimination of waste, amongst other things by means of incentives for economizing in energy; harmonization of the prices of the various energy products; a suitable safeguard in domestic uses for social interests connected with low-consumption and low-income families; a strong incentive for competent projects of interest to Europe, particularly in the sphere of geothermics and utilization of solid refuse; a single system of charging tax for all the Member States of the Community.

Within the framework of these ambitious but realistic objectives, it is essential to require the participation of both sides of industry in determining the policy of price formation for energy and in the intervention of local authorities and public welfare authorities so as to avoid an unreasonable interruption of the supply of services in the case of individuals or families who are clearly poverty-stricken.

For this purpose public authorities and private undertakings administering energy supplies must recognize themselves as under an obligation to notify local authorities in advance of the position of families who may be in arrear before proceeding to cut off energy supplies. In this way it will be possible to avoid cruelly aggravating the condition of individuals or families living in a state of absolute poverty, for whom assistance and solidarity must be guaranteed.

This, I think, is a very important problem related to the policy of price formation, and I think that here too we must show ourselves always united as Europeans.

Mr Seligman (ED). — Mr President, what has the Commission been doing for the last three years on energy prices and harmonization of energy prices? Energy prices are just as diverse between each country as they were three years ago. All we have is a staff report which could have been written three years ago.

The Commission states in that report that there is a lot more work to be done before they can even find out what the differences are. Certainly the price differences between countries are extremely wide. Italy, for example, is paying a lot more than other countries for several of its energies. So not only are the structures not reconciled and harmonized, but the prices are also not coming closer together. This applies particularly to electricity and gas, which are the main subjects of this report.

There is no doubt about it that one of the biggest distortions in this situation are subsidies and different tax systems. The subsidies are continuing unchecked. There is one form of subsidy which is becoming rife, and that comes from the fact that French and Italian gas undertakings are making or have been making substantial losses. That is a form of government subsidy to the public. If governments make up their losses for these companies, then they are really subsidizing that industry.

However, there are many other subsidies. The French, for instance, have been giving cheap loans at very soft rates to their electricity industry. So altogether the situation does not seem to have advanced at all. Algerian gas, incidentally, is coming into the Community. It costs 50% more than Dutch or Norwegian gas, and this is due to bad negotiations with the Algerians. Many European countries are now suffering because of this, and obviously the public are also suffering

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because of it. I hope these various problems will be solved.

A large number of amendments have been tabled on the question of disconnections. This is a social problem, not an energy problem. Obviously, energy and economic objectives must come before social ones in this case. If we allow energy pricing to deal with a social problem like disconnections for people who cannot pay their electricity bills, then the energy industry will lapse into chaos.

There will be no investment in it because there will be no money to invest; there will be no cost control because this will have no particular objective. If the energy companies know that they can get government support to quote cheap prices and to deal with disconnections, as it were, free of charge, they will lose their financial incentive to run their businesses properly. So we cannot allow social objectives to be met by energy policy changes.

We understand the humanitarian feelings of those people who have moved all these amendments, but, quite honestly, I think they are making a mountain out of a molehill. For instance, in Great Britain the annual level of disconnections as a percentage of total customers is 0.5% on electricity, 0.2% on gas, and many of these disconnections are reconnected within hours. Obviously, when a person refuses to pay or cannot pay his bill something has to be done, and very often a disconnection is the only way to bring this to a head. But certainly there is no permission to disconnect a pensioner in Britain in the winter-time, and there is a perfectly good code of practice on disconnections in my country. I do not think we should go as far as these amendments go in giving people, as it were, a guarantee of permanent supply regardless of payment. Therefore, I do support Toksvig's Amendment No 10, which considers that Member States should make arrangements through social policies to help the poorest, the most neglected and the most deprived sections of the population to pay their fuel bills when they are unable to do so and so avoid hardship. That is the right way to tackle this question of disconnections. If those opposite are accusing the present government of being hard-hearted, let me just point out that the actual number of disconnections in 1976 under the socialist government was 150 000; in 1983 under the present government, it was only 120 000. So do not let us have any arguments about that matter.

The other subject, on which I have just a few seconds left, is Dutch gas-prices. I understand that tomorrow is the day when the Dutch Government have to say what they are going to do about gas-prices to horticulturalists. It is very much the last hour and nothing seems to be happening. I believe the Dutch Government were thinking of going to the European Court of Justice about this, but there has been no decision. Tomorrow they must come forward with their proposals. I doubt whether these will be satisfactory. What has happened

is that the Dutch, who broke their agreement in October, have had the whole winter providing cheap energy for their horticulturalists; other European horticulturalists have been paying over the odds during that period, and before we know where we are the whole of the winter will have gone by with the Dutch having had a major economic advantage. Certainly, the only way to cure this will be for the Dutch to claim back the difference from their horticulturalists that they have given them in this special advantage. I do hope the Commission will deal with that promptly, because it cannot be allowed to drag on. There are many other subjects such as transfrontier connections which I would like to talk about, but obviously there is no time.

Mrs Bloch von Blottnitz (ARC). — (DE) Mr President, basically it is clear that the Commission's proposal is, if you will pardon my saying so, superficial, incomplete and far too narrow. In general it might also be said that only the economic factors in the formation of prices are considered. No consideration is given to ecological factors, although it is precisely the ecological costs which must be taken into account in the formation of energy prices. The energy supply undertakings should be made to pay a levy on emissions of waste gases and liquid effluents and on heat and other waste, in particular radio-active waste, since these are costs which so far still have to be borne by the public. It would also, for example, be very sensible to create, by imposing high levies on waste heat and effluents, incentives in competition for those electricity producers who make maximum use of waste heat, for example by means of power-heat coupling.

Prices should in the Commission's proposal correspond to the long-term costs. There has so far been no guarantee of this for nuclear energy. The long-term sequential costs are unknown and presumably much higher than hitherto forecast. A levy should for example be introduced here, since very high costs will arise only at a later date when perhaps many of the operating undertakings no longer exist. Levies for discharges of gaseous and liquid effluents must be related to the actual damage caused to life and the environment and would even then be much higher than the cost of purifying gaseous effluent and elimination of waste heat. Japan, which is always held up as an example here, should really be an example on this point.

Moreover, I note that the following aspects are lacking: competition in energy savings in substitution for energy produced by capital expenditure, greater transparency at the large-scale consumer level and the requirement of own production in industry. This point of view is neglected with cost-accounting related solely to electricity. It will be thwarted as long as large-scale consumers receive cheap power from the electricity supply undertakings. Tariffs which do not depend on consumption should finally be introduced for small-scale consumers, such as we have already

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had for a long time for telephone charges. Thus, for example, it would be entirely possible to have a scale graduated between three or four or more consumption zones.

For small-scale consumers we should also demand the abolition of the division into basic price and working price in electricity, which is unfavourable to energy saving. If the basic price is abolished, each kilowatt-hour saved makes a greater impact on the bill. A specific tax on the wasting of energy might also be sensible, based not merely on the amount of energy consumed but also on the consumer's energy efficiency. The latter could be measured by means of a standard such as, for example, households according to climatic zone and industries according to sector. It is absolutely essential to consider also differentiated taxation of the various energy sources, criteria such as impairment of the environment, dependency on other countries and so on.

Finally, I should like to point out that countries with decentralized small-scale production not dependent on nuclear energy such as Denmark and the Netherlands have the most cost-effective balance-sheets. These are not so favourable in Germany and the United Kingdom, whilst France, with its high proportion of nuclear energy, has the highest costs. I regret that this is not mentioned in the Commission's proposals.

(Applause from the left)

Mr Smith (S). — Mr President, if this Parliament is to have any credibility in the eyes of the world, then we must be seen to be devoting our time, efforts and imagination to developing policies that are relevant to the great issues that now face us. If we fail to do that we shall quite rightly be treated with disdain, because we shall no longer be of any importance to those people who need our support.

Most of the amendments to the Bonaccini report tabled by the Socialist Group stem from a recognition of the need to begin to meet the demands for decent standards of heating for the elderly, for the sick, for the low-paid and those living in terrible housing conditions. It is also a recognition that no industry should have the right to take away that source of heating without recourse to the courts or to some independent third party.

What the amendments are asking you to consider is whether or not everyone should have the right to a minimum amount of heating, whether industry should continue to take away that heating without recourse to those courts or to that independent third party, and, most important of all, whether or not people have the right to life. And not just life, but one filled with dignity and happiness.

If anyone should believe that it is something of an exaggeration to make these points, then I would

remind them that in my country alone over 120 000 households are each year deprived of heating and lighting, and without any recourse to the courts. In addition, thousands of people die each year of cold while hundreds of thousands who survive still live a life of misery.

If you vote against the Socialist Group's amendments, you will be saying to those in greatest need, you are not important, you are dispensable, we do not recognize your right to life or even dignity while you are on this earth of ours. That, in my opinion, would be an act of virtual barbarism and it is one which we intend to ensure you will have to justify to people everywhere. We intend to do that by asking for a roll-call vote on Amendments Nos 13 and 16. We shall then make sure that how you vote gets the kind of publicity it deserves, and those who most need our help will then be aware who are the people who care and who are the ones who are working to bring justice and dignity to the lives of ordinary working people.

(The sitting was suspended at 8 p.m. and resumed at 9 p.m.)

IN THE CHAIR: MR GRIFFITHS

Vice-President

Mr Clinton Davis, Member of the Commission. — Mr President, may I at the outset apologize to the House for the fact that my colleague, Mr Mosar, who is the Commissioner responsible for energy, is unable to be with us this evening as he has an Energy Council in the morning. I can assure honourable Members that I will advise him of the points that have been made in what has been a short but fascinating debate.

Also at the outset, may I congratulate Mr Bonaccini, the rapporteur, for the skill he has displayed in dealing with a very complex matter and on the observations he made when presenting his report.

The Commission welcomes the initiative of Parliament in preparing a resolution on the application of the Community's energy-pricing principles in Member States. We believe with Parliament that pricing policy is an important element of energy policy and that further progress needs to be made in this field. Earlier, the Commission had informed the Council that it would examine pricing practices in Member States and would assess their compatibility with the principles adopted by the Council. The results of this analysis were communicated in a Commission staff report to the Council, which I personally believe is a valuable document, even though I regret to say it did not please Mr Seligman. As this did not contain any proposals for legal instruments, the report was sent to Parliament

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for information. As I have said, this is a staff report rather than a political communication, because the principles had already been agreed by the Council.

What the report does is to look at the application of these principles. The report concentrates on gas and electricity prices to consumers and identifies current problems. It recommends how the application of the pricing principles could be improved. Now the broad thrust of the resolution before us is therefore very helpful, and I particularly welcome the clarity with which Mr Bonaccini has identified the need for gas and electricity utilities to achieve financial viability, improved price transparency, non-discriminatory pricing and priority for achieving energy objectives.

However, I want, if I may, to dwell for a little while on some of the points that were made by Mr Metten, Mr Smith and Mrs Bloch von Blottnitz, as well as the rapporteur. I am dealing here with the very serious social problems that can arise from the realities of poverty. One of those realities is disconnection of electricity supplies. I was a Member of Parliament in Inner London for 13 years, and before that I was a Councillor for a very long time. I know the problems about which a number of honourable Members have spoken. There is no point in swapping statistics about which government did most or did least to support these people. The fact of the matter is that a code of conduct was introduced during the period of office of the Labour Government precisely because of the problems that were arising.

What is important is the people behind the statistics. Nothing can be more distressing than to find people cut off from what in effect is part of their lifeblood. I believe — if I may say so to Mr Seligman with respect, and I understand the point he makes very well — that those honourable Members who addressed themselves to this topic this evening, out of their regard for the people they represent, would have failed in their duty had they not said what they did say. I, therefore, share the concern they expressed — and when I say I do, the Commission does.

It is an expression of concern that is emitted in the report itself; it is reflected in the earlier proposals of Mrs Lizin, Mr Stewart and Mr Stevenson, and indeed in many of the amendments Nos 5, 6, 13, 14, 15, 16, 22 and 23. The fact is that this Commission wants to eliminate energy poverty as part of its overall social programme. We have made that clear over and over again. I am, as I say, impressed by the concern which has been shown in this debate and I say again, as I said at the beginning, that I will undertake to let my colleague, Mr Mosar, know how deeply Members have felt on this issue — and, indeed, also Mr Sutherland, who is responsible for social affairs, because he too has a deep and abiding interest in these matters.

It is sometimes argued that the most efficient way of coming to grips with the problem of social energy

needs is through the social welfare structures — a point taken during the course of this debate by a number of honourable Members. It is argued that subsidized energy tariffs may not be the best means of achieving social aims, and that help with meeting energy costs can, in principle, better be dealt with as part of the social welfare system. But this predicates, does it not, that those responsible for administering the social welfare structures are fully aware of the problems, are as concerned about them as those who have made speeches in the debate tonight and are determined to ensure that undue hardship is averted. I have to tell honourable Members that the fact is that this Commission simply has no direct competence with regard to that issue, and I think that that is appreciated.

The resolution, and particularly the sentiments underlying paragraphs 17, 19 and 20, reflect very fully the need for sensitivity on the part of national and local authorities. On behalf of the Commission, I wholly endorse that sentiment.

Of the many amendments, Nos 10, 11 and 14 would, I believe, be particularly relevant to the resolution, whereas — I have to say this — the remaining amendments are more relevant to considerations affecting social welfare. Thus, for the sake of clarity, may I just spell out the views of the Commission on the various aspects of the resolution in this regard and the amendments.

We support Paragraphs 17, 19 and 20 of the resolution. We do not see a need for Amendments Nos 5, 6, 13, 15, 16, 22 and 23, though I understand well the reasons for articulating those points of view. We accept Amendments Nos 10, 11 and 14.

As Commissioner responsible for the environment and consumer protection, I was particularly impressed by the reference in the draft resolution to the relationship between energy and environmental policies. I refer here to paragraphs 9 and 13.

The Commission has developed a balanced programme seeking an efficient energy supply which respects the need for better environmental conditions. Indeed, the Commission's draft directives, in connection with large combustion plants and other aspects of atmospheric pollution, some of which this House considered earlier today, and the stance that we have taken in discussions at the Environment Council fully mirror these concerns.

Progress on environmental legislation and the Commission's third research and development programme, particularly for renewable energy sources, contributes to the wish for a cleaner environment. We want to see renewable resources developed, and we are funding through the R and D programme new ways of fostering these.

An additional levy or taxation, as proposed in Amendments Nos 1, 2 and 4, would duplicate the current

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proposals on emission standards. It would impose further additional costs over and above those required to meet the new environmental requirements. I must say, I do not think that that would be reasonable. So, we accept Amendment No 20, encouraging greater biomass, and we reject Amendments Nos 1, 2, 4 and 21. Those are our recommendations.

The resolution calls on the Commission to do two things: to prepare for a resumption of the meetings aimed at securing the harmonization of excise duties and valued-added taxes, and it also calls on us to undertake studies on energy costs and an independent energy-pricing monitoring unit.

On the fiscal issue, my colleague Mr Christophersen's services are involved in the Council discussions. And, as the staff report indicates, fiscal and taxation issues are an important part of energy pricing.

We shall be undertaking the cost studies mentioned in paragraph 22 as part of the Commission's routine monitoring of Community energy prices. The result of this price monitoring is published regularly at present annually, but soon to be stepped up. A new monitoring unit hardly seems necessary since this function is in any case being fulfilled by the Commission staff.

Mr President, energy pricing will be discussed tomorrow in the Energy Council, and that takes care, in a sense, of paragraph 23 of the resolution. The Commission hopes that the Council, either then or in June, will pass a resolution emphasizing the key aims, and, of course, Parliament will be advised as to the outcome. So, while we see no need for Amendment No 17, we feel that it could be accepted.

To summarize the position on the amendments, those that are acceptable in our view are Nos 8, 10, 11, 14, 17 and 20 and those that we would recommend as not being acceptable are Nos 1, 2, 3, 4, 5, 6, 7, 9, 12, 13, 15, 16, 18, 19, 21, 22, 23 and 24. That, perhaps, is the most memorable part of this speech.

I now turn, finally, to one or two of the specific issues that have been raised in the debate, although I have already touched on some. Mr Seligman asked, what has the Commission been doing for the last three years over the question of harmonizing energy prices? Well, he complained that only the staff report was there to illustrate the work of the Commission. I think it is a good staff report. I do not know what he is grumbling at. And the fact of the matter is that there has been greater alignment over the last four years. What I would ask him to do is to read the report and then perhaps criticize it more effectively afterwards.

On the question of ecological costs, raised by Mrs Bloch von Blotnitz, may I say that the good news that I have to tell her is that at the Environment Council the other day — it seems a long time ago, but it was in the early hours of Friday morning, around 5 o'clock

— the environmental impact assessment directive, which had been on the table for some five years, was at last adopted by the Council. Therefore, much of the anxiety that she expressed in that regard is now capable of being reflected in the way we can approach our work as a result of the adoption of that very important directive.

I end, in a sense, on a note where I did not quite begin, but almost began. Mr Smith said everyone should have a right to a minimum amount of heating. He was concerned about the effects of hypothermia. He was concerned about all those issues that I touched on in the earlier part of my speech. I believe he was utterly right about that. There is such a right. Maybe this is not the right vehicle, but it was nevertheless right to raise it in the debate and I applaud him and his colleagues for so doing.

President. — The debate is closed. The vote will be taken at the next voting-time.

7. EAGGF

President. — The next item is the report by Mr F. Pisoni, on behalf of the Committee on Agriculture, Fisheries and Food (Doc. 2-1783/84), on:

the proposals from the Commission to the Council (Doc. 2-1362/84 — COM(84) 682 final) for:

- I. a regulation amending Regulation (EEC) No 729/70 as regards the amount allotted to the Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF)
- II. a regulation amending Regulation (EEC) No 355/77 on common measures to improve the conditions under which agricultural and fishery products are processed and marketed.

Mr F. Pisoni (PPE), rapporteur. — (IT) Mr President, ladies and gentlemen, the Commission's proposals for amendments to Regulations Nos 729/70 and 355/77 on the agricultural structures policy meet with the unanimous approval of the rapporteur and the Committee on Agriculture.

The amendments in question are designed to ensure that Parliament can exercise its budgetary powers effectively. If the rigid rules hitherto obtaining in respect of the commitment of structural policy funds had been retained for the five-year period 1985-89, these entries would have appeared as compulsory expenditure, allowing Parliament no possibility of influencing them in any way. The fact that this rigidity has been done away with means that Parliament can do something about it and make some changes. In theory commitments for agricultural structures will no longer be rigidly laid down at five-year intervals.

F. Pisoni

However, in order to ensure a degree of orderly continuity, the Commission proposes that for the coming five-year period the financial commitments should be fairly close to those previously agreed to by the Council. What is being done is to provide guidelines for quantifying, it being clearly understood that these guidelines must not indicate a 'ceiling' but rather orders of magnitude.

The Commission itself has already revised its position and has cut back the funding requested from 6 759 m to roughly 5 900 m ECU, while the Council, for its part, has introduced a further cut of 700 m ECU, taking it partly from the wine-growing sector and partly from other measures.

The amendments to Regulations Nos 729/70 and 355/77, proper and necessary as they are, do nevertheless run the serious risk of burthening the normal budgetary procedures with the task of fixing the annual commitments for agricultural structures.

Today we have voted on the price-policy proposals for 1985-86. In spite of the suggestions made and the amendments tabled by Parliament, the prospect held out to European agricultural producers by the prices policy are anything but certain. Quantitative cuts, co-responsibility quotas and lower prices are being asked or imposed. The Council itself and the Commission, aware, at least partly, of this fact, have claimed that while the prices policy cannot cure all the ills besetting the agricultural sector, there is some hope that a new structural policy may go a long way towards grappling with them. These claims, however, are being refuted again today by the decisions that have been taken and by the proposals that are before us for our consideration.

The amounts currently being directed towards agricultural structures constitute less than 5% of those being directed towards prices, whereas in the earlier and more realistic view of things they were to have represented at least 30%. Indeed, our fear is that the ever-growing budgetary difficulties will only lead to the temptation to pare them down even further.

A well-thought-out and effective structural policy could also produce considerable benefits in a few years' time, both in the area of market equilibrium and in the area of prices.

Since surpluses in virtually every sector will make it impossible for the farmers to boost their productivity and increase production, they will be forced to rationalize their production, to diversify, to cut costs, to force their way into the market in a bigger way in order to avail themselves to the full of added values and to exploit all the possibilities afforded by the conservation and the processing of their products.

These objectives can be realized only by means of a proper structural policy backed up by adequate financial resources.

As rapporteur, concerned at the use that can be made by the Commission and the Council of the proposed amendments, I reiterate the requests made and the reservations expressed in the report itself. I call for adequate funding that will go well beyond the 5 900 m ECU. I would also ask that the policy on wine should be implemented at the level of the markets rather than at the structural level. I call for structural funding to reach at least 6%-7% of the figure decided upon for prices. Finally, I call for adequate funding for the integrated Mediterranean programmes and for a separate and serious fisheries policy.

Mr Ebel (PPE). — (DE) Mr President, ladies and gentlemen, I wish to confine my remarks to the fisheries sector of this report. I should, of course, like to state that we are favourably impressed by Mr Pisoni's report and that we support it and Mr Christodoulou's amendment.

In my humble opinion, particular attention must now be paid to this sector, because the only matter being raised is the urgent need to arrive at a new all-embracing structural policy and a market organization adapted to the changed situation. We find it difficult to accept the arguments put forward by the Commission, both in its draft directive and in its work programme, that this can only be done after the accession negotiations with Spain and Portugal have been completed. In our view such a programme should, at least in outline, be an integral part of the accession negotiations, since all those concerned should be aware where we agree and where we differ. One thing should now be clear beyond all misunderstanding: we shall have to deal in future with a totally new, difficult and different type of fisheries policy.

The percentage figures for this enlargement given by the Commission in its working document also bear this out. We believe that in view of the urgent need for a radical change in the agricultural sector, which today's debate has again served to confirm, we need, in addition to spelling out the details of the programme, to create new instruments. This means, in my view, creating an independent fisheries fund independent of the agricultural sector, which would mean transferring the responsibility from DG VI to DG XIV and providing adequate staff.

I was particularly anxious at this time to put forward this proposal in the context of the present report.

Mr Battersby (ED). — Mr President, this excellent report by Mr Pisoni is, from the fisheries point of view, one of the most important documents before us on the common fisheries policy since this policy was inaugurated in January 1983 and, of course, has the full support of my group.

We are now approaching the end of the first stage of the common fisheries policy, and we have begun grad-

Battersby

ually to establish a reasonable balance between stocks, catch capacity and the market in order to harvest our waters. We have funded new building and modernization on the one hand and we have funded decommissioning on the other. We have begun to restructure the processing side of the business and we have limited inspection in place.

However, Mr President, all we have gained will be at risk — and I would remind the House how difficult it was for us to create an acceptable and viable fishing policy — if we do not plan now for the next 15 years. Owing to the uncertainties of the 1976-83 period, there was little new building and much of our fleet is over 15 years old today. So we have to plan, as a matter of urgency. We have to plan the fleet, we have to plan the types of boat, we have to plan the processing infrastructure, and so on. Without a planned approach we shall not be able to invest effectively or to budgetize or to maximize this valuable resource.

The present budget for fisheries structures closes at the end of this year, and the budget for exploratory fishing terminates at the end of 1986. Spain and Portugal, with their fleets, will, we hope, join the Community at the end of this year. We have to integrate these fleets into the overall structural policy, and I would therefore suggest that the Commission extend the present structural budget period to the end of 1986 to ensure that all budgetary aspects of the present policy coincide and allow all aspects of Spanish and Portuguese fishery structures to be effectively integrated into Community policy by the end of 1986.

Mr Gatti (COM). — *(IT)* Ladies and gentlemen, the Communist and Allies Group agrees with and will support the Pisoni report. In particular, it agrees with the amendments proposed therein, especially with regard to the percentage figures for establishing a 'ceiling' which will serve as a point of reference for all action to be taken on structures. As Mr Pisoni himself pointed out, this is particularly important in the wake of Parliament's vote today on prices.

The second amendment that we feel impelled to support — and we would urge the Commission to take it on board — is that relating to the Guidance Section of the EAGGF and action in the wine sector. We feel that to regard premiums for grubbing up vineyards as a charge on the Guidance Section is to ignore the fact that this is not structural action in the sense that it does not change the structure of the agricultural holding. Every vine that is removed reduces the quantity of the product that will come onto the market. This kind of action is therefore directly linked to the whole problem of markets.

We believe therefore that this appropriation should be made but that it must be debited to the Guarantee Section of the EAGGF rather than to the Guidance Section.

However, let me say once again that we fully support Mr Pisoni's report and that we agree with it wholeheartedly.

Mr McCartin (PPE). — Mr President, I welcome this report and congratulate the rapporteur. I can agree with everything he says, including his proposal that the amount of money should be increased from 5% to 7% of the amount that is spent on the guarantee side.

I think it was originally intended that the structural side of agricultural spending should be something like 25% of the guarantee side, but over the years it has become a very small proportion — 5% — which is far too little. I think this has probably come about because it was very easy for the national governments to negotiate here in Europe for price increases, but the structural funds had to be supported by national spending at home. The result was that in tight budgetary situations we had a tendency on the part of national governments not to promote the structural side because it involved the raising of money at national level.

I think this was a great pity. All day today we discussed agriculture and agricultural prices. It generated a lot of heat and a lot of excitement, and it is amazing to find that tonight, when we are discussing something that I think is at least equally important, we do not seem to have any excitement or any interest at all. Now, much of the case that was made for increased price increases was based on the social argument that we have so many people on the land, we cannot send them to the cities and we cannot make them unemployed because that will cost us a lot socially, and will cost us a lot in many other ways as well.

The truth is that on the structural side we really have an opportunity to achieve social objectives. That is why I would like to see more emphasis put on this side.

I come from the west of Ireland. I happen to be a big farmer in an area where farms are generally very small. In this area live half the farmers of Ireland. While we negotiate here for increased spending on the guarantee side, this half of Irish farmers will succeed in getting only around 20% of all the money that comes to us on the guarantee side. On the structural side, we could arrange for them a better situation by improving their infrastructure and all the rest of it.

I would welcome a more dynamic approach towards reorganizing. I do not know exactly what was agreed yesterday. I do not know whether a forestry or a tourism element has been included in the structural proposals that were agreed in principle by the Council, but I would regret it very much if there were not. I hope that the present Commissioner will work towards achieving an integrated structural programme for areas like the west of Ireland.

McCartin

At the moment we assist people to produce milk which we do not want. On the other hand, we only give them a proportion of the capital needed for producing forest crops, yet the promoter must wait for 40 years before he gets a return. While we know in the end that this is economically, environmentally and in every other way good for the Community, the support that we give to this development is minimal.

It is just the same with tourism. I could take people to an area where you could drive for 70 km along lake shores in the height of summer and you would not see more than two or three boats on those waters which are actually teeming with fish. In those areas we could support a greater population. It is not a matter of increasing prices. We cannot give an acceptable income to the farmer with a small number of cows, a small number of sheep, no matter how high the prices.

What we really need is supplementary income. We need to switch some of the money from the guarantee side to the structural side.

Mr Andriessen, Vice-President of the Commission. — (NL) Mr President, it is a remarkable coincidence that on the same day as the Commission price proposals are being discussed in this Parliament, there is also discussion of the structural policy, which, in the opinion of the Commission as well — I am pleased to associate myself with the remarks which Mr McCartin has just made — is a vital element in our overall common agricultural policy.

I must also say that I am sorry that it has not after all been possible to induce the Council of Ministers to make available for the structural policy the funds which, in the opinion of the Commission, are needed if we are to pursue the best and most comprehensive structural policy. This does not mean that the funds which are at present available under the existing Council agreement are, in the Commission's view, inadequate to carry out a proper structural policy; but a little more elbow-room — I say this explicitly in the name of the Commission — would have been most welcome. However, as I have already said, we expect that in the future it will be possible to work with this amount and — I add this advisedly — we rule out, should the development of the programmes that are offered or the problems to be solved require supplementary financing, the possibility of additional financing for this policy within the framework of the annual budget procedure.

The formal budgetary aspects of this matter have been pointed out by the rapporteur, whom I thank and congratulate on his report. To obviate a lengthy debate, let me say quite unequivocally that I share his views and that the amendment, as tabled, poses no problems for the Commission with regard to the recognition of the European Parliament's budgetary authority from year to year as laid down in the Treaties, financial

regulations and the tripartite agreement of several years ago.

It has been urged on the Italian side that we should establish in one way or another a fixed percentage relation between the amount to go to the EAGGF Guidance Section, on the one hand, and the EAGGF Guarantee Section, on the other. I do not think that this is the right approach. Why not? I shall give you an example, which also ties in with the arguments of the honourable Member. If we are able, in restructuring the wine policy with the support of the EAGGF Guidance Section, to drive down the production of table wine, for which there is no market, expenditure from the Guarantee Section will fall. This is the argument I used when I sought from the Finance Ministers a genuine approach to this problem precisely because a fixed percentage relation can only lead to a lowering of guarantee expenditure. But at the same time as we are coupling the EAGGF Guidance Section with the lowered guarantee expenditure, we are engaged in reducing structural expenditure. I do not think that can possibly be what the honourable Member wants. I am therefore opposed to a percentage relation between the two sections of the EAGGF. I recognize that it would be worthwhile to make a larger amount available, but I believe it is preferable, without such a relation to attempt, if necessary to make more funds available for this sector in the annual budgetary policy on the basis of specific and objectively established requirements.

I should also like to say a few words about fish. We have included in the Community budget for the structural policy in respect of fisheries a number of appropriations. I do not believe it is reasonable to seek, as requested in the resolution, if I understand it correctly, to set up a new, as it were, special structural fund for fisheries. I feel it is much more important that we should make an effort, also with a view to accession — I agree with Mr Battersby that accession involves some problems — to secure sufficient funds for a specific structural policy for fisheries. I do not think it is so much a question of whether there is a specific fund available; rather, it is a question of whether there is adequate financing available. That is what we must concentrate on, I think. I gladly undertake, within the budget's restricted possibilities — and Parliament knows how limited those possibilities are — to try to secure for the fisheries structural policy a reasonable Community financial contribution. This is more important, I would say, than the suggestion made by the Italian Member.

In a word, the Commission has no difficulties with the amendment as tabled with specific reference to Regulation (EEC) No 355/77. The Commission feels it is not necessary to aim for a specific fund in relation to a structural policy for fisheries. On the other hand, the Commission feels it is important to secure sufficient money therefor. Without adopting the point of view currently being taken by several Member States in the

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Council with regard to general fishery problems in connection with accession, the Commission considers that in the matter of accession great care must be taken to ensure that the oh so laboriously achieved *acquis communautaire* in the sphere of fisheries policy must not be called into question or endangered.

With regard to the wine policy, I should like to say that the amounts available have been reduced by the Council. We in the Commission believe that with the amounts now available we can make a genuine structural contribution to rationalize the production of table wine which cannot be disposed of at reasonable prices.

In conclusion, I would say that an active and dynamic structural policy is absolutely vital to accompany the stringent pricing and market policy we need to pursue which today has been discussed and debated in this Parliament. Like various Members, I would have greatly appreciated it if the same importance had been attached by Parliament in this debate to the necessary political element accompanying pricing policy as was the case this afternoon during the other debate.

(Applause)

President. — The debate is closed. The vote will be taken at the next voting-time.

8. Community loans

President. — The next item is the report by Mr Wolff, on behalf of the Committee on Economic and Monetary Affairs and Industrial Policy (Doc. 2-1775/84), on

the proposal from the Commission to the Council (Doc. 2-345/84 — COM(84) 309 final) for a regulation amending Regulation (EEC) No 682/81 concerning the Community loan mechanism designed to support the balances of payments of Community Member States.

Mr Nordmann (L), deputy rapporteur. — (FR) Mr President, for a few minutes this evening I shall, with your permission, become Mr Wolff and present the report which the Committee on Economic and Monetary Affairs and Industrial Policy is submitting to Parliament on the Community loan mechanism designed to support the balances of payments of Community Member States.

The report and resolution presented today consider the Commission's amendments to the regulation on the Community loan mechanism designed to support the balance of payments of one or other Member States where the balance of payments shows a disturbing imbalance. The mechanism to be reviewed was set

up in 1975. Its initial purpose was to correct imbalances connected with increases in oil-product prices. In 1981, the mechanism was adjusted somewhat and its terms of reference were enlarged since Member States could draw upon it to assist them in balance-of-payments difficulties caused by the sharp rises in energy prices in a wider and less restrictive sense than that of mere oil problems.

In the regulation submitted today for Parliament's approval, the notion of access to the mechanism in the case of oil-price increases alone has been dropped once and for all, and this is an important point.

The practical arrangements for access to the mechanism are as follows: funds are collected by the Commission, either directly from third countries and financial institutions or on the capital market, and the Member States to whom the Community lends the capital thus collected are subject to the same terms of reimbursement of principal and payment of interest. The Community plays, as it were, the rôle of a non-profit-making banker. Borrowing and lending operations are transacted in the same monetary unit, and the costs incurred are charged to the beneficiary State, whilst a loan is guaranteed by the Member States as a whole. The loan is made subject to an undertaking by the beneficiary to carry through a recovery programme calculated to redress its balance of payments. It is what I might call the IMF aspect of the mechanism. I would just point out in this connection that Parliament's only rôle here is to authorize the volume of loans.

The amount of loan capacity has changed in the course of time. In 1975, the ceiling was fixed at 3 000 million dollars. Since 1981, it has been fixed at 6 000 million ECU. In 1976, the Community borrowed on Italy's behalf ten-thirteenths and on Ireland's behalf three-thirteenths of the total amount, Italy benefited from a second transaction in 1977, its loans — according to oral information furnished by the Commission — having been repaid to date. And France, as we know, was granted a loan of 4 000 million ECU in May 1983.

The amendments proposed today augment the mechanism's resources, alter the terms of access and widen its field of application.

The increase in resources: the ceiling of 6 000 million ECU is raised to 8 000 million. The field of application and modification of the terms of access: the reference to increases in prices for oil-products, I repeat, is dropped. This means that recourse to the mechanism is possible on much broader grounds affecting balance of payments.

In conclusion, I would point out that a new rule to restrict borrowing capacity in the case of any Member State applying for 50% of the ceiling has been adopted. These three amendments do not pose any

Nordmann

real difficulties, but the sense of the accompanying resolution . . .

(The President urged the speaker to conclude)

. . . Just a word, Mr President, to say yes to the amendments, but to express our regret that Parliament has not been involved in review of the mechanism and that its responsibility, which is considerable, is not reflected in larger participation. That is all I wanted to add, as Bossuet would have said, with a failing voice and a dying ardour.

Mr Metten (S). — *(NL)* The Socialist Group supports the Commission proposal to extend the Community loan mechanism for balance-of-payments aid from 6 000 to 8 000 million ECU in order to offset the inevitable effects of the oil-crisis and to limit maximum assistance to any particular Member State to half the increased amount of the mechanism.

It is important not merely to Member States that get into balance-of-payments difficulties but, in view of economic inter-relatedness, to all Member States that balance-of-payments difficulties should not lead to sudden and spectacular retrenchment programmes. After all, the imports of one Member State in difficulties are, ultimately, the exports of other Member States in the Community.

The Socialist Group welcomes the expansion of any mechanism calculated to limit the growth of a restrictive economic policy. Consequently it would be quite unacceptable if the Council were to decide to curtail another loan mechanism, for medium-term financial support, by a corresponding amount. The Socialist Group therefore heartily endorses what the Wolff motion for a resolution says on this point.

In view of the fact that the Community stands as guarantor for the redemption of balance-of-payments loans which are entered into on the capital markets and the inability of a recipient country to pay has serious implications for the budget, it is logical and necessary that Parliament should be more closely associated with this mechanism. The Socialist Group therefore supports that section in the Wolff report which calls for Parliament to be involved in drawing up rules for the provision of loans. However, since the balance-of-payments support mechanism is specifically intended for assistance in emergencies when decisions have to be made extremely quickly, my group has tabled an amendment to drop the request for Parliament to be involved in the formulation of the conditions of economic policy to which the applicant Member State must conform. Insistence on this, Mr President, would mean a delay of many months, and the mechanism could not be used.

My group therefore believes it would be better for Parliament to concern itself solely with the general

rules and not with the specific conditions governing applicants. Parliament must be sufficiently intelligent to avoid jeopardizing an extremely useful mechanism by moderating its claim for a greater say in this matter.

Mr Christodoulou (PPE). — *(GR)* Mr President, the mechanism for granting Community loans to support the balances of payments of Community Member States is one of the few factors that provide a practical and adaptable basis for dealing jointly with the currently-related monetary problems of the Community. It is to the Commission's credit that it proposes an increase in the limit, and allows the possibility of utilizing Community loans for more general purposes at a time when no immediate need is extant. This is because we all know that if we were to wait for the phenomena that would make it necessary to activate the mechanism, the correct and prompt adaptation now proposed might not be possible. Let us hope that in other analogous situations in the monetary sector — and I refer to the general adaptation and strengthening of the European monetary system — we shall see initiatives and movements of similar high quality. While agreeing, then, with the Commission's proposals, I should like to make a number of comments and ask that they be taken into account when drawing up the implementing procedures.

First of all, in the Community today there are two financing mechanisms for granting support to Member States: Community loans, which we are debating at present and which are granted by the Community, and medium-term financial support granted by the Member States. While the two systems do in fact overlap to some extent, there are also several differences that serve different needs. This makes the parallel existence of both mechanisms necessary, at any rate for the time being, but without an increase in either entailing a corresponding decrease of the other. Secondly, despite the modification of Member States' credit in relation to the upper limit, the mechanism in force still does not ensure equal treatment for Member States because 50% of the upper limit does not guarantee that the mechanism can cope in the event that several countries need help at the same time. It will therefore now be necessary to formulate a clear procedure for cases of multiple applications.

Furthermore, though a mechanism is obviously needed for granting loans to Member States very promptly, a feature that is not characteristic of the usual parliamentary procedures, we think that co-responsibility of the various bodies implies that in the final stage of approval Parliament's agreement must be obtained, especially in view of the consequences that might well arise in future Community budgets.

Perhaps the solution would be to set up a flexible Community body, with limited membership, authorized in advance to participate *ad hoc* in any decisions made.

Christodoulou

Finally, within the more general scope of strengthening the European monetary system, there will have to be a serious study to formulate a procedure for the gradual establishment of an effective body to implement the Community's monetary and exchange policy. It is quite clear from the economic and monetary phenomena we have to deal with that without such a body we shall be restricted to debates and decisions which, despite the goodwill of us all, will have very limited application and few results.

Mr Patterson (ED). — Mr President, it goes without saying that my group supports the Commission proposal and also the very full report by Mr Wolff. It is quite right that the European Community should have a mechanism of this kind in order to help countries that get into temporary balance-of-payment difficulties. It is an expression of Community solidarity.

Quite clearly, we agree with the figures which the Commission are proposing, the present ceiling of 6 000 m ECU to be raised to 8 000 m ECU because the only outstanding loan is the French loan of 4 000 m ECU that follows from a provision that 50%, and only 50%, should be lent to only one country. In the changed climate of oil-prices it makes sense to delete the reference to oil-prices. So we agree with all that.

There are a number of points, however. Mr Christodoulou raised the matter of the interaction between this loan mechanism and the medium-term financial aid mechanism. He said that there was need for both of them. In practice, of course, there is practically no difference in application between them. It is the method of financing which differs.

The loan mechanism we are discussing at the moment is a Community loan raised on the Community's credit and lent by the Community. The financial aid mechanism is largely a transfer system between Member States. If my group had to make a choice, we would prefer the loan mechanism. It is, of course, an expression of Community credibility, as I think the report says. In any case, Parliament is associated with a loan mechanism which is a Community instrument, whereas it is not associated with swap arrangements between Member States' central banks, so we prefer the loan mechanism.

There are a number of questions I might perhaps put to the Commission which are raised in the report. First of all, it is sensible that we should have a study of these two mechanisms — the medium-term financial aid mechanism and the loan mechanism — to see whether we actually do need the two mechanisms.

Secondly, a constitutional point. I have in my hands, Mr President, a brief which I am sure you have had, dated September 1984 from the United Kingdom Government. It says on the back that the Council of

Ministers have agreed to this loan mechanism. This was several months before this Parliament had even come round to discussing it. It does seem to me a rather curious constitutional anomaly that the Council should have taken its decision long before Parliament had even given an opinion.

Another curious business, of course, is the rumour which the report makes reference to: namely, that the Council has already taken a decision in principle. The question I put to the Commission is this: is this true, or is it not true? In order to keep the total level of funds much the same, when we now raise the loan mechanism from a 6 000 m ceiling to an 8 000 m ceiling, is it true that the Council has already decided to cut the medium-term financial aid sum by an equivalent 2 000 m ECU? If that is the case, it seems to me — to use an English expression — it is not cricket. I would like the Commission to comment.

Mr Sutherland, Member of the Commission. — Mr President, I think I can be reasonably brief, particularly having regard to the very full *exposé* of the history of this matter by Mr Nordmann.

The Commission commends the excellent report prepared by Mr Wolff on behalf of the Committee on Economic and Monetary Affairs and Industrial Policy. In particular, we are pleased that the report is in agreement with the Commission's proposals, as, indeed, were all of the speakers today. A favourable opinion from the Parliament and adoption of the proposal by the Council will enable the Community to be in a better position to assist Member States, as has been pointed out, in case of balance-of-payments difficulties.

The Commission has already expressed, in Parliament's Committee on Economic and Monetary Affairs and Industrial Policy, its intention to undertake a global review of this mechanism jointly with other balance-of-payments facilities for medium-term financial assistance, as is requested in the report. The Community loan regulation, in fact, provides for a review of the objectives set out in this mechanism at the latest by March 1986, on which Parliament must be consulted.

Although both mechanisms — that is, under Article 108 and Article 235 — are designed for balance-of-payment purposes, each of them has its own origin and characteristics, as has been pointed out during the course of this debate. The medium-term financial assistance facility was designed as one of the first steps in the institutional monetary organization of Europe to achieve by stages economic and monetary union. As Parliament will be aware, this is a matter to which the Commission attributes considerable and ongoing importance.

The second mechanism, the Community loan mechanism, was introduced in connection with the first oil-

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shock. It was adjusted in March 1981 and must be reviewed, at the latest, by March 1986.

In undertaking the global review of the two mechanisms, which is the matter referred to in the resolution in paragraph 4, the Commission will take into consideration Parliament's suggestions and will propose to the Council to consult Parliament.

Concerning Mr Metten's amendment, the Commission considers that to associate Parliament in determining the economic policy conditions to be fulfilled by the recipient Member States might well — because of the time factor already referred to, and also for other reasons — discourage candidates in some respects and so weaken the efforts for more economic convergence in the Community. Therefore, we would be in favour of the amendment. In any case, I should say that Parliament will be fully informed by the Commission on the arrangements consequent to a Council decision granting a loan for balance-of-payment purposes.

To deal with two other specific matters which came up. Mr Christodoulou's suggestion for an *ad hoc* or flexible consultation is not part of the usual procedures, but in its global review the Commission will consider his suggestions and form a view on them. His comment has been noted. Mr Patterson, in referring to the study, will be aware — as I have already pointed out — of the undertaking to have a full and in-depth analysis and study, and the Commission will do so. With regard to the point which he described as his constitutional point, it is correct to say that the Council, in principle or — as I think it would have expressed it — informally, has made a statement along the lines suggested by him. I can go not further than to accept that what he said was accurate, and that is the position.

The Commission's point of view — which I hope I have adequately made clear — is that we intend to involve Parliament in a very full way in the consultation process. That commitment I would like to repeat formally now.

Finally, Mr President, I would like to add that the Commission's approach regarding this question will be such as to ensure that the suggestions and views expressed in Mr Wolff's report are duly considered and that the various views expressed during the course of this debate are also fully considered by the Commission.

President. — The debate is closed. The vote will be taken at the next voting-time.

9. Exhaust system of motorcycles

President. — The next item is the report by Mr Van der Lek, on behalf of the Committee on the Environ-

ment, Public Health and Consumer Protection (Doc. 2-1778/84), on

the proposal from the Commission to the Council (Doc. 2-641/84 — COM(84) 438 final) for a directive amending Directive 78/1015/EEC on the approximation of the laws of the Member States relating to the permissible sound level and exhaust system of motorcycles.

Mr Van der Lek (ARC), rapporteur. — (NL) Mr President, this is a proposal from the Commission to the Council on the restriction of motor-cycle noise. I have to say in all honesty that in my opinion the nuisance of noise is not the most serious environmental problem we have. It cannot be compared with the destruction of many species of animals, the devastation of forests and the poisoning of the soil, which are irreversible and irremediable. But, of course, we must not underestimate noise nuisance and its consequences for the health of people, particularly in built-up areas and heavy concentrations of population. So I am firmly convinced that we must strive to make sure that all our machines, and in particular the vehicles that we daily see on our roads, meet the highest possible technical standards in this respect.

As you know, this has also been the view of the Council, which in 1978 adopted a directive, the first of its kind for motorcycles, and stipulated therein that the Council looked forward to proposals from the Commission by 1985 which would further reduce noise nuisance. The Council indicated just one limit, that for the heaviest machines, and this was 80 decibels. The Commission produced the proposals, but the deadlines set are a long way off. I have therefore proposed to the Committee on the Environment, Public Health and Consumer Protection that it shorten the deadlines and our committee unanimously agreed to do so.

As far back as 1976, this Parliament said it wanted a similar reduction, and furthermore was dissatisfied that regulations applicable to noise nuisance were still only optional. From 1976 — and the producers also knew this — the aim was to limit noise nuisance to values of this order. If, on the basis of measurements taken for various types of motor-cycles from Switzerland and the Federal Republic, one examines what at this moment is technically possible, one sees that the limits the Commission now proposes for the future have already been achieved by a number of those machines. There is thus no question of its being technically impossible. We are therefore greatly surprised that the Commission has produced a two-stage plan in which it proposes to apply a much more moderate reduction in 1987 and only in 1995 to introduce the actual reduction which was set 6 years ago by the Council for 1985. In other words, ten years later! We therefore propose that the deadlines be brought forward.

The Commission makes a good many other suggestions — and in principle I agree with the various pro-

Van der Lek

posals — and among them is a new method of measurement which is more objective. Just one thing to be said here: this method of measurement allows virtually all heavier machines at least two decibels more, and if you then maintain the same value you have a reduction of two decibels. And don't forget, two decibels is a lot, since we are dealing here with a logarithmic scale, and this means something of the order of 20%-30%. Hence our conclusion: we agree with the introduction of new methods of measurement, but the values must also be adjusted.

Further, a new classification is proposed. Again there is no objection to this in principle, but if the new values are to be introduced in the proper way, it would seem to us more sensible during the first phase of the next five years to maintain the old classification. This is therefore what we propose. Action taken in connection with motor-cycles still leaves a lot to be desired. It is very easy, for instance, to tinker with these machines; users can obtain various parts, and therefore we would very much like to have supplementary measures. In our resolution we ask the Commission to look at the question of motor-cycle parts so that technical legislation may be introduced to make such tinkering impossible. We also ask for binding regulations for all countries in respect of machines of less than 50 cc, on which at the moment there are absolutely no regulations.

Mr Chanteric (PPE), draftsman of the opinion of the Committee on Economic and Monetary Affairs and Industrial Policy. — (NL) I have a certain amount of information on this issue. I shall begin by making three points.

First, as to production of the type of motorcycles we are now discussing: in 1982, production in the Community stood at something over 500 000. The figures break down as follows: Italy 450 000, Germany 60 000 and France around 3 000. In 1984, production fell to something like 360 000, a pretty substantial reduction, especially in Italy.

Second, how many jobs are there in this sector? Approximately 30 000 in the European Community.

Third, in the European Community there are rather more motorcycles than we ourselves produce. Where do the other ones come from? They come mostly from Japan, until a short time ago round about 85%, but I hasten to add that in 1984 the percentage of Japanese imports fell by 22% and thus declined to about 60%.

These facts and figures, Mr President, indicate the economic situation regarding motorcycles in the European Community. The Committee on Economic and Monetary Affairs and Industrial Policy, on whose behalf I am giving an opinion, has agreed with a number of things.

First: we support the Commission's proposal that national legislation regarding motorcycles must be harmonized at Community level. Second, we agree that account should indeed be taken of international standards, but we would appreciate it if the Commission could give rather more information about this in the future. Third, we consider that limiting noise-levels of motorcycles is a natural accompaniment to limitation of the noise-levels of motor vehicles in general, since in city traffic all noise nuisance must be taken into account. Fourth, we agree that the method of measurement must be adjusted, since we understand from the Commission document that the method applied hitherto was very imperfect.

We have a few questions to raise and also a few reservations, Mr President. We feel that the Commission is not saying enough about the costs entailed in this requirement to reduce noise nuisance. We wonder whether the various environmental problems arising out of this issue are not being tackled in too fragmentary a manner. In other words, we should like to see a more comprehensive approach to harmonization, taking account of the various environmental aspects involved, if the restriction of noise-levels and pollution by exhaust gases are to be dealt with simultaneously and effectively.

We have various questions to raise — and we are pleased, Mr President, that the Committee on the Environment, Public Health and Consumer Protection has considered this — about the launching of a second stage in 1995. We felt that this was too far off, that other economic and technological possibilities should be tried in the meantime and that therefore the date should be brought forward. We note that the Committee on the Environment, Public Health and Consumer Protection has given some attention to this matter.

I should like to close, Mr President, with two questions to the Commissioner. My first question is this: can the 80-decibel limit be achieved? It is suggested by various studies that the noise-level of motorcycles should be fixed at a level of 80 decibels. Second question: is this directive to apply to motorcycles used by the army and police? I believe that it should cover all motorcycles.

With this, Mr President, I conclude the opinion of the Committee on Economic and Monetary Affairs and Industrial Policy and the various issues it wishes to raise.

Mrs Van Hemeldonck (S). — (NL) Mr President, ladies and gentlemen, on behalf of the Socialist Group I should like to congratulate the rapporteur on his concise report and support him. It is a report without unnecessarily fancy words, which goes straight to the heart of the matter. It proposes binding measures for the permissible noise-level, including an attainable

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figure therefor, namely 80 decibels, it covers permissible fittings on motor-cycle exhausts and it sets a precise deadline for attaining the limits fixed.

As rapporteur on nitrogen dioxide and the rôle it plays in atmospheric pollution, I can only be pleased with it. But for us Socialists this measure is more than a piece of technical legislation. The moped and the motor-cycle are the poor man's — and especially the poor youngster's — Maserati. Complaints about noisy motorcyclists are very often a feature of 'racism' towards young people in the cities and, in particular, towards the children of immigrants. Instructions given to the manufacturers, including control of accessories, should help indirectly to improve the psychological climate.

A straightforward solution is needed for youngsters who like tinkering with their machines — namely, an improvement in technical instruction. A straightforward solution is required to meet the need for sport and exercise, including the use of machines. Rich people take part in the Paris-Dakar race with an unbelievable squandering of fuel, money, medication, etc. All that migrant workers' children can do is ride around the block. Let us at least make it more fun for them!

Mr Pearce (ED). — Motorcycle noise!

(Mr Pearce cleared his throat. Interruption from Mrs Van Hemeldonck)

Did you say that was not motorcycle noise? Vrrroom vrrroom!!!

(Laughter)

Thank you! At least I have one friend over there!

Mr President, we support much of what Mr Van der Lek has said. We think that there is a problem about noise from motorcycles, from which people should be protected, and we welcome the Commission's proposal as far as it goes. We should like to see it go further than it does, both as to the speed of implementing the new rules and the size of motorcycle to which they will apply. We should like to see it affect small motorcycles more clearly than it does. In the UK half of the new motorcycle registrations are under 125 cc, which would hardly be touched by this proposal, and we think that the proposal is defective because of that.

I am intrigued by the last comment on whether restriction on motorcycle noise is a bad thing for immigrants in our Community. Where I live, we do not have that problem, I am happy to say, as our immigrants are allowed to make the same motorcycle noise as anybody else.

Finally, I would like to support a point — I think made by Mr Chanteric — about the extent of imports

of motorcycles. This is an issue where we can improve our environment without damaging employment in our Community. Therefore, I support this — I wish it went further.

Mrs Squarcialupi (COM). — (IT) Mr President, this very clear and well researched report by Mr Van der Lek leaves very little more to be said. We intend to support it, provided that the improvements proposed by the rapporteur and agreed to by the Committee on the Environment, Public Health and Consumer Protection are, in fact, incorporated in the directive. The directive contains many new provisions on such things as new limit values, reducing the number of motorcycle categories in order to make it easier to distinguish them and new methods of measurement.

I am often reminded that I come from a country which is a major producer of motor-cycles and that this directive will undoubtedly create problems for our undertakings. Furthermore, it might also be argued that we should perhaps have turned our attention to the noise made by the Formula I monsters before we tackled the noise made by the motor-cycles, which would be relatively silent by comparison. However, we must remember too that even small noises, such as those of the fly or the mosquito, can be particularly irritating.

This directive has been talked about for quite a long time now — seven years, to be precise — and it sets deadlines which can, I hope, be met, and with worthwhile results. In addition, however, more thought should be given to the question of noise nuisance in general. I myself take it much more seriously than the rapporteur did in presenting his report this evening. I say this because noise causes damage to physical and mental health which, while not yet fully quantified, has undoubtedly been proved with complete certainty. We shall simply have to do our utmost to reverse this trend, and another reason for doing so is that the third countries are breathing down our necks with their silent motor-cycles.

In this connection, however, there is another point to be borne in mind. Motor-cycle noise is not only a technical and a political question but also, I would say, a cultural and sociological one. Young people love noise, such as, for example, the noise of discotheques which we adults find intolerable. In fact, youngsters will even alter the exhaust systems of their vehicles because noise is an index of aggression and *machismo*, a status symbol, a means of self-projection.

I feel, therefore, that all the problems relating to noise nuisance should also be tackled at the educational and cultural level, so that young people — indeed adults too — can be given a greater measure of personal and individual responsibility in the matter of silence and so that our modern world does not come to be seen as a world of noise. We are in favour of the directive, par-

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ticularly with the amendments proposed by the Committee on the Environment, Public Health and Consumer Protection, and we would encourage the Commission to push ahead with its efforts to tackle all sources of noise nuisance.

Mr Clinton Davis, Member of the Commission. — Mr President, this has been a short but very interesting debate. May I say at the very outset that a number of technical points have been raised which are difficult to deal with at this time of night. But if it is of any consolation to honourable Members, these are matters which will be carefully considered by the expert group which is going on to consider these matters, and I have no doubt that the contributions which have been made will figure in their considerations.

Mr Van der Lek, whom I would like to congratulate on the way in which he has opened this debate and dealt with the subject, made a point at the very beginning which I partly agree with and partly do not. He said that noise was not the most serious of pollutants. Of course that is right. But it does, on the other hand, depend very much on the circumstances in which noise occurs. For a quite a long time, as an aviation minister, I was responsible for trying to mitigate aircraft noise, and a great deal of activity has been undertaken internationally in that regard to the benefit of many people living below flight paths. Then again there is noise in the workplace, which can be utterly intolerable at times. The effect of noise not only in big towns but also, I might remind him, in the countryside is not a matter which in any way can be underestimated. It is part of the battle against a great variety of forms of pollution.

The debate, as I say, has been extremely constructive. I very much agree with one of the points which was taken up most particularly by Mrs Squarcialupi at the end of the contributions from the floor. Noise can cause immense damage to physical and mental health. One has only to cast one's mind back to situations that happen to one almost daily. If you are driving along and suddenly a motorcycle accelerates at great speed past you, it can be devastatingly frightening — it can cause accidents! But if that is the anxiety that may be caused to people who are relatively young, think of the damage that can be done physically and mentally to the old and the very young. I take the point very much that she makes. Of course, young people like noise; some regard it, as she put it, as a status symbol, perhaps others as a virility symbol. The fact of the matter is that you cannot be given a complete licence to cause damage and disturbance to many other people in society. And when she says that young people must have a greater awareness, that there needs to be greater education, I think she is absolutely right.

For my own part — if I may just introduce a small anecdote — I used to represent an area in the heart of London called Hackney, and we had a motor-cycle

racings stadium in the constituency. Every summer without fail, until silencers were put on the machines, residents in adjoining blocks of flats would send petitions and write large numbers of letters complaining about the noise. I must just add, in parenthesis, that the main noise came from the visitors to Hackney Stadium, never from the home team, because it was the home team which was never capable of accelerating sufficiently to win their matches. Public attention must be drawn to these matters and representations can pay off. In that particular situation, as a result of representations, the owners of the stadium — the promoters of the sport — took the matter seriously and the noise was substantially abated. So this sort of debate certainly has its value.

Now the Commission proposal, which aims at limiting the nuisance caused by motorcycle noise, with regard to both the environment and public health, is concerned with establishing a new methodology for measuring the sound levels of all motorcycles.

Parliament proposes that the five categories which now exist in respect of motorcycle noise should remain unchanged for a transitional period instead of being amalgamated into three, as proposed by the Commission. We propose the immediate introduction of three categories, because we believe that the revised method of measuring motorcycle noise with three categories will more accurately represent existing European urban driving conditions. Three categories of engine capacity will also allow a clearer distinction to be made between medium to high-performance motorcycles and lower performance motorcycles which attain higher engine speeds more easily. Moreover, it is important to note that this revised measuring method has already been adopted by the Economic Commission for Europe in Amendment No 1 to Regulation No 41.

Concerning paragraph 9 in the English text, which I am advised is the same as paragraph 11 in the French text — there seems to me to be a case for harmonization here! — of the motion for a resolution, in which the committee requests that the Commission examine whether type-approval could also include specific technical provisions to prevent or discourage people from tinkering with vehicles — another point which was made in the debate — I should like to stress that it is for the Member States themselves to control and/or legislate against tinkering with motorcycles after the motorcycle has been purchased. The Commission simply has no powers in this regard.

I would like to assure Parliament that all the amendments proposed by Parliament have been seriously examined by the Commission. While we are able to accept Amendment No 1 in its entirety, and the parts of Amendments Nos 2, 4, 5 and 6 which are concerned with the phrase 'as amended by the present directive', we have been unable to accept the remaining amendments because we are convinced that the

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Commission's proposal represents a reasonable compromise, considering the many constraints which exist involving the improvement of environmental conditions on the one hand and efforts to satisfy the consumer and industry on the other.

However, it is evident that if during the discussion in the Council there is a move to reduce sound levels further and/or modify the dates proposed by the Commission in the sense of introducing changes sooner rather than later, then most certainly we should not be opposed to it.

I would just pick up one or two of the other points that were raised in the debate. I think it was Mr Chanterie who asked whether the regulations apply to the armed forces or the police. I am not able to answer that question specifically tonight. I believe it would apply to the police, though I cannot be categorical about it. I do not believe it would apply to the armed forces. Perhaps that is a matter that can be further looked into.

Mrs Van Hemeldonck raised an interesting point. I have no experience which would enable me to comment upon the possible racial undertones of the effect that arises as a result of excess motorcycle noise, because I have the same experience in that regard as Mr Pearce. It might be useful if Mrs Van Hemeldonck could embroider upon that point in a letter to me, and I will certainly look into it further. All I would say is that it seems to me to be covered very well by what Mrs Squarcialupi said. I do think it is a question — and it does not really relate to the colour of youngsters' skins — of people having to recognize that there is a duty to others in society. I have already made a reflection about that and, as I said before, I endorse what she had to say.

I did not get all of Mr Pearce's contribution, but he did make himself felt. I think, as I said at the beginning, that this has been a useful debate, and we have noted very carefully what has been said.

President. — The debate is closed. The vote will be taken at the next voting-time.

10. *Dangerous substances*

President. — The next item is the report by Mr Schmid, on behalf of the Committee on the Environment, Public Health and Consumer Protection (Doc. 2-1777/84), on

the proposal from the Commission to the Council (Doc. 2-803/84 — COM(84) 513 final) for a directive relating to restrictions on the marketing and use of certain dangerous substances and preparations (Second PCB/PCT Directive).

Mr Schmid (S), rapporteur. — Mr President, the Commissioner on duty this evening is Mr Clinton Davis. In deference to him, I will start my intervention in English.

(Applause)

Mr President, when preparing my speech I tried to find out why the presidency of our Parliament has put the report on the use of PCB on the agenda of a night sitting. I feel very strongly that my investigations have been fruitful. A few days ago I read an article on environmental problems in English and there I found the following sentence: 'The use of PCB in transformers is a real nightmare'.

With your permission, Mr President, I will now switch not to my mother tongue, which is Bavarian, but to German.

Mr President, since 1976 the use of PCB has, at least in principle, been prohibited in the European Community. And that is as it should be, since this chemical is a danger to the environment. Despite this prohibition, contamination of the environment by PCB continues to increase. It has been noted that PCB unfortunately threatens not only certain species of birds but also certain species of animals as, for example, seals off the coast of Holland.

I note with great regret that Mr Muntingh is not present! It is also a danger for human beings. The use of PCB is still permitted in preparations up to a maximum of 0.1% by weight. Its use is also permitted as an intermediary or primary product and in so-called closed systems. In practice this means transformers, condensers, hydraulic equipment and mining.

The Committee on the Environment, Public Health and Consumer Protection welcomes the fact that the Commission now intends to prohibit the sale of these systems. This is a positive step but it does not satisfy us — and this includes all the parties, since the conclusions I put to the committee were adopted with only one dissenting vote — in this House.

The committee has more far-reaching demands. First, the Commission was unable to provide us with any reason on industrial grounds for the use of PCB as an intermediary product. We therefore took the view that its prohibition as of 31 December 1985 was justified. The Commission wished in any event to prohibit its use three years later. We cannot see why it cannot prohibit it immediately.

Secondly, in the United States a preparation is considered to be PCB-free if it contains 0.005% by weight. We believe that if the Americans can achieve this, so also can European industry. It is high time that the same standard was adopted here.

Thirdly, a ban on marketing is only a first step towards eliminating PCB-filled apparatus and installa-

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tions as long as trade in old installations is not prohibited. This week Parliament discussed the Lomé Convention. We believe that the export of such installations to the Third World must be prohibited if we are to take seriously what we piously propose in this House.

There is also the problem of closed systems. We are well aware of the way the Commission . . .

(The President urged the speaker to conclude)

Mr President, may I just say three sentences. The need for negotiation is quite clear from the fact that — and here I turn to the Commissioner — PCB-filled transformers have been installed in this building, practically under your seat, Commissioner. You are, in fact, sitting on the problem.

(Laughter)

May I, with your permission, Mr President, conclude, in anticipation of the American President's visit, by quoting another American President and thereby call on the Commission to take action. I quote Lyndon B. Johnson, who once said: 'My friend, you have to shit or leave the bucket, but you cannot remain seated!'

(Laughter and applause)

President. — You are so elegant, Mr Schmid.

Mrs Van Hemeldonck (S). — *(NL)* It is not too easy after that to turn to more serious matters, Mr President.

Mr President, in the last Parliament I was a Member of the committee researching dangerous waste substances, and with that committee I visited Seveso. I think we now know pretty well everything about dioxin, and more than we actually prefer to know. The diphtheria, tetanus and botulism toxins alone are, in even smaller concentrations, deadlier than PCBs. One-millionth of a gramme of dioxin per kilo body-weight is fatal. Of course, compared with the potassium cyanine used in the gas-chambers you need ten thousand times more of the stuff, but for us the nightmare of PCBs is quite sufficient.

In 1979, on OECD report covering Flanders estimated the quantity, of existing dioxins — PCBs, or potential dioxins — at 7 800 tonnes. And this is the current position as regards the use and storage of a substance which, unfortunately, is not biodegradable. In Belgium, a draft decree is now being presented to forbid the use of PCBs. Of course, industry does use PCBs. With good heat conductors and bad electrical conductors, which is a very rare combination, they are used a great deal, for instance, in industrial transformers, especially high-voltage, in condensers and even in the

fluorescent lamps we see all around us here. It is now clear that these must very soon disappear, that we shall probably have to introduce an obligation of notification in respect of what already exists, if only to obtain information about the potential dangers in the Community, and that thought must be given to setting up a European waste research body to develop a method of disposal. For the poison can be burned in special installations where a temperature of at least 1 100 degrees centigrade is generated, and to our knowledge this infrastructure is only to be found, and then only to a limited extent, in the United Kingdom. In the electrical industry, much use is still made of PCBs. Oil is resistant to a PCB environment at a temperature of more than 200 degrees, but in a fire the temperature rapidly climbs to 500 degrees and then the dioxin is released. Recently in California, where a fire broke out in a block of flats, dioxin was released on 19 floors. The whole building had to be sealed off. This proves once again that the whole problem needs urgent consideration and strong action.

Mrs Lentz-Cornette (PPE). — *(FR)* Mr President, on behalf of the European People's Party I should like to offer Mr Schmid my compliments on presenting in committee a reasonable and balanced report, a report which we shall approve.

Everyone would agree with us that any products recognized as toxic should be eliminated if possible.

As Mr Schmid has pointed out, with certain exceptions the manufacture and marketing of PCBs and PCTs has been prohibited since 1976, by Directive No 769.

There are now silicone-based replacement products, the polysiloxanes, which have the same properties required for the electrical appliances in question but without the drawback of breaking up into toxic chlorinated compounds in the event of leaks or under the influence of heat, as in a fire.

We especially approve Amendment No 8 limiting the use of PCBs and PCTs for non-insulated transformers up to the end of 1988, for transformers in insulated premises up to the end of 1990, and for all other electrical appliances in a closed system up to the end of 1995. In theory, we could have introduced much shorter time-limits, but in practice it is impossible to effect the replacement of tonnes of PCB and PCT contained in thousands of transformers, condensers, various electrical and hydraulic systems in the Community, for which Mrs Van Hemeldonck has quoted figures.

Let me explain. It is possible to replace PCBs and PCTs by polysiloxanes, but at the moment there are not enough installations capable of destroying the PCBs and PCTs at 1 200 degrees in a very short space of time so as to prevent any subsequent pollution.

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If we are to carry through within the specified time-limits the total elimination envisaged, it is advisable that the ten States take stock of the appliances containing PCB and PCT, noting at the same time their age and the content in PCB and PCT. This inventory would be forwarded to local fire brigades so as to prevent serious accidents in case of fire.

Luxembourg has just drawn up this inventory, which is seen to be 1 200 tonnes of PCB in transformers and 300 tonnes in condensers. I admit that drawing up such an inventory is easier in a small country, but it should also be possible in various regions of the larger countries.

My country proposes to implement — on a voluntary basis — the progressive elimination of PCBs with the help of financial incentives financed by an environment fund. Appliances more than ten years old would be replaced and the remainder emptied. It would work out less expensive than the cost of damage caused by the highly toxic substances released in the event of fire.

Mrs Squarzialupi (COM). — *(IT)* Mr President, in recent months I have had occasion to call on a number of people in my constituency who confided to me the grave misgivings they felt about the disposal of transformers containing PCB because of all the serious effects they can have. I would be extremely happy therefore to be able to reassure these people as soon as possible and to tell them that something has been done here in this European forum.

There is still some degree of uncertainty about how harmful PCB and PCT really are, but be that as it may, there can be no doubt about the fact that they can no longer be used in or brought into contact with the environment in which we live. They are substances that have done good service in situations of high fire risk, as, for example, in transformers. However, they have had their day, and now is the moment when they have to be replaced, because when fire breaks out, they emit extremely toxic fumes — such as, for example, dioxin — with the consequences of which we are all only too well acquainted.

There are, therefore, ever so many reasons for banning the use of these substances, PCB and PCT, even at what are considered minimum levels. The rapporteur argued that the minimum level ought to be 0.005% by weight, and these substances must not, of course, be used when they can be replaced by other products. It is interesting, therefore, to take a look at the rapporteur's amendments to Annex I on restricting the possible use of these substances.

It must be acknowledged that the Commission's proposal, even if in itself inadequate, has served as a useful point of departure, a peg on which the rapporteur and the Committee on the Environment, Public

Health and Consumer Protection have been able to hang their amendments. Furthermore, sufficient time has been allowed for the efficient disposal of PCB.

The Commission — and you yourself in particular, Commissioner — must not fail to seize this opportunity of taking the side of the citizens and taking the side of logic, of doing as soon as possible something which it would be much better to get done quickly, that is, if further damage is to be averted. This directive can no longer be described as preventive in nature, but nonetheless it can certainly prevent further harm being done. We must therefore quite unequivocally set about undertaking some steps such as those proposed by the Environment Committee. We shall vote for the amendments and also, of course, for Mr Schmid's report.

Mrs Bloch von Blottnitz (ARC). — *(DE)* Mr President, the continuing pollution of the environment which is evident everywhere and its gradual contamination with PCB calls for the rapid adoption of serious measures, and in particular, measures to which very few derogations would be granted. I shall confine myself to mentioning just one example, that of breast-milk. Today the concentration of PCB in breast-milk is so high that in September 1984 the Commission stated that from a toxicological point of view it was no longer acceptable for infants and is frequently higher than the permissible level for cow's milk. I am only quoting this one example because it is the most flagrant example of the extent to which we are contaminated; a contamination which presents a very serious threat to life.

We shall therefore support this motion and the data put forward by Mr Schmid; and I should like not only as a Green, but also as a mother and on behalf of all those mothers who are unable to breast-feed their children adequately and long enough, to appeal to the Commission, as a matter of urgency, at least this once, to take these facts into account and to translate them into action.

Mr Clinton Davis, Member of the Commission. — Mr President, at the outset may I congratulate Mr Schmid on two counts, first on the way in which he has dealt with the report, but secondly on being so kind as to introduce his remarks in my own mother tongue. I wish I could reciprocate by speaking in German, but perhaps he will receive some consolation from the fact that I dare say some people would say it would not matter, having regard to the technicalities and the meaningfulness of my remarks, what language I express myself in!

May I also say that I am not really here simply on duty. I am the Commissioner with responsibility for environmental affairs. I appreciate not only the cogency with which his report has been drafted and

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the way in which he expressed himself, both amusingly and expressively — I am not sure that I should say that of his peroration, which quoted the late President Johnson at his most vivid — but the depth of study that has been made, which is something we are cognisant of in the Commission. Indeed, the observations that have been made by other speakers are all very pertinent.

I hope we are able to go a long way towards meeting the justifiable anxieties, and we have already done so, I believe, as Mrs Squarcialupi said. I seem to be agreeing with everything she says tonight. I only hope that she agrees with everything I say on other occasions.

The Parliament has debated the hazards associated with PCBs and PCTs on a number of occasions since the initial directive was approved in 1976. It will be recalled that this directive prohibited practically all uses of PCBs and PCTs — I do emphasize practically all uses — on the grounds that these substances may cause damage to the human liver and may have carcinogenic effects. The only exemptions under the directive were in respect of PCBs and PCTs used in closed systems such as electrical transformers and generators, heat-transmitting fluids used in certain heat-transfer installations and hydraulic fluids.

The point made by Mr Schmid was that he was not satisfied that we had given evidence of the industrial use. Well, apart from having made those observations, I think at this time of night — nearly 11 o'clock — the House would not appreciate it if I went into a great deal of technical detail. I am glad to say that Mr Schmid agrees, because to some degree that lets me off the hook.

When the directive was approved in 1976 it was decided that the derogation should be reviewed regularly. As a result of these reviews, the Commission, having consulted experts from the Member States as well as industry, presented a proposal to the Council for a directive prohibiting further use of PCBs and PCTs on the grounds that even use in closed systems is open to accidents, which could release these substances into the atmosphere and thereby create hazards for both workers and citizens.

The Commission proposals forbid the placing on the market of any equipment incorporating PCBs and PCTs as from 30 June 1986, while allowing continued use of presently installed plant and equipment incorporating PCBs and PCTs until such plant and equipment are disposed of or reach the end of their service life. These deadlines are not the result of arbitrary decisions by the Commission. They result from comprehensive consultations made with experts with the cooperation of industry. Moreover, while scientific opinion on the extent of the harmful effects of PCBs differ, it is unanimously agreed that they cannot be classified as highly toxic. The proposals put forward by the Commission are the result of close cooperation

therefore between all the services concerned in accordance with the usual practice.

Before I deal with the specific amendments which have been tabled, may I just take up another two points made by Mr Schmid. He said that in the United States standards were in effect higher. I would remind him that United States clearance has been given for unlimited ongoing use in closed electrical applications. The second matter that he raised is one of very great importance. It relates to the ban that he called for on exports of PCB and PCT. The export of these to non-Community countries cannot be regulated by this directive, since the basic directive expressly excludes the question of exports from the scope of the directive.

The problem of the export of dangerous substances to non-Community countries has been discussed in Parliament on a number of occasions. It is a problem to which a general solution has to be found, and a document is indeed currently being prepared on which the Council will be taking a decision. It is hoped that this will be in the near future.

One other problem arises from what he said, and it is this. As he will know, the Commission is, as indeed is the Parliament, very sensitive to the problem of exporting dangerous chemicals, in particular to the developing countries, where sometimes the necessary information and knowledge about these chemicals for various reasons is not available. What we are trying to do therefore in seeking to resolve the matter is to continue with our studies on the situation. We hope that by continuing these efforts we shall be able to arrive at a successful and satisfactory conclusion. I do want to assure him that as the environment Commissioner I am very sensitive to that matter, as indeed is DG VIII.

I now turn in sequence to the amendments which have been tabled. First, Amendment No 1. The Commission would not think it necessary to increase the severity of the text on the basis of the scientific evidence available to it. Opinions of the scientists differ considerably in respect of health damage caused by PCBs. We are looking with great care into the question and will certainly not omit to keep all interested parties informed of the future scientific findings in this field.

As to Amendment No 2, we are prepared to amend our proposal in accordance with the amendment tabled, but we do reserve the right to use somewhat different wording if we find that necessary. I will hope the House concur with that.

Amendment No 3, we are able to accept the addition of the words 'Whereas the value of 0.1% by weight for preparations can and must be lowered to further reduce the uncontrolled release to the environment'. I would point out, however, that neither trade in used stocks nor export are covered in the Commission's proposals or in any of the subsequent amendments

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tabled. So there is no need to mention them in the recitals.

We are able to accept Amendment No 4 provided a solution can be found for the proposed amendment of Annex 1, point 1.

Acceptance of Amendment No 5 would prohibit the use of PCBs and PCTs as primary materials and intermediate products for processing into products not prohibited by this directive, and thereby would cause damage to certain sectors of the chemical industry. Moreover, the recycling of waste paper and other wastes could be made impossible, so that it would be entirely counter-productive to go along those lines. For these reasons therefore, and because our proposals will ensure that humans in the environment will not in future be endangered, we are unable to accept that amendment.

With regard to Amendment No 6, additional mandatory labelling requirements are not justified in our view, because, first, not all Member States wish to introduce additional marking and, secondly, additional labelling requirements would cause unnecessary efforts and expenditure in respect of presently installed plant and equipment for a limited period of time. The Commission therefore takes the view that additional labelling requirements should be left to the discretion of Member States.

With regard to Amendment No 7, as I indicated previously, we are prepared to accept a lowering of the PCB value to 0.005%, but the deadline of 31 December 1985 — which is only 9 months away — is simply impracticable.

The first paragraph of Amendment No 8 cannot be accepted for the reasons I have given, but we are able to accept the second paragraph. The third paragraph cannot be accepted because it would lead to distortion of competition in the fragmented internal market. Besides, this directive has been made under Article 100 of the Treaty and proposes total harmonization as for all other directives in the field of dangerous substances and preparations.

I turn to Amendment No 9. For the reasons which I have already given concerning the proposed amendment of the ninth recital of the preamble, we think that the decision should be left to the discretion of the Member States on the matter of additional labelling.

With regard to Amendment No 10, the text in the left-hand column has not been proposed by the Commission, but is a provision of the righthand column of Annex I to Directive 76/769/EEC. The conditions of restriction proposed in the amendment are detailed and have not hitherto been proposed in this form by any other party. While they merit consideration, it has to be pointed out that there are no Community definitions of the word 'fireproof' or of 'business or factory

premises' and there is no common acceptable definition of the words 'where there is a risk of fire'. I think that those are matters of considerable substance as far as definitions are concerned. The delays involved if we were to try to secure Member States' agreement to such common definitions would be major and therefore counter-productive.

So far as point 6 (Amendment No 11) is concerned, the matter is being dealt with in connection with the amendment tabled to Article 2(1). We simply say here that the proposed deadline is far too short.

Amendments Nos 12 and 13, which do not appear in the report, are acceptable.

In conclusion, Mr President, I want to assure Members that very great care was taken in the preparation of the proposal for a directive so as to ensure that human health and the environment — matters which, justifiably, honourable Members have expressed their concern about — will be safeguarded to the maximum extent consistent with having a directive which can be implemented in practice. Really, that is the substance of the matter.

Having said that, I hope I have not expressed views which honourable Members would find unacceptable, I hope the explanations are reasonable and I thank honourable Members for the attention that they have devoted to our proposals. I believe the amendments which we have been able to accept will strengthen the ultimate directive.

President. — The debate is closed. The vote will be taken at the next voting-time.

11. *European Social Fund*

President. — The next item is the report by Mr Bachy, on behalf of the Committee on Social Affairs and Employment, on the guidelines for the management of the European Social Fund for the years 1986 to 1988 (Doc. 2-1776/84).

Mr Bachy (S), rapporteur. — (FR) Mr President, ladies and gentlemen, in accordance with a decision by the Council of Ministers dating from 1983, Parliament has to express an opinion on guidelines for the Social Fund for the next three years.

This consultation procedure has become an established parliamentary right, and it now has a very special importance.

The conditions in which the Social Fund guidelines have been implemented in the past few years have revealed a number of difficulties. These have been

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worsened by the relative paucity of budgetary resources allocated to the Social Fund by the Community. There is a growing contradiction here between the weight of unemployment, the attention the Community says it wants to pay to the fight for employment and the chronic inadequacy of the Social Fund's resources. The Social Fund is, however, the only truly operational instrument that the EEC has to support employment and vocational training.

In 1985, for instance, we already know that only about two-fifths of the applications for assistance addressed to the Social Fund can be met. The situation would not be too bad if the Commission had a scale of priorities by which it could make sound choices. Unfortunately this is not the case, since the Social Fund guidelines are currently drawn so loosely that, practically speaking, over three-quarters of all applications are treated as priority cases.

This situation produces two negative results. First, the Social Fund becomes, over the years, an instrument for merely redistributing funds, in which the relative strength of the various States is all-important. The result is a watering-can effect which has no genuine political rationale nor any basis in Community logic.

Second, the users of the Social Fund — that is to say, the local communities, businesses and associations who are the originators of the projects — feel a growing uncertainty and sense of unfairness over the action taken on their applications.

Starting from this diagnosis, the report I am now submitting on behalf of the Committee on Social Affairs, a report it adopted unanimously, makes a number of proposals based on four or five major principles.

The first principle is to accentuate the concentration of Social Fund aid in both qualitative and geographic terms in qualitative terms by strengthening the priority given to the creation of jobs, to training and supporting the most vulnerable social groups, and in geographic terms by strengthening the priority given to the regions in greatest difficulty.

The second principle is that of attaching importance to certain conditions. It consists in especially favouring applications that have a number of particular aims. I have in mind, in particular, projects which form part of multi-annual plans and which are thus more coherent, innovative projects which are in the nature of pilot operations, and projects carried out on the basis of a maximum participation of both sides of industry and of local authorities at the most decentralized level possible.

The third principle consists in seeking to improve the coordination of the European Social Fund, while retaining its specific character, with the other instruments of support — the European Regional Development Fund, the EAGGF, etc. — i.e., attempting to

generalize or encourage the various countries to embark on integrated development operations based on the various Funds and making them more effective.

The fourth principle is additionality. It consists in making sure that the Social Fund, far from paying for national policies, or covering the deficits of the various States, provides something extra on each occasion and lends a new dimension to the action taken in the different Member States.

Finally, and it is on this point that I should like to close, the fifth and last principle is to enhance all forms of democratic control over the use made of the Fund, in particular to test the effectiveness of the operations financed.

These, ladies and gentlemen, are the findings of our committee, which has had to work quickly to get this report out in time; but it had to be done if the Commission was to take account of our opinion. That is why it has been presented in this part-session, during the night sitting, in some haste and in conditions that might have been more convenient.

Mrs Lemass (RDE). — Mr President, on behalf of the Committee on Women's Rights, I would like to thank the rapporteur, Mr Bachy, for the clear and concise way in which he has presented his report tonight. I also hope that the opinion from the Committee on Women's Rights will be of considerable importance and help to the Commission in its deliberation.

According to the text of the latest guidelines, it appears that priority is given to those actions defined in various Council resolutions. Amongst those resolutions figures, in fourth place, the Council resolution of July 1982 concerning the promotion of equal opportunities for women. There is, therefore, out of eight resolutions, only one which deals specifically with women. On the basis of the figures for the 1984 financial year, women do not generally benefit in due proportion from actions financed by the European Social Fund, either measures for persons under 25 years of age, or measures for those over 25 years of age. The former Commissioner informed the Committee on Women's Rights that there had been a progression from 30% to 39% in the action in favour of women for the financial year 1984. Last year, Parliament stated that it was necessary to be vigilant with regard to a balanced distribution of Social Fund aid between men and women in relation to action in favour of young people and people over 25. Complementary projects, specifically for women, should continue to benefit from Social Fund aid as long as this balanced distribution has not been achieved.

The Committee on Women's Rights proposes the following complementary action for women: Courses relating to women in management and management courses for cooperatives and small undertakings;

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courses for girls and women in new technologies; courses for the re-entry of women in the workforce and courses to train women in sectors where women are under-represented.

The Social Fund could usefully extend its aid to assertiveness training, personal development courses for women who need to regain their confidence to get back into the work force. Such courses are particularly valuable for women who have met a crisis in their lives, such as widowhood or separation.

According to the Commission's communication on action to combat long-term unemployment, women account for 40% of the long-term unemployed and of the workforce as a whole. The situation of women in this category must also be considered.

The Committee on Women's Rights unanimously adopted an amendment calling for the inclusion in the Annual Report concerning the activities of the European Social Fund of figures and information on action in favour of women as compared to those for men, types of action for women as compared to those for men and ages of women as compared to men. I would like to state that it is still very necessary that we must be vigilant with regard to a balanced distribution of Social Fund monies between men and women.

Mr Christiansen (S). — (DA) Mr President, colleagues, Commission representatives and parliamentary officials, Mr Bachy and his committee have done very good work on the guidelines for the management of the European Social Fund. There has not been too much time, but the Socialist Group agrees with the committee that it is important that we deal with the matter speedily so that the Commission may — as we hope it will — take account of Parliament's opinions and proposal before it works out the guidelines it intends to follow in the management of the Fund in the year 1986-89. And these guidelines are important, since it is through them that the Fund's strategy and projects are drawn up in order — sad to say — to meet the continually growing and catastrophic employment crisis that Europe is in and where, in particular, youth unemployment, long-term unemployment and unemployment among women are particularly severe.

The all-too-limited resources of the Fund doubtless have little to do with the subject of this report, but, like Mr Bachy, I shall not refrain from deeply deploring the fact that it has not been possible substantially to increase the Fund's resources. This is urgently needed. But it is very important that the Fund's guidelines should be kept under constant critical review so as to ensure maximum efficiency in the management of the Fund and the best possible results for the hard-pressed groups, which is the Fund's *raison d'être*. To this end, we feel that the following steps are vital:

First, the Social Fund should be strengthened in the application of its resources, since for the time being it is the most important instrument the Community possesses to combat unemployment.

Second, we must work to prevent a nationalization of the Fund's activities at the expense of the Fund's European ideal of solidarity. We must make sure that the Social Fund's resources are not used merely to augment the Member States' state finances.

Third, the funds must be distributed in clear conformity with the Community's priorities.

Fourth, the Fund's activities must result in maximum positive vocational training and arrangements to promote employment for the benefit of the young and the most vulnerable on the labour market, with special reference to practical experience in real jobs.

Fifth, there must be greater care in selection, notably on a regional basis.

The Socialist Group feels that the report is a good basis of reflection for the Commission, and we can therefore endorse it. In addition to the above-mentioned central conditions for a better and more specific application of the Fund, we are concerned that there should be greater transparency in the management of the Fund and greater geographical concentration of its aid in the regions hardest hit by unemployment, reconversion and restructuring. It is improper and unacceptable that 64% of the Community's total population — in Denmark as much as 70% — should be included in the so-called priority regions.

As Mr Bachy said, we must also aim for greater qualitative concentration instead of the mere use of the watering-can.

In the view of the Socialist Group, it is important that much better information be made available to the institutions and bodies desirous of benefiting from the Fund's resources in order to encourage and stimulate interest in local and regional initiatives, in particular, innovatory enterprises calculated to create new jobs, notably in the training sector.

Our group further underlines the need for grants to be more evenly distributed among men and women and also to take due account of such hard-pressed groups as immigrants and the handicapped.

Finally, I should like to point out that we attach importance to the suggestion made by the report that in case of assistance from both national and regional administrations studies should be carried out on the results of the 1984 reform of the Social Fund and the new guidelines in connection with an increased need for new or necessary adjustments. It is also extremely important to establish a genuine dialogue between the Commission and the Member States so as to facilitate

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the maintenance of Community priorities, at both Community and national level.

We must check somewhat the way in which grants from the Fund are allocated by Member State; this has caused much distortion. We must have more discriminating selection that points more clearly toward the goals we consider most important.

The Socialist Group recommends Parliament to adopt this report, and we present our arguments as a basis for the attitude it decides to adopt on the amendments tabled.

Mr Gaibisso (PPE). — *(IT)* Mr President, the Group of the European People's Party attaches the greatest importance to the opinion that has been delivered by the European Parliament on the guidelines drawn up for the management of the Social Fund over the coming three-year period. Parliament intends to make the fullest possible use of the powers acquired by it during the 1983 conciliation procedure with the Council, and we hope that our suggestions will be followed up by the Commission.

This is why we speeded up our work in committee considerably in order to let the Commission have our opinion well before 1 May 1985, the deadline set for the adoption of the guidelines.

The management guidelines will certainly serve to ensure that some order is brought into the working of the Social Fund by defining the kind of projects that are in line with Community priorities, but they should also, as Mr Bachy said, help to make for greater transparency in the management of the Fund.

We are in agreement therefore with the prognoses and the objectives set out in the report from the Committee on Social Affairs and Employment, which is intended to restate the function of the European Social Fund as a weapon in the struggle against unemployment and an expression of solidarity among the Member States rather than just a ragbag of aids granted.

We feel that in the management of the Fund and in determining the priorities to be accorded in respect of financing we must never allow ourselves to lose sight of the essential nature of the Fund, which is to be at one and the same time social and community-oriented.

While the Social Fund must not, of course, lose sight of the qualitative element in assessing the economic effect of its interventions, it must also act as a matter of priority in particularly disadvantaged areas that have long-term structural unemployment and are in need of restructuring. If the European Social Fund, therefore, is to function properly it must do so by reconciling geographical needs with the emphasis on high-quality results for its actions.

The proposal adopted last February by this Parliament on the new statistical mechanism for defining the priority action areas of the European Social Fund should also make a positive contribution towards the attainment of this object.

However, the Fund must also provide a vigorous boost to those industrialized areas where prompt reconversion and a dynamic increase in competitiveness can most quickly result in the creation of new jobs.

The guidelines, as at present laid down, did not always correspond to the real priorities or meet the real needs. Priorities that were too numerous and not clearly enough defined — Mr Bachy enumerated 24 of them — sometimes made it impossible to decide what was really urgent. The result of this was that a system came into being whereby requests for aid were automatically selected, and this is something we cannot agree with.

While on the one hand the Fund has not taken sufficient account of such factors as reconversion and restructuring, on the other hand the evidence available would also seem to point to an inadequate relation between the volume of funding received from the Member States and the level of unemployment generally, and youth unemployment in particular.

If we want the Social Fund to be an effective weapon in the struggle against unemployment, it is essential that the new guidelines should reflect more clearly and in greater detail the objectives of the Community's social policy in the 90s. The all-important thing in this regard will be a system of professional training that genuinely corresponds to the new needs of the labour market and enables us to harness the process of technological innovation for the creation of new jobs.

A further basic element will be the financing of local action and local initiatives for the creation of new jobs and in favour of small and medium-sized undertakings, cooperatives and craft industries. These are all sectors in which greater industriousness and a more marked capacity for rapid conversion and adjustment will make for speedier creation of work.

While speaking of these priorities, it is also perfectly in order to stress, in agreement with the Committee on Women's Rights, the need for improved access for women to training programmes, a need that we would also insist upon for all the more disadvantaged and vulnerable groups on the labour market.

Mrs Squarcialupi (COM). — *(IT)* Mr President, we are on the eve of new guidelines for the Social Fund that are intended for years which will certainly be crucial for employment in the European Community. The years 1986 to 1988 will measure our ability to overcome the serious difficulties and imbalances that will affect employment as a result of the introduction of new technologies and will put us to the test as to

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whether we are able to push through a wide-ranging Community policy. If we fail, those who suffer will be mainly the weaker segments of our peoples, and in particular the young people.

We are told of hundreds, even thousands of new professions that will be called for in sectors of the new technology that are as yet unknown.

It is our duty, therefore, to make available a more modern instrument capable of tackling situations that are known to us but also other situations that we do not know and that will only come to a head in these years.

We must therefore maintain our opposition to the series of requests which would only have the effect of reducing us to playing the game of the 14 or 15 pigeon-holes described by the Commission. What we are asking for instead is a certain degree of selectivity, a greater degree of priority, an improvement in management by means of an approach centred on programmes and not on individual initiatives that have no connection with each other. The multiannual programmes include all activities at the regional level, and the progress and results of the projects in question are very carefully assessed. It is only to be expected, therefore, that there should be a political debate on the criteria for allocating the Social Fund inasmuch as a privileged position is given to specific projects in favour of certain categories, such as, for example, immigrants and women. It is not the categories themselves that are all-important for us, but rather the content of the programmes.

We are prepared to accept some of the amendments that have been tabled, but we shall be obliged to reject many others. If Mr Bachy's report is not so altered as to lose its original character, we shall be very happy to vote for it. At this stage we should like to express our appreciation of the report.

Mr Ducarme (L). — (*FR*) Mr President, I should like to make a number of points. First, I stress the importance of being extremely selective in respect of Social Fund aid. Public authorities have gone badly astray by spreading aid too thinly. This point, I think, is emphasized in paragraph 3 of the motion for a resolution. It need hardly be said that I fully endorse it. There is one point that the document does not deal with: the need to take special action in connection with vocational training. In this respect, it is important to consider not only wage-earners but also the self-employed, who are also entitled to proper training.

Second, and I think that this has a direct bearing on paragraphs 6 and 10 of the motion for a resolution: we must give very special attention to trans-frontier undertakings, which are experiencing difficulties that cannot be ignored. Take, for example, what is now happening in the region of Momignies in Belgium,

which is having difficulties with industrial reconversion. Of the 600 workers there, 300 are French and 300 Belgian. We have to take action not only to create new jobs but to build on what we already have. I hope that within the framework of concerted action by the Social Fund, the European Regional Development Fund and other Community instruments, the Social Fund will take innovative initiatives such that we may preserve what the Fund has already made possible at European level instead of satisfying ourselves with the kind of action we have already seen in the coal and iron-and-steel industries, where Europe and the Social Fund intervene when things have already broken down.

Let us consolidate what we have. This is essential, it seems to me, if we are to provide sufficient jobs. In this connection, I can assure you that the Liberal and Democratic Group will accord the action taken by the Community, and in particular the Commission, all the support needed if Europe is to be present in the regions — essentially in the trans-frontier regions — to safeguard employment.

Mr Fitzgerald (RDE). — Mr President, at the outset I too want to compliment Mr Bachy and thank him. I am not saying I agree with all the contents of the report and he would be surprised, I am sure, if I did not have some reservations. The European Social Fund is the most important instrument that the Community has at its disposal to deal with the lengthening dole queues of Europe, and nowhere are they larger than in my own country, Ireland.

There is no disputing the fact that the resources of the European Social Fund are a practical expression of genuine solidarity between the Member States. This is particularly so in the case of Ireland, and we appreciate greatly the support which we have received today. The previous Commissioner for Social Affairs clearly stated that without the resources of the Social Fund many training projects in Ireland would not have been possible. The European Social Fund plays a vital rôle in Ireland's entire training programme, particularly as it relates to young people. I, for one, do not accept that in our case the Social Fund is not balanced and is not meeting Community priorities.

I regret that the Bachy report does not clearly state its position regarding those priority areas. In order that there be no doubt as to which areas I mean, I am referring to Greece, the French Overseas Departments, Ireland, the Mezzogiorno and Northern Ireland. I have left out Greenland as it is no longer part of the Community; but I would also ask the Commission what are the implications for the Member States of a redistribution of Social Fund resources previously going to that territory. The Bachy report favours greater selectivity and concentration of resources in areas undergoing conversion and restructuring.

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While this is of importance to those Member States whose traditional industries have been badly hit by the recession, it fails to take into account the situation in Ireland. Is the rapporteur proposing that the level of aid currently being provided for Ireland, which with 17.6% has the highest unemployment rate of the Community while the Community average is 11.3%, should be reduced in favour of other countries where national resources are infinitely greater and more capable of dealing with the crisis? I put the same question to the Commission.

In addition, I want to draw attention to the rapporteur's explanatory statement, where he talks about the breakdown of the fund aid available between the various Member States not being very equitable. Bearing in mind the seriousness of the unemployment situation and the ability of Member States to deal with their economic problems, where do both he and the Commission see Ireland in this context?

I have tabled two amendments based on the need for clarification as to where the priority regions and countries to which I have referred stand in relation to the new guidelines. This is too serious a question not to be answered. I seek assurances that the Social Fund will continue to concentrate appropriations in these areas. To do otherwise as far as Ireland is concerned is in effect to renegotiate the terms of entry into the EEC. To do otherwise is to contradict what the rapporteur says in the conclusion to his report that the Social Fund should give effect to a genuine sense of solidarity between the Member States.

Mr McMahon (S). — I congratulate the rapporteur on an excellent report. He has gone through all the various stages; he has identified some of the main problems. I think the crucial one for those who come from the United Kingdom is that referred to in paragraph 9 of the motion about additionality. What happens in my country is that each time a local authority comes along with a good scheme we find that Margaret Thatcher and George Younger cut back their rates support grant and reduce any incentive which they have to engage in any scheme and to make use of the Social Fund. I hope the new Commission will look into this and that Commissioner Sutherland will have a word with his British colleague, Lord Cockfield, so that something can be done about it.

This afternoon we spent a great deal of time voting on agriculture. But tonight, in a very thinly attended House, we are debating something which concerns the whole seed corn of the Community — that is, our young people. Investment in our young people, investment in our youth through the Social Fund, can only be to the advantage of the people of Europe. The tragedy is that the Social Fund is really the jam on the EEC cake and it is getting thinner and thinner all the time: when enlargement takes place, then it will get even thinner and it will become more difficult for the

Commissioner and his colleagues to spread it out among the Member States.

There are some other points in Mr Bachy's report which I must comment on. In International Youth Year we are trying to encourage a sense of participation among young people, and yet many of the schemes which are organized in the United Kingdom for one, organized by the Manpower Services Commission, are pretty hopeless schemes or not very good schemes. Only this week I had representations from youngsters in my constituency who are being refused permission to join a trade union in the type of scheme they were having. I hope it will be hammered home in Member States that participation means the right to indulge in trade-union activity by our young people and the right to organize. I also hope that the quality of the schemes will be looked at. Many of the schemes, again run by the MSC in the United Kingdom, are not very good schemes. The Commissioner's own country, Ireland has some very good proposals, some very good links with further education. In fact I believe they utilize some of their funds in his country to encourage youngsters to stay on at school and to undergo vocational training there. Mr Bachy in his report draws attention to this problem.

Another group I should like to see — as would the local authorities with whom I have had discussions — maintain a high priority in benefiting from this scheme are the handicapped. At the moment a small percentage of the Fund goes to handicapped groups, and local authorities like Strathclyde, which I represent, are keen to see this continue.

I would finish by congratulating again the rapporteur. He has done a very good piece of work. I handed it to the boffins in the Strathclyde region, which is the second largest local authority in Europe, and they were very satisfied with it; they could only suggest one little amendment, which is the one I have tabled myself — Amendment No 58 — which I believe the rapporteur is going to accept, and that is that integrated operations should be part of the scheme. I feel this is the way forward with the Regional Fund, with the Social Fund. Then we shall be able to spend European money profitably.

Mr McCartin (PPE). — Mr President, the growth of the Social Fund is one of the more acceptable developments in the Community in recent years, whereas agriculture generates a lot of argument and the regional policy has disappointed the hopes and expectations of a lot of people in the disadvantaged areas.

The Social Fund, concentrated as it is on the poorer regions and on the most vulnerable social sectors, has done much to present the European public with the human and concerned face of the EEC. The difficulty about allocating a sum of 2 billion units of account over all Europe and doing it in an effective and equita-

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ble way is the main purpose of the exercise on which we are engaged. On each occasion that this subject comes up, Parliament tends to voice concern for every identifiable group that can be described as weak or disadvantaged. It is just not possible, with the amount of funds at our disposal, to make an impact on the problems of all the socially disadvantaged groups. In addition to this, the more we try to make a political gesture in favour of every good idea, the less impact we have and the harder it will be to segregate the good from the bad applications. The wider we spread our efforts, the more administration becomes difficult and expensive.

The citizens of Europe, if asked today to identify the problem of this decade, will answer without hesitation that it is unemployment, and, above all, the average citizen of this Community will identify unemployment among the young as the greatest threat to our society that exists at the present time. I want, therefore, to recommend that his important instrument be used for a solution to this problem, that we be especially careful to ensure that programmes and proposals to which we apply this Fund are designed to provide young people with skills that are appropriate to the requirements of our time and that a higher percentage of the resources be applied to the new technologies. In order to ensure that in the future our efforts produce the maximum effect, I do believe that a more serious effort must be made to evaluate the results of our spending.

There are just two general reservations that I have. One is that the share which goes to the richer industrial areas, the areas which are not the high priority areas, does not seem to be fairly distributed. The other is that we have not had an adequate evaluation of the effectiveness of the funds to date. I suspect that while obvious benefits have resulted, quite a lot of the money has been expended on training that will not equip the recipients to make a better long-term contribution to the creation of economic development and employment opportunities.

Regarding the geographical distribution of the Fund, I know that there has been criticism of the share which has gone to the higher priority regions — the maximum priority regions. Now, sometimes it may appear that there are greater numbers of unemployed in parts of the other regions of the Community as a result of all the problems that have been mentioned earlier. However, there are many other factors to be taken into account. There is a combination of high unemployment and of low GDP, and because those areas have been in the past mainly subsistence-level rural economies, there is a complete absence of business management skills and traditions and an absence of basic industrial knowledge of every sort. These areas do not have the developed administrative structures and facilities for training the young unemployed.

I want to say briefly that in Ireland we get considerable benefit from this Fund. Its existence and its effects

are not nearly so well advertised as are regional and agricultural spending, for instance. We see notices up on various projects that this scheme is being contributed to by the European Regional Fund. The Social Fund is largely spent without the knowledge sometimes even of the people who are actually in receipt of funds and who are getting training. This is a problem that I have been working on as a Member of Parliament, but I would ask the Commission to ensure that the national governments live up to their responsibilities in this respect and that the regions that benefit are made aware of the fact that the money comes from Europe.

Finally, I want to thank Mr Bachy for his efforts and to say that the only problem about this report is that it tends to incorporate the views and good ideas of, in fact, too many people in our committee.

Mr Sutherland, Member of the Commission. — Mr President, I would like to preface my remarks by saying that I consider it to be highly regrettable that on a debate of importance such as this, at a very crucial stage in the development of the guidelines, there should be less than 10 MEPs present in this Chamber to debate this issue. Now, notwithstanding the lateness of the hour, I think that is very regrettable. I think it is very regrettable because — as has been pointed out particularly by Mr McMahon — this is an important debate and, as far as the Commission is concerned, the contribution made by the Bachy report is of significance and importance and the views that have been expressed are of importance. I want to make that point at the outset because I think it is of some importance and I just hope that the Members of Parliament take the opportunity at a later stage, at least, of reading the comments that have been made during the course of the oral presentation this evening.

The importance of the debate is that it has come just at a time when the Commission is settling down as a body to discuss the very issues involved. Simultaneously, its services have initiated the process of consulting the Member States and the Committee of the European Social Fund. As you are aware, I have already been in contact, in January and February, with the Committee on Social Affairs and Employment, the content and message of earlier drafts of the Bachy report have been a basis for reflection and discussion within the services of the Commission, and indeed, I myself have been involved in some discussion with the committee. You will not have failed to note in the Commission's work programme introduced by President Delors on Tuesday that the Commission has the intention of modifying the guidelines in a number of respects which, in the main, I think, reflect the five different considerations which are identified as being central aspects by Mr Bachy in his contribution this evening. More specifically, the Commission has indicated that it will clarify and simplify the criteria for intervention, identify more rigorously the applications

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for priority financing, establish a closer correspondence between fund financing and Community objectives, especially in relation to new technology, and further concentrate expenditure in regions of high unemployment or of industrial or sectoral restructuring. These broad objectives — I think you will agree — correspond very closely to the key recommendations which have been identified in the Bachy report.

The drawing up of the Social Fund guidelines is not an exact science. Whilst we will try to make it more exact, one cannot bring about a situation where judgement is no longer relevant and the whole assessment can be carried out purely in a scientific way.

Before going into a more detailed discussion, we should take stock of some underlying realities which have been pointed out in the course of this debate. The number of unemployed in Europe now totals over 13 million. It has increased year after year for the past 13 years. Overall economic growth in Europe in 1985 is projected at only 2.5%, so there is no immediate prospect of a fall in unemployment. The resources of the Social Fund amount to 2 000 million ECU. That works out at about 150 ECU per unemployed person. This, therefore, is a very scarce resource, and the management of the Fund is something which requires great delicacy and is a matter of considerable importance. Clearly, if the Fund is to be significant, if it is to have an impact, its interventions will have to be carefully selected and concentrated. The corollary of that is that once one has greater selectivity and greater concentration, then the existing parameters change, and they change to the detriment of some existing projects and areas. The Fund cannot be expected year after year to take on additional burdens and responsibilities, however praiseworthy some of them may be, if the net result is dispersal of its resources in insignificant amounts and over a wide variety of activities. We need to have a clear vision, therefore, of what the Fund should do and what the Fund should not do. It should be made clear that any decision not to allocate priority to a particular activity is not a negative value judgement, rather it is the result of a painful selection process, the assessment of what is absolutely necessary. Hard decisions will have to be taken, and the Commission is entitled to the support of the Parliament in implementing these decisions.

The essence of the matter is that if everyone has a special case, then no one has a special case. I think that this is recognized quite clearly in the Bachy report. The ambition therefore of this Commission is to reverse the growth in unemployment. This is our priority, and it is the yardstick by which we must judge our actions.

Firstly, activities which are not directly aimed at an employment outcome cannot be given priority against the background of scarce resources which I have described.

Secondly, the Fund must not be used to finance another Community surplus — that is, a surplus of persons whose training is not matched to the necessities and opportunities of tomorrow.

The new guidelines should, in my opinion therefore, reflect these imperatives and require as a general rule that operations include elements of training in the skills associated with the new technologies. The realization of these elements — on the one hand a direct link with employment, and on the other a direct link with new technology — would involve a substantial qualitative upgrading of the operations of attracting priority financing. This will be implemented taking careful consideration of the capacity of training systems in the Member States, and in the different regions of Member States, to adjust to meet new standards.

The rôle of the Fund is not just to finance what is, nor is it to finance just what should be, it is to finance what could be. This is the spirit in which the Commission will approach the definition of the new guidelines. I totally accept the argument in your report that the present guidelines award priority to too great a volume of applications. As a result, in 1984 the Commission could not fully finance even those operations which are deemed to be of priority. In fact, for example, only 45% of the applications relating to adult training were financed.

Clearly, as your report suggests, there is a need to reduce the broad range of priorities which are contained in the present guidelines. The new guidelines, however, must be generated on a proper basis, not simply with an eye to cutting down the volume of priority applications. The right question, therefore, is what are the absolutely necessary vocational-training and job-creation activities in the present economic and social situation which should be supported as priorities in the context of the development of Europe.

Your report rightly points out that the present guidelines do not allow for an adequate geographical concentration of the Fund in the regions where the problems of unemployment, reconversion and restructuring are most severe. In fact, some 64% of the working population belong to what have been designated as priority regions by the present guidelines. The guidelines should aim, therefore, to concentrate the Fund intervention on a more limited geographic area. To my mind an area representing 50% or thereabouts of the working population would be a reasonable target for gradual achievement.

The Commission has, as you know, presented its proposals for a statistical mechanism to establish the order of regional priorities. This is under discussion by the Council and will be referred to the Parliament. Pending an outcome, the Commission will incorporate a greater degree of concentration in its guidelines. The concentration will take account of unemployment

Sutherland

rates — both youth and adult — gross domestic product per capita, and areas of industrial and sectoral restructuring. At present it is not technically possible to identify and take account of the areas of long-term unemployment on the basis of harmonized Community statistics, as asked for by Parliament and the Council. The Community's Statistical Office has been asked by me, however, to undertake the work necessary, in conjunction with the national statistical services, to make such data available for use as soon as possible.

Your report points out that the present guidelines do not take account of pockets of unemployment. As you know, considerable difficulties — both statistical and political — have been encountered with this question. For my part, I find it difficult to justify the present situation, where the Fund cannot intervene to help workers and companies which are facing dramatic and large-scale restructuring problems but which happen to be located in non-priority regions.

I shall be inviting my colleagues in the Commission to consider to what extent Social Fund aid can be provided in such situations. For example, priority could be envisaged where it can be shown that restructuring due to technological or market change is of such a scale that it has made a substantial impact on the local employment market and where the public authorities have introduced exceptional measures to support vocational training or job creation in the area concerned. In this way it may be possible to reach such urgent situations without compromising the overall drive towards a greater degree of regional concentration.

Before leaving the question of regional concentration, perhaps I should draw your attention to the priority given to operations forming part of an integrated programme involving assistance from two or more Community financial instruments. I do so in connection with a number of contributions which are focused on this particular point. This priority, which we shall propose to carry through in 1986-88, will take on an added significance with the implementation of the Integrated Mediterranean Programmes — an essential element in the preparation for the entry into the Community of Spain and Portugal. I believe that there is a strong case for focusing the Fund's priority interventions on operations of high quality.

By this I do not mean solely operations linked to new technology or operations to produce a highly skilled workforce. Europe needs such operations of course if it is to meet today's competitive challenges and strengthen its economic structure. The criteria of quality and of relevance apply also to other guidelines geared towards weaker groups on the labour market and the less developed regions. For example, should programmes for the long-term unemployed — a priority labour-market group — not include elements of motivation and general guidance and be of a minimum

length if they are to be regarded as capable of bringing about a successful employment outcome?

As regards the training of migrants — another priority labour-market group — the Commission, in implementing its recent communication on Community policy and migrants, will seek to ensure in the new guidelines that priority funding is reserved for high-quality, well-thought-out and substantial programmes of vocational and language training designed to integrate migrants successfully into the host country or to prepare them for return.

I cannot anticipate in detail what the new guidelines will be. My colleagues in the Commission will have a first discussion on the subject, I believe, on 2 April. Nor would I pretend to have absorbed totally or to have answers to all the points made in today's debate. I have tried to indicate in broad terms during the course of this debate, but I think in sufficiently specific terms also, the approach that will be taken by the Commission in evaluating the new guidelines and in taking into account the various matters which are referred to in the Bachy report and which are considered to be of significance.

I have recognized and specifically recognize the validity of the various points which have been made. The five points indicated by Mr Bachy as being at the centre of the proposals contained in the report, plus the additional matter which has been referred to by a number of speakers and indeed is also in the report, namely the question of control — also referred to by Mr McCartin — are something which I would briefly comment on by saying there is, of course, a degree of monitoring at present. One of the real problems in regard to monitoring the effectiveness of programmes is the great limitations on resources and the very great difficulties which the Commission has in organizing such a vast programme and at the same time monitoring its application, particularly taking into account the very heavy responsibility that Member States themselves have to assume and are required to assume in regard to the *bona fide* application of the monies which are granted out of Community resources for their use.

I should say that some Member States have apparently had more difficulties than others in their efforts to adjust and develop their programmes in order to qualify for priority financing. The annual share-out of the Fund is clearly influenced by the guidelines, although it is also determined by the basic Council rules. I refer to those very briefly in connection with Mr Fitzgerald's comments, because, of course, the guidelines do not refer to the super-priority regions or the definition of the 40% and 60% areas. They are not the subject matter of the Bachy report in consequence.

The annual share-out of the Fund therefore is clearly influenced by the guidelines and will continue to be. I shall be striving to ensure that the new guidelines,

Sutherland

viewed as a whole, take account of the different situations and the different potential of each Member State so that each has an equal opportunity of benefiting from the Fund's interventions. It is unacceptable that the Fund, an instrument of Community solidarity, should be the cause of unseemly wrangles over what any national allocation might be, and a massive debate on national percentages on an annual basis.

To the extent that the guidelines have contributed to this situation, the Commission will do all it can to ensure a better balance in the future. Failure to do so might well imperil the overall operation of the Fund, and this would serve no interest.

Turning now to the opinion of the Committee on Women's Rights, I acknowledge the overriding concern of the group that women should benefit in due proportion from the Social Fund. We need first, however, as the opinion says, to establish the statistical facts as to how many women and how many men have benefited from the Fund's operations. I need not remind Members that all the guidelines of the Fund are open on an equal footing to men and women and that there is an additional guideline exclusive to women for training and recruitment programmes in occupations where they are under-represented. Thus the guidelines contain, correctly so, an overall bias to favour female participation.

If, after analysis, it emerges that women are under-represented in Social Fund operations, the primary responsibility for this clearly lies with the Member States. It is a matter for discussion whether additional projects, specifically geared to women, should be encouraged by the guidelines.

I should say that I am not aware of the grounds for the statement in the report by Mrs Lemass that women are not given equal opportunities in the operations of the Fund as regards aid for the creation of cooperatives. I

can assure the committee that if there is a basis for the allegations, I will follow up the matter and I am interested in learning further of it.

In conclusion, Members of Parliament, I hope that I have given sufficient assurance this evening that as far as I am concerned the new guidelines for the management of the Social Fund will go a considerable way in the direction of your proposals. Some of them, however legitimate, can only be dealt with outside the context of the guidelines. I am thinking, for example, of the proposal to publish an explanatory brochure — useful also for incoming Commissioners, I should say — or your support for pluriannual programmes, a proposal which is difficult to implement within the framework of the present financial situation.

I will reflect, as will the Commission services, on today's discussion, report on it to my colleagues and consider how to translate it into the text of the new guidelines.

Perhaps I could end by repeating my earlier somewhat world-weary remark that the drafting of guidelines is not an exact science. We can try to make it more exact, but ultimately there will always be a question of judgement. That is why the guidelines are open to revision on an annual basis. I hope that with your collaboration and support, this year's exercise will be a high point in the practice of this somewhat inexact science.

President. — The debate is closed. The vote will be taken at the next voting-time.

Could I thank the staff for carrying on past time to enable us to finish the debate on the Bachy report.

*(The sitting closed at 0.05 a.m.)*¹

¹ For the next sitting's agenda, see Minutes.

SITTING OF FRIDAY, 15 MARCH 1985

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IN THE CHAIR: MRS PERY

Vice-President

(The sitting was opened at 9 a.m.)

1. *Approval of the Minutes*

President. — The Minutes of yesterday's sitting have been distributed. Are there any comments?

Mr Tomlinson (S). — Madam President, in view of the closeness of many of the votes in the agricultural debate yesterday, I am disturbed that names appear in the recorded vote of people who cast their vote in a roll-call vote whose names do not appear in the Minutes of Proceedings of yesterday as having signed in. I hope that an investigation can take place to make sure that the names of people recorded as having voted in the roll-call vote yesterday were all Members who

were present in this House and signed in as being in attendance.

President. — We shall look into the matter and make sure that the Minutes are corrected.

Mr Howell (ED). — Madam President, I have asked to speak under Rule 67 because, as you will know, at 3 p.m. yesterday a Member of this House caused considerable disruption, as usual, to the proceedings of this House. During that disruption certain direct attacks were made on myself of a nature which in a personal sense I can take perfectly happily, but which were factually wrong.

First, while those attacks were being made, I was not in the Chamber but was seeking to obtain medical assistance from the hospital in Strasbourg which had promised certain medical supplies to Ethiopia and Eritrea. As you know, I have just returned from Ethiopia and Eritrea.

Secondly, the gentlemen concerned — his name is in the Minutes — accused me of drinking too much wine

Howell

at the Irish reception. I must put the record straight and tell this House that I was not at the Irish reception. I was dining with the Swiss ambassador who is seeking to obtain information from the Red Cross, again specifically orientated to the problems of Ethiopia and Eritrea in which I have a strong interest.

Madam President, may I, through you, ask the gentlemen concerned that, instead of sniping from the sidelines, he does as we in the British Conservative Group are doing, and that is getting our heads right into some of the worlds biggest problems such as famine, etc. in Africa. It does him and his party no good whatsoever, and I think brings this House into total disrepute.

Mrs Boot (PPE). — (NL) Madam President, I should just like to say that what Mr Howell says is true. On Wednesday evening, he and I had dinner in town with the Swiss Ambassador, and so we did not spend the evening at the Irish reception.

Mr Huckfield (S). — Madam President, in England — and, I presume, in other countries — if one reads the Bible and has a look at the Gospel according to St Luke, chapter 15, verse 7, one will find:

Joy shall be in heaven over one sinner that repenteth, more than over ninety and nine just persons which need no repentance.

Madam President, I offer no repentance this morning. What actually happened in the Chamber yesterday afternoon is that the gentleman who has just spoken came over to these benches — and I have witnesses — and physically threatened me. It is because of that that I will not withdraw the phrase 'agricultural oaf'.

(Protests)

I think, frankly, that the tactics of the gentleman opposite mean that my description of him as an 'agricultural oaf' is very accurate indeed.

(Laughter)

The only thing I will withdraw is the venue of his imbibing: if I got that wrong, then I will correct it, I have a letter here that testifies to the fact that he was imbibing with the Swiss ambassador. As for the other phrase, I stick to that and so will my comrades.

Mr Howell (ED). — Madam President, the entire House has now heard a response from the lips of the gentleman concerned. In view of the circumstances, I strongly ask you that this whole matter be referred to the Bureau. On past occasions when Mr Huckfield has disrupted this House, the Bureau has decided that certain action should be taken to ask the gentleman to withdraw. I would ask you to refer the entire matter,

which is now on record, to the Bureau so that action can be taken.

Mr Maher (L). — Madam President, I suggest we get on with the business. I hope that the Bureau will not have to deal with a matter of this kind. If it is any help, I am willing to act as a mediator between Mr Huckfield and Mr Howell.

(Applause)

President. — Thank you very much, Mr Maher. You are a very wise man.

Mr Prout (ED). — Madam President, I do not want to refer to the incident which has just taken place specifically, but it does raise a general problem which I think ought to be referred to the Committee on the Rules of Procedure and Petitions and not the Bureau, and that is what constitutes unparliamentary language. In our own Parliament in the United Kingdom we have a rule that certain words cannot be used in Parliament. This problem has not arisen yet in this Parliament, but I think now is the moment to refer that question to the Committee on the Rules of Procedure, because I am sure the problem will arise again. I hope you will agree that it is a proper thing to do.

President. — I think that everyone has been able to have his say on this subject and I shall carry on with the agenda.

(Parliament approved the Minutes)¹

2. Votes

Report (Doc. 2-1795) drawn up by Mr Tolman, on behalf of the Committee on Agriculture, Fisheries and Food, on the proposals from the Commission of the European Communities to the Council (Doc. 2-1329/84 — COM(84) 661 final) for a regulation amending Regulation (EEC) No 1883/78 laying down general rules for the financing of intervention by the European Agricultural Guidance and Guarantee Fund, Guarantee Section: adopted

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¹ Documents received — Petitions — Procedure without report: see Minutes.

Report (Doc. 2-1787/84) drawn up by Mrs Weber, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission of the European Communities to the Council (Doc. 2-1361/84 — COM(84) 673 final) on a supplement in respect of cadmium to Annex IV to the Convention on the protection of the Rhine against chemical pollution and on a communication on the recommendation by the International Commission for the Protection of the Rhine against Pollution on the monitoring of cadmium discharges: adopted

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Report (Doc. 2-1861/84) drawn up by Mr Wettig, on behalf of the Committee on Budgetary Control, on the administrative expenditure of the European Parliament during the period 1 January to 31 December 1984 (financial year 1984): adopted

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Report (Doc. 2-1784/84) drawn up by Mr Bonaccini, on behalf of the Committee on Energy, Research and Technology, on the proposals from the Commission of the European Communities (COM(84) 490 final) on the application of the Community's energy pricing principles in the Member States

Motion for a resolution

Paragraph 20 — Amendments Nos 10 and 13

After the adoption of Amendment No 10

President. — The adoption of Amendment No 10 causes Amendment No 13 to fall.

Mr Falconer (S). — Mr Smith asked yesterday in the House for a roll-call vote on his Amendment No 13. Why are you not taking a roll-call vote on it and for what reason have you deleted it from the agenda?

President. — In my opinion, the adoption of Amendment No 10 causes Amendment No 13 to fall. That is why I did not call for a split vote or a roll-call vote.

Mr Smith (S). — Madam President, I cannot understand the logic of that argument. Amendment No 13 is, in my opinion, entirely different and it is deserving, as requested, of a roll-call vote.

President. — Mr Smith, I am very sorry but I maintain my point of view: the amendment falls.

Mrs Viehoff (S). — (NL) Madam President, I am very sorry, but I also do not agree with you. I consider that the text of Amendment No 13 is an addition to Amendment No 10 which has not been adopted, it is not the same thing and the one thing does not replace the other.

President. — Mrs Viehoff, Amendment No 13, at least in the French version, is not an addition but a replacement. I cannot therefore go along with your argument.

Mr Huckfield (S). — Madam President, I have to support my colleagues in that they made . . .

(Laughter from the British Conservative Members)

I am glad that the Conservative Party considers that depriving people of light, heat and very often life, is a very humorous subject.

(Interruption by the British Conservative Members)

I hope that that will be recorded, Madam President.

Since my colleagues applied for a roll-call vote with the required number of signatures and since the roll-call vote that they have demanded is entirely separate from the other amendments, I cannot see why you cannot — because it doesn't take very much time at all — permit a roll-call vote on Mr Smith's amendments. It is an entirely separate matter.

President. — Ladies and gentlemen, I am now going to stop this debate. I shall explain why for the last time. The text as a whole has been replaced. Consequently I cannot now call for various words of a text which no longer exist to be replaced.

Explanations of vote

Mr Stewart (S). — I am rather concerned to find that you can put a price on energy policy and yet totally ignore the social hardships created by that policy. In the United Kingdom alone 120 000 people are cut off yearly from electricity and gas.

In view of the hardship that it causes for single parent families and elderly people who die from hypothermia, surely this House has a right to say to Member States that we would recommend certain actions and certain legislation. I disagree with the statement made by the Commissioner, Mr Clinton Davis, yesterday to the effect that we had no power to do that. If this House has no power, where does the power lie? Surely we

Stewart

can say, as far as Europeans are concerned, that Member States should take notice of a recommendation made here. Unfortunately, the House has decided differently. I hope that, sometime, this House will take a humanitarian decision because, today, Amendments Nos 13 and 16 should have been supported by this House.

Mrs Lizin (S). — (*FR*) As author of one of the motions for resolutions included in the report, I regret that the final vote should not come down in favour of a socially fairer distinction in the rates charged for energy such as we had called for in the amendments that have been rejected, even though this winter has shown how important energy is as an element in the budget of poor households. I shall therefore vote against the report.

Nevertheless, since Mr Sutherland is here, I should like to draw his attention to paragraph 16 of this report, which asks the Commission to keep a careful check on the behaviour of the Dutch gas monopoly. This is not the first time: we did so in the report on competition, and we want to repeat the call on the occasion of this report. I would ask the Commissioner, at the beginning of his term of office, to take special action in this matter.

Mr Bonaccini (COM), rapporteur. — (*IT*) Madam President, I wish to thank all my colleagues, whatever position they have taken up in committee or in plenary sitting, for the contribution they have made, which, in my view, will promote a more thorough examination of the matter.

Perhaps a closer look at certain paragraphs in the resolution will make it clear that in fact we have established a balance between the requirements of the market and of competition on the one hand and the social needs championed so effectively by some Members here.

I think it has proved possible to make progress towards a common energy policy and improving the conditions of competition in the supply of electric power in our Community.

Mr Kuijpers (ARC), in writing. — (*NL*) I cannot vote for the report in its present form. Although it contains valuable arguments for abandoning the use of oil in industry and the generation of electricity and establishing a really rational management of energy, the report is one-sided in its choice of nuclear energy.

I have already on many occasions pointed out the dangers of nuclear energy, and there is still no proof that nuclear energy, when all the costs have been taken into account, is cheaper.

I would have preferred a report which gave renewable sources of energy such as water, wind and the sun

their proper place. I would refer, too, to the Seligman report, which discussed the possibilities of deriving energy from biomass — one of various possibilities for generating energy cleanly and also getting rid of grain surpluses. Finally, in this age of the new poor, I should have liked to see greater emphasis placed on the responsibility of energy-distributing undertakings and the adoption of a guaranteed minimum in the way of heating and lighting.

Since these amendments have not been adopted, I cannot vote for the report.

(Parliament adopted the resolution)¹

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Report (Doc. 2-1783/84) drawn up by Mr F. Pisoni, on behalf of the Committee on Agriculture, Fisheries and Food, on the proposals from the Commission to the Council (Doc. 2-1362/84 — COM (84) 682 final) for:

I. a regulation amending Regulation (EEC) No 729/70 as regards the amount allotted to the Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF),

II. a regulation amending Regulation (EEC) No 355/77 on common measures to improve the conditions under which agricultural and fishery products are processed and marketed.

Explanation of vote

Mr Guermeur (RDE). — (*FR*) I am struck by the fact that while we spent some hours yesterday voting under great tension on agricultural prices, last night we showed almost complete indifference in the way we handled these proposals for amending the regulations concerning structures. This contrast cannot fail to astonish inasmuch as the importance of structures, when compared with that of agricultural prices, is by no means negligible for the future of the common agricultural policy and also that of the common fisheries policy.

I shall be voting in favour, but with two reservations. First, the Guidance Section of the EAGGF is threatened by the compression of the Guarantee Section and runs the risk of being made to serve as a kind of decompression chamber in the sense that losses incurred in the latter are compensated by encroachments on the former — an extremely dangerous pro-

¹ The rapporteur was:

— IN FAVOUR OF Amendments Nos 7, 8, 17, 19
— AGAINST Amendments Nos 1 to 6, 9 to 13, 16, 18, 21 to 24.

Guermeur

cedure since ultimately the Guidance Section might be reduced to zero. There would then be no funds left for promoting the modernization of structures, whether in agriculture or in fisheries. The Commission and the Council should therefore, it seems to me, bear this need in mind and endow the Guidance Section with an irreducible percentage of the total funds available.

Secondly, I would ask the Commissioner to show a little more flexibility and accept the idea of a special fund for improving fishery structures. This has been called for by our sub-committee and would do a great deal to clarify the situation.

Those are my reservations.

(Parliament adopted the resolution)¹

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Report (Doc. 2-1775/84) drawn up by Mr Wolff, on behalf of the Committee on Economic and Monetary Affairs and Industrial Policy, on the proposal from the Commission to the Council (COM(84) 309 final — Doc. 1-345/84) for a regulation amending Regulation (EEC) No 682/81 concerning the Community loan mechanism designed to support the balance of payments of Community Members States

Explanations of vote

Mr Alavanos (COM), in writing. — (GR) With reference to the Community loan mechanism outlined in the Wolff report, which requires Council's unanimous approval and the acceptance of economic terms by the State receiving the loan, we must make the following comments:

1. While reference is made to equal conditions for 'repayment of capital and interest', i.e. to equal treatment of States receiving loans, there is no reference anywhere to uniformity of the economic terms that the receivers of loans will have to accept.

While the previous system was in force the condition imposed was an increase in the price of fuels. Now that it is proposed to dissociate the loans from the price of oil, and when difficulties in the balances sector are more general in nature, we are led to impose conditions along the lines of the International Monetary Fund.

2. While the Commission refers to the need for 'immediate and effective' granting of loans, it pro-

vides no margin of adaptability either in the conditions for the grant or in the concomitant economic terms.

3. As for the matter of differences in the conditions for granting a loan, which will have to be embodied in the Community's own resources (Economic and Monetary Committee), we see that the Community assumes the role of an agent engaged in brokerage.
4. Finally, we perceive an increasing tendency for the Community's own financing to be replaced by loan capital for the implementation of Common policy, a trend that seems to have become the long-term aim. This is already happening to the IMP's, whose initial financing is largely being replaced by interest subsidies on granted loans.

For these reasons the European Members of the Greek Communist Party will vote in favour of the proposed resolution.

Mr Filinis (COM), in writing. — (GR) Mr President, we will vote in favour of the Wolff report because we feel that the Community loan mechanism needs to be activated even more, to the benefit of the Community and its Members. On this occasion we would like to stress three points:

1. It is in the Community's interest to contract loans on the international market and grant them to its Member States, because this leads to better conditions for its Members.
2. The nature of the loan mechanism needs to be broadened, and
3. The total sum of loans to a Member State should amount to the trade balance deficit of that State with its other partners in the EEC.

(Parliament adopted the resolution)¹

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Report (Doc. 2-1778/84) drawn up by Mr Van der Lek, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission to the Council (COM (83) 483 final — Doc. 2-641/84) on a directive amending Directive 78/1015/EEC on the approximation of the laws of the Member States relating to the permissible sound level and exhaust system of motor cycles.

Explanations of vote

Mr Van der Lek (ARC), rapporteur. — (NL) I think the matter speaks for itself. I will merely repeat what I

¹ The rapporteur was:
— IN FAVOUR OF Amendment No 1.

¹ The rapporteur was:
— AGAINST Amendment No 1.

Van der Lek

had to say yesterday: protection against noise is important for public health and for rest in both urban and rural areas, but it is not the most important environmental problem, for the others — air pollution and the like — are irreversible. Consequently the resolution, which was unanimously adopted in committee, expressly calls on the Commission to take steps to ensure that exhaust emission levels for motor-cycle engines should also be reduced and to submit a directive to this end. In this connection, I wish once more to contradict the suggestion made by the Commission in its explanatory memorandum that limiting noise might conceivably prove irreconcilable with such reduction in exhaust gases. Technically, that is nonsense. I therefore hope the Council will pay due attention to this resolution unanimously proposed by the entire Committee on the Environment, Consumer Protection and Public Health of this Parliament.

Mr Filinis (COM), in writing. — (GR) Mr President, in this Parliament I represent a country in which, owing to the favourable climatic conditions, a very large number of motorcycles and scooters are in circulation. The problems created, especially during the last decade, in connection with noise pollution of urban districts have generated great discontent in public opinion, which is now insistently calling for measures to be taken. Thus, we will vote in favour of this report, aware that in doing so we are responding to the will of the Greek people as a whole, who are impatient to see the imposition of some restrictions and some sort of order.

Our country, which does not manufacture motorcycles and scooters, could never on its own have the influence to persuade manufacturers to show greater respect for the acoustical environment of our cities. Now, thanks to this Common action, appropriate directives will be introduced to the benefit of countries like my own, which in the past have been quite powerless against the manufacturers.

(Parliament adopted the resolution)¹

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* *

Report (Doc. 2-1777/84) drawn up by Mr Schmid, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission to the Council (Doc. 2-803/84 — COM(84) 513 final) for a directive relating to restrictions on the marketing and use of certain dangerous substances and preparations (Second PCB/PCT Directive)

After the vote on all the amendments to the proposal for a directive

Mr Schmid (S), rapporteur. — (DE) Madam President, before we begin the final vote: at yesterday's night sitting the Commission stated that it is not prepared to accept most of the amendments. I have discovered that the officials who drew up the draft are refusing to budge because the Council has indicated that it would accept it, whereas the Commissioner politically responsible does not know the details. I therefore wish to exercise my right as rapporteur under Rule 36(2) of the Rules of Procedure to request referral back to committee. In that way the sharp impact of the vote will make it clear to the Commission that it should change its position.

Mr Sutherland, Member of the Commission. — I think Mr Clinton Davis made clear last night the Commission's position in regard to the amendments. I would merely repeat that he is opposed to Amendments Nos 1, 5, 6, 8, 9, 10 and 11 to the resolution. That is the position taken by the Commission.

Mr Schmid (S), rapporteur. — (DE) Madam President, I request referral back to committee under Rule 36(2) of the Rules of Procedure.

(Parliament approved the request for referral)

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IN THE CHAIR: MR GRIFFITHS

Vice-President

Report (Doc. 2-1776/84) by Mr Bachy, on behalf of the Committee on Social Affairs and Employment, on the guidelines for the management of the European Social Fund for the years 1986 to 1988.

Motion for a resolution

After the adoption of paragraph 5

Mr Arndt (S). — (DE) If you put an amendment to the vote and no one votes for it there is no need to ask those who are against it to show since it has already been rejected.

President. — Mr Arndt, there may be some people who would like to abstain. I have already had that drawn to my attention this morning. I would not wish to deprive those people of the opportunity to do so.

Mr Stauffenberg (PPE). — (DE) Mr President, we all trust your ability to conduct the vote fairly and I

¹ The rapporteur was:
— IN FAVOUR OF Amendments Nos 1 to 8.

Stauffenberg

think that everyone in the House would be happy, at least in the interests of saving time, to dispense with Mr Arndt's lessons.

Mr Arndt (S). — *(DE)* I have a question which is directed to the President alone. Mr President, if I were to say here and now that what Mr Stauffenberg has just said is balderdash and that he is a stupid idiot, would you call me to order?

(Laughter)

President. — Mr Arndt, I think it would be best if you spoke to Mr Stauffenberg personally, and dealt with the matter outside the Chamber.

Mr Arndt (S). — *(DE)* Mr President, on the understanding that you would call me to order I do not put this question seriously.

(Laughter)

President. — We are carrying on with the vote, Mr Arndt.

Paragraph 7 — After the vote on Amendment No 23

Mrs Squarcialupi (COM). — *(IT)* Mr President, seeing that there is only one Member from the extreme right present, it might be appropriate to ask him to withdraw all his amendments so that we do not have to go through this farce in which he is the only one to vote in favour of them.

President. — It is not normally the thing to do to ask a Member to withdraw his amendments, but if he would like to, of course, we would appreciate it. In the meantime, we move to Amendment No 14, by Mr Gawronski, and I ask the rapporteur his opinion.

Mr Bachy (S), rapporteur. — *(FR)* I am against, because the original text seems to me to be more complete. There is also an error in that the guidelines for the Fund cover a period of three years and not just the year 1986. I ask that the amendment be rejected.

Mr von der Vring (S). — *(DE)* If you could now call the European Right representative and let him say what he wishes to say, and he then withdraws his amendments, we would both be happy.

President. — Unfortunately, the Member of the European Right does not have his earphones on, so an appeal would not be very helpful at this stage.

(Laughter)

As you can see, there is no reaction, and I would prefer to carry on with the vote. I move on now to Amendment No 52, by Mr Vgenopoulos.

Mr von der Vring ((S). — *(DE)* That is not so, Mr President. The gentleman standing over there is an assistant, and he is always telling his Member what to say.

(Applause)

Explanations of vote

Mr Elliott (S). — I believe that it is very important that we should have a report of this nature, but I want to draw attention to what I believe is a very serious situation relating to the Social Fund application in the UK.

First of all, it seems to be the policy of the British Government to do just what the rapporteur says should not be done in section 9 of the report. In other words, the British Government is using Social Fund money from the Community largely to avoid having to spend money itself from its own resources on socially desirable projects to improve employment prospects and other important matters.

Beyond that, Mr President, I am concerned that it is extremely difficult for the local authorities in the United Kingdom at the present time to consider matching funding for social projects. I have many organizations in my own area and there are many throughout Britain that are making bids for Social Fund support and are finding it impossible to get matching funding from their local authorities because of the cutbacks in local authority expenditure being imposed by the central government in Britain. They call this rate capping. What it really means is cutting down on local services and denying the people in the various areas of the country the services they have a right to expect.

Mr Cassidy (ED). — I had intended to give my explanation of vote in writing, but Mr Elliott having taken the opportunity to make other points, perhaps I can as well.

I put down my four amendments to Mr Bachy's report seeking to stress certain points which, in my opinion, he had not sufficiently stressed. I was suggesting greater selectivity and that the administration of the European Social Fund be based on tighter criteria. Mr Bachy's suggestion for a weighted reduction will be relatively indiscriminate.

Secondly, it seemed to me that under the current arrangements for the Social Fund, the handicapped are

Cassidy

treated less advantageously than other disadvantaged groups, and I am happy that my amendment, No 13, has been adopted more or less. Thirdly, I was suggesting in my Amendment No 45 that in order better to match supply and demand for Social Fund resources, positive selection criteria should be used, such as levels of unemployment or gross domestic product.

Fourthly, the rapporteur called for vocational training to be closely linked with job creation in such a way that technical innovation opens up new job opportunities. I urge that the Social Fund should avoid projects which have an unduly high theoretical content.

Finally, we cannot as Members of the European Parliament . . .

President. — Mr Cassidy, I am sorry, but your speaking time is over.

Mr Huckfield (S). — I am, obviously, aware that there are very strong feelings amongst some of the Member States that the United Kingdom has had more than its fair share of the Social Fund. I am also aware that the feelings that my colleague, Mr Elliott, referred to, about the British Government using EEC money for educational expenditure which it ought to be funding itself, are fairly widespread. I want to appeal to the Commissioner this morning — because he does have a reputation for being his own man — to disregard some of these what I would call peripheral feelings, and not to let them cloud the main issue. There is a great deal of pressure within the Social Fund management committee and from the other Member States to move the whole of the Social Fund upmarket so that it then moves more and more out of reach of the hardest-hit areas. I must say to him that the more the Social Fund moves away from *mise à niveau* schemes, weight subsidy schemes, local employment initiatives, the more areas and constituencies like mine will be hardest hit. It is those schemes that are most applicable in those areas, which are characterized by something like 40% or 50% adult unemployment and 90% youth unemployment, apart from which the kind of schemes I have just described are very much in line with the Commission's own previous thinking. So I want to ask the Commissioner to concentrate on the most important issue and not to move the Social Fund upmarket out of reach of the hardest-hit areas.

Mr Vgenopoulos (S). — (GR) My amendments were intended to stress the inadequacy of the Social Fund's resources, which results in accentuation and exacerbation of the problems faced by the Community's less well developed regions. I would also like to recommend that the criteria to be applied should give priority to increasing the Social Fund's interventions on behalf of less well developed and neglected areas of the Community, and in particular to the fight against

unemployment and underemployment which largely affect the disadvantaged agricultural areas of the Community. Finally, special programmes should be implemented for migrants repatriated to their country of origin, where the country is a Member of the Community.

I am sorry to find that despite the rapporteur's positive opinion my amendments were rejected, and even more so because our colleagues of the New Democracy voted against them. Nevertheless, we Greek Socialists will vote in favour of the report.

Mrs Cassanmagnago Cerretti (PPE), in writing. — (IT) President Delors has decided to assume direct responsibility for the management of the European Social Fund.

Members of this Parliament have come to realize that the procedures for handing out money are of no use to anyone because they have no precise object. We must therefore have the courage to take another road, cut out the idea of using the money for welfare purposes and devote the Social Fund to the Europe of the future.

It is therefore essential to fix a few clear priorities. One of these is increasing the opportunities for offering work to young unemployed people. This means, specifically, offering a specialized training culminating in a particular post in an enterprise that has need of qualified staff.

Priority should also be given to the processes of restructuring and reconversion which are still outstanding and which in certain sectors will be dramatic. Professional training should enable many workers to change their skills, abandoning those that no longer offer any prospects.

There is another element of management which goes against common sense: regions or zones on which Community effort is to be concentrated will have to be determined by means of a statistical formula in which parameters simply cannot be applied because Member States' data are many years out of date or are not comparable.

The result of pinning our faith on a formula of this kind is that in the end interventions by the Social Fund are precluded in regions offering potential opportunities for employing young people on a considerable scale and creating new jobs in innovative undertakings that are expanding.

Lombardy, for example, will continue to be excluded from the benefits of the Fund. As the Italian Minister, Mr De Michelis, has pointed out, the problem is a serious one, given that obsolete data will continue to be adhered to whereas interventions required of the Fund have to be precise and indicate to the European auth-

Cassanmagnago Cerretti

orities specifically which undertakings are in a position to offer employment to young people or to consolidate their performance particularly where it is connected with new technologies.

(Parliament adopted the resolution)¹

Mr Patterson (ED). — Mr President, my point of order is on the conduct of the last vote. The Group of the European Right has wasted a prodigious amount of this House's time by putting down amendments which not even the Member present voted for.

Mr President, you had it in your power to circumvent that procedure by voting on the original text first. It stands in the Rules that you can put the original text to the vote first, if you want to. Could we arrange in the future, when a situation like this arises, when amendments are put down really for wrecking purposes with nobody voting for them, that the Chair systematically puts the original text first? Could I ask the Bureau to take that up, please?

President. — I will certainly get the Bureau to look at that. There is an allowance for it to be done exceptionally.

Mr Sherlock (ED). — Mr President, I would not like to let this opportunity slip without asking you to convey the congratulations of those fortunate few of us who have remained in the House to occupants of the Chair on the way they have all handled the extremely lengthy, difficult and often contentious voting procedures. You have shown a mastery of the Rules and a wit and wisdom which have helped us through what has sometimes been a very tedious procedure.

(Applause)

3. *Accounts of the Communities for 1982*

President. — The next item is the second report (Doc. 2-1793/84) by Mrs Boserup, on behalf of the Committee on Budgetary Control, on the accounts of the European Communities for the financial year 1982.

Mrs Boserup (COM), rapporteur. — *(DA)* Mr President, ladies and gentlemen — at least those of you who may be interested. This is a technical matter which meanwhile has encountered difficulties along the way. As Parliament knows, a majority of the

House refused to grant the Commission a discharge for 1982. This was done for political reasons since we wished to criticise severely the way the Community's funds are managed: proper management and the necessary control are lacking. This is what the majority felt.

In the report which I am now presenting we pointed out that we are missing the figures. It is impossible to close the accounts without figures on which we can adopt a position, and in the Committee on Budgetary Control we have had many discussions on this question. This year as in previous years the Court of Auditors report drew attention to figures which may have been misplaced and which it might be desirable to correct. This year we had a problem with the 33 million ECU for agriculture which was utilized, paid out and accounted for in 1982. There is reason to doubt that this was correct, although it is absolutely certain that the money was in fact used. Since the accounts should be a description, a photograph, of what took place, it seems to me and to the majority of the members of the Committee on Budgetary Control, wrong to alter that figure and to ask for it to be transferred, since just by being in the accounts it reflects what actually took place. This state of affairs is open to serious criticism, and we shall have great pleasure in returning to it, since we have decided to draw up a report on the matter.

Mr Wettig has tabled several amendments to my report which was adopted — on no fewer than two occasions — by a majority in the Committee on Budgetary Control. I wish to state that I cannot accept them, but if the House wishes I shall give my reasons in greater detail when the individual amendments are being discussed. I have only studied the very important Amendment No 3 which seeks to change the figures. This is unacceptable as it would distort the accounts in such a way that they would no longer show what *de facto* took place but simply what should have taken place. We shall return to the matter again but we cannot ask for the accounts to be adjusted in such a way that they no longer correspond to what actually took place.

I therefore recommend adoption in its present form of this short report which is neither interesting nor intelligible to very many people, and any criticism of what happened to 33 million ECU late in 1982 will certainly be taken up again; it will not be forgotten. I have nothing more to add and I do not believe that we should spend much time on this matter. However, I feel that it is very important that we adopt this document since it is impossible to exercise any control over accounts or any other accounting exercise without having dealt strictly with 1982 which is already somewhat overdue.

Mr De Clercq, Member of the Commission. — *(NL)* Mr President, ladies and gentlemen, this debate

¹ The rapporteur was:
— IN FAVOUR OF Amendments Nos 2 to 5, 13/rev., 16, 45, 47 to 49, 52, 54-58, 60, 61;
— AGAINST Amendments Nos 1, 7, 10 to 12, 15, 17 to 44, 46/rev., 62.

De Clercq

on Mrs Boserup's report indeed constitutes, as she has rightly observed, the last phase in the implementation and control of the budget for the year 1982. — A last but also an indispensable phase, for what is at issue is the closure of accounts for the budgetary year concerned.

The accounts for the budgetary year 1982 are, in fact, connected with those for the preceding and following years; it is therefore necessary that the decision to refuse a discharge — a decision dictated, as rightly pointed out by Mrs Boserup, by considerations of a political nature — should be followed by the decision to close the accounts. From the theoretical point of view, Mrs Boserup's report certainly deserves the attention it demands.

I express my thanks to Mrs Boserup and the entire Committee on Budgetary Control for recommending Parliament to close the accounts for 1982 as presented by the Commission. The Commission naturally takes note of the two reservations made within the framework of this final procedure and will see to it that they are dealt with by those responsible in the footnotes to their accounts. The Commission wishes, however, to state that it considers unjustified, and therefore disputes, the second of these reservations, as contained in the revised version of this report, where it is maintained that a sum of 33.8 million ECU from the EAGGF (Guarantee Section) was paid in an irregular manner. In the Commission's view, this payment does indeed relate to the month of December 1982 and is completely covered by the appropriations available for that year. Indeed, each of these points is confirmed by the Commission's financial controller. In any case, the Commission proposes to subject this payment to close examination as part of the approval procedure for the EAGGF accounts for the budgetary year 1982. A final judgement can thus be reached when the moment comes for deciding on the approval of these accounts.

The Commission fully supports the decision taken by the Committee on Budgetary Control, on the initiative of its chairman, Mr Aigner, and its rapporteur, Mrs Boserup, not to maintain the honourable Mr Dankert's amendment. Quite rightly, the overwhelming majority in the Committee on Budgetary Control took the view that accounts can indeed only reflect what has actually been done during the year 1982. The purpose of annual accounts and financial supervision is to provide an objective record of how the budget has been carried out. Moreover, the demonstrable reality is quite different from what seems to have been understood by the honourable Mr Dankert. Consequently, if the honourable Mr Dankert's proposal, whatever form it may take and whoever may table it, were adopted, this might well give rise to undesirable consequences.

After the long and technically involved discussion on Mr Dankert's amendment in the Committee on Budgetary Control and after the clear expression of views

that took place on the subject in that committee, the Commission has grounds for hoping that a repetition of this discussion in plenary sitting can be avoided. However that may be, I must point out that the honourable Mr Wettig has taken over Mr Dankert's ideas and embodied them in Amendments Nos 3, 4, 5 and 6. The Commission considers these amendments to be unacceptable, for the same reasons as it brought forward in the Committee on Budgetary Control, reasons which, Mr President, I have just indicated in summary form. As regards Amendments Nos 1 and 2, by Mr Wettig, I can inform the House that the Commission has no objections to their adoption.

Mr Dankert (S). — (NL) Mr President, I have listened to the Commissioner, and I am astonished and filled with some suspicion to find him lavishing such praise on a report presented by Parliament on the workings of the Commission's financial policy. I make this point specifically because a few months ago Parliament made a great gesture of refusing the Commission a discharge for the 1982 budget and now is winding up the discharge procedure by closing the accounts and praising the Commission into the bargain. Intellectually, this kind of situation is, I should have thought, difficult to grasp, though politically it may be conceivable.

The granting of a discharge and the decision to close the accounts are matters that are indissolubly linked. If they are kept separate, then a decision to refuse the Commission a discharge on the basis of a report from the Court of Auditors becomes a disguised political motion of no confidence without, however, having the quality of a political motion of no confidence — for that we have other instruments available. Consequently, if we want to make proper use of the discharge decision, then we must carefully consider how we can further elaborate the discharge instrument, which at the moment is not clearly settled and is not elaborated upon in the Community Treaties.

In November came the big explosion: Parliament refused a discharge. Since then, we have heard nothing more of the matter. It seems to me extremely important that, now the discharge has been refused, we should consider how we can use this instrument with precision in order to ensure that the Commission observes as faithfully as possible the rules that have been laid down on this subject in the Treaty and the financial regulation.

The amendments tabled by Mr Wettig and myself are based on observance of the rules — a highly political matter, since we are concerned here with Parliament's supervision of the Commission. I would add that I find the Commission's story rather curious in that it is now so eager to take Parliament's point of view. If Parliament swallows this, then it will be departing from the recommendations of the Court of Auditors, which entirely shares the view of a minority in the Com-

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mittee on Budgetary Control, and therefore that of the Wettig amendments, that the Commission has not acted properly with regard to the 33 million.

The Commission says, we accept the Boserup report but at the same time we disagree with Mrs Boserup on the point of the 33 million: what the Committee on Budgetary Control calls irregular is for us regular. My view is that if the Committee on Budgetary Control finds, as it has done, that a sum has irregularly been put in a certain place in the budget, then a correction has to be made. Mr De Clercq has just said that in the Commission's view the accounts reflect what has happened in fact. It is not the intention of my amendments or of those of Mr Wettig that payments that took place in one particular year should be siphoned off to another year. The accounts must record payments as taking place at the moment when they did. The point at issue is that the payment is recorded on the wrong line. The payment should not have been placed under agricultural guarantee expenditure — that was irregular; it should be put on a line for expenditure that is still to be regularized in the year concerned. This the Commission naturally objects to, since this limits its freedom of action with regard to agricultural advances. It is in Parliament's interests to limit this freedom in order to ensure that what it, the Parliament, has always advocated should be observed — that is, the annual nature of the budget through the annual nature of expenditure.

To make the discharge a practical instrument and to preserve unbroken the link between the granting of a discharge and the approval of the accounts — that, Mr President, is the purpose of these amendments. Without these amendments, the discharge instrument stays like an atom bomb which we can drop or not, as we wish. The Commission naturally stands to gain from the use of heavy weapons of this kind, for nuclear weapons, as we all know, cannot be used in practice.

Mr Schön (PPE). — (DE) Mr President, ladies and gentlemen, I am against both the use and acquisition of atom bombs. It is just that I believe, Mr Dankert, that it is one thing to give or to refuse a discharge. It is a political matter. Indeed, the Commissioner has even accepted this. The Commission must accept it since the majority of the House has so decided. It is another matter to examine annual statements of accounts or to carry out an audit. For this reason I reject the comparison with an atom bomb. It is a purely technical problem, a very difficult and serious problem as I shall now show.

Neither the Treaties nor the financial regulations state whether it is merely a right to check or a right to establish figures or indeed to enter different amounts from those prepared at the Commission. Our group regards a budgetary account as an account of actual revenue and expenditure. In other words, it contains all revenue or income which actually occurs whether

or not — and this is the problem — it is in line with Community law.

The purpose of drawing up an account of revenue and expenditure is to obtain a clear view of the balance for the following year since this is the start for the new budgetary accounts. But there is a further difficulty. My group is convinced that the value of an assessment is diminished by the fact that it always takes years before an audit of the EAGGF guarantee account between the Community and the Member States is complete. Some way must be found of improving it.

The audit for 1980-1982 is currently being carried out and the changes it gives rise to could in certain circumstances again upset the audit which we have drawn up. That is why I take very seriously the Court of Auditors' criticism of this behaviour, namely that negotiations on the closure of the agricultural accounts so long after the event do not enable one to see clearly whether the expenditure was justified but in fact make it necessary to keep on cobbling together compromise packages.

Thus we as the discharge authority can only approve figures and changes which result from a false application of the principle of annuality. Whether or not this in fact is the case is something we shall have to check in connection with Mr Wettig's amendments.

In our view the principle of annuality was not violated in connection with the question of the expenditure of 33.8 million ECU since new investigations have shown that the amount was actually spent in 1982. We therefore have to reject Mr Wettig's Amendment No 3 which would mean that expenditure was not undertaken in 1982. Since the money was actually paid out it would only be a violation of the principle of annuality if it were attributed to another budgetary year.

For my part — and here, perhaps, Mr Dankert, our positions converge — it is clearly unacceptable that there has hitherto been no suitable procedure permitting the regulation of transactions which although they were more effective nonetheless violated Community law.

Finally I should like on behalf of my group to state that we accept the report of Mrs Boserup whom I should also like to thank, on behalf of my group, for her work and that we shall reject the amendments. In any event I also welcome the fact that the Committee on Budgetary Control has commissioned one of its members to look into the possibility of developing a new checking procedure.

Mr Price (ED). — Mr President, this report in effect closes the discharge procedure relating to the 1982 financial year. Last November, by a majority, the House refused the Commission a discharge. An inevitable and regrettable consequence of that is that for

Price

one year we are not able to use the unique power that this House has in respect of discharge, that of attaching to the grant of discharge comments which require action by the institution to remedy weaknesses: It is because the procedure of refusing discharge loses us that power that my group were not among those who supported that decision last November.

However, that is water under the bridge, and it is now our job to look to the future. Looking at this report, one finds there is really only one main issue, and that is whether we should alter the figures for the revenue and expenditure account for 1982. This issue was raised by the Court of Auditors in their report and has been raised by them previously. Hitherto, the Parliament has not altered the figures, although in one year it did add a note to them. So, in the case of 1982, when we received the suggestion in the Court of Auditors' report that about 24 adjustments needed to be made to the accounts for 1982, if the committee had followed that recommendation, it would have been creating a new precedent. The committee has not done that. What it had first of all was a proposal from Mr Dankert that nine of the 24 cases should be subject to adjustment: a group of 8 similar cases and another case relating to 33 million. During the discussions in committee, 8 were abandoned and we are left with 1 of the 24 adjustments suggested by the Court of Auditors, now before the House in the form of Amendments Nos 3 to 6, by Mr Wettig.

That is a totally arbitrary selection. Not a single reason has been given why that particular case should be subject to adjustment when the other 23 cases suggested by the Court of Auditors are to be left alone. I believe that that arbitrary choice reflects a failure to think through adequately what is involved.

Let me make it clear that I and my group support the idea that Parliament must look carefully at the accounts for any year, that it cannot simply accept the figures put forward by the Commission, and that it is now necessary for Parliament to address this issue properly and to work out a procedure for future years. However, these amendments do not offer that procedure. If one looks at the amendments I am afraid one finds that they actually fall into two categories which go in opposite directions. If one looks at the main amendments, Nos 3 to 6, they allege that the revenue and expenditure account is wrong and should be corrected; but if we look at Amendment No 1, it alleges that the accounts have been drawn up in accordance with the financial regulation. In other words, Amendment No 1 alleges the accounts are right, Amendments Nos 3 to 6 allege they are wrong.

In Amendment No 2, it is suggested that the House should now not just note the accounts prepared by the Commission, but adopt them. Bearing in mind that only one of the 24 corrections supported by the Court of Auditors is now being made, it does seem to me to be an extraordinary pursuit of the line that corrections

should be made, to make only one of them and then to go so far as not just noting, but actually firmly adopting those accounts. I think that that goes in exactly the opposite direction to the other amendments. Amendment No 3 corrects the figures. Amendment No 4 would have the effect of taking out the one effective way of dealing with the issue raised of the 33 million, which is to deal with it by investigation on clearance, and Amendments Nos 5 and 6 substitute, for that certain way, a totally uncertain method of putting the money in limbo, of taking it out of the 1982 accounts, of not putting it anywhere in particular from there on, and of calling for later action to regularize.

Mr President, I cannot support any of these amendments, because, unfortunately, the procedure has not yet been worked out. It needs to be worked out urgently, and the committee have decided to do that, but we cannot act prematurely today along the lines suggested by the Wettig amendments.

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — (DE) Mr President, ladies and gentlemen, the Committee on Budgetary Control has spent many hours over a period of months dealing with this matter. In the end, 16 voted in favour, none against and there were only 5 abstentions. This is a clear indication of the overall climate of the deliberations as well as their outcome.

I should like to warmly thank Mr Dankert because his critical stance induced us to examine many aspects in greater detail. Consequently, at the last meeting, Mr Dankert said that we should draw up a report together on the matter.

There is one thing however which cannot be done. We cannot when closing these accounts draw up rules which will have to be revoked in two or three years when we come to the final auditing of the accounts. That would be a very strange procedure! Consequently what we must do is — hopefully — and in cooperation with the committee find a new procedure.

Mr Dankert, it is not true what you said, namely that we did not take account of the Court of Auditors' view. Look at paragraph 2b. We say there that we shall investigate what the Court of Auditors queried when the accounts are cleared. The Commission today takes a different view. This, of course, is something which we shall have to classify and we have expressly reserved the right to do so in paragraph 2(b). That also applies to what Mr Price said. On the whole this package of amendments is not sufficiently well-balanced to produce a new system. I would ask you, therefore, to accept the report as presented by the rapporteur.

(Applause from the centre)

President. — The debate is closed.

(Parliament adopted the resolution)¹

4. Products deriving from seals

President. — The next item is the report (Doc. 2-1785/84) by Mr Muntingh on behalf of the Committee on the Environment, Public Health and Consumer Protection on Community trade in seal products and in particular products deriving from the white-coat pups of harp and hooded seals (*Pagophilus groenlandicus* and *Cystophora cristata*)²

Mr Muntingh (S), rapporteur. — (NL) Mr President, definitely all is not well with our world. In the developing countries, rain forests are being felled and giving way to deserts. Our seas are being fished empty; oceans and rivers are being polluted. The air we breathe is bad for our health. Everything is in a mess.

And the citizens, our electorate, will not take it any longer. They are afraid, whether it be the citizens of India who, through the Chipko movement, attempt with their own bodies to save the last few trees from the axe, a group of priests in Brazil who put up opposition to the shameful Carejas project, the African Wildlife Society that tries to protect what remains of Africa's wild animals, Greenpeace fighting for the survival of the last whales, or the International Fund for Animal Welfare, which is attempting to rescue the last of the seals. The citizens will not stand this any longer. They demand of us another approach to the protection of nature, for when plants and animals die out it is for good, for ever, and this is only too well understood.

The electorate will have nothing more to do with the exploiter's way of thinking, which is that you can take anything and everything until nothing more is left, and which is characterized by a certain approach, a certain way of treating plants and animals, whether it be harpooning whales, dynamiting fish, trapping, catching or poisoning wild animals or clubbing down young seals. The citizen wants us to introduce a new ethic, to revive Albert Schweitzer's credo, *Ehrfurcht vor dem Leben*, or reverence for life, and to return to a policy of 'managing' nature in accordance with the rules laid down by the World Conservation Strategy.

Today we are concerned with three animal species, two of which are treated in a manner that will no lon-

ger be tolerated by the public, while the third is on the point of extinction.

The harp seal and the hooded seal are mammals whose products we here in Europe are now reluctant to use since in our view it is unethical to use products derived from young seals for purely luxury purposes. And so the public, encouraged by the International Fund for Animal Welfare, has already decided that it wants nothing more to do with it. This same public asked us Parliamentarians to legalize their attitude, and we did so by imposing a ban on the import of products from young seals, a ban which is due to lapse on 1 October. The question now faces us whether we must maintain this ban. I think we must, and the Committee on the Environment, Public Health and Consumer Protection thinks so too, for in fact nothing has changed since we decided to impose the ban on imports. It is still true that the use of such superfluous luxury products is immoral. There is still no scrap of proof to support the view that large seal herds — and that is what we are talking about here — have to be 'managed'. That is looked after by Nature. It is still true that if we lift this ban it will be followed by a period of uncertainty for those who really have to suffer from it. I am thinking here of the Eskimos living at subsistence level in Greenland and also of the hunters in Canada who will not know where they stand if we temporarily lift the ban. Finally, Mr President, I believe that if we lift the ban there will again be tremendous public agitation, bringing with it the threat of a serious deterioration in relations between the European Community and Canada.

The Canadian Government has informed us that a Royal Commission has been set up to report on everything to do with seals, and pressure has been brought to bear on the European Community to persuade it to wait until this report has been published before extending our import ban.

For all these reasons, the four that I have given you, this is not a good thing. But on top of this, there is the fact that this report is to be published after the expiry of our import ban on 1 October. Moreover, we shall need time to pay this report the respects due to it and to study it. This means that if we lift the ban and then later, perhaps, reintroduce it, there will be a period of, say, six months' legal uncertainty: during that half-year, imports will again be allowed and large quantities can be stored up which are then peddled off slowly at knock-down prices. And that is not what we want. Finally, Mr President, if circumstances change, the Council can always, if necessary, reconsider the regulation.

For all these reasons, Mr President, the Committee on the Environment, Public Health and Consumer Protection urges Parliament to continue the ban on imports and not to renew it every year, since in that case we should every year have the same debates, the same worked-up feelings and the same suffering. Thus

¹ The rapporteur was:
— AGAINST Amendments Nos 1 to 6.

² The following oral questions to the Commission were also included in the debate
— by Mrs Majj-Weggen and others (Doc. 2-1838/84)
— by Mrs Seibel-Emmerling and others (Doc. 2-1843/84).

Muntingh

we want an indefinite ban on imports, not just for seals up to 14 days old but also for those of less than one year.

That, Mr President, is the first part of my report. The second part concerns the monk seal — actually a much more serious matter than that of seals in Canada, of which, let us be honest about it, there are still hundreds of thousands, while here in Europe we now have only a few dozen seals in the Baltic and the North Sea and a few hundred in the Mediterranean. I must point out emphatically once more that it might seem extremely curious in the eyes of the Canadians, for example, if we here in Europe were to trouble ourselves about their seals, which are so numerous, while allowing our own to become extinct. If, therefore, we worry ourselves about the seals in Canada, it is incumbent on us to take measures regarding the seals here in Europe.

The Commission is not at fault here. At the request of the European Parliament, the Commission has launched an action programme for the protection of the European monk seal, and I wish to make a point of paying tribute to the Commission and offering it my thanks. The Commission has done an especially good job, and it will therefore not be its fault if the monk seal is rescued only by the skin of its teeth.

The situation is different, however, with the Council. During the budgetary procedure, the Council recently made it impossible to continue protecting the monk seal in future, and this occurred under pressure from the Danish and German Governments. I want to say here that I have deep, deep contempt for the attitude of those who are only conscious of their immediate environment and will not spend a moment's thought on animals, animal species, elsewhere that are becoming extinct. I find that a disgraceful spectacle.

Then, Mr President, it is the member countries themselves that must do something for the monk seal. Here some progress is to be reported. In Greece, the Commission is attempting to do various things in conjunction with the Greek Government, and I must say that it is extraordinarily difficult, progress is much too slow. In Italy, absolutely nothing is being done. In France, discussions are now in progress to do various things for the monk seal, but here too progress is very slow. When one thinks that at the moment there are still seals in Greece being shot down and their skins marketed, one asks oneself, what *are* we doing? We have a few of these seals left and we carry on shooting them!

But, Mr President, we need not throw in the sponge, there is still hope. The Committee on the Environment, Public Health and Consumer Protection believes that the only way of saving these animals now is to establish a number of breeding stations in the Mediterranean area — one in Greece, one in France. This is where we are active and where the Commission

is exerting itself: hence our proposal that the Commission, within the framework of the budgetary procedure, should introduce a new line for the purpose of doing something more for the protection of the monk seal.

Mr President, we want something to be done for the seals. We want to see a new mentality. If it does not materialize for the monk seal, then things will look bad for our natural surroundings, and that also means bad for us human beings too.

(Applause)

Mrs Seibel-Emmerling (S). — *(DE)* Mr President, the Socialist Group is grateful to Mr Muntingh for his expert and carefully prepared report which demonstrates a passionate concern for preserving nature to which all varieties of animals belong and which should not be left out of consideration.

We support all the rapporteur's demands which we regard as urgent and important. This also applies to all members of the EP Intergroup on Animal Welfare of which I am the chairman. We explicitly stressed the Community's responsibility for the European monk seal which the German and the Danish Governments cannot duck. My oral question on the protection of endangered species and the survival prospects for the sea turtle whose nesting grounds are continually being destroyed was also included in the debate on this report. The outlook is very bleak. It is as gloomy as the water in which they swim and as bleak as the custom of dissecting these animals live when they are caught. In this way their numbers are being further and further reduced.

The sea turtle has become very rare and urgently needs protection. Therefore it is included in Annex I of CITE. It might appear at first sight to many that the answer is ranching; however, this would be a death sentence for the species.

Trade in these animals which is now illegal would in practice again become legal, by the back door' as it were if ranching were approved as an official goal. More animals would be placed on the market than raised in these farms and no one would be able to distinguish between products originating from animals living in the wild or those raised on farms.

Unfortunately, Rule 42(5) of the Rules of Procedure do not permit me to add an amendment to the oral question since it has only been taken as part of this debate. I can only make a passionate plea to the Commission for help, particularly by putting pressure on the governments of France and the United Kingdom to prevent the approval of ranching for sea turtles at the Buenos Aires negotiations at the end of April and the transfer of turtles from Annex I to Annex II of CITE. I believe that any action on the part of Mem-

Seibel-Emmerling

bers would be very helpful and I thank them for it in advance.

(Applause)

Mrs Peus (PPE). — *(DE)* Mr President, ladies and gentlemen, the European People's Party wholeheartedly supports the rapporteur's demand for an extension after 1 October for an indefinite period of the ban on the import of the skins of harp and hooded seal pups. This ban on imports has greatly reduced the hunting of seals.

We also support the rapporteur's call for a ban on imports for all seals less than one year old. Like the rapporteur we welcome the fact that in recent years the Commission has adopted measures to protect the seriously endangered monk seal. We call on the Commission to adopt every conceivable measure to protect the monk seal from the risk of extinction.

I should, however, like to make three critical remarks. First, all measures to protect seals and animals in general must be taken on the basis of scientific biological data. Consequently, this House — and indeed everybody — should examine with equal care the information made available yesterday by a Norwegian representative of the Council of Europe, that protection measures are unnecessary in Northern waters since it is 'overpopulated with seals' and that Norway totally abandoned the hunting of baby seals two years ago as well as the news which reached me yesterday from a so far unidentified source to the effect that Canada has decided to permit the slaughter of more than 100 000 seals in the coming season.

Secondly, my group attaches great importance to cooperation with non-government organizations, in this case private animal protection organizations. This is simply as it should be and that is why we welcome it when these organizations inform the public, collect signatures and talk with ministries. This too is as it should be. Spraying the skins of young seals with paint does not appear to us to be particularly useful since the only effect it can have is to stir up public feeling, which is only rarely accompanied by accurate understanding of the problem, and which, moreover, only serves to make the fur unusable for the hunter, without protecting the seals.

Thirdly, animal protection is an important issue for the EPP Group and one on which we always take offensive action. Cruel methods of slaughter must clearly be prohibited and we must vigorously resist killing animals except where absolutely necessary to provide food for local populations. We feel that it would be disastrous if, as has happened repeatedly in the case of the rapporteur and particularly of the Committee, animal protection were to be raised to the level of an ethical and moral problem and in practice given the same importance as the protection of unborn

human life, since we know and hope that our more thoughtful citizens would be repelled rather than impelled to support our efforts to protect seals by this kind of argument.

(Applause from the centre and right)

Mr Seligman (ED). — Mr President, as co-chairman of the Parliamentary Intergroup on Animal Welfare, of which you also are an outstanding member, I strongly support Mr Muntingh's motion for a resolution calling for an indefinite extension, beyond 1 October 1985, of the ban on imports into the EEC of skins of all seals less than one year old. It also calls for a new line in the budget entitled: 'Protection of endangered animal species of Community interest', which includes, of course, Mediterranean monk seals. Now this is not an anti-Canadian measure. It is a moral issue that mindless cruelty to baby seals in front of their mothers must cease. It is the method of killing as much as the scale of killing which is unacceptable.

The ban of 1 October 1983 has proved outstandingly effective. The number of harp seals caught has fallen from 165 000 in 1982 to only 20 000 in 1984. It is one of the most important pieces of legislation which actually originated in this Parliament and was forced through the Council of Ministers by the moral power of this Parliament. In saying this, I think all credit must go to Mr Muntingh, Mrs Maij-Weggen — who is not here, unfortunately — to Stanley Johnson, to the Intergroup for Animal Welfare, but, above all, to the thousands of outraged citizens in our countries who demanded this ban and bombarded us with letters and appeals. They must have the main credit for this action.

Let us make the ban indefinite and let us set a permanent seal on this matter.

Mrs Thome-Patenôtre (RDE). — *(FR)* Mr President, speaking for the European Democratic Alliance, I wish to express our wholehearted support for Mr Muntingh's report as regards the ban on imports into the EEC of skins and other products derived from seal pups. I want to see this ban prolonged indefinitely, as Mr Seligman has also just stressed, for, as you know, the Convention lapses on 1 October 1985.

This step would reduce the scale of what amounts to a veritable massacre — I am speaking of the hunting of seal pups in Canada, this slaughter. Everyone remembers the photos showing the bloody spectacle of seal pups knocked down with bars of iron on the ice floes. This practice is contrary to all the laws on animal protection and even to the principles of hunting, which respect young animals. It also goes against one of the finest instincts and the most powerful motive to be found among mammals — the maternal instinct, since the seal pups are battered to death before the eyes of the mother.

Thomé-Patenôtre

It behoves me, as honorary president of the French Society for the Protection of Animals, to express especial praise of the provision in Mr Muntingh's report calling for an extension of the ban on imports of all seal pups less than one year old. This has also been stressed by my colleagues.

Moreover, to switch to the economic aspect, Canada is a big enough and rich enough country to find another solution for the employment of an extremely temporary labour force — for this question of employment is always the argument brought forward — since this killing of seal pups goes on for no more than 15 days a year. Under these circumstances, a solution should be possible. Let me add, however, that the people of Canada must not take our action as a gesture of hostility, for it is concerned only with the suffering of animals in all countries, including our own.

I think it will redound to the credit of this Parliament if it votes in favour of a report testifying to our interest in the protection of the environment — stressed by Mr Muntingh — and the protection of animals and to our readiness to lend an ear to European public opinion, which is assuredly scandalized by these procedures.

Our group will vote in favour of this report. We thank Mr Muntingh and his colleagues in the Committee on the Environment for the quality of their work.

(Applause)

Mrs Van Rooy (PPE). — *(NL)* Mr President, I convey the apologies of Mrs Maij-Weggen, who is compelled for urgent reasons to be in the Netherlands. I am replacing her now to bring forward once more the most important elements in her oral question.

The purpose of Mrs Maij-Weggen's question is to concentrate attention once more on the fact that the two-year ban on imports runs out on 1 October, and to ask the Commission whether it appreciates that the procedure for extending the import ban must be launched in good time. We also want to ask the Commission whether it realizes that if the import ban is not extended beyond 1 October, the hunting of these animals will spread again rapidly.

We also want to ask the Commission whether it is aware that while the hunting of very young seal pups has been reduced to a minimum thanks to the European ban on imports, there is a danger that the next victims will be somewhat older seals. We have heard that for these somewhat older seals, beaters are to receive a quota of 106 000 animals. Can the Commission confirm this, and, if so, is it prepared not only to prolong the existing ban on imports of very young harp and hooded seals, but also to extend it to cover somewhat older young animals?

When, Mr President — and this for us is a very important point — can the Parliament look forward to

seeing proposals for a prolongation of the import ban, and, above all, when will this item come up on the agenda of the Council of Ministers so as to prevent this import ban from lapsing for any period of time?

Finally, Mr President, the seal hunt is due to resume within a few weeks. We know that the vessels are delaying their departure and waiting for a signal from the EEC. This goes to show once more how important it is that a clear answer should be given without delay by the Commission.

Mr Habsburg (PPE). — *(DE)* Mr President, I should like to begin by supporting all the previous speakers who congratulated Mr Muntingh on a balanced and carefully prepared report. I should be happy if we could have reports like his more often.

I should like in particular to stress one point in Mr Muntingh's report, namely the whole question of monk seals and what this in fact means. It is tragic at a time when so many animal species are becoming extinct that we should all at once adopt restrictive measures limiting the protection of animals in particular sectors. There are so many other sectors in which the danger is just as great. I should like to thank Mr Muntingh for insisting that the Commission should concern itself with endangered species more closely than it has done in the past. I should also like to express the hope that there will soon be an end to the pressure which, unfortunately, has come from Germany since particularly in Germany we need better protection for various endangered species. As Mr Seligman correctly pointed out, the matter has a strong moral component.

This situation has demonstrated Parliament's moral strength, and I should therefore like to associate myself with a remark made by Mrs Peus, whom I thank for this suggestion. Of course we must make every effort to protect endangered species, but we should not forget that abortion is also wrong. A film by Professor Natanson taken in the largest abortion clinic in the United States has arrived in Europe. The film is called *The Silent Cry*. It is soul-shattering since it shows what the foetus has to endure. Therefore 'Yes' to animal protection but also 'Yes' to protecting human beings who are unable to defend themselves.

(Applause from the centre and from the right)

Mr Prag (ED). — Mr President, without being in any way against what Mr Muntingh has said on the question of monk seals — indeed, I support what he says — I shall confine my remarks to the question of the slaughter of harp and hooded seal pups.

The culling of baby seals is as bloody and cruel now as it was when we debated this matter in 1982. They are battered to death when a few days or weeks old in

Prag

front of their mothers. If seals have to be culled, and there is little evidence that harp and hooded seals need to be culled, then the culling should not be of baby seals. It should be of full-grown fertile female seals and done in the most humane possible way.

My second point is that if it was right to ban imports of these products into the European Community for two years, then surely it is right to ban them permanently. Humanity is not something which can be allowed to fade away after two years.

Thirdly, British Members of this Parliament have a very close relationship to their constituencies. My constituents in large numbers continue to make it perfectly clear to me that they do not want the slaughter of baby seals to be resumed. Neither should we, neither should the Commission and neither should the governments of the Member States. We in the European Community have the means to stop it permanently and we should use it. I hope the Commission will make the necessary proposals.

Mr Patterson (ED). — I merely wish to put on record that I shall be voting for the Muntingh report with enthusiasm. I am not a member of the Committee on the Environment, Public Health and Consumer Protection, but from the start I have supported the reports of that committee, particularly the Majj-Weggen report which instituted the October 1983 ban.

I believe that that ban was one of the finest achievements of this Parliament since it was elected, and I cannot conceive of anybody now wanting to vote against the Muntingh report. It would repudiate everything we had done. What is more, people in our constituencies and throughout the whole of Europe and indeed throughout the world know that the European Parliament achieved that ban. We had to bully governments, including my government and the German government, and we succeeded. Therefore, I shall look forward with interest to what the Commission says about the pressure it intends to put on Member State governments to renew this ban. I agree with everything that has been said by Mr Prag, Mr Seligman and others about the cruelty of the slaughter of baby seals. Quite clearly, the Muntingh report must be supported for these reasons.

It should also be supported for constitutional reasons. Democratic representation of the people of Europe succeeded when we passed that original ban, and we cannot let down those people who voted for us now.

(Applause from the European Democratic benches)

Mr Cassidy (ED). — Mr President, I welcome the fact that the European Parliament has taken the lead in urging the Community to extend its ban on the import into the EEC of products coming from young

harp and hooded seals, proposing to prolong it indefinitely beyond the two-year ban originally proposed in the EEC directive which came into force on 1 October 1983. Many people in the Euroconstituency of Dorset East and Hampshire West are angry with the Canadians for continuing to use cruel methods of seal-culling. My British Conservative colleagues who have seen the seal-culling operation for themselves have told me that the spectacle is disgusting and stomach-turning. Apart from the Ethiopian famine, the subject of seal-culling is the one about which I have had more constituents' letters than any other. This barbaric practice should be banned by the Canadian Government.

(Applause)

Mr Sutherland, Member of the Commission. — Mr President, I would like at the outset to thank Mr Muntingh for his excellent report and the other speakers for their contributions to the debate. It was notable that there was a total sense of unanimity in the views that were put forward throughout this debate, and the Commission is, of course, aware of the fact that the directive which has been referred to in the course of the debate expires on 1 October of this year.

This Commission has not yet adopted its position on the issue. For one thing the scientific data which are required to underpin the position of the Commission with regard to the conservation aspects of the directive have only recently become available and the assessment of these data has not yet been completed. But the matter will be submitted in good time to the Commission for a decision to be taken. Of course, the views which have been expressed with such vigour and unanimity today are matters which are and will be of considerable importance. Whilst I am not in a position to prejudge the Commission's ultimate attitude in the matter, I can say that Mr Muntingh's forceful and cogent argument on the issue and the point of view expressed by everybody else will of course be brought to the attention of the Commission and considered.

On the second point raised in the resolution, I would like to recall what my colleague, Mr Narjes, has stated before Parliament on several occasions. The list of products covered by the directive forms an integral part of a carefully balanced measure and it covers the products of those seal pups which were the essence of the moral issue which has been adverted to here today. As hardly any whitecoats or bluebacks were taken in 1983 and 1984 or indeed are expected to be taken this year, I should add that the directive has been effective. Under these circumstances, future measures might therefore not need to be extended to further products.

Two short remarks on questions raised. It can indeed not be ruled out that in spite of the present poor market conditions, a lift of the import ban would act as an incentive to the sealing industry. That aspect will be

Sutherland

one, I am sure, which will be considered very seriously and taken into account in reaching a decision on the matter. I cannot agree that an increasing number of older sea pups were taken. Sealing statistics indicate that the hunting level remained stable.

As far as the conservation of the monk seal is concerned, the Commission has published the report *Special measures for the conservation of monk seals in the European Community* and is presently promoting research and work, referred to by the rapporteur, as well as a three-year action programme. The creation of a new budget line will depend on the results thereof. I should say that I am grateful for the compliments which have been paid to the Commission in this regard during the course of the debate.

On the questions raised with regard to sea turtles, I should first of all confirm that the Commission is aware of their endangered status as well as of reported cruelties linked to their exploitation. However, in 1981 the parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora adopted a resolution on the ranching of endangered species. A ranching operation must, of course, be primarily beneficial to the conservation of the local population of the species involved. In other words, it must contribute to its increase in the wild and its products must be adequately identified and documented to ensure that they can be readily distinguished from products of other populations. There must also be an assurance that the operation is at all stages carried out in a humane manner.

In my opinion, these provisions take adequate account of the conservation and animal welfare issues raised in the questions of the honourable Members of Parliament. The Commission hopes that with the effective identification of finished products without which a ranching operation does not qualify for approval, ranching has the advantage of diverting trade away from illegal exploitation in the wild. It should be realized that the conservation of habitats requires the sup-

port of local populations and involves in many cases financial commitment. Ranching is considered to be an effective incentive to the maintenance of habitats. The Commission has carefully examined the ranching proposals submitted to the fifth meeting of the conference of the parties to the Washington Convention. Scientific and technical data currently available with regard to these proposals concerning the La Réunion ranch and the proposal from Surinam meet the criteria of the resolution. Products of the Cayman turtle farm should be admitted to trade in order to enable it to continue its unique captive breeding operation which makes valuable contribution to scientific research on the biology of sea turtles.

With regard to the point raised by Mrs van Rooy — 106 000 beaters catch quota — that figure is an annual quota used for the last couple of years. The actual catch is much less. For 1985 Canada intended to set a quota which is more in line with the number taken in 1983 and 1984, which is about 30 000.

In conclusion, I would like to thank the rapporteur again and also those who contributed to the debate and expressed with such cogency a view which is plainly felt very deeply by Members of Parliament and by the population of Europe as a whole.

(Applause)

President. — The debate is closed.

(Parliament adopted the resolution)

5. Adjournment of the session

President. — I declare adjourned the session of the European Parliament.¹

(The sitting was closed at 11.55 a.m.)¹

¹ *Written declarations entered in the Register (Rule 49) — Forwarding of resolutions adopted during the part-session — Date of next sessions: see Minutes.*

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