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NOTE TO READER

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

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

SITTING OF MONDAY, 3 NOVEMBER 1980

1. Resumption of the session	1	Section III — Commission — (Doc. 1-540/80) and Mr Ansquer (Committee on Budgets):	
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3. Verification of Credentials	2	on Section II — Council — of the draft general budget of the European Communities for the 1981 financial year (Doc. 1-542/80)	
4. Request for the waiving of parliamentary immunity of two Members	2	on Section IV — Court of Justice — of the draft general budget of the European Communities for the 1981 financial year (Doc. 1-543/80)	
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IN THE CHAIR: MRS VEIL

2. Tribute

President

(The sitting was opened at 5.30 p.m.)

President. — The sitting is open.

1. Resumption of the session

President. — I declare resumed the session of the European Parliament adjourned on 17 October 1980.

President. — I have learned with regret of the death, after a painful illness, of Mr Heinz Schmitt.

Mr Schmitt, who was born on 30 August 1920 in Brackwede, has been a Member of this Parliament since the 1979 direct elections. Mr Schmitt was a member of the Socialist Group and of the Committee on External Economic Relations. On behalf of the House I have sent my sincere condolences to his family and to his political group.

I invite the House to observe a minute's silence in his memory.

(The House stood in silence for one minute)

3. Verification of credentials

President. — At its meeting of 28 October 1980 the Bureau verified the credentials of Mr Lopkowski whose appointment was announced on 14 October 1980.

Pursuant to Article 3 (1) of the Rules of Procedure the Bureau has established that the appointment complies with the provisions of the Treaties. I therefore propose that the appointment be ratified.

Are there any objections?

The appointment is ratified.

4. Demand for the waiving of parliamentary immunity of two Members

President. — I have received from the competent authorities of the Federal Republic of Germany requests for the waiving of the immunity of Mr Aigner and Mr Herklotz.

Pursuant to Rule 51 (2) of the Rules of Procedure these requests will be referred to the appropriate committee.

5. Documents received

President. — Since the session was adjourned I have received from the Council, Commission, the parliamentary committees and Members various documents which are listed in the Minutes.

6. Texts of treaties forwarded by the Council

President. — I have received from the Council certified true copies of various agreements and acts. These documents which are listed in the minutes will be deposited in the archives of the European Parliament.

7. Authorization of reports — Referral to Committee

President. — Pursuant to Rule 38 of the Rules of Procedure I have authorized various committees to draw up reports. Details of these authorizations together with the various referrals and decisions are set out in the minutes.

8. Order of business

President. — At its meeting of 25 September 1980 the enlarged Bureau prepared the draft agenda for the part-session, and this has been distributed (PE 67.956/rev.).

¹ See minutes

As is customary the only item on the agenda is the draft general budget of the European Communities for 1981.

Are there any comments?

The order of business is adopted.¹

9. Speaking time

President. — In agreement with the enlarged Bureau I propose to allocate speaking time as set out in the draft agenda.

Are there any objections?

That is agreed.¹

10. Deadline for tabling amendments

President. — I have fixed the deadline for tabling the last amendments and proposed modifications after the report of the Committee on Budgets and for the amendments to the motions for resolutions contained in the Ansquer and Adonnino reports at 10 p.m. on Tuesday, 4 November 1980.

11. General budget of the European Communities for the 1981 financial year

President. — The next item is the debate on the draft general budget for 1981 on the basis of the following reports drawn up on behalf of the Committee on Budgets:

- Adonnino report (Doc. 1-540/80) on the draft general budget for the European Communities for 1981 (Doc. 1-465/80)
- Section III: *Commission*
- Ansquer reports (Doc. 1-546/80, 1-541/80, 1-542/80, 1-543/80, and 1-544/80,) on sections:
 - I: *Parliament*
 - II: *Council*
 - Annex (*Social and Economic Committee*) of Section II
 - IV: *Court of Justice*
 - V: *Court of Auditors*

of the draft general budget of the European Communities for 1981.

Before calling Mr Adonnino to speak I should like to draw your attention to a practical matter. Because of the acoustics in the Chamber individual conversations can easily

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cause an unpleasant background noise. I therefore ask you to exercise restraint in this regard during the debates and particularly during the votes.

I call Mr Adonnino.

Mr Adonnino, rapporteur — (I) Madam President, Mr President-in-Office of the Council, Commissioners, ladies and gentlemen: the 1981 financial year presents factors at once more complex and more decisive for the Community than those affecting its predecessors.

While successfully justifying its economic and political existence in an international climate of great uncertainty, the Community must also resolve its own internal tensions. The question of the Community's ability to fulfil its commitments prompts increasing demands for reconsideration of its means, objectives, and institutional structures. This already difficult situation is further complicated by characteristics peculiar to the 1981 budget itself.

The first of these is the imminent exhaustion of own resources due to the attainment of the VAT ceiling.

The second concerns the accession on 1 January 1981 of a tenth country, to the Community. While wishing to extend a welcome to Greece, I am obliged to assert that enlargement will involve problems of increased expenditure on the organizational level. Income will also be increased, but in accordance with the special stipulations temporarily exempting Greece from the payment of own resources (the sixth VAT directive will apply to Greece only from 1984, and alignment on the Common Customs Tariff from 1986) part of the Greek contribution must be refunded.

Commitment appropriations of 700000000 EUAs and payment appropriations of 480000000 EUAs have been earmarked for this purpose.

The third factor affecting the budget is the so called 'British problem', whose financial solution accounts for a net sum of 1175000 EUAs for 1981. Taking into account the British contribution itself, the figure in the budget becomes 1544000 EUAs, or 8% of the total.

With the decisions of 30 and 31 May, the Council requested of the Commission that measures be taken in 1981 to rebalance the budget. This effort should include a reconsideration of the various policies and of the costs and benefits accruing to each Member State. Particular attention should be paid to the widespread anxiety felt, especially by the governments of the Member States, concerning the increase in public spending. This increase, sometimes difficult to control, tends to impede progress towards harmonious growth and jeopardize the Community objectives set forth in Article 2 of the Treaty of Rome. What is more important, it poses a potential threat to the principle of Community solidarity, which can only be strengthened through possession of the means necessary to develop common policies.

It is necessary to emphasize clearly that the 1981 budget follows the first exercise of the parliamentary power in the context of the 1980 budget to reject a budget *in toto*. This occurred in December, and final approval was granted only in June of this year.

The principal reasons for this rejection are known to everyone, and I will only recapitulate them briefly: the problem of controlling agricultural expenditure, especially in areas affected by surplus production; the problem of the abnormal rate of increase in non-compulsory expenditure on which it is difficult for Parliament and the Council to reach agreement; and the problem of the budgetization of borrowing and lending activities and the EDF.

Measures had been taken towards solving some of these problems when the 1980 budget was approved, but the others were postponed for discussion until 1981, and therefore now reassert themselves with all their accustomed vigour.

The preliminary draft presented by the Commission called for commitment appropriations of 21731 million EUAs and payment appropriations of 20051 million EUAs. This constitutes a respective increase of 25.5% and 27.9% relative to 1980 and a 0.95% utilization of income derived from the VAT.

This budget, logically enough, included no provision for agricultural prices. The Commission in the policy introduction recognized the omission, but asserted that once the issue had fully developed financial measures could be taken within the existing budgetary framework.

We consider the evaluation of the policies to have been inadequate. The Commission had expressed the intention to include no new policies where the legal basis had been judged insufficient. In exceptional cases, it took into consideration only those for which regulation was pending in the Council, and for which prompt implementation could be foreseen. The Commission itself has defined this preliminary draft budget as a 'transitional document', but even in this context it has failed to exploit its power of initiative and — though dissenting from the Council's conclusions — to strike a proper balance between the Council on the one hand and the Parliament on the other.

In the draft approved on 23 September, the Council reduced commitment appropriations by 829 million and payment appropriations by 812 million. Due to the letter of amendment presented in Parliament regarding the problem of Portugal, these figures have become 758 million and 770 million respectively. The percentage of growth in respect to 1980 has thus decreased to 20.7% for commitments and 22.7% for payments.

The Parliament, though aware of the factors influencing the Council's decisions — factors roughly corresponding to the budgetary characteristics I have just described — finds this draft budget unacceptable. I hope that a more appropriate solution to the problems in question may emerge from the present report.

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In response to anxiety concerning agricultural prices, the exhaustion of own resources, and the possibility of additional expenses arising in the course of the fiscal year, the Council effected rigorous cuts in the only area possible: that of non-compulsory expenditure. In so doing, it fell back on the simple arithmetical increase rate, unwilling once again to heed the precise recommendations of Parliament. In first determining available financial resources and then tailoring the policies to fit them, the Council is guilty of an improper use of Community procedure. Policies should first be analysed and evaluated, the available funding established, and then an effort made to strike the balance between them that is so essential for Community development.

Similarly, the Council has once again refused to incorporate borrowing and lending operations and the EDF into the budget, as the Parliament has long called on it to do. How should the Parliament react to this refusal? Various proposals have been advanced: it could pursue the clear and rigid course initiated last year and reject the budget on the first reading. It could make an emphatic political protest by refusing to examine the document, thus allowing it to stand by default. It could even go so far as to declare the budget incapable of amendment as it stands, and abandon a foredoomed attempt to exercise its powers. The great majority of the members of the Committee on Budgets, this rapporteur included, reject these proposals and hold on the contrary that it is the Parliament's duty towards the Community to make full use of its prerogatives. Parliament should seek a correct interpretation of its rights by the Council as a matter of course, and urge that the complex and unprecedented budget procedure be brought to completion in a proper manner through the joint efforts of the two institutions concerned. Only in this way can the procedure result in an acceptable document, and Parliament calls on the Council in precise terms to this effect. Parliament has therefore decided to exercise its prerogatives and, in so doing, continue along the lines traced in the budget procedure.

The peculiar nature of this procedure stems from the fact that the authority to make the final decision is shared by two institutions, the Council and the Parliament, which are to act in cooperation. This point should be underlined: it is cooperation, and not conciliation, as in the legislative procedure, which is stipulated in the 1970 agreement. The logic is clear: if there is but one budgetary authority, then the Parliament and the Council are not separate institutions in confrontation, but rather the two parts of a single whole, pledged to reach agreement through cooperation. We appeal to the Council to regard our common activities in this light and to act on this assumption in the course of the procedures to follow.

In order for the 1981 budget to be an occasion for progress, steps must be taken to deal adequately with several pertinent issues. The first is the problem underlying the distinction between 'compulsory' and 'non-compulsory' expenditure. I believe we are all agreed that this definition is already somewhat bizarre; it exists in the treaties and in our legislation for the sole purpose of describing certain pow-

ers apportioned between the two institutions. It has no other justification, and no other meaning, though susceptible to various interpretations. That apparently adopted by the Council, which allows it to judge on each separate occasion the extent of parliamentary power by labelling budget items 'compulsory' or 'non-compulsory', is incorrect and should be vigorously opposed. The Council must be reminded that the compulsory nature of Community spending in regard to third parties is distinct from that expressed in the Treaty, whose purpose is to divide power between the Council and the Parliament. To evoke the concept of compulsory expenditure each time the Community contracts an obligation towards a third party is a meaningless manoeuvre constituting a wilful distortion of the ideas contained in the Treaties.

I here express the hope that the Council will adopt an interpretation permitting the pragmatic evolution of this definition to continue along the lines indicated in the past. I also hope that the Council will consent to reexamine, together with the Parliament, the classification of certain important and sizeable budget items, including food aid, the orientation of the EAGGF, fisheries, cooperation with third countries, and others which I here omit for the sake of brevity.

The next problem to be considered is that of the increase rate for non-compulsory expenditure. Up to the present it has been agreed that the maximum rate should apply to commitment appropriations as well as to payment appropriations. Parliament, upon examining the matter more fully, has found this unacceptable, for the rate is calculated according to annual factors, and is therefore inappropriate for commitment appropriations, which must be projected multiannually. Parliament is well aware, however, that there must be a logical and constant relationship between commitments and payments, one which is established and evaluated by the two arms of the budgetary authority and not merely applied in a mechanical manner. Perhaps it should remain fixed for a certain number of years, while allowing for adaptations to various policies and initiatives.

Because of the importance of this issue to the question of parliamentary powers, restricted as they are by the Council's definitions, it must immediately be emphasized that certain increases cannot be ascribed to the Parliament's margin of manoeuvre. I refer in particular to the 112 million EUAs for the ECSC which we presented as a parliamentary initiative solely because the Council had declared a state of manifest crisis in the steel industry. The Parliament does in fact wish to intervene, but it clearly cannot accept the near exhaustion of its margin through the inclusion of this 112 million.

I will now go on to the third in a series of problems which form the major source of contention between the Parliament and the Council, though they may appear as mere preliminaries. I refer to the 'legal basis', a question calling for an immediate clarification of the budgetary concepts held by the two institutions. The Council, and often, in its wake, the Commission, asserts that lines of credit cannot be incorporated into the budget without a legal basis to be

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constituted by regulations submitted by the Commission. It is clear that this viewpoint results in a budget which would be a mere administrative record of decisions made without parliamentary participation.

We are aware that in the matter of regulations final authority rests with the Council, while the Parliament has the right only to give an opinion. If the legal basis is a prerequisite for inclusion in the budget and a regulation the sole authorization for subsequent expenditure, then clearly the budget becomes a mere list of preformulated decisions. I do not believe that this is the budgetary concept set out in the Rome Treaties.

The budgetary document should in itself constitute a decision, and provide direct authorization of expenditure for those bodies responsible for it. Complex cases may arise where the budgetary authority may consider regulations necessary, and in that event both arms should together request the Commission for a proposal concerning the relevant line of credit on the budget. The Council should commit itself to the approval of this proposal in consequence of its earlier agreement to budgetize the line of credit. Authorization of expenditure, which derives directly from the budget, would remain contingent upon approval of the regulation, but this approval in itself would not constitute authorization: it would be rather a signal for immediate implementation.

(Applause)

It must once more be emphasized that such regulations cannot be used to determine the amount of expenditure or to impose a ceiling on it, for this would again mean reducing the budgetary document to a list of external decisions made through procedures where Parliament has only advisory powers.

I would remind you, furthermore, that in the course of the Community's complex development, procedures have frequently been the subject of contradictory interpretations on the part of the same authority. These interpretations have often been vague and contentious, taking their definitive form only after prolonged examination. The Council itself, for example, created a precedent by permitting the lines of credit regarding aid to developing countries to be entered in the budget, the lack of a legal basis notwithstanding.

This brings us to one of the sore points in the rejection of the 1980 budget: the budgetization of Community borrowing and lending operations. At present such operations account for the considerable sum of 9000 million EUAs, of which some 5000 million are under the authority of the Commission. The situation of the EDF is similar. I believe that the issues should be dealt with separately. Due to the difficulties I have mentioned, the Community has been tending towards an increasingly developed policy of borrowing and lending, especially in the investment sector. The satisfactory results obtained in the first trial of Community borrowing mechanisms indicate that efforts should be continued in this direction.

Is it really desirable that such important financial activity should remain beyond parliamentary control, or that, since it is not, strictly speaking, expenditure, it should be undertaken where Parliament can only give an opinion?

We reject this absolutely and hold that the budgetization of borrowing and lending operations must involve Parliament in decisions concerning guarantees to creditors, the amounts themselves, and the application of annual ceilings. The resulting overall picture would provide the Council and the Parliament, as the two arms of the budget authority, with means for informed control and confirm guarantees to creditors.

If this were not done, the Parliament, in approving the budget and along with it the token entries concerning third party guarantees, would in effect be guaranteeing what it has not decided upon. Such a distortion should be remedied beginning with this 1981 budget.

I believe the Parliament to be in agreement with the Commission's proposal to include the guarantee in Part I and to create a Part II to be incorporated organically into the budget. From this second part, which would be a capital budget for borrowing and lending, would derive authorization for the Commission to proceed with the implementation of each item.

The problem of the budgetization of the EDF is of a different nature. In a further unfortunate instance of wilful misunderstanding of parliamentary powers, the fifth Fund has already been established, thus nullifying Parliament's efforts to have the relevant appropriations entered in the budget. Since Parliament can rightfully expect the recognition of its powers in this area, it should press the Council for an agreement to include the EDF as soon as possible. The EDF has derived no benefit from the progress represented by the changeover to own resources, since it continues to be funded through Member State contributions. Such contributions should be abolished in favour of universal reliance on the principle of own resources.

As a consequence of the 1970 decision, a triennial provision by the Commission was introduced into the budgetary context, to be accompanied by an examination by the Council and a parliamentary opinion. The provision was adopted with a view to clarifying the overall budgetary strategy of the Community, and its apparent neglect has seriously curtailed the influence of a document vital to Community development. The value of such a strategy in the present crisis of Community development is incontestable; equally clear is the fact that on an issue of such importance Parliament, as part of the budget authority, cannot limit itself to a mere opinion.

This year in particular, instead of the usual multiannual financial projections, we have only a 'hypothesis' regarding the evolution of the budget, predicting that over the next few years there will be an estimated 10% increase in annual resources.

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The vagueness of the provision is probably due to difficulties inherent in the period of transition that must precede the 1981 proposals. The rates of increase estimated for agricultural expenditure (6%, 12%, and 18%) and other items, particularly the Regional and Social Fund (12% and 25%), seem upon examination to bear little relation to current growth tendencies. The document has clearly failed to anticipate even the general direction which the Commission must take in its proposals for the coming year. In the energy sector, to which the Parliament attaches great importance, there is allowance for an estimated 12% or 25% increase, a figure as unacceptable as it is absurd.

I will now discuss the issue of public spending, one of several important problems which tend to impede the balanced development of the Community. Parliament, which bears responsibility in this area, shares the Council's anxiety while responding to it in a different manner. I believe it an error to lump Community public spending together with that of the separate Member States. Community policies differ from those on the national level, especially insofar as the one may be affected by the other.

I believe that a doctrine of Community public spending has never been formulated, and that it is time to call upon past experience to do so. It would become evident that in principle Community public spending and its national alternatives (substitute, or, more rarely, supplementary spending) should aim at sustaining and stimulating economic activity, especially in investment, instead of contributing to the increase of worldwide financial pressures. If the Council could be brought to share this view, the negative and obstructive attitudes now held with such tenacity by the Member States would disappear.

According to the most recent definitive statistics available, those for 1979, the Community budget amounted to only 2.8% of the budgets of the Member States, only 1.76% of national public spending, including regional and local spending and the cost of social obligations, and 0.83% of the gross national product. It is from this perspective that the problem should be approached. Though the Commission has made and continues to make an effort to evaluate the effectiveness of Community programmes, the means at its disposal are perhaps inadequate to provide the basis for a constructive solution. The Spierenberg report, excellent but too often ignored, offers some suggestions concerning the minimum effort necessary to render spending effective and also deals with the all-important question of priorities.

The other point to be raised concerns the proposals for 1981. The Council has apparently decided to await the appearance of new factors, meanwhile drawing up the 1981 budget in terms of normal administration, leaving a sufficient margin of resources for future needs but making no initiatives in favour of balance and development. This is a mistake. I believe — and the Committee on Budgets agrees with me — that Parliament should seize the opportunity afforded by the 1981 budget to determine the general outlines of long-term Community action and urge the Member States to pledge their support. In so doing Parliament

should call to the attention of Member States the fact that European policy ought not be understood as part of national foreign policy, but rather as an integral part of all national policies. Parliament will indicate a multiannual strategy, whose outlines are already visible in this report, and will be on the alert in the coming year to see if its suggestions are heeded in the proposals of the new Commission.

As was mentioned earlier, the approaching exhaustion of own resources is a problem which must now be faced. I believe that the issue should be seen in dynamic rather than static terms, as representing a stage in the evolution of own resources finance. The changeover brought about by the decision of 21 April, 1970 from national contributions to own resources was universally hailed as a great step forward, but if this changeover and the 1% VAT ceiling had been considered as constituting a limit to Community financial resources, reactions would not have been so positive. The damage to the Community through the cessation in development when the ceiling was reached would have been foreseen and lamented.

I believe that the temporary adoption of the 1% VAT ceiling was intended to regulate the initial phase of own resources financing and to accompany gradual Community growth. If this interpretation is correct, we must recognize that this initial phase is now coming to an end, and that normal growth patterns have brought us to the beginning of a second phase.

If increases in Community expenditure were not permitted to exceed the normal growth rate of resources, the Community would be unable to perform some of its basic tasks and would be condemned to eventual dissolution. A return to the system of national contributions, which is now being considered in some quarters, would be a great and possibly irreversible step backwards. The Parliament opposes such a step and will express this opposition when it votes on the orientation of the studies made by the Committee on Budgets and its special subcommittee. Thereafter it will naturally be on the alert to see if its guidelines are being followed.

It has been necessary to present these general problems first, since they form the context of the responses to individual items. The Committee on Budgets has examined no fewer than 431 suggested amendments to the draft budget and approved 178 of them, sometimes with modifications. All together, approved amendments for payments totalled 878 million EUAs and those for commitments 1 198 million EUAs. Often the amounts suggested by the Commission were reinstated, and sometimes increased. In some, extremely important sectors, such as that of energy, for example, qualitative changes were made. These alterations are not unreasonable for a first reading; rather they demonstrate a sense of responsibility, especially considering the many possibilities of modification and settlement offered by the budget procedure between the first reading and the second.

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Regarding the operational expenses of the Commission, the Committee on Budgets recommended a reduction of 235 million EUAs. The general effort towards reduction on the part of both Commission and Council has been appreciated, but there are still certain remarks to be made. There is a problem connected with rationalizing the operation and number of committees for management and consultation. In the case of certain other items there were expenses which did not appear to be justified, such as the almost 100% increase for the publication of the Official Journal. Difficulties exist concerning the University Institute in Florence, which is still funded by Member State contributions despite repeated parliamentary requests that it be brought under Community control.

A separate problem has arisen concerning the staff of the Commission. The European Civil Service in general has suffered from various circumstances, including the negative effects of preceding budgets. The Committee on Budgets recommends approval of the Council's proposals regarding staff increases necessitated by the accession of Greece, and itself proposes the creation of 75 new permanent posts and 25 temporary posts. This would account for all the amendments proposed by various committees for purposes to be suggested to the Commission, which remains responsible for its own internal organization. Because of the severe career damage sustained by the staff of the Commission, we have recommended approval of the proposal to reclassify 160 posts. The problem of 'titularization', i. e. of regular integration into the Community organization, applies to some 32 agents of the EAC working with the Commission and some 55 local agents. The Committee on Budgets has decided that the titularization of the local agents should be effected gradually, and that therefore all proposals need not be acted upon at present.

Another point at issue, which has not yet affected the budget to any appreciable degree, is that of the Commission's nine proposals regarding staff policy. As presented to the Committee on Budgets, these proposals contain certain measures designed to provide incentives which would permit some higher grade officials to leave the service earlier. They also would favour a greater horizontal mobility and allow people employed in external management posts to join the regular Commission staff. The proposals are tempting, but may involve dangers which should be recognized and examined beforehand.

The first danger is the possible negative effect on the staff as a whole in the event that individuals were let go in a manner detrimental to their interests.

The second danger, a political one worthy of parliamentary attention, is that the admission of management personnel from outside the Civil Service might weaken the Community spirit which it has taken so much time to create. Persons recruited in this manner might not share this spirit, and therefore be more open to the type of regional influences now observable in the Member States.

Since time is pressing, I will immediately go on to one of the central issues of the budget, the problem of agricultural

expenditure. It should be made clear at once that no one has ever contested the fundamental role of the CAP, which has justified the development and indeed the very existence of this Community. At the same time it must be stressed that surplus production in certain sectors has created problems whose very dimensions are evidence of the policy's qualitative impact on Community agricultural expenditure as a whole. The Council's restrictive attitude in leaving very little room for other types of expenditure has contributed towards the creation of the British problem and threatens to create others. Food aid and certain other programmes, which are not an integral part of agricultural policy, though clearly related to it, are included under the same heading. This observation can be made only for the record, however, since the Commission has opposed any modifications in this area.

The effect of agricultural policy on Community policy as a whole for 1980 has stabilized. The 13.7% increase between 1980 and 1981 is relatively moderate, but the Commission has made no provision for agricultural prices, hoping to finance them in the same budget. It has become apparent that 'in the same budget' means in the same agricultural policy and the same EAGGF, Guarantee Section, as the Commission will surely confirm in the course of tomorrow's debate. During the discussions with the Committee on Budgets, precise questions were raised concerning savings on agricultural prices, and in particular whether this should be done in the management section or in the section for structural reforms. The management section, insofar as it comes under the direct control of the Commission, would afford surer guarantees for the Parliament, while structural reforms, though proposed by the Commission, must be screened by the Parliament and by the Council. Nevertheless, it is to the section for structural reforms that the matter will be referred, since margins in management are apparently already considerably reduced.

In connection with this issue, in order to satisfy Parliament's need for a political but realistic effort of control in the area of agricultural spending, the Committee on Budgets approved with the Commission's agreement an amendment proposed by the rapporteur. In this amendment, which will be laid before the Parliament, all expenditures under the EAGGF Guidance Section would be reduced by 2%. The sum thus obtained would then be put into a reserve under the same heading for the purpose of meeting the increases expected in 1981, primarily those involving agricultural prices.

Let it again be emphasized that the Commission agreed to this provision, as I think it will confirm tomorrow. The amendment represents a new and highly significant factor in relation to last year, for 2% of 13 milliards is an enormous sum. An overall evaluation should serve to convince the Assembly to accept the Commission's proposal and approve the funding of agricultural prices from the same spending package entered in the budget. The only pertinent modification is a proposal to transfer 20 million EUAs from support for skimmed milk to milk distribution in the schools. The Committee also reinstated 27 million EUAs for commitments and 20 million EUAs for

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payments in the EAGGF Guidance Section and 734 million EUAs for fisheries to be used as 'undifferentiated' credits.

This Parliament has several times labelled energy and research, social and regional policy, and cooperation as priority items, and in these areas the Committee on Budgets was determined to intervene in a decisive manner. Increases for energy come to 453 million EUAs for commitment appropriations and 75 million EUAs for payments. These increases reflect the intentions expressed in the European Council and the solemn declarations made more recently at the Venice summit — statements of priority which the Council itself has always ignored.

Among the various programmes, funding for those promoting new or alternative energy sources, together with those involving the use of coal, was particularly specified. There are two reserves applicable in this regard: one of 100 million EUAs for new Community initiatives to reduce energy dependence, and another of 100 million EUAs for commitments and 50 million EUAs for payments intended to assist the implementation of policies encountering developmental difficulties.

Action in the social sector is vitally important in the present crisis, and doubly so in the overall perspective obtainable at the Community level. It should be aimed at problems of unemployment and job conversion and pay particular attention to the needs of women and young people. In addition to the 112 million EUAs in payment appropriations destined for the ECSC, funds under Chapter 30 will be increased by 2616 million EUAs for payments and 6120 million EUAs for commitments. Increases for the Social Fund (Chapters 50—53 on the budget) amount to 150 million EUAs for payments and 84 million for commitments.

I will now discuss regional policy, whose efforts to reduce the disparity in wealth between various areas of the Community are fundamental to the goals set forth in the Treaty of Rome. Other Community policies, particularly those for industry, transport, and even energy should be viewed from a regional viewpoint so that regional policy itself may be strengthened and its priority affirmed. Greater geographical concentration is needed, and ordinary credits should be supplemented by the non-quota section of the Fund, which the Parliament should support despite the delays and faulty regulations which have hindered its effectiveness.

Regarding the policy on cooperation, the budgetary difficulties that lie between the will for action and its concrete accomplishment become distressingly evident when we recall the Ferrero report and the recent parliamentary debate on world hunger.

The Community must develop its relationship with non-associated countries, formulating overall policies which are not directed solely at finding outlets for surplus production. Far from moving in this direction, the Council has made cuts in this area of the budget which will prevent

the Community from honouring even the commitments already made. The Committee on Budgets, holding to the wider view, has approved an increase of 253 million EUAs for commitments and 199 million EUAs for payments.

Among the remaining priority policies mention should be made of industry and transport, environmental policy, which aims at safeguarding the conditions for human development, and in particular of education and the general European social context. These policies all have characteristics that make them appropriate alternatives or substitutes for national programmes, and are therefore proper fields for true Community effort. They should be given special attention, for their development can do much to guarantee the progressive and balanced development of the Community.

What has been the strategy of the Council? It appears that, influenced by the factors I have listed, the Council has aimed at preserving the largest possible margin between the present and the future use of own resources. Judging the 550 million margin proposed by the Commission as insufficient, it took what it believed to be the only alternative and cut non-compulsory expenditure. The cuts amount to some 800 million EUAs, raising the margin to 1350 million, and would have been even more severe but for the need to respect Parliament's margin for manoeuvre. The margin was respected, but in such a manner as to minimize the exercise of parliamentary power; if the Council has not behaved towards the Parliament with actual hostility in this matter, it has certainly acted from political concepts which the Parliament does not share.

The Parliament's response is to demonstrate that the restrictive factors which have been governing the Councils decisions have in fact no reason to exist. If the amounts suggested by the Commission were restored to the budget, even with the qualitative modifications I have mentioned, this would result in a 95% utilization of the 1% VAT and a return to the 550 million margin. 200 million EUAs, which form part of the 1981 repayment to the United Kingdom are to be anticipated on the 1980 budget, thus reducing the total 1981 expenses by the same amount. The margin is thereby increased from 550 million to 750 million. If we take the Council's preoccupations into account and add in the 274 million EUAs reserve for the EAGGF Guarantee Section, this brings the margin to about 1000 million — not far below the 1300 million figure set by the Council. Furthermore, we are all aware that between the first and second readings the new rate of increase for non-compulsory expenditure must be negotiated by the two arms of the budget authority. I hope that these negotiations will produce concrete results, but it is probable that they will instead face new obstacles. The strategy of Parliament must be to insist that the cuts made by the Council, so prejudicial to Community development and so restrictive of parliamentary will, are unjustified, since from an overall viewpoint many items tend towards equilibrium by cancelling each other out. We must attack the problem again from the beginning, and carry over into the coming year our attempts to establish a general balance.

Adonnino

Under these circumstances, Mr Minister, I express the Parliament's hope that from now on in the course of the budget procedure the Council will pursue a policy of dialogue with the other arm of the budget authority, so that a satisfactory agreement may be reached regarding the gradual and balanced development of the Community.

After the Parliament's first reading, the initiative returns to the Council. I hope that in the interval preceding the Council's own decision and prior to the Parliament's second reading substantial progress can be made. The Parliament, though issuing a negative judgment on this preliminary draft budget, has sought to understand the Council's position. Let the Council do the same on behalf of the Parliament, exercising its prerogatives as we have exercised ours, but making an effort to interpret the budgetary regulations and procedures correctly. Only if the Council demonstrates such a desire for progress can the vote on the budget become an expression of confidence not in the institutions, but in Europe itself.

(Applause)

President. — I call Mr Ansquer.

Mr Ansquer, rapporteur. — (F) Madam President, the reports that I am laying before you here today are the outcome of the work of several meetings of the Committee on Budgets.

It was part of my brief, as rapporteur, to contact the administrations of all the institutions concerned and their staff in order to be able to give an overall picture of all the problems confronting our institutions. After the Committee on Budgets had examined the drafts of my reports it was found that there was still a number of problems left unresolved. We interviewed the Registrar of the Court of Justice, the Secretary-General and his staff in the European Parliament, the head of administration of the Court of Auditors and the Secretary-General of the Economic and Social Committee. We were also able to interview representatives of the Council and in particular the chairman of its Budget Committee, who supplied us with additional background information. Madam President, on behalf of the House I would like to express my gratitude to them all for their cooperation.

In the light of these discussions, the Committee on Budgets established guidelines to enable us to reconcile the imperatives of austerity, on the one hand, and the need to ensure that all the institutions can function as smoothly as possible, on the other. The committee took the view that Council's decisions did not take adequately into account all the organizational problems of these institutions and in some cases dealt arbitrarily with requests for increases in the establishment plan.

Nonetheless, the Committee on Budgets accepted the overall level of the draft budget and does not therefore recommend any significant increase in the volume of appropriations. On the contrary, having taken into account the

latest figures for the rate of spending in the financial year 1980 it has been able, on the basis of this information, to propose reductions for those lines where the utilization of appropriations in 1980 has been relatively low. The result of this is an overall reduction of 3 628 550 EUA in all the budgets of the other institutions.

The special nature of our European institutions has a very significant impact on the budget. All our institutions are obliged to work in all the Community languages. This linguistic component calls for the recruitment of a very large number of translators, interpreters and secretarial staff for the different working languages and is, incidentally, often the largest single element in the budget. In the European Parliament, for example, the need to reproduce all parliamentary documents in the six working languages and to provide simultaneous interpreting in all the languages at every parliamentary meeting accounts for 50% of our budget and 50% of the establishment plan.

However, this aspect of the organization of the European Institutions should not be used as a pretext for failing to undertake a critical analyses of the structures and examining every possibility of cutting costs. The members of the Committee on Budgets, were, I feel, expressing the unease felt by public opinion at the growth of the bureaucracy. That explains why, this year, the budgets of the Court of Justice, the Council, the Court of Auditors and the Economic and Social Committee were discussed as minutely as our own budget.

In previous years my predecessors have all emphasized the need to find common solutions to common problems confronting the European institutions. What has struck me most forcibly, in my turn, is the way each institution recruits its staff without any attempt at coordination with the recruitment procedures of the other institutions. This leads, inevitably, to much wasted effort and expense.

It is particularly lamentable to see each institution recruiting separately at all levels in preparation for Greek accession. Every open competition of this kind costs thousands of pounds. In many cases, potential candidates will enter competitions for all the institutions. It is difficult to believe that a way cannot be found for the institutions to coordinate their recruitment procedures, especially for the Greek posts.

It is high time, therefore, that the political authorities in the Community stepped in to help overcome this sort of administrative inertia.

All my predecessors, and all Mr Adonnino's predecessors, have repeatedly called for the setting up of a common recruitment service and the organization of common open competitions. In my view the Committee on Budgets, through its rapporteurs, should be mandated by Parliament to pursue these questions with the heads of administration of all the institutions in order to establish the necessary basis of cooperation between them all.

I believe it is up to Parliament now to take positive action on this matter.

Ansquer

That concludes my general observations regarding the Council, and I should like to go on now to say a few words about each of the budgets that you have forwarded to me.

Taking first the budget of the European Parliament, its very rapid growth over the last three years can be attributed to three main factors: the doubling of the number of Members of Parliament since direct elections, the need for all the work to be done in all the Community languages, and the fact that it is forced to work in three different places.

The lack of a decision on the seat is a prime factor. But the power to decide this question rests incontrovertibly with the governments of the Member States, in the first instance, and with the Council, in the second. The Council cannot very well therefore criticize the volume of the expenditure associated with the dispersal of our activities, which now accounts for over 15% of our budget, or 30 m EUA.

The Committee on Budgets has, reasonably enough, drawn up a financial framework which can serve as a backcloth for the debate on the seat which is to take place in this House during the next part-session.

That is one reason why the committee has adopted an amendment put forward by the European Democratic Group reducing the appropriations earmarked for rent on the various Parliament buildings by 3.7 m EUA. The amendment is an expression of the political will of a great many Members of Parliament to put a stop to the waste resulting from the absence of a single seat and strongly urges the governments of the Member States to assume their responsibilities on this question, after consulting Parliament. Let me say, however, that we must beware of putting ourselves in an embarrassing position, which would arise if, as a consequence of adopting this amendment, we were forced to consider introducing a supplementary budget, and I shall be coming back to that in a moment.

The difficulties resulting from the absence of a single seat and the need to work in several languages should not, however, stand in the way of a critical assessment of our own administrative structure. The committee feels that the European Parliament should avail itself of the expertise of an independent outside body to review its structure and assess the best means of meeting the needs of the Members. It is not the purpose of a study of this kind, common practice in our countries, to prejudge political decisions which are the sole prerogative of the Members themselves. But such a study can be a useful tool in decision-making.

In my report I have given a concrete example: the distribution of documents to the parliamentary committees. I have in fact carried out an analysis of the problems confronting this service. This is one sector where I suggest that the Secretary-General let us have his recommendations for ensuring that the difficulties in the distribution of documents are not aggravated. I know things are very difficult, but everyone here complains of documents arriving late. That is why I hope he can come up with some definite proposals.

The Committee on Budgets has looked again at all the decisions taken by Parliament when it established its estimates. You will recall that Parliament approved a 12.4% increase in appropriations, which is only slightly higher than the maximum increase in non-compulsory expenditure of 12.2%.

Earlier this year, with your agreement, I reduced the initial estimates across the board on a flat-rate basis. I also introduced further reductions in 19 lines where the utilization of appropriations had been particularly low. These savings cut more than 10 m EUA, or over 5%, from the overall draft budget.

In line with my undertaking given here in this House I again approached our administration to see if, on the basis of the latest figures on the utilization of the 1980 budget, there was any room for additional savings.

I have the figures up to 30 September of this year and in my view the rate of spending is satisfactory and normal. With just the last quarter to go we still have 30% of the budget available, all the rest having been committed. I have also been given to understand that the rate of utilization tends to rise towards the end of the financial year.

The Committee on Budgets has looked at further possible cut-backs and agreed to certain modifications which would have the effect of reducing appropriations in respect of rents, fitting out of new premises and purchases of transport equipment.

However, in the committee's view there is no scope for any greater reductions, given that a margin of manoeuvre must be allowed within the overall budget to cover contingencies.

I feel bound to say in fact that it would be highly undesirable to have to call for a supplementary budget for the European Parliament in 1981. I wish to caution the House against adopting any amendments, however attractive they may seem, that would cause us to run short of resources to finance the essential activities of this institution.

The Committee on Budgets debated at some length the method of financing Members' allowances decided by the Bureau. It is imperative that the method adopted must be as transparent and rigorous as possible. In time, Members of Parliament should be treated on an equal basis and be paid from the Community budget. Equal work should mean equal pay, and this principle should also apply at national level. Until this matter is decided, however, the committee believes it desirable for Parliament to exercise restraint in the matter of allowances. It is of course conscious of the fact that a Member in a very large constituency far from the three places of work is in a different position from a Member on a national list in a country close to these places of work. To take account of these differing situations the Committee on Budgets has proposed that allowances for constituency travel should only be paid out on the basis of supporting documents. An amendment to this effect has been put forward by the committee but,

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clearly, we cannot delay too long before taking a decision on the remuneration of Members.

As regards Parliament's establishment plan, the discussion within the Committee on Budgets was, quite frankly, difficult. You will recall no doubt that in June Parliament voted to create 321 new posts for its Secretariat. A further 15 posts were created for the political groups. These increases were considered necessary to take account of Greek accession — a number of the posts being set aside for Greek officials — to cope with the growing workload resulting from direct elections and, finally, to permit important changes in the structure.

Because of the uncertainties surrounding these new administrative structures and given the difficulty of determining the impact of the increased workload on the budget, Parliament proposed a freeze on all the new posts, except those reserved for Greeks, transferring the necessary appropriations to Chapter 100.

But, in the meantime, we received back the new draft budget. The Committee on Budgets, by a large majority, felt the time was not yet ripe to release the posts that had been frozen. It decided that the review of internal structures had not yet reached a stage where an exact assessment of the additional posts needed would be possible.

For all these various reasons the committee supported an amendment tabled by Mr Pfennig, reducing the appropriations entered in Chapter 100 and proposing that the additional posts voted in June be deleted, with the exception of the 88 Greek posts. This proposed removal of 233 posts from the 1981 establishment plan reflects the committee's determination to make savings wherever possible and subject its own budget to the same rigorous scrutiny as is accorded to all budgets submitted to it.

Nevertheless, Parliament's Rules of Procedure are absolutely clear. The final decision on the establishment plan will be taken by the European Parliament itself Thursday next and, before this House deliberates on it, it is desirable for the two bodies responsible for the appropriations and the establishment plan, namely the Bureau and the Committee on Budgets, to get together. Their prerogatives must be observed and I hope that agreement can be reached on all the problems concerning the establishment plan in order to be able to formulate practical proposals for any increases that are strictly necessary to meet the needs of the European Parliament.

I refer to these discussions between the Bureau and the Committee on Budgets simply in the hope that a reasonable agreement along the general lines already stated can be found.

I have also proposed two or three technical amendments to Parliament's budget which embody specific points raised by Members of the committee. There are also two suggested additions to the establishment plan for particular sectors, but these have no significant impact on the level of appropriations.

In conclusion, as regards the budget of the European Parliament, the authorities concerned have not yet completed their work, but I hope that some agreement will be reached before the final decision is taken in this Chamber next Thursday.

The Committee on Budgets recommends that this House should respect the gentleman's agreement between Parliament and Council that neither institution would amend the other's budget. In other words, I propose no amendments to section II — Council — of the general budget.

There are, however, three observations that I should like to make concerning this section.

In the first place, one is bound to concede that, as regards its expressed desire for austerity, the Council cannot be accused of inconsistency in the application of that principle to its own budget.

Even with Greek accession the budget increase has been held to 3.6%. This has been achieved by taking full account of the low rates of utilization under certain chapters in the budget since 1976.

Secondly, I suggest in the motion for a resolution that Council and Parliament need to make further efforts to supply each other with more exhaustive information on their respective budgets and establishment plans.

In this context, I should point out that we submit our draft estimates together with the report of the Committee on Budgets, which provides a full and precise justification for all our proposals.

The Council frequently omits to state exactly what decision it took on its own establishment plan. It is not clear which requests of its Secretariat have been accepted and which refused. It is for the budgetary authority to set an example as regards clarity of presentation of our documents.

At the meeting of the Committee on Budgets, the chairman of the Council's Budget Committee agreed to cooperate with us in seeking the best means of improving the mutual exchange of information.

And, thirdly, I have drawn attention to a technical problem of transparency to do with the way B secretarial and B technical posts are presented in the establishment plans of the institutions. Each institution is apparently presenting them differently and I have requested the heads of administration to present these posts in a standard form. The Council, together with all other Community organizations employing staff, ought to participate actively in any attempt to improve cooperation between the administrations. As a legislative body with the last word on the Staff Regulations it has a special responsibility in this area. In practice, however, the Council has displayed inertia in the face of any proposals for reforming the Staff Regulations, for improving procedures and for simplifying them, and very rarely takes any decisions in this area. I therefore

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hope, Mr President-in-Office, that the Council will participate actively in inter-institutional attempts to find joint solutions to common administrative problems.

I move on now to the Economic and Social Committee, the budget for which is annexed to Section II — Council — of the draft general budget, but first I should like to make an observation of a political nature. Last time one or two Members asked the question: 'What is the point of this Economic and Social Committee?'

Those of us with long experience of Community affairs know that this Committee performs a valuable role in providing expert opinions from both sides of industry on every major economic problem of the day. The quality of these opinions is beyond reproach. All the same, I believe we do need to consider whether we could not make better use of the work of the Committee through closer cooperation between it and the committees of Parliament.

It would be entirely appropriate, in my view, for the rapporteur of the Economic and Social Committee on a particular subject to be invited to appear before a parliamentary committee when that subject comes up for consideration. He could then present the views of the Economic and Social Committee and contribute positively to the debate. This is in fact known to happen already on occasion.

In regard to its budget, I am not recommending any overall increase in the appropriations.

As for the establishment plan, on the other hand, the Committee on Budgets is suggesting the creation of three extra posts of translators to work from Greek into three languages. Translation into the other three languages could then be carried out on the relay system. Furthermore, I am proposing four additional secretarial posts to meet the considerable increase in secretarial work.

The Committee on Budgets has also retabled the amendment we put down originally last year which proposed the regrading of five posts to provide for more balanced and equitable career development prospects for certain ESC officials. It is a fact that promotion opportunities within that institution are considerably less than in the others. This amendment, which was adopted by Parliament at the first reading in 1980, was dropped from the new draft budget submitted in July. To be consistent, the Committee on Budgets is resubmitting the amendment for your approval.

Lastly, our committee has tabled an amendment to increase slightly the overtime appropriations under Article 115. Since the amount involved is only 10 000 EUA I believe we can approve this. Besides, I have suggested compensating this increase by a corresponding reduction under Chapter 101. In point of fact, the Economic and Social Committee has already spent more under this heading in 1979/80 than it requested for 1980. That is my justification for these amendments.

None of the three amendments places any additional burden on the budget because I have asked the ESC to find the appropriations needed elsewhere within the budget.

I come now to the budget of the Court of Justice. In my explanatory statement I stressed the essential role of the Court in the framework of the Community institutions. Its prestige, its independence and its authority must be fiercely defended.

The work of the Court of Justice must be published. Moreover, it has to be published in all the Community languages. Not surprisingly, therefore, the language component accounts for a large part of its budget and its establishment plan.

The Court has requested a considerable number of extra posts for 1981, some of which are to cover the consequences of Greek accession, others are simply a resubmission of posts that were not accepted during the course of the 1980 budgetary procedure, and others still are entirely new proposals to cover additional administrative needs.

The Council has been exceptionally severe with the Court's proposals, accepting only 48 new posts out of the 122 originally requested. The Council has also rejected all the proposed regradings. What is more, the Council has failed to give any proper explanation for its decisions. In contrast, and in line with the recommendations of my predecessor, Mr Jackson, the Court of Justice submitted its requests accompanied by a detailed explanatory memorandum and a job description for each post.

In accordance with my brief from the Committee on Budgets, I contacted the Registrar of the Court of Justice and his staff with a view to drawing up compromise proposals in an attempt to reconcile the imperatives of austerity with the need to introduce certain essential increases in the establishment plan and the budget of the Court of Justice.

Accordingly, the Committee on Budgets has proposed the creation of 19 extra posts to strengthen the internal structure of the Court. These posts are principally for the documentation, library, legal and secretarial services. I have proposed that 7 of the 19 posts should go to the secretarial service since at present the Court has to employ some 18 auxiliary secretaries. Furthermore, in the same amendment I have proposed 21 regradings of posts, which will help to align the career advancement of Court of Justice officials with the practice in the other institutions, including our own.

As regards appropriations, the Committee on Budgets is not recommending any overall increase in the volume of the budget, except for two proposals relating to two specific lines. The Court, like ourselves, is suffering at the moment from lack of space and it is therefore seeking to construct a new building in Luxembourg. To ensure that this annex is as functional as possible, it is necessary to submit the plans for analysis by experts outside the institution.

The European Parliament has had its own unfortunate experiences with new buildings. It is better to pay something now if it will help to prevent errors which would in the long run be much more costly to the institutions than the

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fees such experts might charge. I am therefore proposing an additional 130 000 EUA to cover the cost of the necessary consultations.

The last proposal relating to the Court of Justice concerns the publication of its Reports. The Council reduced this item from 1 400 000 to 1 000 000 without making any allowance for the fact that, firstly, the Court is obliged to publish these Reports and, secondly, the rate of utilization of the appropriations for 1980 is such that they are unlikely to be sufficient. The Committee on Budgets again suggests a compromise amendment to increase appropriations by 300 000 EUA.

These three amendments should permit the Court of Justice to discharge its responsibilities fully while at the same time taking into account the need to keep a firm grip on administrative expenditure.

Finally I come to the budget of the Court of Auditors. In the committee's opinion the Court of Auditors has become an indispensable aid for the European Parliament in carrying out its budgetary control functions. It is vital therefore that we ensure that this body has the human and financial resources it needs to enable it to operate properly. The Council has proposed an increase in the budget of a little over 13 % in comparison with 1980. This is a reasonable figure and I am not recommending any increase. Nonetheless the establishment plan should be further increased to make full allowance for the consequences of Greek accession and to strengthen certain control sectors.

Accordingly, the Committee on Budgets has drafted an amendment to restore 13 posts deleted by the Council, 9 of which are necessary to enable the Court of Auditors to function properly in the seventh Community language and 4 to strengthen the control sectors, particularly the EAGGF, own resources and the European Regional Development Fund. However, I have asked the Court of Auditors to make the necessary effort to finance these posts from within the appropriations made available under Chapter 11 of its budget, which should cover the necessary additions to the establishment plan.

With regard to the appropriations, the Committee on Budgets is proposing an amendment that does not call for any increase in the overall budget. The Court of Auditors occasionally has recourse to external experts for advice on certain economic problems of a technical nature. Indeed, so technical is much of the Court of Auditors' work now that it must be anticipated that this approach will become more commonplace. Although the Court of Auditors originally requested 100 000 EUA for this purpose, the Council approved only 50 000 EUA and also transferred this sum to Chapter 100. The committee proposes that these appropriations be reinstated on the line.

I believe that these modest proposals will help the Court of Auditors overcome its administrative difficulties and enable it to continue exercising fully its control function, which has become an indispensable tool, not only for the

Committee on Budgets, but also for the Committee on Budgetary Control and for Parliament as a whole.

Underlying the committee's five reports to the European Parliament is a policy of austerity which we have applied uniformly to all the institutions.

Under this policy of austerity all budgets and establishment plans are kept to the minimum levels necessary for the institutions to function smoothly. We believe that all our institutions will be able to carry out the individual tasks assigned to them by the Treaties.

The Committee on Budgets has been as severe with its own budget as with those of the other institutions. But, with the Community institutions working in all the languages and in several places, the cost inevitably is high. It is not possible to make any further cuts without impairing their ability to function properly. I have already indicated the best way of achieving a more substantial reduction in our own institution's budget — decide on a single seat — but that requires a political decision. The governments of the Member States must act boldly to settle this question, and then we shall see some real savings.

(Applause)

IN THE CHAIR: MR VANDEWIELE

Vice-President

President. — I call Mr Santer.

Mr Santer, *President-in-Office of the Council.* — *(F)* Mr President, since I presented it on 14 October in Strasbourg, the draft general budget of the European Communities for 1981 has been subjected to minute and critical scrutiny by several parliamentary committees. I wish to congratulate them on their considerable achievement in what, in this instance, has been a very short space of time. My staff have kept me fully informed of the progress of the discussions that have taken place, particularly within the Committee on Budgets, and it is to this committee, and above all to its chairman, Mr Lange, and the two rapporteurs Mr Adonino and Mr Ansquer, that I should like to express my particular appreciation for the efficiency with which they have performed their task.

Mr President, I do not intend to restate all the arguments that I put forward to this Parliament on 14 October in explaining to you the context in which the Council established the draft budget in its present form. With one or two exceptions, I do not wish to discuss at any length the very many amendments and proposed modifications before Parliament.

Santer

It did not escape my notice in Strasbourg that the spokesmen for all the political groups expressed dissatisfaction with the draft budget established by the Council, and even with the Commission's preliminary draft budget. This position has now been confirmed following the budget's scrutiny by the various committees of Parliament, all of which have recommended at the very least the reinstatement of the major part of the appropriations in the preliminary draft budget, and some have even gone beyond what the Commission proposed.

In fact, disregarding a proposal to cut by half the estimates set aside for flat-rate repayments to the Member States of the costs incurred in collecting own resources, a proposal to which I shall be coming back presently, the Committee on Budgets is apparently recommending parliamentary approval for draft amendments and proposed modifications representing around 1 200 million EUA in commitment appropriations and 870 million EUA in payment appropriations. Let us just think back to all the difficulties the Community went through last year when approval of the budget was delayed until June and as a result we had to operate under the system of provisional twelfths.

I believe it would be extremely damaging to the Community if that situation were allowed to arise again in 1981. It is therefore absolutely vital for us all, that is for Parliament and Council, to do everything in our power to see that the budget is adopted in due time.

With that in mind, I earnestly appeal to Parliament when the time comes for you to vote on the draft amendments and proposed modifications before you, bear in mind the constraints imposed on the budgetary authorities this year, at both national and Community level.

These constraints are forcing us to make much more difficult and painful choices than in the past. Incidentally, I was interested to note that in the justification accompanying several of the draft amendments the authors referred to the imperatives of austerity in the budget. However, that does not alter the fact that the vast majority of the amendments are such that, if Parliament were to adopt most of them, we would be faced with a volume of expenditure far in excess of what the Member States would be prepared to accept. The positions of our two institutions would then be very difficult to reconcile.

I was also interested in the proposal to transfer 2% of the appropriations for the EAGGF, Guarantee Section, to a new Chapter 79. This reserve, amounting to some 254 m EUA, would guarantee that additional expenditure resulting from the fluctuation of farm prices during the financial year 1981/82 could be financed from savings from within the overall budget of the Guarantee Section, in accordance with the Commission's own pledge. Getting to grips with farm expenditure is a subject to which I know Parliament attaches the greatest importance. The Council shares this preoccupation, as it had occasion to say on 23 September before going on to establish the draft budget.

I am quite certain, therefore, that the Council will be extremely receptive to any proposal from the Commission in this area, provided that it does not call into question the fundamental principles of the common agricultural policy.

My attention has also been drawn to Mr Aigner's proposal to halve the appropriations set aside for flat-rate repayments of the costs incurred by the Member States in collecting own resources. I understand perfectly the motivation behind this proposal but for the present I will say only that this suggestion raises a number of legal problems which would need to be clarified before the Council could take a decision.

As regards Parliament's request to have borrowing and lending operations included in the budget, let me assure you that every effort is being made to expedite the work on this question within the Council. But, as the studies of your rapporteur, Mr Adonnino, bear out, this is a much more complex question than some people would be willing to admit. The Council bodies, which, since September alone, have had four prolonged discussions on the subject, came to the same conclusion as your rapporteur, namely that several of the main budgetary rules are not readily applicable to borrowing and lending operations by reason of the very special nature of these operations. Having said that, I can assure you that the work within the Council bodies is being expedited. Mr President, that concludes the preliminary remarks I wanted to make at this stage of the debate.

Let me say, by way of conclusion, that the European Parliament can rest assured that every amendment and proposed modification to the 1981 draft budget voted through this coming Thursday will be individually and minutely scrutinized by the Council. And, mindful of Mr Adonnino's appeal to the Council, I can assure him that I, for my part, shall spare no effort to ensure that the 1981 budget can be adopted in due time and on terms that are mutually acceptable. I trust that Parliament will be willing to act in the same spirit.

President. — I call Mr Tugendhat.

Mr Tugendhat, Member of the Commission. — Mr President, my speech will be a little longer perhaps than that of the Council, but I will do my best to ensure that it finishes before the House is due to rise at 8 o'clock tonight. It needs, of course, to be a little longer because there are a great many points I have to cover. We have now reached the stage in the budgetary procedure where all the institutions have been able to carry out a thorough examination both of the preliminary draft budget and of the draft budget itself.

The Committee on Budgets of the European Parliament, under the distinguished chairmanship of Herr Lange, has now discharged its monumental task of examining no less than 500 amendments and proposed modifications, and it is in the light of advice given by this committee that Parlia-

Tugendhat

ment is called upon to amend and modify the draft budget on Thursday.

The Commission has followed the proceedings in the Committee on Budgets and is grateful for the opportunities it was given to make its views known. Now is the time for me to comment, or on occasion to restate, views I have already expressed on those aspects which I feel ought to be brought to the attention of the House as a whole in this plenary sitting. We have been through the committee stage, but this has a solemnity and importance which exceeds that of the committee and it is vital, I think, that I should make our views known on a number of points.

I shall, if I may, start with a general assessment of the line taken by the Committee on Budgets. By and large I would interpret it as a broad confirmation of the fundamental objectives pursued by the Commission in its preliminary draft budget. In certain areas the Committee on Budgets has proposed going beyond the position of the Commission — a matter to which I shall have to return in a moment. On the whole, however, as in the past, the evidence is that Parliament's preoccupations are very similar to those of the Commission. This is a source of very considerable gratification to my colleagues and myself.

The figures speak for themselves. The overall cuts made by the Council when it established the draft budget amounted to 829 m EUA in commitment appropriations and to 811 m EUA in payment appropriations. The Committee on Budgets reinstated a total amount of 1 198 m EUA in commitments and 878 m EUA in payments.

The budgetary priorities which are reflected in the selection of amendments and proposed modifications are also clear: the desire to curb agricultural expenditure, combined with an attempt to maintain the great structural funds at a high operational level and to strengthen certain areas of Community policy, such as energy and aid to development.

The Commission welcomes many of these initiatives which are in line with its own thinking. Nevertheless, on a number of them I have a duty to point out why the Commission has to enter certain reservations. I shall do so sector by sector, limiting my comments of course to the most important amendments.

But I do want to stress the fact that we understand very well that the thrust of the initiatives is in line with our own thinking and that the need for me to go through the amendments where we have difficulties, or where we think difficulties may arise, stems from the fact that it is very important that we should ensure that everybody understands the full implications of the different proposals that have been made in order that agreements can subsequently be reached during the course of the budgetary procedure.

The energy sector in particular has been the object of a large number of innovations suggested by the Committee on Budgets:

- First there is a proposal to create a new line with 5 m EUA as interest rate subsidies on Community loans to the Member States for investment in the field of energy saving. The Commission welcomes this initiative and will submit, as soon as possible, the necessary proposal to make this amendment an operational one.
- In the same range of proposals encouraging investment in the energy sector, it is suggested that 100 m EUA be entered in commitment appropriations under Article 326 (New Energy Initiatives). Here again the Commission is quite prepared to submit the necessary concrete proposals as soon as the Council's reaction to its earlier communications on this subject becomes known. As things stand now the Commission's communications to the European Council and the Energy Council cannot be regarded as constituting an adequate legal base for implementing the relevant lines of the budget.
- The third innovation is the proposed entry — and I will have more to say on the subject of legal base later on, after hearing Mr Bangemann's point — of 100 m EUA in commitment appropriations to encourage the use of coal in power stations (Item 3230). In view of the fact that the Council has made no progress at all in the examination of the Commission's proposal, and since an incentive to further investment in the coal sector could also be provided in the framework of the New Energy Initiative, the Commission does not consider entering this additional sum of 100 m EUA on line 3230 as a priority justifying use of the margin of manoeuvre.
- Finally, there is a proposal to create a global energy reserve of 150 m EUA in commitments and 50 m EUA in payments in Chapter 103. As the House will remember, the Commission has shown in the past a great interest in the concept of global reserves and made proposals accordingly. In this case, however, since all the amounts initially entered by the Commission might well be reinstated by Parliament on all the lines of Chapter 32, and since new initiatives are suggested, also with amounts on the line, this proposal for a specific energy reserve should, in the Commission's view, be seen more as an alternative to the other two new initiatives which I have just mentioned than as a complement to them.

I would, however, like to urge Parliament not to enter so much money in the budget for energy, as it is clear that the Commission will have no real prospect of spending it. We understand very well the motive behind the proposals and we understand the need and the urgency for initiatives in Community energy policy. But I think it is important to bear in mind the distinction between those lines where we can spend and those where we cannot.

Now the transport sector is also a priority sector which the Commission described as such in its political introduction to the preliminary draft budget. In spite of the political importance of developing a Community transport policy, the Commission did not feel able to allocate funds for Item 3781 'Financial support to transport infrastructure pro-

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jects', for which a legal base is, unfortunately, still lacking. Any attempt, therefore, to enter amounts in this item — and there is an amendment for 15 m EUA — seems to us in these circumstances to be premature. In the present circumstances the Commission is unable to give any guarantee, for the reasons which are well known, that any of this money could be spent in the current year.

The environment sector, Mr President, poses similar problems for us. On each of three lines, which the Commission has shown with a token entry, it is suggested that 1 m EUA be entered. These are:

- Item 3511 — Aids for the development of technologies causing less pollution;
- Item 3512 — Measures to protect the environment and nature;
- Item 3513 — Measures to protect the environment in the context of changes in economic activities.

The Commission doubts whether it would be wise to launch important initiatives of this sort on such a very limited basis. With the amounts suggested it would hardly be possible to carry out more than studies. The Commission would prefer, therefore, to be given more time to draw up a consistent programme of action which, once it has been approved by the Council, could then give rise, if Parliament wished it, to more substantial entries in the budget.

As far as Title 5 is concerned, the Commission naturally welcomes the full reinstatement of amounts for the Social and Regional Funds.

I should like, however, to make two comments on Title 5, one on Chapter 54 and one on Article 562. The proposed allocation of 112 m EUA to Chapter 54 as aid to temporary social measures in the steel sector, fits in well with the aim which the Commission is actively pursuing in its current negotiations on this subject. It remains true, however, that these funds can only be transferred to the European Coal and Steel Community after the necessary enabling decision under Article 235 of the EEC Treaty has been taken by the Council. The Commission trusts that, in view of the overwhelming need for such financial support, ways will be found of overcoming legal difficulties.

This expenditure is non-compulsory, and the amount of 112 m EUA represents a substantial portion of Parliament's margin of manoeuvre. Had Parliament not tabled such an amendment now, the Commission would have suggested introducing a supplementary budget next year. But in view of the special situation of the steel sector and of the new situation created by the 'state of manifest crisis', the Commission believes that ways ought to be found for dealing with this amendment on its own merits, regardless of the arithmetical limits imposed by the margin of manoeuvre. Since several Member States have a direct interest

in ensuring that such an amount be put on the line, an inter-institutional consensus ought to be reached on this point.

As regards the proposal to create a new line to encourage development and restructuring in Mediterranean countries (Article 562); while understanding the purpose behind the amendment, the Commission does not consider it operational to create such a new instrument with only a symbolic amount of 1 m EUA on the line. At this very early stage the Commission would be satisfied with a token entry while it is looking into the possibilities of Community intervention in this new area.

I should now, Mr President, like to turn to aid to development, where there are a number of significant amendments. First of all I should like to thank the Committee on Budgets for the full reinstatement on line 930 aid to non-associated developing countries. The increases in food aid voted by the Committee on Budgets amount to 228 thousand tonnes of cereals and 30 thousand tonnes of rice. A world reserve for emergencies of 100 thousand tonnes of cereals is also envisaged. These increases are equivalent in money terms to 62 m EUA, of which 14 m EUA are for the world reserve. Such increases over and above the preliminary draft budget reflect the importance which the Parliament attaches to the conclusions of the Ferrero report on world hunger. The same preoccupation has led to the creation of line 9501, 'Stocks of cereals for emergencies', and to the entering of a token amount of 1 m EUA as Community participation in the 'International Fund for Agricultural Development' (Article 947) and to a very generous increase in disaster aid on Article 950. The Commission has not as yet made any proposal in figures for the implementation of the Ferrero report. It shares, however, Parliament's preoccupations and is determined to act accordingly.

As far as the quantities for food aid are concerned, the Commission confirms that there is a need for such extra amounts. One must not, however, underestimate the administrative organization and management problems with which the Commission services would be confronted in distributing such amounts. As for the Community contribution to the International Fund for Agricultural Development, the Commission has always wanted the Community to become a member at the next replenishment of the fund. The Commission notes, however, that the legal prerequisite for such participation is not fulfilled. Moreover, the token amount of 1 m EUA is really not operational in the sense that it would be far from covering the normal contribution by the Community should it decide to participate.

With this remark, Mr President, I close my first series of comments on various amendments which were all more or less directly related to the Commission's capacity to implement the additional sums of money proposed from various sources.

I should now like to turn to a different category of remarks which I am bound to make in the name of budgetary orthodoxy. I shall deal with a number of points concerning

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the EAGGF; the question of the reduction of the 10% reimbursement to the Member States; a few technical amendments suggested by Mr Aigner on behalf of the Committee on Budgetary Control and some general issues. I shall also say a word about staff and administrative expenditure.

First I should like to turn to the EAGGF, particularly to paragraph 13 of the motion for a resolution on the budget. I should like to make it clear that the Commission will not be presenting, before the end of the second reading, a rectifying letter correcting its estimates for 1981. The Commission decided in September — the normal time for such matters — that this was not called for. Now, Mr President, I can turn to the amendments.

In order to keep the EAGGF, Guarantee Section, expenditure under better control and to permit the Commission to respond to fluctuations in farm expenditure in the course of the financial year, the rapporteur, Mr Adonnino, has suggested applying a 2% linear reduction to all the lines within Titles 6 and 7 and entering the savings made in this way in an EAGGF Guarantee reserve. As Mr Gundelach already said to the Committee on Budgets last week, this is an approach which the Commission favours. It is in line with the Commission's pre-eminent objective of maintaining agricultural expenditure next year within a given envelope.

Two other amendments, however, call for more detailed comments. The first has been tabled by Mr Aigner on behalf of the Committee on Budgetary Control. Of course, the Commission agrees with Mr Aigner and the committee that the system of advance fixing of export restitutions, and particularly the duration of the validity of export certificates, must be such as not to foster speculation. It does not automatically follow from this, however, that pre-fixing should not be granted for export to State-trading countries. Technically it is, of course, possible to exclude exports to State-trading countries from the pre-fixing system. To decide to do so is, however, a political matter. Avoiding speculation on the one hand and discriminating against State-trading countries on the other are two different things. It does not seem appropriate to the Commission to use the budget commentary to mix these various elements.

The second amendment which calls for comment is related to the system of transfers within chapters and between chapters in the EAGGF, Guarantee Section. Mr Aigner has suggested that 'transfers between and within chapters must be notified *in advance* to the Committee on Budgetary Control'. The Commission understands the underlying objective, which is to be able to monitor agricultural expenditure as closely as any other expenditure in the budget; indeed the Commission has responded to Parliament's request concerning the communication of detailed information on the monthly EAGGF advances, so as a result the Committee on Budgets is informed every month of the sums which are made available to the Member States before expenditure is actually incurred. The rate of consumption of EAGGF credits is therefore known to the

Parliament long before transfers become necessary. This information, provided at the stage of the advances, seems to me to be the one which really counts.

Transfers are only a consequence of an unusually high level of expenditure in certain sectors, and transfers within EAGGF Guarantee Section, as I have often pointed out, are of a very specific nature. Most of them occur in the first three months of the year following the budget year in question, i.e. during the so-called EAGGF complementary period. They are designed to adapt, *ex post facto*, the financial means on the different lines to the actual requirements as they appear in the Member States' statements of expenditure. In other words they constitute a 'regularization' operation, carried out *a posteriori*. In most cases therefore the significance of an advance notification of such transfers is lost.

I would also point out that in the case of transfers between chapters, the Parliament is informed in advance of the proposals made by the Commission. Such proposals for transfers are decided on by the Council, but are sent to both Parliament and Council simultaneously. The Council must decide within three weeks and then inform Parliament of the decision taken. But, I repeat, before this happens, advance notification to Parliament of the proposal for transfer will have occurred.

As regards transfers within chapters, the budgetary authority is informed by the Commission — but only after the event. Such information could however certainly be made available at the time when the transfers are made, and not after the event.

Now a word about reducing from 10 to 5% the reimbursement of agricultural levies and customs duties to the Member States as collection costs. In money terms, the yield of such an operation — about 437 m EUA — is not insignificant but is none the less modest. It could not therefore constitute a lasting solution, but could be envisaged as a short-term emergency measure in order to avoid any accident in the annual implementation of the budget or as a means of postponing an own resources crisis. In such a context it could be a useful device.

One should not, however, underestimate the legal difficulties. If the Member States are being asked to forego payments permanently, it is necessary either to amend the Council Decision of 21 April 1970 or at the very least to persuade the Member States voluntarily to renounce the payments. In either case ratification by national parliaments would be necessary.

If it is a question of deferring payment of 5% of the reimbursement, it could be done either through a modification of the own resources regulation or through a voluntary renunciation on the part of the Member States.

The speed with which such procedures could be gone through depends entirely on political attitudes in the Member States: what is clear is that the making available of these extra resources is basically in the hands of the legis-

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lator, i.e. the Council and, in the case of some Member States, the national legislature.

Needless to say, this is compulsory expenditure, which necessarily results from the Treaty; the proposed amendment should therefore be turned into a proposed modification, and I see Mr Aigner nodding his agreement with that point.

Another difficult point is raised by a few technical amendments to the 'nomenclature' of the budget, and in particular to the lines corresponding to Community subsidies to various satellite institutions — Euratom Supply Agency, European schools, the Dublin Foundation and the Berlin Centre.

Mr Aigner, on behalf of the Committee on Budgetary Control, suggests a systematic breakdown of each of these lines into three in order to identify staff expenditure, running costs and operational expenditure. Again, I entirely support Mr Aigner's objective, which is in general to introduce greater budgetary transparency and facilitate Parliamentary control. I wish I could readily support the amendments.

I regret to say, however, that there is a technical obstacle, namely that the amount entered on the line as a subsidy from the general budget to these institutions does not cover the whole of their financial requirements. It would therefore be arbitrary and misleading to decide which proportion goes to staff, which to administrative expenditure and which to operational expenditure. Moreover, the allocation of funds to the various objectives is a task which is reserved for the board of these bodies in the special financial regulations applicable to them. This, too, is a point to be recognized.

I would, however, suggest an alternative solution which would consist of showing, in the remarks column of the budget, and for indicative purposes only, the breakdown both of receipts and of expenditure as they have been decided by the board.

Now, Mr President, in his speech the rapporteur mentioned once again the question of the need for a separate legal base for expenditure. The views of the Commission on this subject have not changed since I last spoke at the October part-session, when the Council presented the draft budget to Parliament and I answered a question from Mr Notenboom on the implementation of the budget. I would like to repeat what I said then. This is an important matter which will not be resolved by the various institutions constantly reiterating their divergent viewpoints. I suggest, as I suggested then, that it is a matter on which Parliament should launch a conciliation procedure, not perhaps in the context of this budget procedure, but it is an important matter and we talked about it at some length in Strasbourg. It is one that really does need to be cleared up sooner rather than later and preferably much sooner rather than later.

While I am on general issues, Mr President, I think Parliament will also want to consider asking for conciliation on paragraph 28 of the motion for a resolution on the budget: the applicability of the maximum rate to appropriations for commitments, where the view expressed diverges from the agreement reached between the institutions in December 1977. Finally, in this sector the complex issue of classification of credits is something on which there will have to be a further inter-institutional study.

Now some of these matters are for the longer term, but I would like also to mention something which is of immediate importance, namely staff and administrative expenditure. I would like to say at the outset that I am grateful to the rapporteur for his constructive approach to the Commission's staff requests, and in particular his support for the Commission's proposals in relation to the conversion of posts in the interest of career development. As regards new posts the Commission is obviously disappointed that the rapporteur did not feel able to go the whole way and restore the 123 permanent posts and the 38 temporary posts asked for in the preliminary draft budget.

Last year we were criticized by Mr Dankert for having put a global figure for staff without indicating where they would be needed. This year, in accordance with the approach recommended in the Ortoli report, we made a rigorous scrutiny of our needs in consultation with an outside adviser in the distinguished person of Mr Wellenstein, and we spelt out in the preliminary draft budget where we needed the posts, and why. We have cut our needs to the bone and we had hoped that Parliament would appreciate what has been done and restore the full number of posts asked for. Although this has not happened, I would like to thank Mr Adonnino for the effort he has made in proposing 75 permanent and 25 temporary posts.

On administrative expenditure, I would like to make two points. The first concerns the computer sector. Parliament will be aware of the difficulties we have had in recent years and months following changes in the equipment. Having now straightened out many of these problems the computer centre is poised to make real progress in the months ahead, provided that it is given the necessary staff and resources. As a result of the rapporteur's amendment on staff we shall hopefully have some extra posts. As regards operating credits the 20 m EUA on the line agreed by the Council will enable us to maintain the status quo. But we desperately need to be able to meet some of the demands for new applications as well as the existing demands that are placed upon us, and I urge Parliament to approve Mr Notenboom's amendment providing for an additional 5 m EUA in Chapter 100.

The second point concerns two amendments proposed by the rapporteur and accepted by the Committee on Budgets on which I hope Parliament will have second thoughts. They concern the replacement of office furniture and cars. For furniture we asked for 200 000 EUA which was cut by 50 000 in the Committee on Budgets. On cars the Commission asked for 200 000 EUA, a sum calculated to enable replacement to take place after 6 years on the road. The

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Council cut the figure to 127 000 EUA, and the Committee on Budgets has now cut it further to 85 000, which would mean that we could only replace fewer than half the vehicles that we need. This is clearly a false and dangerous economy. I urge Parliament to bear in mind the points made by Mr Ansquer when dealing in his speech with the problems faced by Parliament in three seats and to bear in mind that we too face those problems, as well as a number of other problems in ensuring that documents reach all the Member States in due time.

I now come, Mr President, to my concluding remarks. I hope very much that my statement has not sounded too detailed and technical. Inevitably I have had to go into a great many detailed and technical points. But after all the budget, while it reflects political objectives, is in itself a very technical document and we have now reached the point where detailed amendments require detailed and technical examination, and this Parliament is entitled to receive that from the Commission.

As I said at the outset, the Commission welcomes the thrust of the majority of the Committee on Budgets' recommendations. It welcomes the direction in which the Committee on Budgets is recommending that Parliament should go. I felt it important however to go on record as having expressed certain reservations or nuances with regard to some of the initiatives, because later, when Parliament comes to discuss the implementation of this budget, it will look carefully and I see Mr Notenboom nodding in agreement with this point at what we said when the budget was being discussed. We have to think not only of the immediate moment and the difficulties of the moment, but we have, as Mr Notenboom well understands, to look ahead to the time when the discharge is being discussed in Parliament. As the House must realize, should the Committee on Budgets' amendments be endorsed by the House, the gap between the Council's position and that of the Parliament would be very large indeed. I therefore appeal to both sides, but especially to the Council, to make a real effort to bridge that gap at the second reading.

As I pointed out to the President-in-Office of the Council in Strasbourg, a qualified majority is necessary, in the Council, but a majority in Parliament is also necessary if we are to have a budget this year as in all other years. As far as Parliament is concerned should it, in due course, feel that choices have to be made, I suggest that it makes its choices against the background of my comments today.

I have clearly indicated areas where, for various reasons, the entering of amounts in the budget would not serve any useful purpose for the coming year. I have also warned against the temptation of entering small amounts on a number of new lines which could not give rise to the launching of a coherent policy in the areas concerned. One should I believe — and I have the injunctions of the Com-

mittee on Budgets on this subject ringing in my ears — avoid what is often referred to as the watering can effect.

In any case in this year, as in every year, conciliation will have to apply and it will have to cover not only agreement on figures but also some essential aspects of budgetary policy such as the opening of a second part in the budget for borrowing and lending operations. I must tell the House here that unilateral action by Parliament on this would not, in the Commission's view, be legally valid. For this reason, and because of the importance of the matter, I once again urge the Council to engage in real negotiations with Parliament so that a mutually acceptable solution can be found this year. This is a point to which we have returned over and over again and it is very important indeed that a real negotiation should take place so that progress can be made. The issues involved and the choices to be made are not easy. This issue cannot however go on being indefinitely postponed, and I am sure that a reasonable solution can and should be found.

Mr President, 1981, as has been said by the President-in-Office of the Council and by Mr Adonnino in his speech, is not a year for the Community to be without a budget. Both arms of the budgetary authority have a duty to ensure that the Community has one, and the Commission stands ready to lend its good offices to all the efforts which are made by the co-equal arms of the budgetary authority to bring about a budget for the coming year which goes some way towards meeting the real and urgent needs of the Community.

(Applause)

President. — It is time to close the sitting.

12. Agenda for next sitting

President. — The next sitting will be held tomorrow, Tuesday, 4 November 1980 with the following agenda:

9 a.m. to 1 p.m. and 3 p.m. to 7 p.m.:

— Continuation of budget debate.

The sitting is closed.

(The sitting was closed at 8.10 p.m.)

SITTING OF TUESDAY, 4 NOVEMBER 1980

<p>1. <i>Approval of minutes</i> 20</p> <p>2. <i>Membership of committees</i> 20</p> <p>3. <i>General budget of the European Communities for the financial year 1981 (continuation)</i></p> <p style="padding-left: 20px;"><i>Mr Curry; Mr Galland; Mr Giavazzi; Mr Patterson; Mr van Minnen; Mr Ghergo; Mr Seeler; Mr Doublet; Mrs Castellina; Mr von der Vring (draftsmen of opinions)</i> 21</p> <p style="padding-left: 20px;"><i>Mr Dankert; Mr Konrad Schön; Mr J. M. Taylor</i> 34</p> <p style="padding-left: 20px;"><i>Point of order: Mr von der Vring</i> 39</p> <p style="padding-left: 20px;"><i>Mr Gouthier; Mr Rossi; Mr Ansquer; Mr Bonde; Mr Romualdi; Mr Arndt; Mr Notenboom; Mr Kirk; Mr Baillot; Mr Flanagan; Mrs Castellina; Mr Fich; Mr Aigner; Mr R. V. Jack-</i></p>	<p><i>son; Mr Spinelli; Mr Nyborg; Mr Lange (Chairman of the Committee on Budgets); Mr Balfe; Mr Barbi; Mr Beazley; Mrs Boserup; Mr Motchane; Mr Lega</i> 40</p> <p style="padding-left: 20px;"><i>Section I — Parliament:</i></p> <p style="padding-left: 40px;"><i>Mr Pfennig; Mr Rossi; Mr Coppieters; Mr Dankert; Mr Lange</i> 68</p> <p style="padding-left: 20px;"><i>Section III — Commission</i></p> <p style="padding-left: 40px;"><i>Agriculture — Guarantee and Guidance:</i></p> <p style="padding-left: 60px;"><i>Mrs Castle; Mr Tolman; Mr Provan; Mr Martin; Mr Delatte; Mr Davern; Mr Wettig; Mr Brøndlund Nielsen; Mr Fanton</i> 72</p> <p>4. <i>Electronic voting system</i> 82</p> <p>5. <i>Agenda for next sitting</i> 82</p>
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IN THE CHAIR: MRS VEIL

President

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

President. — The sitting is open.

1. *Approval of minutes*

President. — The minutes of proceedings of yesterday's sitting have been distributed.

Since there are no comments, the minutes of proceedings are approved.

2. *Membership of committees*

President. — I have received from the Socialist Group a request for the appointment of Mr Ripa di Meana as member of the Ad Hoc Committee on Women's Rights in place of Mr Ferri.

Since there are no objections, Mr Ripa di Meana's appointment is ratified.

3. *General budget of the European Communities for the financial year 1981 (continuation)*

President. — The first item is the continuation of the debate on the draft general budget of the European Communities for the financial year 1981.

We shall hear first of all the draftsmen of opinions.

I call Mr Curry to speak on behalf of the Committee on Agriculture.

Mr Curry, draftsman of an opinion. — Madam President, the Committee on Agriculture has been very conscious that all through this debate we have been discussing a policy which is under severe threat, under severe challenge, and which is coming close to the limits of its resources. Its great preoccupation in this debate has been to try and save those positive achievements of the agricultural policy which have been recorded over generations in this Community, and at the same time to point the way forward for a positive reform, not an incidental reform but a positive reform of those things which have become manifest and obvious abuses.

Now the first priority for this, Madam President, is to identify those aspects which are clearly agricultural in nature and those aspects which are purely budgetary. It is the firm conviction of the committee, as reflected in this House last year, that the time has come to draw a distinction between these two functions. It is for this reason that the Committee on Agriculture has suggested several amendments which seek to remove from agricultural expenditure such aspects as are concerned with food aid, sugar refunds for the ACP countries and the payment of monetary compensatory amounts. One has only to look at some of the parity movements in recent days to realize that the MCA problem, which was so often a problem of devaluing currencies, has now become a much more severe problem of revaluing currencies.

There are those who will say, Madam President, that in seeking to undertake this structural reform of the agricultural budget, all we are trying to do is to pall the wool over people's eyes about its true extent. Now it is perfectly true that there are some who would advocate this change on the grounds that it would show that agriculture only absorbs 40% or 45% of our resources rather than 65% or 70% of our resources.

That really is an irrelevant argument, because if we think we are going to pull the wool over people's eyes by making that sort of change, then those people really must be rather stupid who would allow the wool to be pulled over their eyes by such a transparent shift. The real reason is to give a much greater validity to those policies which are now subservient to agriculture and which this House and this Community feel should exist notably, food aid.

It is not good for this Community, it is not good for our image, it is not good for our practical policies and it is not good either for the farming community or for those in need that food aid should be regarded permanently as some form of subsidiary of agriculture, that when we have a surplus we can shove it out to those in need and when we have not got a surplus, well hard luck those who want it. It makes a great deal more sense to establish an independent food aid policy which can then call upon agriculture to serve it rather than the other way round.

The same is true, Madam President, of our sugar refunds, though one has to say that if you look at the sugar price in the world at the moment, what advantage the ACP countries gain from the commitment the Community has given them must be very doubtful. When we come to the mone-

tary compensatory amount aspect, there are arguments on both sides, and the Committee on Agriculture recognizes that this is a much more difficult question. The monetary compensatory amounts were installed to protect the system of intervention; they were installed to protect the idea of the free movement of goods and common price across the Community. There are those who argue that, in fact, parity dislocations do not belong properly to agriculture and that they should be removed from the budget, and there is an amendment in the name of one member of the committee, with the broad support of the committee, to that effect.

Underlying this debate there has been a certain preoccupation on the part of the committee that Parliament is seeking to reform agriculture via the budget. Now, of course, it is perfectly true that Parliament, when you look at its powers, has little option but to try and seek to make policies via the budget. The Council of Ministers, the other institutions, sit in a very large castle, as it were, and there is only one drawbridge across the moat into that castle, and that drawbridge is marked 'the budget'.

It is therefore quite inevitable that Parliament should seek to cross that drawbridge and exercise a policy-making function. But if we do this, we shall at the same time have to use caution and intelligence in the way we go about it; to claim that by moving lines in the budget, by shifting expenses, somehow the real problem is beyond this Parliament and actually at the level of the producer, and that the problem at the level of the intermediaries disappears, is a pure piece of cosmetic intellectual artistry which bears no real relationship to the facts.

The fact of the matter is that agriculture faces two crises: it faces a crisis of the budget, of financing, and it faces a crisis of production. It is only by tackling these two problems simultaneously at the level of production and at the level of the budget that we will begin to get any sort of sense into the policy.

At the same time the committee has not sat back and resolved to defend to the last ditch every single aspect of the policy. It has tried to take a rational and cool look; it has, for example, questioned whether it is healthy that an agricultural policy which is a Community one should in fact be 60% financed by the Member States and only 40% by the Community; whether or not the veritable rash of national aids which, we are told, would occupy 18 000 pages of print simply to be reproduced, are genuinely things which serve the agricultural policy. We feel very strongly that to return to some of the basic principles of the Treaty would serve agriculture in good stead, that it has become rather like a ship which has been sailing through difficult seas: its bottom has got reed-encrusted, barnacle-encrusted, and it is far from fuel efficient. What we would like to do is to restore the agricultural policy to its basic and essential principles on a genuine Community basis and then set about enlarging it so that we embrace not simply the producers but also the processors and the people who live off agriculture in the widest sense. That is the sense of the amendments put down by the Committee on Agriculture, and I commend them to this House.

President. — I call Mr Galland to speak on behalf of the Committee on Energy and Research.

Mr Galland, draftsman of an opinion — (F) Madam President, ladies and gentlemen, the Tokyo and Venice conferences have shown us that the major industrial powers need a world-wide joint strategy to deal with the energy crisis. The decisions taken at those conferences, incomplete though they were, were not insignificant. No one country can claim today that it is able to solve alone the problem of its future energy supplies, and yet throughout the energy question it is as though the European Community was non-existent or irrelevant. Europe must be in a particularly bad way, ladies and gentlemen, if we have such little faith in our own organization and our own joint ability to deal with the energy crisis. I would go further and say that we are a laughing-stock. Mr President-in-Office, I should like to quote the words of someone you know well. On 8 July 1980 Mr Gaston Thorn said to this House:

The coming period will possibly give us a second chance arising from the new awareness of a changing situation brought about in Europe by radical changes in the matter of sources of energy. These changes are such that any plans worked out at a purely national level would have much less chance of being effective and lasting. It thus becomes all the more necessary that a Community policy be put into operation.

Despite this statement, Mr President, we now see in Chapter 32 that the Council is requesting 56% less in commitment appropriations for energy compared with the 1980 figures and 66% less in payment appropriations, and I think we have the right to wonder what is going on. Were we in fact dreaming on 8 July 1980 when we thought we were listening to Mr Thorn, or has someone got his figures wrong in the draft budget? Alas, neither. Perhaps, then, the cuts are to be explained by observations in the Commission's preliminary draft. It is true, Mr President, that it is largely the Commission's fault that so little has been done towards a Community energy policy, and I shall return to that question. However, as far as the proposals in the draft budget are concerned, there can no justification for the purblind, and I mean purblind, cuts proposed by the Council.

Let me now turn to the heart of the matter. On this occasion at least, Mr President, there are on the whole relatively few appropriations carried over to 1981. We cannot, therefore, accuse the Commission of bad planning. There are a few significant amendments. Under Item 3210 — prospecting for uranium in the Community — we have reinstated the appropriations in the preliminary draft budget, since we consider that the Commission's objective of supplying 20 to 25% of the Community's uranium requirements from its internal resources is a necessity. To do this requires political backing from the Council, and for such an essential programme we invite you to demonstrate the necessary political will.

Under Item 3230, we have reinstated 50 million in payment appropriations and 100 million in commitment appropri-

tions. This is an indication of our desire to make provision for a revival of the coal sector, and we invite you to support this.

Under 3240, a Community energy-saving programme, we call for the re-instatement of the 28 million EUA in commitment appropriations and 6 million EUA in payment appropriations which the Commission had requested in the preliminary draft budget, since energy saving is a vital objective.

We are of course aware that the ceiling of 55 million EUA has been reached. We would ask for a further token of the Council's political will: the ceiling must be increased, as the Commission has requested, to 110 million EUA. Parliament will be taking particular note of your decision here, because in the past this programme has been genuinely successful. In response to two invitations to tender, 630 applications have been examined by the Commission and 113 have so far been approved.

Item 3241 — the programme for the development of new sources of energy — is another crucial area. A large number of projects have been submitted to the Commission in response to two invitations to tender: 35 for gasification and liquefaction of coal, 286 in the solar sector and 69 for geothermal energy. Both the Commission and industry are thus now beyond the running-in stage and are well organized. Under these circumstances, and because the carry-overs are very low — 5.26 million EUA in commitment appropriations and 40 million in payment appropriations — it will be no surprise to you that we have voted for the reinstatement of all the commitment and payment appropriations requested by the Commission in its preliminary draft budget which, for reasons beyond our comprehension, you have cut out.

The same applies to Article 327, where we have reinstated the figures from the preliminary draft budget in respect of the Community's aid to developing countries in the energy field. Mr President-in-Office, I am ashamed to mention the figure. Energy aid to developing countries totals 2 million EUA, and you wanted to reduce that figure to 0.7 million!

We also wish to add a number of other amendments. I would like to draw your attention to those amongst them which are of significance and in particular to the one which is most significant of all. Under Article 326 we have added 100 million EUA in commitment appropriations. We consider this figure to be vital because there must be new initiatives on energy and 1981 is simply a year of transition towards a Community energy policy which, in certain areas at least, will be seeing the light of day in 1982.

We shall, Madam President, be looking for a sign of the Council's good will, both as regards the essential amendments relating to current policy which I have just described and, as regards the amendments which deal with future policy, in particular put forward by the Liberal Group for a sum of 100 million EUA under Chapter 100. In our view, Madam President, energy policy is going to be one of the

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principal ways forward for this Community. We must develop new policies besides the agricultural policy, particularly on energy. We will be told that there is no justification for having a Community policy on certain energy questions — we know that that is the opinion of certain governments, and I have already faced this problem in my own country. If the Council were to show some political determination, we would make some progress. If it were to insist that the Commission shoulder its responsibilities and draw up a major Community energy programme, a comprehensive all-embracing programme, the Council could demonstrate the political will which we expect of it.

In conclusion Madam President, I would say that the choice before us is as follows. On the one hand the Council can demonstrate its political will to set off down the road indicated by Mr Thorn in July 1980 — both as regards the amendments to the preliminary draft budget, where we have reinstated those appropriations which were justified, and as regards the further amendments relating to the Community's energy prospects — in which case, no matter what difficulties we encounter in 1981, we shall still have the hope that this year of transit will lead to a new future for the Community, particularly as far as energy is concerned. Or, on the other hand, the Council can continue its policy of blind, unwarranted cuts in energy expenditure. I have no hesitation in saying that if that happens the Community is likely to enter a very serious crisis because it is irresponsible not to see that it is the question of energy that gives this European Community its purpose and justifies its existence.

President. — I call Mr Giavazzi, draftsman of an opinion on behalf of the Committee on Economic and Monetary Affairs.

Mr Giavazzi, draftsman of an opinion — (I) Madam President, ladies and gentlemen, my task of presenting to you the views of my Committee is somewhat unusual since, although the area with which we are concerned is extremely wide — embracing competition policy, industrial policy and monetary policy, the very foundations on which the Community is built — we nevertheless find, if we look at these questions from the point of view of the budget, that they are extremely narrow subjects, all the more so with the continued embargo, which we all deplore but no one changes, on discussion of the financial policy relating to loans and facilities which we would regard as essential to any serious policy programme in the areas with which our Committee is concerned.

It is for that reason that the Committee decided that I should put before the House its views on a number of general considerations which in no way exceed the Committee's mandate but which could not be left unsaid in this unusual situation.

The first basic consideration is that a budget cannot be considered as a good one when it is based on preparing for action, rather than bringing it about, when such action is rec-

ognized as being essential — even vital. The second consideration is that even if the budget is to be discussed each year in accordance with the Treaty, that is no reason why we should not be considering long-term — or at least medium-term programmes — which are the inevitable consequence of our need to establish a serious economic policy with broader and better-coordinated objectives. Our third observation, and the most fundamental, is that it is intolerable that, when the Community's essential aims in this field have been declared at the highest level, the legal means of bringing them about cannot be found.

Under those circumstances Parliament must be reminded that it is not the ability to act which the Community Institutions lack, it is the authority — both the political authority and the legal authority. The view of the Committee on Economic and Monetary Affairs is that if these questions are not cleared up there is no point continuing to discuss programmes when there is neither the will nor the means for their implementation. Having stated these principles, and turning now to individual questions of merit, it is the Committee's view that it should stress two areas for action which are both the subjects of amendments which received the unanimous support of the Committee on Economic Affairs and of the Committee on Budgets.

These amendments are aimed at reinstating — within the deplorable restrictions to which I and the Committee have drawn to your attention — a number of policies relating to structure and to advanced technology which are universally acknowledged as being essential, urgent and vital to the Community. Advanced technologies require a wide market, the necessary technological resources and the necessary funds, all of which can only be found in an organization which is broader than any one country, and which should be available at Community level; it is only at such a level that our technology can rival our external competitors who are becoming more and more of a threat from both the technological and the economic points of view. These amendments propose the reinstatement of items proposed by the Commission in the preliminary draft budget aimed at intervention to support those industrial sectors which are deserving of a conversion programme and, at the same time, of temporary support. This applies particularly to the iron and steel industry which has not only been the subject of demands by other Committees but has been the subject of recent wide-ranging discussion in this very House.

These are, expressed very generally, the views of the Committee for Economic and Monetary Affairs on the budget which we have before us today, a budget which is a long way from meeting the objectives pursued by the Commission but which we should nevertheless consider realistically, realistically because one thing which particularly concerns us in our own field is that the time lost should be no more than the minimum dictated by financial prudence.

These are the views which the Committee on Economic and Monetary Affairs has expressed in its opinion, and for which it is seeking support in the hope and belief that,

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within the limitations which I have already outlined, the amendments which we are proposing will lead to at least some improvement in the present situation. Our Committee trusts that this House will appreciate those general principles and will vote to show its belief that those principles are essentially, urgently and vitally needed in this Community.

President. — I call Mr Patterson to speak on behalf of the Committee Youth, Culture, Education, Information and Sport.

Mr Patterson, draftsman of an opinion — Madam President, it is perhaps appropriate today, the day of the American Presidential elections, that I should begin by quoting the words of a past American President, Theodore Roosevelt, who advised his compatriots to speak softly, but carry a big stick. My committee might be a good example of the very opposite. We have no big stick; indeed my committee, in the Council's view, accounts for scarcely more than 0.51% of the total budget although, originally, in the Commission's view, we accounted for slightly more, about 0.54%. That cut in itself illustrates the poverty of the Council's thinking in an area which concerns the very lifeblood of the Commission — the sharp end where it contacts the public.

Although we have no stick, we do have a loud voice. In Chapter 2 we cover the information policy of the Commission, and in Chapter 3 we cover a very small item of the Community's activities but one which, I suspect, is of growing importance: the Community's contact with the educational and the cultural world. It says something about the priorities which the Council has given us — indeed which the whole Community has given us — that if we would just eliminate the surpluses in the dairy sector, we could increase expenditure in the cultural sector by something like 6½ thousand times! It says a little bit about the priorities of the European Community.

I want to concentrate on two matters, because it seems that these are of most importance, and to support two amendments, namely, lines 2720 and 3920 of the budget. These concern the Commission's information policy and the Community's education policy. It seems incredible, when you consider that we have a new State, Greece, joining the Community; when we have planned a major information campaign in my own country, the United Kingdom, where, as a result of past troubles, enthusiasm for the Community is not as great as it might be; when we have planned in those two countries a major information campaign; when it is planned in accordance with everybody's wishes to diversify and regionalize the information services of the Commission and to open information centres in other parts of the world where the Community is of growing importance, that the Council in its wisdom should not merely have cut the information budget of the Commission below what it originally asked for, but actually below what is supposed to have been spent this year, i.e. a 14% cut in real terms in the Commission's information budget.

Nobody, least of all the Council, has come forward with an explanation of this. It seems the height of irresponsibility, and we were led to suspect, in my committee and indeed in the Committee on Budgets, that the Council was in fact playing a fast one on us, because it knew perfectly well it was impossible for the Community's information services to continue without this money being restored, thereby using up our margin of manoeuvre. I hold that reason in mind because it seems to me that Parliament has got to restore this money to the information budget of the Community. And perhaps I could link with that two other lines in the budget where we also believe the information policy should be restored: films shown in the Lomé countries — a very important organ of the Commission's and the Community's publicity in the third world — and the Kreyssig Fund information money specifically for young people in the schools and colleges which grew out of initiative from this Parliament. Both these have been cut by the Council, and both these must be restored by Parliament.

I come now to the education budget because there is here a great matter of principle rather than merely of economics. The cut made in the information budget by the Council is quite enormous, and we in Parliament wish to restore it. We wish to restore it, not merely because we believe it is important to spend this money. We wish to restore it — and I appeal to members of my own group here because they in the past have not always seen eye to eye with me on this matter — because we wish to re-assert our faith in the decisions taken by the Council of Education Ministers in 1976, and renewed this year, but unaccountably forgotten by the Finance Ministers, namely that the Community does have a role in education. It does have a role in educating the children of migrant workers, it does have a role in improving language teaching throughout the Community, both by the exchange of teachers, trainee teachers and pupils. It does have a role in such things as EURYDICE the exchange of information on education policy so that solutions found in one country can be applied in another.

I know that there have been problems here with the Danish Government, although in 1976 it was quite willing to go along with the first stage of the education policy and indeed the Danish representative this year apparently also approved the education policy. So I appeal to Parliament to correct the Council's Finance Ministers and bring them back into line with the Council's Education Ministers. As I think I said last year, if education is not the foundation of the Community what is? The decision of the Education Ministers to build on the Community's education policy since 1976 should be re-asserted by this Parliament, and the only way we can re-assert it at the moment is by putting this money back into the budget.

There are a number of other items which concern my committee including, not unsurprisingly, the Youth Forum, line 254 in the budget. Here there has been a 10% cut by the Council. This is a cut in real terms, as all these cuts are. It is forgotten that the Youth Forum has only just entered its second year and it is necessary for the Youth Forum to have this money in order to increase the catch-

Patterson

ment area of the organizations which belong to it. The representatives of the Youth Forum regularly attend meetings of the Committee on Youth, Culture, Education, Information and Sport of this Parliament and the case they made out for the restoration of the cuts made by the Council was overwhelming.

We have the line on the scholarships. Line 2940 for aids to students represents the only way at the moment which Parliament and the Community have of helping the University Institute in Florence. I appeal to Mr Lange, as chairman of the committee on Budgets, to reverse the decision they took on this matter last week. I was not given the opportunity at that committee meeting to explain what these grants in line 2940 were for and I am sure had they known that they were thereby cutting back on the subsidies to the University Institute in Florence, the Committee on Budgets would have supported this amendment standing in the name of my committee. I hope this Parliament will do so.

There are the institutes of higher education in line 290 which are closely linked with the support of Europe Houses, institutes of adult and higher education, which I know several colleagues of mine, including Mrs Kellett Bowman have been particularly keen on and which this Parliament has always supported in the past. I think one of the amendments restoring the cuts made by the Council, should be passed by Parliament.

Then there is Chapter 2, a controversial chapter, on aids and subsidies to European movements. The Committee on Budgets voted for an amendment proposed by Mr Aigner, on behalf of the European People's Party, very much increasing this aid above that which the Commission had originally requested. My committee asked for a nominal cut of about 7000 EUA. This was because we discovered that some of this money in aid to European movements is going to party political organizations, the European Democratic Forum in Brussels for example, which is supported not surprisingly by my group. In our committee we felt that this money should be spent, not for party political organizations, but for organizations which are not connected with any party, and that was the reason for this cut. But the Committee on Budgets increased the money, and I suspect that my committee would have gone along with the Committee on Budgets in the event.

Then we come to Chapter 3, and here I wish to make a particular plea for support for line 3921: aid for young people in their working careers. We wished in my committee to add something in the remarks column in addition to the 100000 EUA, because next year is the International Year of the Disabled. I am sure Mr Van Minnen, when he speaks, will be making this point very much more strongly than I. My committee wished that the Commission this coming year should do something to help handicapped young people in their search for a job. We put back that money into the budget. I hope this Parliament will vote for it, and I am sure that the Commission will spend it. We appeal to them to carry out projects which are of special help to handicapped young people; something which I think nobody in this Parliament will dare vote against.

I am now going to link this with one of our savings, because we can very neatly save the money which might have been spent on handicapped young people, by eliminating an exhibition which was due to take place in Knoxville, Tennessee, as part of the Commission's information budget, but which in practice is an initiative of the Council and the national governments. We felt — this is not putting it too strongly — that the money would be far better spent on helping handicapped young people in Europe, than on an exhibition in Knoxville, Tennessee, costing a great deal of money.

We now come to two further lines of the budget: cultural action and the cultural events. I explained earlier that the amount the Community spends on cultural action or cultural events is so tiny as to be almost laughable. I know that certain of my colleagues in the committee believe that the amount we spend on culture should be expanded very considerably indeed. In one area — cultural events — my committee has voted not merely to restore the Commission's cuts, but to go beyond it, particularly in support of a project — a touring exhibition — for young Community artists. The Committee on Budgets preferred a Socialist Group amendment, which would merely restore the Commission's cuts. If Parliament does not feel that it can vote for my committee's amendment, then I urge it to support the Socialist amendment because in this particular matter the Council showed itself not only philistine, but niggardly as well.

Two final lines in the budget for which my committee is responsible. The first is architectural heritage. This was a matter which was put into the budget last year at the initiative of Parliament and specifically at the initiative of the chairman of my committee, Mr Pedini. There have been rumours circulating around the Council that this money is not being spent this year. If that is so, I hope that the Council is now disabused of that notion, because this money will be entirely spent by the end of this year. I think it would be very much below Parliament's dignity if, having voted money for the preservation of architectural heritage last year, it voted it out this year. What this money is helping to do is to enable the European Investment Bank to provide loans for preservation backed up by the funds from the Community budget.

The final line in the budget which my committee is responsible for is the European Foundation. Year after year this Parliament has voted money into the budget for the establishment of this Foundation. Year after year this money has not been utilized because the Council has been unwilling to take a decision on the establishment of the Foundation. My committee still wishes to vote the money in this year but the Committee on Budgets is not supporting us. All I can say on this matter is that, if the Parliament feels that this Foundation should continue, it should give it one last chance this year by putting money into the budget. If it cannot be spent this year then unfortunately the Foundation has got to be abandoned. But let us give the Council one more year to take this decision and if it does not, then next year we can eliminate it from the budget.

Patterson

With those few remarks, Madam President — and I am sorry to have been rather long, but I was taken by surprise — I hope that Parliament will support the amendments tabled in my name on behalf of the Committee on Youth, Culture, Education, Information and Sport.

President. — I call Mr Van Minnen to speak on behalf of the Committee on Social Affairs and Employment.

Mr Van Minnen, draftsman of an opinion. — (NL) Madam President, according to the French statesman, Cardinal Richelieu, a budget is the nerve of the state and should for this reason be hidden from the eyes of the common people. It strikes me that the Council has acted in the best tradition of secret diplomacy but feels that if the budget cannot be kept from Parliament for any longer, Parliament can at least be prevented from having anything to do with the decisions. What, after all, is happening again this year. We are not merely messing around with figures and percentages, the question has once more arisen as to who, when it comes down to it, is competent for drawing up the budget? Is this Parliament in fact the budgetary authority which the Treaty itself says it is, or does the Council still have the last word?

In view of this, it will come as no surprise to you that the Committee on Social Affairs takes the view that not only should Parliament have the last word but that the Council is in serious need of correction in those very areas where the Council itself felt it could make ruthless corrections in the form of cuts. Firstly, those items placed on the budget by the Commission — which people are so fond of calling our European Government — and the Committee for Social Affairs. As we in the Committee for Social Affairs see it, that was a question of priorities.

We by no means wish to restore everything this year, as we saw from the previous budget that this in fact can result in a fiasco and theoretically leads to no improvement whatsoever, even as regards the composition of the new budget. Thus, the Committee on Social Affairs has selected those priorities which arise clearly from the current situation in Europe, for example, unemployment, youth unemployment and the employment situation in general and poverty, i.e. the various priorities which come together in the single chapter relating to the Social Fund. As regards this Fund, our Committee unanimously stresses that it is an overriding priority. This is reflected in the amount proposed by the Commission, which has been cut back by the Council. The Committee for Social Affairs has therefore proposed that the amounts earmarked for the Social Fund should be brought back to the original level proposed by the Commission. We are therefore grateful to our colleagues in this Parliament and, in particular, in the Committee on Budgets, for the fact that they recognize the need to restore the appropriations for the Social Fund.

In addition, we have gone so far as to increase a number of specific items. In doing this, we wish to place particular emphasis on two points. Firstly, there is the increase of the appropriations for what have been referred to as 'trivial women's projects'. However, this increase is nevertheless an urgent necessity if we are to promote and finance projects for the emancipation of women.

Secondly, we wished to place a special emphasis — and Mr Patterson has also drawn attention to this point — on the Year of Disabled Persons which we hope will be something a bit more tangible than a year dedicated to the Virgin Mary or the preservation of monuments. Our Parliament can do something very specific for the Year of Disabled Persons which has been so solemnly proclaimed for 1981, since our budget contains the necessary items and here too, in this first round of discussions, I am grateful to note that the Committee on Budgets has, broadly speaking, followed our proposals. The various increases in the item for the disabled were clearly politically inspired and I hope this political inspiration will not be restricted to the Committee on Social Affairs.

In addition, of course, there is the steel crisis which is a matter which concerns us all to an enormous extent and, as regards the accompanying measures in the social sector, comes under the Committee on Social Affairs. In order to cope with the steel crisis, we will include the necessary amount in our budget and use the available margin to the full. However, if we approach the steel crisis from the social angle we will not be able to do any favours for incompetent people, or even competent people or anyone else in the Community for that matter. The steel crisis will demand hundreds of millions of units of account over the next few years if we intend to cope with it in the way the Commission intends and as indeed it must be tackled in the social field. It should be noted that last year the budget included nothing to cover the steel crisis and nothing was to be included this year either in spite of the recommendations of this Parliament as contained in the Peters report and in spite of all the social structural measures which were called for.

I would remind you that the original budget did not even contain a token entry but merely a dash. I would point out that in the course of a few months the entire situation in the steel sector has undergone such radical changes that the Council is already speaking in terms of at least 100 million EUA for this year. This amount must be included in the budget this year. It cannot be split into payment and commitment appropriations, since it comes under the ECSC Treaty and will inevitably have to be spent this year for the accompanying measures in the social sector for which a provisional amount of 112 million has been decided in consultation between the Committee on Budgets and the Committee on Social Affairs.

The question is what methods we intend to use to finance these social measures in the steel sector. It has already been suggested that they should be included under compulsory expenditure, which would mean that in addition to the agricultural crisis we would have a steel crisis involving com-

Van Minnen

pulsory expenditure for the steel industry just as we now have compulsory expenditure for agriculture. But apart from the fact that you cannot eat steel, it would obviously be a bitter pill for this Parliament to have to swallow to be faced once more with compulsory expenditure which it had no control whatsoever regards its utilization.

If then we come to the inevitable conclusion that the social measures in the steel sector must also come under non-compulsory expenditure, the question immediately arises as to whether this would have to be kept within our margin, i.e. would even more have to be whittled away from the already far too narrow margin over which this Parliament has control, particularly as regards the social sector, that there would be nothing whatsoever left for other purposes? This parliament will have to answer this question indirectly when indicating the title, but the final answer must come from Governments of the Member States and the Commission which must take a decision on this point. However, I should like to make the point that if we do not do this, if we do not latch on to the structural changes which are essential in the steel sector, we will also lose out in other industrial sectors. The steel industry is not just any old sector, but will act as a sort of model for any future social policy in our Community.

This brings me, finally, to the margin for agriculture, which, as we all know, enjoys an overriding priority. If it is practically impossible on the one hand to increase the 1% VAT ceiling at the moment, it is on the other hand possible to extend the margin and I should like to urge the Council not only to consider but also to make use of all the possibilities open to us in this respect within the present structure.

Our Community — and I am speaking here, I should stress, as spokesman for the Committee on Social Affairs — has progressed predominantly as — *nomen est omen* — as an *economic* community. One might even say that our Community has virtually expired in virtually every sector except the agricultural community which could itself be regarded as a dead end. So far, our Community has hardly paid any attention to its undertaking that it would ultimately develop into a social community. It will hardly be possible at this stage for us to reflect this undertaking in this budget, but we can at least finally try and make a start and I hope therefore, that this aim will be reflected in the final version of the budget.

President. — I call Mr Ghergo to speak on behalf of the Committee on the Environment, Public Health and Consumer Protection.

Mr Ghergo, draftsman of an opinion. — (I) Madam President, ladies and gentlemen any discussion of the suitability of the appropriations entered in the 1981 draft budget, presupposes prior fundamental consideration of the financial structure of that budget — which is marked in a large measure by items of compulsory expenditure, to such an extent

that the budget appears to be more in the nature of a book-keeping record than the reflection, in terms of expenditure, of political options.

Adoption of the budget provides the European Parliament with the opportunity to use its authority to the full but, given the high proportion of compulsory expenditure, Parliament in reality has only a strictly limited margin to emphasize its rights; in the Commission's 1981 draft budget non-compulsory expenditure represents 22.11% of commitment appropriations and 16.21% of payment appropriations.

These factors serve to emphasize the urgent need, so often discussed in many quarters, for financial reform which will make new resources available to the Community. With the present financial structure there can be no question of restoring the balance between agricultural policy and other Community policies, even though that is apparently held by many authorities to be a possibility.

In fact it is inappropriate to speak of restoring the balance: agricultural expenditure constituted largely by the EAGGF Guarantee Section cannot be reduced for the present and unless overall resources are increased there can be no increase in the appropriations allocated to other Community policies.

The foregoing observations illustrate the context of community action in the areas of public health, the environment and consumer protection; in the Commission's preliminary draft budget the appropriations allocated to these sectors total 11949000 EUA or 0.26% of the total non-compulsory expenditure, or 0.06% of the total budget.

These small amounts are totally inadequate to meet the repeatedly stressed need for a more vigorous environmental policy with its many and varied ecological and social implications; on many occasions the high priority of such a policy has been stressed, indeed the intentions defined in the second action programme suggest that we should now be moving on from the stage of improvement to the far more ambitious stage of prevention.

The actions proposed by the Commission but still pending in the Council and on which Parliament has already delivered its opinion, are many and important. There are a whole series of actions which are marking time at present but which will have to be implemented if only gradually. A number of other actions are being studied or have reached an advanced stage of preparation.

The Communication from the Commission to the council (Doc. COM. (80)222/fin. of 7 May 1980) examines the present situation and assesses the work undertaken to implement the measures laid down in the first environmental action programme. Of the actions currently in progress particular importance attaches to those relating to the assessment of impact on the environment, that is an assessment of the possible repercussions of the environment of technical planning and decision-making processes. As you are aware, the Commission has prepared a proposal for a directive on this.

Ghergo

The present policy is of great importance in terms of its intrinsic content and above all from the angle of the effect which it will have in other sectors: it is intended to acquire much broader proportions in due course in order to have an overall effect on the lines outlined in the 'world conservation strategy' defined by the International Union for Nature Conservation and for the Conservation of Natural Resources with the support, cooperation and financial assistance of the UNEP and WWF, and also in cooperation with the FAO and UNESCO.

This document provides a very specific and detailed overall view of the various problems and above all of their urgency, whilst leaving certain gaps as regards the limited resources available to attain these objectives.

Expenditure by the public authorities on the environment represents a minimal percentage — between 1 and 2% — of GNP although, according to OECD estimates, damage caused by pollution corresponds to between 3 and 5% of GNP. Fresh damage to the environment is constantly being caused, while intervention generally concentrates on restoring the pre-existing situation.

Without indulging in facile rhetoric it is true to say that these problems ultimately concern the ability of our planet to sustain human life, and that, alas, is not just a science-fiction approach. The programmes covered by the 1981 draft budget must be seen against the background of these formidable problems: admittedly, the programmes are wide-ranging and well-intentioned, but the instruments for their implementation are sadly insufficient.

In conclusion the appropriations proposed by the Commission for 1981 reflect the policy of austerity necessitated by the present financial structure of the budget but do to some extent take account of the recommendations made by Parliament when it approved last year's budget.

The attitude of the Council must be assessed in the light of the foregoing considerations; at its meeting of 23 September 1980 it reduced appropriations (when it did not delete them altogether) and even went so far as to delete token entries against a number of high priority items. In other cases, the forecast expenditure equal to that in the 1980 financial year, in fact represents a substantial regression since there has in the meantime been a high rate of inflation. This attitude on the part of the Council might be interpreted as a lack of political resolve or even an unwillingness to implement an effective policy for the environment and public health.

One cannot temper this criticism of the Council's position with the excuse that cuts have been made across the board on almost all items of non-compulsory expenditure; Parliament surely cannot accept a mere bookkeeping criterion of this kind which rules out any proper political assessment. This is particularly true when we consider that the cuts (2791 000 EUA) reduce by nearly one quarter the already limited appropriations (11 949 000 EUA) and merely reflect a practice adopted by the Council consistently under all other headings.

The demands put forward by the Committee for the Environment, Public Health and Consumer Protection for the last financial year have to a large extent not been met in the 1981 budget either: no provision was made in 1980 and no provision is to be made in 1981! In the preliminary draft budget for 1981, the Commission did diffidently request a new action for the control of pollution caused by oil discharges in the sea.

This has however been frustrated by the Council which has now deleted the appropriation for the protection of the marine environment, which totalled 1200 000 EUA.

The criticisms of environmental policy must be added to an equally critical assessment of the approach followed up to now in specific problems of health protection; this criticism applies not only to the small appropriations (the Council apparently considers that 33 000 EUA are sufficient for subsidies to international organizations for actions in the sector of health protection, hygiene and safety at work) but also to the restrictive attitude adopted in this sector. This is shown by the fact that the Council has thought fit to delete the very modest appropriation of 100 000 EUA at item 3522 of the preliminary draft budget for action necessary to implement directives and decisions relating to the security and health of workers at the place of work.

The Council's attitude is all the more serious in view of the fact that in the health sector an inexpensive Community policy could be pursued which would undoubtedly have a stimulating effect on health education in general through the coordination of national policies and, above all, to demonstrate to public opinion that the Community is progressing towards integration.

The initiatives now under consideration in respect of the health passport, free movement of pharmaceutical products, control of alcohol and tobacco abuse and control of drugs must be seen in this context.

A rather less stringent criticism should be made in respect of the measures to protect and inform consumers. The opinion on the 1980 draft budget already showed that aid granted to consumer organizations was sufficient. For 1981 there is the prospect of real impetus being given to policy in this sector as a consequence of the important Dublin meeting. The appropriations proposed are not particularly large but are nevertheless almost satisfactory against the background of the overall policy of austerity.

As we have seen, the appropriations entered in the budget in the area of environmental protection, public health and consumer protection are quite inadequate to allow even a modest Community policy to be implemented. The Committee on environmental protection cannot possibly accept this state of affairs because the progressive deterioration of the situation in the sectors of interest to it cannot be tolerated any longer without the risk of undermining the whole idea of a Community as a body capable of working towards the solution — albeit only partial — of problems which are vital to the population today and in the future.

Ghergo

The general situation is not yet favourable to a reversal of the trend that would really be necessary, but any further deterioration would be symptomatic of the Community's inability to act in sectors where its intervention is becoming increasingly necessary.

We must also refrain from putting forward utopian proposals in the present financial and structural situation of the Community.

However, the term utopian cannot be used to describe measures aimed at dealing with problems such as coastal erosion, afforestation, soil conservation and water pollution, and a change in the criteria for use of the Regional Fund appropriations would be desirable.

It is our view, Madam President, ladies and gentlemen, that environment policy is one of the highest priorities, and one of the most widely applicable and the most community-spirited in our Community. It is sufficient to realize that it concerns every country and every citizen. No one country is in a position to tackle the problems of the environment and of health and resolve them alone. Moreover, the fact that the plan is widely applicable will make it cheaper, since an overall programme of environmental protection and improvement clearly costs very much less than the partial programmes of individual countries.

We would like to point out that the appropriations included in budgets so far — not just the current year's — were of no more than symbolic value since they were utterly inadequate for the requirements of implementing an efficient environmental protection policy. Having said that, we realize that they are there only as a token of a long-term commitment to implementing a policy. Because of this the Committee on the Environment and Public Health, in a spirit of moderation and responsibility, is restricting itself to requesting the reinstatement of the appropriations as they were originally drafted in the Commission's preliminary draft budget. The Commission's reticence and great moderation is clearly demonstrated by the fact that at the meeting of the Committee on Budgets it was decided to make increases under three headings, that is items 3510, 3511 and 3512 under Article 351 — Community aid related to the environment — and in place of the token entry which we initially requested an appropriation of 1 million EUA has been entered. Another change which also reflects our Committee's sense of moderation and thoughtfulness, is the reduction of 200 000 units of account under Article 359 — subsidy to the European Foundation for the Improvement of Living and Working Conditions — and a new item, item 3546, has been added, which provides 100 000 units of account for subsidies to European environment protection organizations.

I shall conclude, Madam President, by reiterating our firm belief that an environmental policy is essential, and that in our view it is quite unacceptable that such reductions should be made in appropriations which have a purely symbolic value. For that reason we shall insist on the reinstatement of the items and the amounts proposed by the Commission, with the amendments which I have described to you.

President. — I call Mr Seeler to speak on behalf of the Committee on External Economic Relations.

Mr Seeler, draftsman of an opinion. — (D) Madam President, ladies and gentlemen, the Committee on External Economic Relations, on whose behalf I have to deliver an opinion on the budget, is primarily concerned with the trade relations which exist between the Community and third countries or groups of countries. The three spheres in which these main concerns influence the budget are: firstly, Community financial aid to third countries, for example to Turkey or Portugal, as laid down in the budget, secondly, the observation of foreign markets and economic developments; and thirdly and lastly, the monitoring of the implementation of treaties which the Community has concluded with third countries and groups of countries.

The Committee on External Economic Relations devoted most of its attention during the deliberations on the 1981 Budget to this third sphere. The outcome of our discussions was that the number of Commission staff dealing with the implementation of the treaties concluded by the Community is totally inadequate. One cannot continually sign new treaties and cooperation agreements without setting up the necessary personnel infrastructure to ensure that those treaties are implemented in the best interests of the Community. If the Community wants to use to the full such treaties and the outlets they offer, then it must ensure, for example, that our delegations in the capital cities of the countries with which we are interested in maintaining relations are sufficiently staffed. This is hardly anywhere the case.

However, ladies and gentlemen, the staff situation is particularly serious with regard to the implementation of the GATT agreement which this House approved only a few months ago. This agreement should go a long way towards guaranteeing free trade in the world. However, free trade requires fair conditions of competition and, amongst other things, demands comprehensive anti-dumping controls.

The new and revised Community anti-dumping code has led, in this sector, to a marked increase in the instances of investigation. At present we are informed that fully sixteen officials are employed in the Commission in carrying out these investigations. If we simply compare the manpower situation in the Commission with that in the United States where more or less the same number of investigations have to be processed, then we make a pretty poor showing. The United States employs for the same tasks 120 officials and intends to increase this figure still further. Such inadequate anti-dumping measures may have grave consequences for the economy of this Community, which already has to compete with imports from third countries, and may even finish up by jeopardizing jobs.

Only last night I learnt that some oil mills have had to be shut down in the Rhineland area because anti-dumping measures were not applied in time. For this reason it is quite incomprehensible — and I must stress this on behalf of my committee — that the Council has deleted all the re-

Seeler

quests for extra posts for this job. Of course, the President-in-Office of the Council explained to us last night that spending cuts were necessary, and my committee fully approves this. However, I am obliged to say that cuts in spending are really out of place where this is concerned.

Aware of the difficult budgetary situation in the Community, the Committee on External Economic Relations only dealt with a single motion for a resolution to Parliament on the budget, this motion calls for the number of jobs in the establishment plan to be increased in the departments which deal with the implementation of the GATT agreement and the anti-dumping code.

In this motion for a resolution, we request 39 additional posts so that the Commission can satisfy the minimum requirements. The committee is convinced that these requirements are not exaggerated but that they represent the lowest possible limit.

Ladies and gentlemen, if this Parliament does not do its part to ensure that treaties, which this House strives to have ratified, and that means for which we want to assume our share of responsibility, can be really effectively implemented, then we are neglecting our duties. The outcome is that the Commission has increasing difficulty in carrying out its job satisfactorily, which in turn leads to a situation in which the Commission is increasingly accused of being a Eurobureaucracy, very often by the very same governments which in Council refuse to grant such minimum increases in staff. The upshot will be that the Community will no longer be able to do what is expected of it.

It should not be said, because the Committee on External Economic Relations is only putting forward and supporting a single motion for a resolution, that no other financial needs exist in this sector. Please allow me to give two examples of this. Article 115 of the Treaty grants Member States the right to take measures to restrict free trade in imported goods within the Community. Such measures however — and I do not need to explain this any more fully — lead to a restriction of free trade and of the Common Market within the Community. As a result, such measures need to be approved by the Commission. The number of requests for such approval has soared in the last few years. In 1979 there were 345, which means more than three times as many as three years before. Understandably, rapid decisions need to be taken on these matters. In this sector too, ladies and gentlemen, the establishment level of the Commission is totally inadequate.

In the Committee on Budgets, we were unable to understand why the Commission put forward its own requests in what was basically such a reticent manner. Our position is so difficult because according to the old Latin legal precept *volenti non fit injuria* — which means 'no wrong is done to him who wants no more if he receives no more' — we have great difficulty in requesting more than the Commission itself feels to be sufficient.

Let me now give you another example of a difficult problem. Japan's export offensive on the European car market has brought home to all Europeans just how urgent it is for our economy and for saving jobs to keep a very careful watch in this age of free trade on what is going on in outside markets. Back in 1979 the Committee on External Economic Relations requested in vain an increase in funds for this purpose, so that the Japanese market might be more closely observed than before. Even for 1981 no further increase in resources is scheduled. And yet it is vital for our industry and its jobs that developments of this kind be very carefully observed and analysed, so that it receives the necessary information in good time and is thus able to react and carry out the necessary structural adaptations in time to meet the challenge.

During my speech on the GATT agreement in this House I stressed this point to illustrate the need for the preventive structural policy which I am calling for. The example of Japanese car exports shows how necessary this kind of forward-looking structural policy is.

In conclusion, please allow me to address a few words to this House. We rightly demand that in many sectors new and strengthened political initiatives be continually taken. We demand the extension of measures already introduced. We demand more — and more intensive — social and regional policies. We demand that energy and environmental protection policies and the measures for carrying out such policies be stepped up. I could give many more such examples.

With the motions for resolutions tabled by the Committee on Budgets, the size of payment appropriations and commitment appropriations together will be increased by approximately 2000 million EUA. But what matters, ladies and gentlemen, is that these decisions be put into practice. We must demand that the Commission really does carry out what we want it to. However, if we wish this to be the case, then we must also give the Commission the staff needed to deal rapidly with its growing tasks. The draft 1981 budget and its establishment plan basically contain only meagre entries for this purpose and do not do the Council much credit either. This is why I ask you, ladies and gentlemen, to give your support to the motions for resolutions aimed at improving the establishment of the Commission, and in particular to motion for a resolution No 148, which the Committee on External Economic Relations has tabled on this question.

President. — I call Mr Doublet, to speak on behalf of the Committee on Transport.

Mr Doublet, draftsman of an opinion. — (F) This is the first time, Madam President, ladies and gentlemen, that I have had the honour of speaking in this august Chamber and, more particularly, Madam President, under your presidency, and it is with sincere respect that I address the chair.

Doublet

I do so with humility, but also with determination, Madam President, for it is my duty to address the House on the subject of transport, a sector which is technically operational, financially modest, but explicitly provided for in the Treaty of Rome and which has repeatedly been the subject of almost unanimous votes in this House. Appropriations have already been allocated for the safety of car occupants, the transport of radioactive materials and the monitoring of freight markets. What we now have to do is to follow up the previous decisions by adjusting those appropriations with an eye to what is already being done.

Our main demands however, relate to items 3780 and 3781 — studies preliminary to financial aid in respect of transport infrastructure and financial support for transport infrastructure projects. In the first case the appropriation was ultimately established last year at 800 000 EUA and this must be increased to one million. As to financial support for projects, Parliament decided last year to allocate 50 million EUA in commitment appropriations and 15 million in payment appropriations.

This year we are much more modest since we are seeking only 15 million EUA in commitment appropriations and nothing in payment appropriations. Projects have already been financed and are under way on the first four of these items. On the fifth I would remind you as an example that five years ago, after a very careful and detailed report by the chairman of the Committee on Transport, Mr Seefeld, the link between France and Great Britain — which would also have been of benefit to Benelux — in other words the Channel Tunnel — was approved and work was even started; our English friends put a stop to it but I think I can say that they have since changed their minds on the subject.

Now the principal argument used against us is that appropriations cannot be allocated unless a case has first been made for a particular policy. During my long administrative career I have always been unwilling to use this to oppose granting an appropriation which had been properly requested.

Many aspects of transport policy have been studied, reported on and voted on a number of occasions during recent years. At present we have reports waiting to be submitted to Parliament shortly on infrastructure policy, air transport freight and passenger transport, the harmonization of social provisions and so on. A specialist committee on transport has been set up on whose behalf I am speaking today. The Council has very wisely created an infrastructure committee and has quite properly begun work on studies, but when these are completed they are unlikely, to be put into practice. Here, then, the Council is in conflict with itself and in strictly financial terms this is an indefensible position. Do they wish to enforce detailed regulations which run against the provisions of the Treaty of Rome, or are they trying to take refuge in the statutory ceiling on income? In fact the amounts we are asking for are extremely modest and very necessary. They could easily be offset by taking up a few unused or overestimated appropriations or by reducing the inflated expenditure on certain items. All that is needed is a little good will in Brussels. The truth is

that 'where there's a will there's a way'. I am sure the experts can make the necessary adjustments to the budget. And if need be, if they find themselves in difficulty — which would greatly surprise me for I know them to be men of great resourcefulness — I will gladly give them a hand myself.

In conclusion, I would like to make a particular point of stressing the resolution and unanimity of the Committee on Transport and thanking the Committee on Budgets for their support. It is my belief that the problem we are facing goes beyond the financial and technical aspects, and that first and foremost it is a political question, namely that of the relationship between this House and the Council. When I reflect that the Treaty of Rome defines transport as one of the four cornerstones of European policy, I must say it seems to be a very shaky cornerstone. There will never be a policy for Europe without a transport policy, but there will never be a transport policy without an infrastructure policy.

Does Europe then want to develop any further or not? That question is all the more important and urgent because in so many ways transport affects other aspects of European Community policy. It is no fault of this House that since July 1976 the Council has failed to adopt the regulation which would make it possible for the Community to participate, under certain conditions in financing infrastructure projects of Community interest. It is therefore the Council itself which is on the dock when the Council declares that a transport policy has not yet been defined. It is the Council itself which is responsible for this situation. No financial objections can be considered valid when we realize that the line adopted by the Council would result in transport accounting for 0.003% of the general budget, whilst our own proposals would account for 0.006%.

I therefore call on the Commission to use all its authority and the Council to exercise its discretionary powers and ensure that this appeal from the Committee on Transport, which has the support of the Committee on Budgets, is heard. It is high time these proposals were considered. I have every confidence that Parliament will give them overwhelming support. It must not fail now, because tomorrow will be too late.

President. — I call Mrs Castellina, to speak on behalf of the Committee on Development and Cooperation.

Mrs Castellina, draftsman of an opinion. — (I) Madam President, in its opinion the committee on Budgets was in favour of virtually all the amendments proposed by the Committee on Development and Cooperation under title 9. It is our hope that this House will adopt the same view and vote in favour of our proposals.

The amendments which we are proposing to the draft budget in fact represent the absolute minimum which would be necessary for Parliament to keep the solemn undertaking which it has given to the third world with the Fer-

Castellina

rero resolution and on many other occasions, undertakings whose tangible form is the Community's contribution to the campaign against hunger and to development aid.

The draft budget which the council has submitted to us does in fact seem to be desperately inadequate. What the Council has done is to inflict cuts which I can only describe as savage on a preliminary draft budget from the Commission which was already grossly inadequate, cutting down drastically on practically every expenditure heading. The result is that overall expenditure on development aid under this title will be less than last year's even in cash terms, being reduced by 46 749 000 units of account. There is also a reduction in comparison with other sectors: commitment appropriations under title 9 represented 4.64% of last year's budget; this year they are only 4.41%, whilst payment appropriations have been reduced from 4.9% to 3.73% of the budget. What has happened is the precise opposite of what was needed: aid to the third world has been reduced, in both absolute and relative terms.

Under the circumstances, the Committee on Development and Cooperation felt it necessary to speak out publicly, and has done so by adopting unanimously a statement which stresses that, if we wish to defend the integrity of the institutions which we represent, then we must adopt a number of amendments which will reinstate adequate appropriations at least for a few priorities. Mr Tugendhat himself moreover indicated yesterday that he was in broad agreement with our views.

I should like to give you a few examples to illustrate the five priorities which we have singled out. The first relates to aid to non-associated developing countries, where the payment appropriations left in the budget after the Council's cuts are scarcely enough to complete one individual project dealing with artificial fertilizer in a single country, India. Our second priority relates to emergency aid to disaster areas. Again, I need to give only one example: in 1980, the Community spent 40 million EUA on this, for 1981 — which we can hardly assume will provide fewer disasters than this year — the Council is proposing an appropriation of 3 million EUA, which is about as much as has been spent on the earthquake in Algeria.

The third priority relates to the contribution to non-governmental organizations, whose vital role is universally acknowledged.

Fourth priority: food aid and the Community contribution to an emergency food reserve; I need scarcely stress its importance since we have very recently discussed the same question in this Assembly in connection with hunger in the world.

The fifth priority is the problem of the International Agricultural Development Fund, on which I would like to dwell for a moment, since it is a significant priority which has nonetheless failed to gain recognition from the Committee on Budgets. We have drawn attention to this because the IADF is an organization with a particular political significance, the participation of the developing coun-

tries, the industrialized countries and the OPEC countries add a special and unique factor; in addition it is developing a major economic and social role, as indeed its name 'development fund' — rather than 'aid' — implies.

Even so, there is still no direct Community contribution to this fund. For this reason, and in accordance with what we affirmed in the Ferrero resolution, we have proposed that the Community should contribute directly to the fund. However, the Committee on Budgets did not see fit to support this proposal, adopting on this subject an amendment which is quite simply meaningless. I would therefore ask you to pay particular attention to this question, and our committee hopes that in this plenary session the Parliament will be prepared to put right an anomaly which probably arose because of the haste with which the Committee on Budgets was forced to work. If you will allow me to explain the situation briefly, this is what happened: Mr Tugendhat pointed out during the Committee on Budgets' deliberations that no official decision had yet been taken on the Commission's direct participation in the IADF. It is nonetheless a fact that the Ferrero resolution refers specifically to this problem and asserts the need for fresh impetus to be given to the fund and for a suitable direct contribution to be made from the Community. Having been voted by this House this resolution is a Parliamentary decision. In the meantime, the IADF met and fixed the level of the European contribution — we can give you the precise figure — which would give meaning to the principle of direct Community participation in the fund. The Committee on Development and Cooperation, in all modesty, indicated that the Community's direct participation in the European contribution should be one-fifth of the total, which is equivalent to a payment appropriation of 13.5 million EUA in 1981 and commitment appropriations of the same amount in the following two years.

Now we cannot really understand the reasons for which the committee on Budgets rejected this proposal of ours whilst still agreeing to include the quite ludicrous, quite meaningless payment appropriation of 1 million EUA. I would therefore ask you to give particular attention to Article 9.4.7 in the budget and to make your vote consistent with the decision implicit in the Ferrero resolution, giving your support to the amendment proposed by the Committee on Development and Cooperation despite the view of the Committee on Budgets.

Before concluding, I would like to mention briefly one other matter. Apart from these five priorities our committee is proposing a series of further minor amendments aimed at reinstating those expenditure headings included by the Commission which are vital to attaining the five priorities, that is to say, the priorities depend on them. They include expenditure, for the establishment of a Community delegation in Zimbabwe — a new nation which has recently become associated with Europe — and for setting up delegations in the Mediterranean, Maghreb and Mashrek countries with which we have established new relations.

Castellina

These proposals, which we concluded were essential to the five priorities, also received support from the Committee on Budgets, save one point which I would again like to draw to your attention. That relates to expenditure to aid third world countries towards self-sufficiency in energy. The figure we had included in the budget was extremely small: 5 million units of account, which is insignificant in comparison with the amount spent within the Community, yet the Commission told us that it represented worthwhile action on projects within the Community itself.

In conclusion, Mr President I would like to say that our proposals' net overall effect on the budget would really be minimal: 227 542 000 units of account in commitment appropriations and 146.5 million units of account in payment appropriations. I say 'net' because, contrary to the view expressed by Mr Curry in his report on behalf of the Committee on Agriculture, it is my belief that assistance for the export of agricultural produce intended for food aid cannot be included under title 9. This expenditure relates to agriculture and is a consequence of the distortion of our productive structure and of the surpluses which result from it, and it would be absurd to include that under the title of development expenditure. Net, therefore this figure is extremely small. We do not wish to see any haggling between Third World aid and the Social Fund or between aid to areas and sectors within the Community which are in difficulty and aid to the world's poor: we do not want to see an argument between the poor. When we consider the enormous amount spent on agriculture, it is our belief that there is sufficient room within the budget to make available at least the funds needed to keep our main promises to the Third World — promises which I do not need to recall here.

IN THE CHAIR: MR GONELLA

Vice-President

President. — I call Mr von der Vring to speak on behalf of the Committee on Regional Policy and Regional Planning.

Mr von der Vring, draftsman of an opinion. — (D) Mr President, on behalf of the Committee on Regional Policy and Regional Planning, I should like to comment on the draft general budget and the proposed amendments. I shall concentrate on those which affect the Regional Fund and certain ancillary subjects.

Let me start with the appropriations under the quota-free section of Article 550. Here, the Commission has proposed appropriations amounting to 1 520 million EUA, and the Council has cut this amount to 1 330 million EUA. Compared with the 1 100 million EUA in the 1980 budget, this would appear to represent a substantial increase. However, let me point out that, firstly, Greece will be a recipient from the Fund in 1981, and that a quota has been

earmarked for Greece at the rate of 15% of the total amount in 1981. If you subtract that amount, there is very little left of the apparent increase. Secondly, we must bear in mind the effects of inflation.

The Commission has calculated that the rate of inflation in the Community as a whole will be a little below 10%. It therefore follows that, if we go along with the Commission's proposal, there will be a certain increase in the appropriations available to the Regional Fund.

The fact is, though, that the major recipients of money from the Regional Fund are the United Kingdom and Italy — in other words, the countries with high rates of inflation — and if we were to weight these countries' rates of inflation with their share of the Regional Fund, we should finish up with a figure of 16.6% rather than 9.6%. A realistic calculation shows that the Commission's proposed increase in the Regional Fund will exactly cover inflation and maintain the status quo. In that light, things begin to look rather different, namely that the Council's planned cuts will in fact reduce the resources available to the Regional Fund for 1981 by 12% in real terms. And if you bear in mind the national rates of inflation, you will see that the Council's proposal will in effect reduce the amount of money available to the United Kingdom and Italy from the Regional Fund by 15%, and the Federal Republic of Germany's share by 5%. That is how things really stand, and in the circumstances we cannot possibly accept the Council's proposal.

The Committee on Regional Policy and Regional Planning decided to accept the Commission's proposals, but this is only an expression of resignation in the face of the current economic and financial conditions obtaining in the Community. We do not think it right simply to accept a stagnating regional policy, but on the other hand we realize that there is no other course open to us. That is why we agree with the Committee on Budgets that we should accept the commitment appropriations as proposed by the Commission.

May I ask Mr Simpson to listen to what I have to say for a moment. The European Democratic Group has tabled an Amendment No 448, which seeks to reduce the resources available to the Regional Fund *vis-à-vis* the Commission's and the committee's proposal. This is a matter for great concern in view of the fact that, during the debate which took place during the summer on the British contribution to the budget, it was said in the Committee on Regional Policy and Regional Planning that the proposal to reduce the British contribution should not be accepted because once the United Kingdom has succeeded in having a fixed amount entered in the budget, it would give up any thought of solidarity with the other countries. It would then be prepared to delete the other resources available for regional policy, and the question of the British contribution would be revealed as a cuckoo's egg in the nest of regional policy. The situation we have now is that the European Democratic Group is proposing precisely this course of action. If I am not mistaken, this move was intended as part and parcel of a comprehensive series of cuts in an at-

von der Vring

tempt to correct the budget, without taking any account of the special problems of regional policy. Let me say, though, that this amendment will cause great unrest and will jeopardize cooperation in this House. I should therefore like to address an urgent appeal to the Members of the European Democratic Group to withdraw their amendment and to give their support to the amendment tabled by the Committee on Budgets.

(Applause)

There are a few points I should like to make on the question of payment appropriations, which are the real stumbling block in this budget, a bottleneck preventing us from realizing the full potential of European policy. This is an extremely annoying subject, as we have found particularly in the Committee on Regional Policy and Regional Planning. The fact is that any appeal for a more efficient payments mechanism is utterly pointless because the regulations say that it is not up to the Commission to pay the money out, but to the national governments to call for the funds. For that reason, any estimates and forecasts of the appropriations needed in the budget are entirely hypothetical, and all the figures meticulously presented to us by the Commission are unreliable. Wherever you step here, you are on shaky ground, and you are liable to sink into a morass of calculations and figures. That is why we have always worked on the principle that, wherever policy is formulated on the basis of commitment appropriations, financing by way of payment appropriations is a technical problem and not a budgetary one.

The Council is now proposing to cut drastically the payment appropriations earmarked for Regional Policy. According to the Council's own words, this means that the first instalment of the resources earmarked as commitment appropriations for 1981 will be paid out to the tune of 0%. In other words, we might as well get rid of the commitment appropriations for 1981 altogether, because we are not going to change anything that way. What the Council's proposal amounts to is using the cuts in payment appropriations to place Regional Policy in abeyance for a year on the grounds that this is the only way of balancing the budget and getting ourselves out of this fix. That is something we must protest against most vehemently. The committee is prepared to accept the rules, the Commission's proposals, only on the condition — which the Committee on Budgets helped to formulate — that, if the resources prove to be inadequate next year — and I have every reason to believe this will be the case — this policy will be financed by a supplementary budget. If this is not the case, we can simply no longer pursue a Regional Policy and other policies which involve our entering into specific commitments.

As regards the integrated operations, we agreed that these desirable measures should be brought into force, and we were therefore satisfied with token entries. The Liberal and Christian-Democratic Groups in particular have tabled draft amendments seeking to enter specific payments in this sector. While these amendments are in themselves welcome, I would nonetheless urge you to reject Draft

Amendments Nos 289 and 290 on the grounds that the explanatory statements claim that the Pas-de-Calais, Eastern Bavaria and Ireland should likewise figure prominently in these integrated operations.

Ladies and gentlemen, we agreed that the whole edifice of regional policy would collapse if operations aimed at specific areas were to be written into the budget, thus bypassing the Committee on Regional Policy and Regional Planning and any discussion on concentrating our efforts and sensible coordination of what should be done with the available resources. I would urge you to reject any amendments which mention specific areas for inclusion in the draft budget. That was the policy we adopted a year ago, and it should apply again now to Draft Amendments Nos 289 and 290.

Finally, ladies and gentlemen, I should like to comment on Draft Amendment No 419 tabled by Mrs Boot, Mr Lückert and others on behalf of the Group of the European People's Party. I am very grateful for these proposals, which at last seek to do something about the attempts to take specific action in the Mediterranean area, with a view in particular to the forthcoming enlargement of the Community. For many years now, this House has agreed that the process of enlargement should be preceded by supporting economic measures, and there are certain signs of measures along these lines in the amendment tabled by Mrs Boot and Mr Lückert. That is a welcome development, and I would urge you to give the amendment your support.

President. — We shall now consider the general aspects.

I call Mr Dankert to speak on behalf of the Socialist Group.

Mr Dankert. — (NL) Mr President, Mr Spinelli finds the draft budget for 1981 so bad that he refuses to take part in a ritual which, in his view, can at best result in a marginally less unsatisfactory budget. He has recommended that we use the rest of the month to send the European Commission home instead. My group shares Mr Spinelli's view of the Council's draft resolution, but we feel that the question of whether or not we can accept our share of the responsibility for the final budgetary proposal will not arise until the middle of December. In addition, we do not feel much inclined to hit the cat if the dog has happened to eat the canary.

This does not, of course, answer the question of what we in fact intend to do with the monstrosity which the Council had the nerve to call a draft budget on the morning of 24 September, not to mention the question of what we can do with this draft budget if the Council continues to show such a lack of European political resolve and if a qualified minority of the budget Council persists in the view that nothing can be done this year about Article 203 (9) regarding the maximum percentage increase, i. e. that there will be no extra increase.

Mr President, we can then expect to come up against some serious opposition, with all the legalistic trimmings, from

Dankert

the Council this year. Politically speaking, however, it would seem to me that we have the wind behind us. The European press was unanimous in its condemnation of the draft budget. The majority of the members of the budget Council are still complaining about the fact that they and Europe were prevented by a qualified minority from speaking their mind on 23 September and at this stage the Commission can hardly, following its unmistakable public rejection of the Council's decisions start agreeing with both Parliament and the Council. In addition, the Council's defences against these criticisms are exceptionally weak. No one will dispute the fact that the financial and economic situation in the Member States is bad, but a reference to this unfortunate situation loses its impact if one realizes that the portion of the European budget which was at issue on 23 September represented less than 0.35% of the GNP of the Member States, whereas the Member States lay claim to 50% or more of the same GNP for their national budgets. Thus the yardsticks being applied were by no means comparable, and this at a time when the survival of the Community or the common agricultural policy, which according to certain critics amounts to the same thing, is being determined to a great extent by what can be done in the budget outside the common agricultural policy. I get the impression that certain people in the budget Council had already forgotten on 23 September that an agreement has just been reached with the United Kingdom which dealt with this very question of imbalance in the distribution of the budget itself.

In addition, Mr President, these are times in which we must act in a European spirit. The Member States are demonstrating day after day that they are unable to find a way out of the crisis at national level and that the problem must be tackled on a European or even greater scale. How are we to reconcile this with the fact that the Community can withhold the funds which would provide the bare essentials for European solutions? To be more specific, the crisis in the steel sector which is now being proclaimed as a manifest crisis remains a crisis which might lead to dangerous protectionism if the funds necessary for restructuring and accompanying social measures are not forthcoming at European level in the near future.

Mr President, the events of 23 September also lead us to deplore the fact that even working with qualified majorities, Councils no longer appear to be capable of following the instructions of the European Council. Ministers and Secretaries of State who regard making fools of the heads of their governments — as policy-making — this is what Europe has come to. I think even Hans-Christian Andersen would agree with me that this is not exactly what Ministers and Secretaries of State are there for. In addition, apart from being, as I have already said, an insult to the European Commission which had, for the first time, been realistic in its budgetary proposals 23 September was a kick in the teeth for this Parliament. In the course of a laborious budgetary procedure we attempted last year to gain the Council's support in our attempts to establish a better balance in the composition of the budget. A central aspect of this was curbing the cost of structural surpluses in the dairy sector and it proved possible, as a result of this

approach, to steer a more moderate course as regards non-compulsory expenditure. What, however, do we see now? The Council has, in its draft budget, provided scope for a further increase in the costs of the agricultural policy by means of — and this is what I object to — cutbacks, in real terms, in important sectors of non-compulsory policy. Clearly, the Council itself did not take the many statements it made last year regarding the need to keep the costs of the agricultural policy under control very seriously. The fact that the figures for 1980 do not look too bad is due to a favourable world market and more careful control by the Commission. It is not due to the decisions of the Council.

The only thing the Council produced was a decision in principle regarding the introduction of the supplementary co-responsibility levy and it remains to be seen whether or not this will produce results, i. e. a policy in 1981/1982. I realize, Mr President, that it is not easy to find a common denominator for the representatives of nine Member States. My group is familiar with this problem in its everyday work. However, the fact that, as on 23 September, a budget Council, which, together with Parliament, is responsible for the financing of the non-compulsory policy, should find its common ground at the expense of this section of policy with a view to making more room for an agricultural policy for which the same Council only last year was constantly proclaiming that it could not accept responsibility — this is something which this Parliament can under no circumstances accept!

It is equally unacceptable — as Mr von der Vring has just mentioned — that the Council has, in doing this, upset the relation between commitment and payment appropriations for political reasons and this following a procedure followed in 1980 in which the Council could have convinced Parliament that the relation between commitment and payment appropriations was a technical one determined by the timetable according to which commitments become payments and by the possibilities of the Member States to make these payments within this timetable or at a later date. Taking as our basis the payments timetable for 1980, we see that the relation between commitments and payments applied by the Council in its draft budget means that as regards the Social Fund, the Regional Fund and important items in the development cooperation sector, the Community will not be able in 1981 to meet the payment obligations it has itself entered into and that the deficits will have to be carried over to a subsequent budget. In my view, Mr President, this is not acceptable, not only from a political point of view, but also from a legal point of view. My group is all the more concerned about this situation in view of the fact that the statement made by the Council last year to the effect that it was prepared to make available the necessary payment appropriations for the Social Fund if they should prove necessary in view of the payment situation, is this year absent from the Council documents. The conflict between Council and Parliament regarding the extent of the commitments, which has become a matter of course as it forms part of the procedure, has now, as a result of the Council's tampering with the payments, been aggravated as a result of a conflict over the payment ap-

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propriations which is totally superfluous in a careful budgetary procedure.

How is Parliament to react to this preposterous draft budget? There are two basic principles. Firstly, we should maintain the approach adopted last year, i. e. that in our attempts to establish more balance in the budget we must at all costs avoid agricultural expenditure rising at a more rapid rate than expenditure for non-compulsory policy. Secondly, we share the Commission's view that since the end of Community own resources is in sight, the consequences of the price increases in agriculture for the year 1981-82 must be financed by cutbacks in Chapters 6 and 7 of the budget, particularly with respect to structural surpluses. This means that we must do the opposite of what the Council has done in its draft, i. e. increase non-compulsory expenditure to such a level that it will no longer be possible to finance the necessary increase in agricultural prices from the remaining own resources. This would result in a proportionally sharper increase in appropriations for non-compulsory policy than would necessarily result from a freezing of the ratio between agriculture and non-compulsory policy.

However, I should like to point out immediately that it would appear that the estimates for agricultural expenditure in 1981 are too low and that the widely-rumoured 10% increase in agricultural prices would, in the following year, i. e. 1982, have budgetary consequences which would virtually cancel out what we had temporarily gained for non-compulsory policy.

Mr President, quite apart from these tactical or strategical considerations, there are other good reasons for giving firm emphasis to the growth of non-compulsory policy this year. Firstly, there is the accession of Greece. In the absence of increases in expenditure for regional and social policy, the countries which seriously need aid from the two funds would in fact fall behind the rest of the Community in real terms. My group regards this as unacceptable and our support of the proposals by the Committee on Budgets must be seen in that light.

Furthermore, my group feels that we must stress three priorities this year, i. e. social measures in the steel sector, development cooperation apart from the Lomé Agreement and energy policy. Group spokesmen speaking after me in this debate will go into these priorities in more detail. I will merely mention one essential point. The risk that, in the present economic crisis, the Community will slip into protectionism is increasing day by day and this is something which can only aggravate the crisis still further in view of the major importance of foreign trade with the Community. Today it is the steel industry which is in serious difficulties, tomorrow it will be the car industry and after that it will be the textile industry or what is left of it. It is only by action at Community level that it will be possible to make the protection of these industries — which is essential — a temporary matter, since this is the only way in which the necessary restructuring may actually take place and the only way in which the Member States which have to make the most radical changes in their industrial structure can be

given assistance in the form of financial aid from the Community so that they will be able to deal with the social consequences of this restructuring in a politically acceptable manner. The steel industry is the first in line for this, both in view of the current manifest crisis and by virtue of the practical possibilities offered by the ECSC Treaty and this is why my group intends to fight to the last with a view to having a considerable amount included in this year's budget for the financing of social measures in the steel sector.

Mr President, it is extremely regrettable that the Council of Energy Ministers and the budget Council have so far proved incapable of translating the instructions of the European Council into concrete policy. My group would like to put forward a number of suggestions including one for interest indemnifications for the development of energy-saving technologies as a contribution to getting out of the current impasse. In making this proposal, we are not usurping the position of the hitherto ineffectual legislator. What we do intend to do is to make available the bare minimum of appropriations, particularly commitment appropriations, necessary, in a situation where own resources are in short supply, if we are to do something next year. As I have already said, in a topsy-turvy world where the Council is incapable of shouldering its responsibilities, so that we have appropriations without a legal basis, why cannot the Parliament take over these responsibilities itself and really turn the world on its head in the interests of the people of Europe?

Finally, development cooperation. As has already been said on frequent occasions, the poorer developing countries are the hardest hit in the current recession which involves increased energy bills, a slump in world trade and, finally, the clearly increasing reluctance of the rich countries to keep promises of aid which they made in the past. For this reason, the Community policy formulated by this Parliament recently on the basis of the Ferrero report should be translated into budgetary terms in 1981, and not at some unspecified time in the future. Amounts less than those proposed by the Committee on Budgets and the Committee on Cooperation and Development would seriously undermine our credibility in this respect and bring us into the situation, which is so typical of the Council, of all talk and no action. Mr President, I hope these proposals will be adopted at the first reading. I am not, however, in spite of Mr Scott-Hopkins' fine words, certain. Immediately after the publication of the Council's draft budget, the European Democrats — not the European Progressive Democrats — seemed to regard the repayment of the United Kingdom contribution to the Community as such a central issue that they are prepared to sacrifice a fair deal for other Member States and a balanced development of the budget to this end. I think I can detect a certain inclination on the part of the Christian Democrats to avoid making the real choices by setting up somewhat artificial reserves, although we share their concern regarding the future of own resources and are prepared to support their proposal for the reduction of the advantages which the Member States derive from the levying of customs duties as a policy proposal, i. e. not as a proposal which is likely to

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produce money in the 1981 budget. For the rest, I have already mentioned Mr Spinelli's couldn't-care-less attitude regarding the budget. Thus we are faced with a difficult task, even at this initial stage.

If following Thursday's votes we have not arrived at something approximating the Commission's proposal — which again is perhaps all too realistic this year — a second reading would be relatively meaningless. If, however, we manage to save this proposal, this directly elected Parliament will be able over the next few weeks to show its electors once more that it has a right to existence and refuses to make the people of Europe the victims of the lack of vision and political courage on the part of the representatives of the governments of the same voters in the budget Council. I wish Mr Adonnino every success in this.

President. — I call Mr Schön to speak on behalf of the Group of the European People's Party (Christian-Democratic Group).

Mr Konrad Schön. — (D) Mr President, ladies and gentlemen, I should like to give an immediate reply to the last comment made by Mr Dankert on the Group of the European People's Party's policy on the budget. We are not of the opinion that, in view of the imminent exhaustion of the Community's own resources, we should timidly set about building up reserves. On the contrary, my group believes that this House should embark immediately on a discussion of own resources on the basis of the Spinelli Report. We make this suggestion for the same reason as our decision to reject the Council's draft. In view of the difficult internal and external problems facing the European Community, and in view of the qualitative changes facing us with the accession of Greece and later of Portugal and Spain, we cannot possibly pursue a European policy using the instruments which date from a time when there was still a relatively homogeneous Community of the Six.

We get the impression that the Member States' governments in the Council of Ministers are simply treating the real problems facing Europe as a nuisance, to be evaded wherever possible. We also feel that the Council's draft is anything other than a bold design for a fresh start, a new phase in European policy, which is what it should be, given the problems we shall have to face. For that reason, the Group of the European People's Party has discussed the budget in great detail on the basis of the Commission's proposals.

But I should like to make the point too that the Commission has not been helpful in every respect. Mr Tugendhat, you cannot keep on blaming the Council for falling down on this or that piece of legislation. Now that the time is coming for a new Commission to be installed, I think this House should make the point that the Commission should be the real power-house of the Community. It should not be content to act as a kind of secretariat-general for an inept Council, but should rediscover the role it played in the

early years, a role it must play if the Treaties are to be taken seriously. We cannot simply content ourselves with consolation from the Commission on such matters as the Common Agricultural Policy. For this reason, my group wholeheartedly supports Mr Adonnino's proposal and, in the same spirit, we have tried to formulate priorities.

A major priority must be energy policy. As the previous speaker said, the break-up of the European Council and the Council of Budget Ministers is nothing short of a farce because, as everyone knows, if the Community fails to get to grips with the steadily deteriorating energy crisis — and it is no longer possible for the Member States to do this alone — it will be impossible to implement any new policy.

The same comment applies, though, to the Commission. I listened last night to the very interesting and objective reservations advanced by the Member of the Commission responsible for the budget. I can only say, Mr Tugendhat, that if you really believe that we do not need so much money for the development of a Community energy policy, you are clearly at odds with your colleague, Mr Brunner, who for ages now has been imploring and beseeching us to tackle the energy crisis at Community level. I would commend this point to your attention. Whether or not you can put the increased resources we are proposing to good use is really your problem. The important thing here is whether the Commission has a genuine plan for the development of a Community energy policy.

The second central element is industrial policy, linked with social policy, where the dominating problem is the crisis in the steel industry and the ECSC social measures.

Ladies and gentlemen, this is a point we should make to the Council, whose draft makes no mention of it at all. You cannot invoke the crisis Article 58 and expect certain branches of industry to make major sacrifices — particularly in my own country, whose quota is to be reduced from 46 % to 32 % — and make no provision for the immediate implementation of social measures to protect the thousands of workers who are bound to be made redundant. My group will reject any attempt on the part of Mr Tugendhat to claim that a Council decision is needed here as well. As soon as the 112 million EUA are made available to the Member of the Commission responsible for industry under the terms of Article 56, the Commission has a duty to pay these appropriations without delay. The fact that one arm of the budgetary authority may not be prepared to take this step is no reason for the other arm to be paralysed, and you may rest assured that we shall find a way of getting our point accepted by the Council and the Commission.

Let me now move on, ladies and gentlemen, to the next point — another priority on which there is — thank goodness — agreement with certain other groupings in this House. As I said at our October part-session, Europe's credibility is at stake here. I am referring, of course, to the question of world hunger, on which the experts in my group will be commenting on in more detail later.

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One other demand which we Christian Democrats will not renounce is the budgetization of lending and borrowing — again, something which the Council does not want to see happen. Let me assure the President-in-Office of the Council that no-one in my group — and I am sure this goes for the whole House — intends to take unilateral action — for instance, as regards borrowing — to push the amounts concerned up and up arbitrarily. There is plenty of scope for agreement and for meeting the requirements which we must in any case accept.

The same applies to the fact that we have now reached the ceiling of our own resources. As I said in Strasbourg, I can sympathize with the finance ministers who, with their backs to the wall, have to fight off all their cap-in-hand assailants. In this respect, of course, the ceiling does have a certain beneficial effect in that it forces us again and again to give thought to how savings can be made. But anyone who comes along with this impressive-sounding argument and can advance good reasons too should at the same time realize that this ceiling should not be used as an alibi by those who have lost their belief in the need to develop European policy. For this reason alone, I should like to conclude by making one more point. My group feels that, when the Council meets again and when the conciliation procedure gets under way, those responsible should realize that we cannot possibly accept the limited financial room for manoeuvre proposed by the Council. Whatever the outcome, we shall not simply mark time, because we are determined to introduce into this budget the bases for the medium and long-term development of the new Community policies I outlined earlier.

(Applause)

President. — I call Mr J. M. Taylor to speak on behalf of the European Democratic Group.

Mr J. M. Taylor. — Mr President, in its budgetary deliberations this Parliament often experiences a degree of frustration, and from time to time we hear speakers on behalf of their groups berating and criticizing the Commission because things that parliamentarians would like to see happen are not happening. I am not sure that my group would always want to join in that criticism of the Commission, and I think that if the lesson of the last few years is learned and noted it will be found that the preliminary draft budgets that emerge from the Commission have usually found considerable favour and approval in Parliament and that it is the draft budget which has subsequently emerged from the Council of Ministers that has caused this Parliament anxiety and disappointment.

In our deliberations on the budget, we must always keep in mind the various powers that Parliament has. We have the power to amend and modify, to accept and reject, and ultimately — and this will become more important as the years go by — the power of discharge. But I would like to say a word first about modification. My group will actually want to follow Mr Adonnino in his proposed and recom-

mended modification of Chapter 79. We shall want to follow Mr Adonnino on many other matters too, but particularly on this matter of the modification of Chapter 79 not just because he is doing a very good job — and he is — but because he is right to direct attention to a compulsory area that needs improving, and because this newly-elected Parliament, which within the last 12 months has already, against the judgment of many of the pundits, demonstrated its power to reject budgets, must now grapple with the more important and more often-to-be-used power and competence to modify compulsory lines.

The Council of Ministers would win a lot of approval in this institution if it could bear in mind the views of its parliamentary budget-partner in the matter of the modification of Chapter 79, since it is well aware that the Treaty gave the Parliament such a power; that the Commission considers this use of that power to be appropriate and finally, that this is an area of activity where the Commission would make the modification work. Unless Parliament makes use of the power of modification contained in the Treaty, this power will fall into disuse and disrepair and that would be a failing by the Parliament.

Mr President, I have, if I may so presume, a couple of other items of advice for the Council of Ministers. Please don't imagine that the present state of affairs regarding the classification of items as compulsory or non-compulsory is satisfactory! It is very far from satisfactory indeed, as is the fact that this Parliament has now, to my certain knowledge, been given five different versions of what our margin of manoeuvre is supposed to be and two different versions as to whether it applies at the first or the second reading. Now this is not a satisfactory state of affairs at all.

Further, would the Council please look with some care at the ECSC appropriations that have emerged since the draft budget, because all the institutions know that, while those appropriations are important, the Parliament is being put into the immensely difficult position of knowing that if it takes responsibility for inserting those appropriations into the budget it will have acted responsibly but it will have used up virtually all its margin of manoeuvre in the process. So could the Council and the Commission between them make a special case of those ECSC appropriations and let all three institutions agree that they be inserted into the budget without taking up or bespeaking any of the Parliament's margin?

And now, Council, hear this. Don't stoop to the cynical practice of cutting out, during your first reading, items that you know are essential to our Community, in the belief and relying on the fact that the Parliament will put them back in and absorb part of its margin in restoring them.

(Applause)

Don't school us in cynical practices; otherwise this young, newly-elected Parliament may just learn from you like a sorcerer's apprentice, and you will regret it! We might even just leave them out and pass the embarrassment back to you: then we should all regret it, because between us we

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should be damaging the image of a Community in which we all believe and which is built on much higher ideals than that and designed to serve a much nobler set of purposes.

But now I want to show good faith to the Council, because they may have thought that my last three comments were aimed at them in a slightly critical way. I want to pay a compliment to the Council and I want to do so particularly in the presence of fellow Members of this Parliament. The Council has reduced its own budget in this reading. I do not know whether Parliament has carefully noted that, but the Council of Ministers have examined their own budget and have reduced it. Now if those of you who care, as I do, about the gentleman's agreement will contemplate what this means, you will find that it means one thing very clearly indeed. It means that the Council of Ministers, at a time of austerity, has set us a very good example. They have turned to their own budget and have decided that they must make savings. At the same time, they have honoured the gentleman's agreement and they have not touched Parliament's budget, although I should not be surprised if they were looking in our direction to see what we do with our budget. Some Members of this Parliament have made swingeing attacks on the Commission's budget and on the facilities and the staff and the resources that they said they needed; Parliament got stuck into those all right. Now, Parliament, are you going to get stuck into your own budget in the same way as the Council has got stuck into its budget, in the same way as you have had a crack at the Commission's budget? Is the Parliament a humbug, or is it going to do its stuff and control its own expenditure?

Mr President, I want to turn to another matter altogether. In the Committee on Budgets, my group, the Conservatives, has been seen to be the most restrained group on questions of expenditure. Some people in some quarters of this Chamber have chosen to put an interpretation on that. There is no interpretation to put on it at all, except that it is our practice, our custom, our cause and our purpose to be frugal with public expenditure, because it is other people's money. We did so last year when we first came to this elected Parliament. Those of you who serve on the Committee on Budgets will recall the British Conservatives on that committee time after time voting against appropriations with the full support of our Danish friends.

Now, Mr President, in as much as we have been the most restrained, it follows that all the other groups in this Parliament without, I think, exception have been more inclined to spend money than my group. Well, fair enough, we all know where we are; but if you add up the combined effect of all the votes cast by the Conservatives on budgetary matters, you will find that it comes to three times the margin of manoeuvre. In the case of this group, whom many of you have mocked as being parsimonious and mean because we are careful, the full score of our amendments is three times the margin of manoeuvre! The rest of you are far, far away above that. Now this is relevant, Mr President, whether the margin of manoeuvre applies to both readings or, as we believe, simply to the second; and it is relevant because many other groups in this Parliament — I think this is true of the EPP, I think it is true of the

Socialists, and I think it may be true of the Liberals — regard the first reading as the opportunity to include anything they think is a good idea and the second reading as the time for resigning oneself to disappointments.

I have asked other groups in this Parliament how they actually managed to make the transition from the first reading to the second, how they proceeded from including everything that was a good idea to finally resigning themselves to the level they must accept. And do you know what I get from other parts of this Chamber? Members of other groups say: Ah, well, the Council see to that; the Council come in and cut our first reading and create the situation for the second reading. Well, you know, that is not good enough, Mr President. It will not do, because that has the effect of Parliament handing to the Council the really important decisions and the real responsibility for the budget. It means that our first reading is just so much well-intentioned dreaming: they then come in and do the hard stuff, and we adapt and adjust ourselves to the reality. Now the Parliament should be in the business of drawing up real budgets: we should be ending up with a first reading that we hand to them with some real, tough problems in it. As we say in English slang, we should be saying to them of our first reading: Pick the bones out of that! What can you cut out of that? What in that is not essential? We should set them that really hard problem — and in doing so we should probably advance our margin of manoeuvre too.

Mr President, that is why my colleagues in this Parliament have been cautious in arriving at our budgetary position. No group here cares about our Community and our Parliament more than we do. We urge our colleagues throughout this Parliament to consider this approach and to see its practical, political value. It leaves us with a problem to which at the moment I personally do not have the answer. It is very easy to see how different groups in this Parliament bid up the budget and advance it: we want something adopted and another group wants something else approved and so we say, if you support our amendment, we will support yours. And this way the budget advances by both amounts. Bidding downwards with restraint is another matter.

Mr President, I am in this Parliament for the same reason as I am wearing my poppy: I believe in a free, strong, peaceful Europe to defend our democratic liberties. Fine speeches may be good, but only practical budgets, practically negotiated, can pay for the needs of Europe — can pay, indeed, for action.

President. — I call Mr von der Vring on a point of order.

Mr von der Vring. — (D) Mr President, in accordance with Rule 30 (4) I am entitled to put a question. I am greatly impressed by Mr Taylor's thrift but I want to ask him why he, or his group, wants to trim the Regional Fund while not touching the British contribution with his economy drive. Would he care to answer this question?

President. — Mr von der Vring, your question will receive an answer in the course of the debate.

I call Mr Gouthier to speak on behalf of the Communist and Allies Group.

Mr Gouthier. — (*I*) Mr. President, in this year's budget debate we have followed the same line as that taken by Parliament in last year's budget for the following subjects; the allocation of agricultural spending, containment of the worse aspects of the CAP, abolishing the waste involved in some aspects of agricultural spending, developing structural policies — this is a particularly urgent and topical question with the entry of Greece into the Community — so as to get our economics back into balance and develop what we call convergence, by strengthening Community relations with developing countries and reinforcing Parliament's powers in respect of the familiar issues of entering appropriations for loans and grants and of the EDF.

We have taken this in order to meet the expectations and aspirations of the peoples of all European countries. These aspirations and expectations were expressed for the first time by the direct elections to this House, in order to give Europe the democratic weight which it deserves to have in the world. This basic approach has its roots and its logic in the commitments made by the previous Parliament, and looks well into the future.

Why did we vote against the motion for a resolution tabled by Mr Adonnino in the Committee on Budgets? We do not deny that here and there in this motion can be found the basic points, the fundamental principles of the long battle waged by the European Parliament. But what we note is that this motion for a resolution is scarcely political at all in character and that it is a mainly academic or scholarly document, whereas we feel that a motion for a resolution ought to be and is in fact in all cases a political act an extremely political act, a political act which takes place within a given situation. What is our situation today? Of course, we do not deny either the seriousness of the present crisis, the upward spiral of inflation rates, recession, the increase in unemployment, the monetary upheaval, the need to reduce and re-allocate public spending, but we must be on our guard! Some of the speakers who preceded me were right in distinguishing between cuts in public spending and its re-allocation, and warned, as we do, against the trend, which emerges quite clearly from the Council's statements, towards accepting indiscriminate cuts, which would tend to make the Community introverted, to make it turn in upon itself at the very time when the scale of the problems arising from the present crisis demands that decisions be taken at supranational level, at European level, particularly as regards the questions of energy and of the crisis now hitting major sectors of industry. The energy question — and we must not forget this — cannot be solved by the Community and its Member States turning in upon themselves, but, on the contrary, by strengthening relations with third countries and, above all, with the countries which are usually called 'Third World'. Therefore, to the question which was uppermost-

during the first part of the Committee on Budget's deliberations — Where is the Community going? What is the basic nature and future direction of this Community? Will it be a mainly agricultural Community, a free trade area, or a customs union? — reply: no, we must forge ahead, overcome national self-interest, and surmount the blinkered views contrary to the interests of the Community, views which are dictated by certain large financial concerns and by the large multinational companies.

From points of view — even though as I have said these were quite justified — Mr Adonnino's motion for a resolution, in my opinion, missed the point on two subjects: on the one hand his remarks lacked the necessary judgments and the fundamental criticisms which must nonetheless be expressed, and on the other hand, these are what we feel to be muddled attempts, to determine ways of extricating Europe from what is undoubtedly a difficult situation. And it seems to us that these two defects in the formulation of the motion for a resolution are likely to tarnish, blur and undermine the very guiding principle which Parliament has given itself and which it should in our opinion continue to adhere to and continue to develop.

This was the principle behind the Italian Communist and Allies Group tabling of an amendment to the motion for a resolution aimed precisely at shedding light on some basic principles. We were naturally gratified to note that the Commission had openly dissociated itself from the draft budget presented by the Council, but we reproached the Commission — and we continue to reproach them — for having tried to submit a preliminary draft which, while different in its options from that submitted by the Council, nevertheless abides by the same logic — a logic determined by the depletion of own resources and in particular by reaching the ceiling for VAT. This logic is determined by the fact that farm prices are shortly due to be reviewed, which would mean that the Commission would be forced to adopt, not a supplementary budget, but a rectifying budget to its preliminary draft made at the expense of cuts in non-compulsory expenditure.

The Council, on the other hand, immediately implemented these cuts and the outcome is that the basic policies which everyone in this House feels to be top-priority have been laid low: energy policy, industrial policy, transport policy and relations with developing countries. Responsibility for this and our criticisms of it — directed not only at the Council but also at the Commission — should be clear, clear-cut, and explicit, and we consider that all these things should be made clear in Parliament's political statement on the budget.

We are not doing this — and I repeat — because we hold maximalistic views, and not because we wish to criticize the Commission at all costs at the same time as the Council, nor because we feel we must remain faithful to a political line, but because we consider that the need for clear, open and accurate statements concerning what we feel to have been deficiencies in the political decisions taken is the inescapable, political duty of a Parliament which, by so acting and by making such criticisms, can make a contribution to

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finding a way out of the present situation of serious difficulty and crisis. We feel that this Parliament's duty to speak clearly is a *sine qua non*, so that 1981, and in particular the much-mentioned time limit of June 1981, may truly bring with it new developments, because we have already heard too many pledges and promises. We feel that this time limit for own resources, and for VAT in particular, and the long-awaited total review of the CAP have now become absolutely unavoidable deadlines if we are to ensure that the Community may continue to play its proper role.

Parliament should therefore state its view, promise to uphold it, and make others solemnly promise to do likewise. In this respect, the motion for a resolution does not go far enough. I think that we also all realize the limitations of the work carried out on the amendments by the Committee on Budgets, because the budget, because of the objective limits set upon it by the misguided decisions or by the inertia of the Commission and of the Council, is essentially unamendable.

We also criticize another trend which showed up within the Committee on Budgets and which can be found in the motion for a resolution, that is the trend towards venturing into what we feel to be the treacherous and uncertain ground of so-called savings. Of course, Mr President, ladies and gentlemen, we are fully behind any cuts in spending at all, in particular at a difficult time such as this, within the existing legislation, and especially where the management of the guarantee fund is concerned. We are for an all-out struggle against all forms of speculation, fraud, and swindle at the expense of the Community but, on this subject, I should also like to say that such a rigorous and strict policy can in no way be equated with attempts at imposing restrictive policies, boycotts, or economic reprisals against third countries, which is precisely what emerges from some of the amendments tabled by the Committee on Budgets. This is not in the best interests of the Community, which should not adopt attitudes reminiscent of certain moments during the cold war, but which should rather open out and have sound relations with all the countries in the world.

Therefore, even if we agree with the calls for discipline, austerity and a moral improvement in Community spending, we are against any attempt to mix up this justified policy with the fundamental struggle for an increase in own resources and for the reforms which I have just alluded to. We therefore consider that certain passages in the motion for a resolution — such as those which refer to suspending payments which are owed to Member States for the costs incurred for the collection of own resources or to the possibility of making savings within the guidance and guarantee fund — amount to skating on thin ice. This was stressed, for example, by the representatives of the Council and the Commission, because the problem of paying back the sums owed to the Member States is an extremely complex legal problem, quite apart from the financial limitations. On the subject of savings which might be made, the Commission itself expresses great uncertainty when it says that all possible savings have already been made. We cannot but be critical of and puzzled at the highly technical budgetary

manoeuvring going on, when it is suggested that the guarantee entries be reduced by 2%, which will be transferred to the reserve fund, not because these proposed solutions are of no use at all, but because they cannot solve the basic problem which is either we have the money or we have not, and if we do not have it then there is no technical or financial manoeuvring which can cover this up, conceal the fact or hide the real truth — what is needed are definite reforms in order to be able to progress.

Mr President, ladies and gentlemen, this is why we have firmly decided to pursue a coherent policy which is up to the tasks which this Parliament has assigned to itself in its long and difficult struggle. We are aware that the tasks will be extremely difficult, but we consider that this House cannot give in, cannot adopt a submissive attitude and cannot possibly shirk its responsibilities without sacrificing its credibility in Europe and in the whole world, and without sacrificing the possibility of effectively furthering the determination apparent in all the political groups in this House to have a new and more meaningful relationship with the new Commission which will shortly be taking up office and which will open up a new chapter in the history of the Community.

President. — I call Mr Rossi to speak on behalf of the Liberal and Democratic Group.

Mr Rossi. — (*F*) Mr President, I shall be brief because, at the last part session two weeks ago, I had the opportunity to speak on behalf of the Liberal and Democratic Group and to make our views and our attitude quite clear.

Our analysis of the situation is quite simple but disturbing, since at a time when we have nearly reached the ceiling of our own resources, we are nonetheless unwilling to accept a budget which implies surrender. On the contrary, we should like to make this budget reflect our determination in certain fields, pending the outcome of the discussions which we shall be having on the Common Agricultural Policy. A transitional period, Mr President, does not mean a period of stagnation. We feel that it is possible and desirable, I would even say vital, for us to seek, against the background of only a very small overall increase in the budget, sectors in which we can further the European ideal. In short, we have the choice between spreading the jam too thinly, which would mean some short-lived satisfaction for a large number of people, or taking more substantial action in just two or three sectors where Parliament should, in decisive — or even spectacular — fashions, show its determination and thus force the national governments to haul themselves out of the rut in which they are now stuck.

The fact is that we have reached a lull in the construction of Europe and it is thus our duty to find a way to free this process of its lethargy. I should also point out that this selective strategy is in line with our analysis of the prospects for increasing own resources. It is our view, with deep regret, that as things stand at present the nine governments are not

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prepared to increase our resources, at least not before the budget has been restructured, and anyway, even were the governments to agree, I am far from certain that with our economies in their present parlous state, our national parliaments would all ratify such an agreement. This would leave only one path open to us, that of floating loans. Therefore, we must return to what always used to be Community budgetary practice, which was that the Community started by establishing a common policy and then got the Member States to grant the necessary funds. So, if we want to obtain new budgetary resources, we should start by initiating new common policies. This is why we shall bring our attention to bear, in this debate, on the energy question.

There is another major factor in our analysis of this budget debate. It can only succeed if this House refuses to be drawn into squabbles with the other institutions. We must not fall into the trap of seeing things in black and white and thus supporting one of the two institutions we deal with whilst taking sides against the other. We shall form our opinions at the various stages of the budget procedure, and just as we reject the simplistic attitude which tends to view compulsory expenditure as unclean, and non-compulsory expenditure as noble, we will not give our unconditional support either to the Commission or to the Council. They both have in their policies points worth keeping and points which should be opposed.

Before coming, Mr President, to the question of our own priorities, I should just like to touch on our attitude on compulsory expenditure. No one is more convinced than us — and we said as much during the inaugural part-session of this Parliament in July 1979 — that improvements in management and cuts in spending must be made in this sector. This led me personally, in the Committee on Budgets, to question the Commission on the nature and scope of the cuts it intended to make in the agricultural sector and, in particular, to ask whether such reductions might be sufficient to offset a normal increase in farm prices.

I must admit that I was not given any clear answer or precise figures. It is not, however, our wish to see the whole of the Common Agricultural Policy brought into question on account of the mismanagement there may have been, or of a certain slackness which has crept into the system, since, as you are all aware, we fully support this policy.

It should be borne in mind that at a time when we depend on others for our energy, this policy saves Europe from depending on others for her food. It should also be borne in mind that restructuring must not be done through the budget but through a general discussion based on the proposals which the Commission is to make to us next June. Finally, let us not forget that, if the Community now has its own resources and the consequent budgetary autonomy, this is because the Member States accepted this principle in the name of the Common Agricultural Policy, which is, let us remember, compulsory expenditure. This means that since we agree to guiding production and cutting the cost of structural surpluses — I repeat structural surpluses and not surpluses which are a natural offshoot of

an export-oriented policy — we shall warmly welcome any restructuring proposals provided they follow the three basic principles of European prices, Community preference and financial guarantees.

As for the impact the agricultural sector has on the budget, we note that a considerable effort has already been made in this draft budget, which only shows an increase of 12% — I repeat 12% — compared with 20% in the two previous years, although the agricultural part of the budget this year provides for new market organization and a tenth Member State. I should also like to add that, via the co-responsibility levy, farmers provide 2.7% of compulsory expenditure and we should also not lose sight of the fact that farm prices, which can only be fixed next spring, will have to take account of inflation and of the need to maintain farmers' purchasing power and that we should bear in mind the need to allow for the impact of any increases.

I now come, Mr President, to the two points on which we wish to concentrate, development and energy.

Why development? For all those ethical and humanitarian — and of course economic — reasons which led Parliament to play a fundamental and decisive role in the early 1960s, when we should remember that it was one of the architects of the Yaoundé Agreement, and subsequently one of the driving forces behind the Lomé Agreements. It is quite unthinkable, just after the debate on hunger in the world, after the United Nations session on the Third Development Decade, at which the Community managed to speak as one, that our Parliament should allow development funds to be reduced in relation to last year. But let there be no misunderstanding. We shall be careful in our voting, to see that the ACP States are not penalized in comparison with the non-associated countries and that the budget as a whole is understood by the Third World as a reflection of our determination to help in its development.

The other line we wish to concentrate on is the energy sector, which is the one that has been subjected to the most drastic, and I might add shortsighted, cuts. On this subject, we still remember the hope the public was given by the Venice Summit, which stated Europe's shared determination to take action in a sector where we are coming more and more to feel that Europe is under attack, under siege and dependent on others.

Some measures are being taken and my colleague Mr Galand will be speaking about them, but though they are all linked to the energy problem, they nonetheless do not add up to a common energy policy. This is why we submitted to the Committee on Budgets — and succeeded in having approved unanimously with only three abstentions — an amendment which is of some importance, because of the 150 thousand million EUA it represents but more particularly because of its political significance, since this constitutes the funds we are offering to our governments so that they may implement a common policy in this sector. Thus, it is now up to the Member States to look seriously into this question, which has so often been skirted round, and to find ways of restoring to Europe, if not total energy inde-

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pendence, at least a higher level of independence, because without this there can be no political independence either.

Ladies and gentlemen, the fact that I have singled out these two topics does not mean that my Group will not vote in favour of amendments in other sectors. We shall endeavour to help restore funds to sectors in which cuts would have meant slowing down or interfering with work which is already going on. But we shall not systematically vote for all increases. We shall not systematically go for an inflated budget. We wish to show we are aware of our responsibilities as Members of this House. It is not our aim to go against one institution or the other since, as I have already said, we do not want this debate to be a clash between institutions or a duel over points of honour. Thus, we shall not choose our amendments by virtue of some false notion of prestige, or of parliamentary pride, but according to how effective they may be. An elected Parliament does not win its spurs or gain authority by approving massive allocations of funds, but by making its message plain and by getting its policies accepted. We have picked out two policy areas, but we do not exclude others. What is out of the question for us is to try to do everything despite the present combination of two factors: the imminent exhaustion of own resources and the lack of political determination on the part of our governments.

This is why, Mr President, I shall conclude by stating that we want this budget, which I would remind you is the best political weapon we have, to be selective in intent but dynamic and innovative with regard to its main goal of reviving the European ideal in the areas in which it is most fiercely opposed, that is the energy sector. If we could make a sort of new Messina Declaration, then I am sure that the whole machinery would be set in motion again, one by one all the components of this Europe we are building would come to life. Europe would get its second wind and this grand design we have been involved in for the last 20 years would have a new lease of life. But for this to happen, we must pick from the tangle the right master thread to which all the rest are attached.

President. — I call Mr Ansquer to speak on behalf of the Group of European Progressive Democrats.

Mr Ansquer. — (F) Mr President, ladies and gentlemen, I should like briefly to make some general remarks and then give my views on some specific points.

The 1981 European budget is the latest step in a slow process of disintegration we have observed in previous financial years. In this respect, it is a true reflection of the general state of the Community. This Community today seems to have lost its spirit, its energy. It is slowly expiring in a welter of accounts and figures. There is no inspiration and no grand designs. No new common policies have been set up since the CAP.

In such circumstances, the Community budget cannot but be a mediocre one. A routine, lack-lustre budget. Our

Community cannot be revived by spending millions, or even ten of millions, but by an expression of political determination at the highest level. If the Council is no longer playing the part laid down for it in the Treaties, then it is to the Heads of State and of Government that we must turn to restore to the Community the vim and vigour it lacks.

What is the point of having a directly-elected Parliament, if the Community lacks the life-blood it needs to grow and prosper?

It is our common policies which are this life-blood. And now we have reached the point where, because there are no new policies, the only common policy now in existence, agricultural policy, is paradoxically coming under threat. Therefore, we call most emphatically on the European Council and the Council of Ministers to set up, while there is still time, one or two new common policies. Some policies are now essential, an energy policy for example, but there are plenty to choose from amongst all the Community schemes which have been lying dormant for years. Europe must cease to be merely a meeting place for good intentions.

Thus, the Community budget only echoes the general situation. Some Members have called it a regressive budget, or a transitional one. Whatever we call it, we urgently need to change the way our budget is developing.

Another thing which must be corrected, apart from the dissipation of the efforts made by the Community, is the proliferation of budget items which are similar in nature. It is as if the Commission wished by this means to find a way round the tight limits on budget spending and to make up for the lack of coherent structural policies. This multiplicity of similar items has a highly damaging effect on the clarity of the budget and does not even make it more effective. This is why we should like to see a more rational nomenclature for the budget, which would then make for greater clarity.

Another point is the dispute between the Council and this House on how to classify certain items of expenditure, a dispute which is growing more and more serious each year. This is not merely a technical problem, Mr President, it is a political question. Up to now, each part of the budgetary authority has in general held its ground, but avoided starting a fight which it was not sure of winning. This state of affairs jeopardizes the smooth completion of the budgetary procedure and the system itself. If we want to avoid a complete breakdown in the system for distinguishing between compulsory and non-compulsory expenditure, a solution to this question is urgently needed. Parliament must request that a consultation procedure be instituted, so that we can have a thorough exchange of views with the Council, which we hope will bear fruit.

As far as income is concerned, we all know that we are not far from having exhausted the Community's own resources. If we wish to give the Community the financial margin it lacks, several paths are open to us. We could, for example, find additional resources: increase the VAT ceil-

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ing, or create new taxes. We could also, as Mr Aigner and the Committee on Budgets have suggested, resort to subterfuges such as holding back payment of the costs incurred by Member States in collecting own resources.

Obviously, each of these options has its pros and cons. We cannot wait for new policies and new resources to be provided, before improving the existing system. For example, the share of VAT paid to the Community by Member States is calculated on the basis of estimates, which means that the budget is deprived of a considerable sum. It is, therefore, absolutely essential to review the method of payment of VAT and to adopt a method based on returns, which would be sure to make a marked difference.

Mr President, ladies and gentlemen, although I am being critical, I am not criticizing anyone in particular. My sole aim is to further the construction of Europe on firm and realistic foundations.

President. — I call Mr Bonde to speak on behalf of the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Bonde. — (DK) Mr President, the debate on next year's budget will once more feature a series of attacks on agricultural expenditure. Many of the criticisms may seem justified, but more important is the fact that they reveal a major paradox since at the same time as Community tax payers are paying more and more to finance agricultural arrangements and for food in the shops, farmers' incomes are dropping dramatically. This is a little like the mystery of the disappearing millions, since according to the payments to Denmark from the Community budget, Denmark gets substantially more payments in the agricultural field than would appear from the total income from Danish agriculture.

Between 1971-72 and 1978-79 the average Danish farmer's income dropped 68% in terms of fixed prices. The proportion of farmers' incomes resulting from agricultural activity represented two-thirds of their total income in 1971-72 but had fallen to one third by 1978-79. Nowadays two-thirds of farmers' incomes consist of family allowances, pensions and income from other sources.

No other group of the population has experienced such a dramatic drop in income as farmers. This is a paradox which calls for a more detailed explanation. In particular, the most recent figures produced by the Danish Government show that this paradox has become even greater over the last financial year. Briefly, the paradox consists in the fact that we as consumers and taxpayers are paying more and more in order to give the farmers less and less and I am saying this since there is a widespread belief, which is shared by many people in this House, that the prosperous Danish farmers are milking the Community. The truth of the matter is that the draft budget we are discussing here today comes nowhere near to giving most farmers the income which they could achieve if they were to go into the

building industry, which, however, they cannot do anyway because of the increasing unemployment in that sector.

The main argument for Denmark joining the Community was that this would be a way of guaranteeing reasonable incomes for Danish farmers. After the accession of Denmark, Danish farmers made major investments since they expected that they would now have a reliable source of income. They saw the Community as a utopia, but, as it turns out, the Community does not provide solutions which will guarantee a reasonable standard of living for the farmers. Indeed, we can expect further reductions when the Community is enlarged with the accession of Greece, Spain and Portugal and when we try to reach agreement on new ways of financing the Community budget.

For this reason, at its national congresses, the People's Movement against the EEC has invited Danish farmers and farmers' organizations to consider the possibilities of obtaining a reasonable standard of living outside the Community before the agricultural arrangements collapse. When we come to vote on the budget on Thursday, the People's Movement will not give its support to a tax on Community farmers. We will oppose any proposal to reinstate the Community's proposals following the Council's cutbacks or to increase non-compulsory expenditure. We will vote in favour of the proposed cutbacks, e.g. in areas which conflict with the preconditions for Danish membership, and for the rest we will as a rule abstain as we take the view that political decisions should be made in the national Parliaments and not in a foreign Parliament.

The four representatives of the People's Movement together with Mrs Boserup of the Socialistisk Folkeparti have tabled amendments relating to two areas. On the one hand, in the amendment to Mr Adonnino's report, we reject any attempts to make the Community budget a legislative instrument. We oppose attempts to increase own resources by means of new special levies or entries. We support the Council's rejection of the proposals to include the development fund and credit transactions in the Community budget. We oppose an increase in non-compulsory expenditure which will give the supranational bodies more room for manoeuvre and finally, we support all the attempts by the Council to ensure that it can control the administration of the Community budget, e.g. by means of the administrative committees, in which, incidentally, the extent of national influence is still inadequate.

In a second amendment to Mr Ansquer's report, we oppose the proposal for a so-called Community system for the salaries, pensions and other allowances for members of this assembly, and, in particular, we oppose new proposals for the introduction of new allowances such as those for maintaining contacts with constituencies and individual travel allowances. We maintain the principle that all allowances should be laid down by the individual Member States and, until they are, we oppose payment of any travelling or secretarial allowances in the absence of supporting documents or the payment of any salaries which are higher than those paid to staff.

President. — I call Mr Romualdi, non-attached.

Mr Romualdi. — (*I*) Mr President, ladies and gentlemen, I should like to make some general remarks, on behalf of the non-attached Italian Members, on the subject of this budget which we are debating at what is truly a very difficult time.

The prevailing situation of crisis and difficulty of all kinds now facing the economies of the Nine and the serious social, political, moral and financial concerns which are disrupting our everyday existence and making the future far from certain — all these facts were quite rightly brought home to us by the careful and highly-qualified rapporteurs in their praiseworthy piece of work for which we all thank them — can nonetheless not explain away the Council's attitude over the budget for 1981, its negative attitude and in particular its cuts, which are sometimes extremely heavy and quite inexplicable.

However, these difficulties ought to have been taken as a reason for making every effort to strengthen — and therefore greater development potential to — Community policies, assuming that those policies are believed in, as is stated at official meetings that the crisis in our economies may be solved only and above all by strengthening and defending a common European policy.

In my opinion it is not with petty, and sometimes short-sighted savings that we can hope to get out of our present difficulties, out of the present state of growing unemployment in Europe — in some countries more than in others — to escape from the battering spiral of galloping inflation, of recession in all sectors of industry — but to an increased extent in certain sectors which were mentioned by the rapporteurs — and above all to ward off the impending crisis of technological and organizational underdevelopment which is now threatening much of our economic and social life. What we need is something new, more adventurous, wider-ranging, more forward-looking something which we thought we had detected being put forward in Mr Jenkins' last report some months ago, but since then nothing more has been done about it.

Anyone who thinks he can solve these problems and those social and regional policy, of convergence, by barricading himself inside his own house or by considering his own interests, by thinking that he is the centre of the world, or that he is the focal point of balance within Europe or in his own private universe, is deluding himself. Anyone who thinks that energy problems can be solved in this manner without inspiring a major Community energy policy, which includes protecting the routes used to ship the oil to us and exploiting old energy sources such as coal and seeking new ones, is deluding himself. This also applies to research in general, to computer technology, to telematics, to industrial restructuring and reorganization. It is also a question which closely concerns the difficulties now being experienced by the steel, car, textile, and shipbuilding industries. The same can even be said of agriculture itself,

which cannot subsist or make progress as long as it is being held together merely by subsidies — under whatever name or by manipulating surpluses.

As individual countries, we cannot hope to become competitive again, in the face of countries such as America and Japan which have aggressive industrial and commercial policies, nor to face up to Europe's huge commitment to the Third World. But we can achieve this if we are prepared to pull together.

And not enough just to say this in European Council's meetings or at major, official conferences. It is not enough to state that certain fundamental policies are required, as was the case for example in Venice, and then not provide even one penny, or hardly, in order to implement such policies. We cannot ask the Commission to draw up a draft budget which takes account of the Community's requirements and then destroy what is the only truly vital part of their proposals. What can the future of the Community possibly be under such circumstances? What should and can Parliament do? Should it have another trial of strength with the Council? Must we once more demean ourselves by resorting to such 'stingy' antics as cuts, reductions or makeshift solutions, and do our duty through the hateful, irritating and squalid battle of amendments?

We do not think that this is what Parliament should do! We say this at the same time as, failing all else, we re-affirm our solidarity with the Committee on Budgets, which quite rightly suggests that the Commission proposals be reinstated, both for the so-called compulsory expenditure and for that which is not compulsory but which, from a political viewpoint, ought to be the only really compulsory expenditure, since it is this expenditure which has practical application in guaranteeing, not only the development of our common economy, but also that of our common policy — i. e. true European integration, which is and should remain the only objective of this House. This is precisely where Parliament's duty lies. We wish to state this during the budget debate at a time when this Parliament is trying to take definite steps to defend the future of the Community and to set up the necessary means to achieve this albeit within the limits of our ability, which can nonetheless be extended, if we so wish, as the Committee on Budgets itself pointed out with reference to the problems of the budgetization of loans and EDF expenditure, and of reimbursing, at least partially, expenditure incurred by the Member States for the collection of own resources.

It is not Parliament's duty — as we were reminded this morning — to expend all its energy in defending democratic liberty and observance of human rights in all the countries of the world, starting with the right to exist and here the fight against hunger. These are highly esteemable duties both from a human and social point of view, but they fall within the competence and sphere of activity of other international organizations far better qualified than us. This Parliament's duty is to build, or even better to build on, a great economic Europe to make a great political Europe, which is the only Europe able in these circumstances, ladies and gentlemen, to guarantee true political

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and moral freedom for everyone, to guarantee peace free from want and fear in calm and safety for all peoples, nations and for all men.

President. — I call Mr Arndt.

Mr Arndt. — (D) Mr President, as the Socialist Group's second speaker, I should like to try once more to clarify what Parliament's task is in the procedure for adopting the budget and what position this House ought to adopt in order to fulfil that task.

The annual battle over the budget is not an end in itself, but is only one part of the long path along which this directly-elected Parliament started last year. We must try always to obtain the majority needed to maintain our progress along that path. Let me take you back to the debate last summer on the 1980 budget, which was held in this chamber in Luxembourg. At that time we discussed the question of whether the Council could be induced either by the rejection of the budget, by abstentions or by suitable amendments, slowly but surely to fall into line with Parliament's policies. I recall some of my fellow Members stating that, if we requested increases of 15 or 20 million EUA and applied a policy of cautious amendments to the Council proposals then we could win through in the long run. The Council's decision on the 1981 preliminary draft budget shows that the hopes which the majority of this Parliament held out this summer have been dashed. The Council has no interest whatsoever in the proposals made by Parliament. The Council has dealt with the Commission's draft budget by making cuts in it. This House must now turn against the Council which no longer deserves to bear the name of Council of the European Communities. The policies which the Council is now pursuing both in the budget sector and in other sectors shows that it is not prepared to further the European ideal. The Council facts down on all the crucial problems which concern the European Community. And, thereby, it is playing the game of those people in various countries who are against the European Community and in favour of leaving it. It is therefore now time for the governments within the Council to remember what their real task is. Difficult questions are put off from one Council meeting to another. Some marvellous decisions were taken at the European Council in Venice, but when it came to backing up these policies, by some solid figures in the 1981 budget, then the Council let us down.

(Applause)

We all know that own resources have in the meantime been whittled away by surplus production but the Council still puts off taking a decision on this matter from one meeting to another.

Before the German elections no one dared to take a decision on this question of own resources and surplus production and now before the French presidential elections nobody dares to take a decision either. There will always

be somewhere, in one of the countries of Europe, new elections to be held and decisions will always be put off until after these national elections, instead of at last taking the vital step which we were all called upon to take, that is to strive towards furthering the European ideal. Since this is the case, this House can only assume the task itself, and this means ensuring that the European ideal is pulled out of the crisis it is now in.

What we need are new, courageous Community policies, and as far as we can judge on 4 November 1980, only this Parliament is truly in a position to provide the impetus for this. We will not be able to do this during the budget debate, nor overnight. But this first directly-elected Parliament must use the remainder of its term of office to impart to the European ideal some decisive new momentum, for if we do not, when we present ourselves once more to our electors, then we will face disaster.

This is why I am pleased to note that the Committee on Budgets has fully accepted these ideas. The Committee on Budgets has tried, in what is to my mind a fine piece of teamwork, to lay down priorities in the budget. The Socialist Group collaborated in this policy. Our motions on energy policy, which were worked out within the Committee as a whole, our motions on energy savings — I can recall President Jenkins drawing our attention, at the beginning of this year, to the fact that this should be a priority programme and, in the 1981 budget, Parliament has seized the opportunity to do something about it — show that it is possible to develop new policies which in the final analysis, help to maintain jobs and create new ones. Nor do we consider it acceptable to lower the Commission's appropriations for regional policy, and we therefore once more urge our British Conservative colleagues to withdraw their motion for a resolution on this subject, in favour of the majority view in this House and the Commission proposals on regional and structural policies.

In our opinion it is not really Parliament's job to insert the subsidies for the ECSC to combat the crisis in the steel industry. It is, rather, up to the Council to seize the initiative in this matter because presumably it is as fully aware of the steel crisis as everyone else in this Community. Thus it is really rather annoying that the proposal to grant the ECSC a subsidy because of the steel industry crisis should have to come from Parliament.

The Socialist Group will also vote in favour of the higher sum requested by the Social Affairs Committee, because we are fully aware that requests for additional funds will be forthcoming from various Member States and that the sum allotted, at least as the Committee on Budgets' proposal now stands, is unlikely to suffice. However, as has always been the case, what lies at the heart of our discussions is agricultural policy. I have no desire to go over the details once more of the views which the Socialist Group has on agricultural policy. I do not wish to have to make clear once more what proposals will eventually have to be implemented in this sector, but it seems to me that it has once again become apparent in the Committee on Budgets that we must do everything in our power not to be submerged

Arndt

by continually rising agricultural expenditure. We are discussing the dangers this holds for the Common Agricultural Policy of the European Community.

The greatest danger for the CAP lies in the massive increase in expenditure on surplus production. If we wish to save the CAP then we must do something about restricting these production surpluses. We therefore welcome what is clearly stated under paragraph 11 in the report, that the total amount of agricultural expenditure planned for 1981 should not be exceeded during the financial year as a result of decisions on prices for the 1981/82 marketing year, and that the funds now allocated must suffice. We in the Socialist Group, however, want this not only to be stated in the report, but also to be included in the budget in the explanatory notes, because the Council's decision on this draft budget shows that the views of the majority of this House can only be given full expression if physically included in the budget.

We therefore view this as one of the most important points in this budget debate. I should therefore like to briefly sum up once more our point of view: the Socialist Group will pursue the policy on budgetary matters adopted by the majority last year. We hope that here will be a large majority in this House to support the continuation of this policy at the first reading of the budget.

President. — I call Mr Notenboom.

Mr Notenboom. — (NL) Mr President, the Council will not be surprised to hear that this House felt bound to react in kind to the crude decisions taken by the Council on the draft budget on 23 and 24 September. I should also just like to make the point that it is more difficult to come to a decision in a Parliament with 410 Members and even in a 37-strong Committee on Budgets than in a Council with only 9 members. Even then, one member voted against the final result.

There can be no doubt that the figures contained in the Council's draft budget will effectively prove to be a setback for European policy. It looks as though the answer to this move this week will be that Parliament will have nothing to do with the Council's proposals. It looks as though a large majority of this House wants to see Europe move forwards rather than backwards, and the fact that Parliament cannot, at this stage, be all that particular in its approach should be seen by the Council as a reaction to its own crude behaviour in September.

When he presented the draft budget at the plenary session in October, the President-in-Office of the Council, Mr Santer, was unable or unwilling to conceal his own personal opinion on the document when he said that the budget could probably be improved by Parliament's cooperation. In other words, the President-in-Office of the Council was asking for Parliament's cooperation. All right, Mr President — our cooperation will be a fact from this Thursday, and I see the result of Thursday's vote as

giving the Council a second chance. The 1980 budget need not be regarded as finally and conclusively lost, provided the Council is prepared to put right much of what went wrong on 23 September. The amendments and proposed modifications put forward by this House give it every chance to make the necessary changes. Once that phase is over, this House can then get down to work in more detail, as Mr Taylor said. We should really have got to that stage now, but I have explained why that has not yet come to pass. Given that the European Summit gave top priority to a European energy policy, is it any wonder that this House should refuse to allow the Budget Council to cut expenditure on energy? How can this House approve, on behalf of the peoples of Europe, the total absence from the budget of funds designed to alleviate the social consequences of a steel policy which threatens widespread unemployment? The Council even deleted the token entry from the 1980 budget. And then there is the question of continuity in the budget. Or are we supposed to ignore any stimulants which might improve the chances of viable branches of industry? And how, after holding a debate on world hunger, and bearing in mind the thousands who die every day of starvation, can this House neglect to take a vigorous stand on the question of development aid — even though all the money amounts to nothing more than a drop in the ocean? Finally, can this House afford not to react when the resources earmarked for the regional policy are so seriously distorted? All these serious and crystal-clear shortcomings have combined to give rise to this House's robust reaction.

Mr President, this explanation of the very large number of amendments takes an entirely different view to the line of thought that this House should increase non-compulsory expenditure as much as possible — in view of the ceiling on own resources — so as to leave as little room as possible for agricultural expenditure. That, I think, places a false interpretation on all these amendments. The Group of the European People's Party agrees that the current level of agricultural expenditure should not rise any further — and that includes next year's decisions on prices — and in this respect we go along with the rapporteur. But we should be fully aware of the time it will take to get the own resources ceiling raised, because any such step will require ratification in ten national parliaments. That being so, there is a very real danger of allowing both the agricultural policy and other policy sectors to suffocate. Because of the timespan — measured in years — for getting any such decision ratified, we must look ahead, and for that reason I think it a pity that it proved impossible last year to find a qualified majority in favour of substituting 1.5% of VAT in place of the current 1% as an expression of Parliament's will that own resources must be increased in the near future if the Community is to make progress. The point of the vote against this proposal was to maintain the pressure on agricultural expenditure for a time. I appreciate the reasons for this attitude, but the end result may now be that own resources will be increased too late, that the Europeanization of other policy sectors will not stand a chance, and the upshot may be the renationalization of agricultural policy.

This year we also have the report of the Spinelli working party, which should be discussed by this House with all

Notenboom

speed, and of which I have high hopes. That is the reason why we have tabled no amendments on this point. In fact, we have tabled one amendment — and I am referring here to that emanating from Mr Aigner, myself and others, to change the repayments to the Member States from customs duties and agricultural levies from 10% to 5%. Our aim in so doing is to initiate a discussion within the institutions. It will probably not be possible to put this idea into practice this year, although I have noticed a favourable reaction to these ideas in this House's Committee on Budgets, in the Commission and in the Council. We are perfectly well aware that there is a problem of ratification here too, but there are ways and means of getting round this problem, for instance, by introducing the 5% figure on a purely temporary basis. Mr President, it is highly likely that this kind of figure will be much needed in the 1982 budget to ensure that Europe — or at least, the budget — does not grind to a total halt. That is why we are floating this idea to give it the time it needs to come to fruition, in the hope that the Council will consider it in the context of the forthcoming conciliation procedure. To reply to Mr Dankert, it is indeed intended as a political proposal, because the Commission has done next to nothing in this field. We have been given no details of where savings could be made in the Common Agricultural Policy. Once again, the attitude appears to be that we should wait until next year, when the problem will be so acute that we shall be forced to take decisions with our backs to the wall. What is there to prevent proposals being made earlier to give us more time to consider the matter and reach decisions after a full discussion? Nor has the Commission done anything recently about increasing the Community's own resources, being content to leave this point entirely up to Parliament. In its multiannual financial estimates for 1981, 1982 and 1983, the Commission does not even work on the basis of the legislation it has itself submitted to the Council and which affects projects already scheduled for the coming years. In that case, what is the point of multiannual financial estimates at all? The Commission's estimates give little impression of political commitment to an acceptable budgetary policy over the coming years, and Mr Adonnino is rightly very critical of this shortcoming in his report. The Commission has instead devoted more energy to drawing up tables and working out equations which bear more than a passing resemblance to the principle of *juste retour*.

We have put forward proposals — now that there is a proposed amendment to the 1980 budget — to grant the United Kingdom an advance of 200 million EUA in this year for special measures for the following year, and to subtract this amount from the 1981 budget. Our aim in so doing is not to give the United Kingdom any less, but simply to make things somewhat clearer in the budget. We shall see what people feel about this proposal.

My group supports the idea put forward by the Socialist Group — and adopted by the Committee on Budgets — to budgetize interest subsidies for energy-saving measures. We shall thus stimulate lending, and bring large amounts of money into circulation with relatively little expenditure. We are highly enthusiastic about this idea and shall give it our support.

Finally, I should just like to draw your attention to my amendment to item 3071, which has been accepted by the Committee on Budgets. There seems to be a certain amount of misunderstanding on this item, which involves a relatively small amount of money. The aim of my amendment is to enable small and medium-sized undertakings in Europe to become involved in European affairs. Our aim in amending the explanatory statement was merely to make the point which for years has been the aim of the Commission and of a majority of this House, and to bring this point out clearly in the explanatory statement on the budget. Some groups have interpreted this differently, and I hope that, following the explanation in the Committee on Budgets, and after this somewhat short explanation, it will now be clear that the point was merely to bring out more clearly in the budget what has for years figured in the explanatory statement on part 7 B.

I hope that, when it comes to the vote on Thursday, this House will be selective and will take a critical view of our own budget, to ensure that we are not too stingy with regard to other institutions' staffing requirements and give too much priority to our own, often subjective, requirements. This will be a difficult task, but I hope we shall be able to summon up the necessary self-discipline on this point on Thursday.

President. — I call Mr Kirk.

Mr Kirk. — (DK) Mr President, I am pleased that we in Parliament have got down to discussing the budget seriously this year. I am glad that the somewhat nebulous political observations which were a feature of the budget debate last year would appear to be a thing of the past and that we are now trying to regard the Community budget from a real Community point of view.

After all, the Community's funds are public funds just as much as those used at a national level, and we in the European Democratic Group have endeavoured to deal with the budget in the light of this fact. The previous spokesman for our group, Mr John Mark Taylor, explained quite clearly for the benefit of those Members present that we have made a genuine attempt to consider this budget from the point of view that where it is possible to save public funds we should in fact do so, and that where expenditure was not furthering the Community ideal it should be discontinued. Unlike previously in this Parliament, we have not tried to produce a picture of what an ideal budget would look like. Instead, we have used the other aspect of Parliament's powers, i.e. the power to see to it that the money made available is used as sensibly as possible. Our reason for departing from the previous approach is that on closer analysis this approach has proved to be an illusion. I hope the Members will try to understand this point of view since if we look at the Battersby report on the accounts for 1978, which was submitted to us last spring, we see that of the 586 million EUA Parliament had adopted in its proposed modifications to the 1978 budget, the Commission did not

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use more than about 25–50 million EUA, i. e. only about 10%. Similarly, this summer Parliament adopted a budget containing the same level of agricultural expenditure as it had tried to have reduced when it rejected the budget in December.

Let me say it quite clearly that if Parliament is to play a substantial role in drawing up the Community budget, we must grasp any possibility open to us to exercise direct influence. We must ensure that the budget genuinely reflects the needs of the institutions for the implementation of Community policy and that we do not year after year overprovide for sectors where we know in advance that the money cannot or will not be used. By using the budget to eliminate expenditure for which there is no documented need, Parliament would be able to reduce the amount of bureaucracy in the Community and at the same time spare the taxpayers unnecessary expense.

In my view, we must endeavour to establish a link with Parliament's critical approval of the Community accounts. There is no sense in our criticizing the Commission's administration in spring only to adopt appropriations in autumn as if nothing had happened. This is the reason underlying the proposed modifications tabled by the European Democratic Group in the Committee on Budgets and for further proposed modifications which will be tabled at a later date.

We have proposed a series of modifications in cases where the Commission has asked for substantial increases in appropriations without being able to give any real motives for them. In these cases, we have cut down the appropriations to a level which will allow for general inflation. We have also proposed that the appropriations for leases should be blocked until the Commission has been able to report to the Parliamentary committee on what has been done with regard to the criticisms levelled by the Court of Auditors.

We have proposed that part of the appropriations for expenditure on meetings should be blocked until the Commission has demonstrated the need for these meetings to the Parliamentary committee, and we have proposed the blocking of the 14 m EUA forming the appropriations for the research project under Article 336 of the budget of which the Court of Auditors wrote in its report for 1978:

In fact the inspection reports of the Directorate-General, Research, Science and Education and those of the Directorate-General, Financial Control show that only rarely do inspections give satisfactory results. The difficulties which recur most often are as follows:

- the contracting party's accounting system is either non-existent or unsuitable for the contract,
- the absence of supporting documents for staff expenditure incurred under the contract,
- serious obstacles in the way of verifying overheads.

Can we, I ask, accept 14 million EUA being used in an area where no checks whatsoever are kept on how these funds

are channelled and where there is no real accounting system? I should like to recommend to Parliament that this amount be cut from the budget.

The total amount we have cut or blocked is a little under 100 million EUA, which may not seem all that much compared with the total budget. However, we in the European Democratic Group are convinced that if the Committee on Budgets adopts this same approach when we come to discuss next year's budget, we may be able to make even greater savings. It was our intention to indicate the way in which we think Parliament should approach the budget in future.

I should also like to say that I cannot give my support to the proposal by the Committee on Budgets for an increase in the payment appropriations and commitment appropriations by 870 m EUA and 1200 m EUA respectively. As Mr Tugendhat made clear yesterday, in some of these areas there would be no chance whatsoever of these funds actually being utilized. He also mentioned that some of these areas lacked a real legal basis. In my view, in view of the current situation as regards the budgets in all the Member States, and in view of the manifest inability of the Member States to achieve a satisfactory level of economic activity, we are not in a position where we can simply increase the Community budget without more ado. Parliament must take a responsible approach in this respect and try to exercise some restraint.

I should like to recommend Parliament to support the proposal of the Committee on Agriculture that expenditure which does not really come under the Common Agricultural Policy should not be included in the agricultural budget. It is not reasonable that food aid, which the Community has, for political reasons, undertaken to provide, and which I am in favour of, should be included in the agricultural budget. I also wish to support the attempts of this Parliament to eliminate the co-responsibility levy and instead place the economic responsibility for surplus production, particularly in the dairy sector, with those producers who persist in allowing their production to increase.

Mr Arndt — who unfortunately is no longer present — spoke on this matter and I should like to say that one of the reasons why we cannot solve the problems in the agricultural budget is the very attitude adopted by the Socialists.

We are unfortunately in a situation where the Socialists are trying to conduct social policy via the agricultural budget. Mr Arndt can count on our cooperation if he will let this drop and regard the agricultural budget as a genuine agricultural budget and thus transfer expenditure for social measures to the social section of the budget.

There will no doubt be people who think that the approach I have outlined reflects a reluctance on my part to reinforce European cooperation. I should like to say at once that this would be a wrong interpretation. It is my conviction that Parliament will only be able to strengthen European cooperation if the basis for such cooperation is sound, by which

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I mean that the money used is used sensibly and that the activities adopted produce results. Without this basis, we will never be able to win the support of the people of Europe which the European ideal so urgently needs.

(Applause)

President. — I call Mr Baillot.

Mr Baillot. — *(F)* Mr President, the budget before us demonstrates the gravity of the crisis gripping the European Economic Community and, more generally, the whole capitalist world. Half of the increase in the 1981 budget over that of 1980 is to cover inflation, which far from slowing down will continue to accelerate over the coming months. At the same time unemployment will pass the seven million point and the economies of the nine Community countries will continue to stagnate.

The Council, along with the Commission and the rapporteurs of the Committee on Budgets, Mr Adonnino and Mr Ansquer, conclude from this that the people of Europe will have to tighten their belts. In all Community countries, it is the purchasing power of the workers, in particular wage earners and farmers, that will stagnate and even decline. This is the case in France, as official statistics prove. On the other hand we find that simultaneously, on the pretext of restructuring industry and particularly the steel industry, the textile industry, ship building and probably tomorrow the motor industry, public funds are being allocated to multinationals on a large scale. Furthermore Mr Adonnino regards this utilization of public funds to promote industrial redeployment as a matter of principle for the sake, I suppose, of the free market economy.

But there is a limit to the extent to which the Council and the large majority of Parliament can further step up the policy of austerity. They must take account of workers and especially of farmers. Let us not forget the large-scale demonstration which took place in Strasbourg this year during the debate on agricultural prices. It was only to be expected. As official figures show, agricultural incomes have fallen 4% over 1979 in the Federal Republic of Germany, in Belgium this is likely to be more than 5% while in Great Britain, unofficial sources put the decline in incomes at about 10%; in France farmers have been subjected to the seventh consecutive annual fall in incomes.

In several countries, including my own, we have had daily reminders over the past several months that the workers are struggling against the closing down of entire sectors of industry. We are far, very far, from the wonderful promises made during the 1979 European election campaign and which certain Members of this House believed could be realized in the 1980 budget! The 1981 budget is truly a budget of crisis and austerity for the people of Europe.

Having said this, let me outline what we consider to be the main features of the draft budget amended by the Committee on Budgets. Firstly, the reduction in the British con-

tribution decided on 30 May last represents an extremely heavy burden for the European budget. It represents about 8% of the 22% increase in the 1981 budget over that of 1980. We still maintain that the President of the French Republic took on a heavy responsibility when he capitulated to Mrs Thatcher, particularly since the agricultural advantages which France was to obtain in return have not materialized, or at least only to a very small extent. Thus we again demand that the sum granted to the United Kingdom be revoked and used for the benefit of farmers by setting up a reserve fund to provide a fair increase in agricultural prices.

Secondly, the budget is influenced by the planned enlargement of the Community. Greece's accession has led immediately, i. e. in this budget, to additional expenditure which even the rapporteur has been obliged to describe as one of the special difficulties in the 1981 budget. In addition, a letter of amendment submitted by the Council allocated 30 million EUA in payment appropriations and 60 million EUA in commitment appropriations to assist Portugal's entry into the Community. This decision of the Council is widely approved by the Committee on Budgets which considers that in this matter the Council has surpassed even its highest hopes.

Thirdly, the budget reflects the continued determination of the Commission and of the large majority of Parliament to call for a review of the Common Agricultural Policy, even if in so doing it must face the dissatisfaction and opposition of farmers.

Already, the share of the Common Agricultural Policy in the general budget has fallen from 73.2% in 1980 to 67.2% in 1981. I know that some people would like to artificially lower this proportion by transferring appropriations to other titles. The Commission proposed that the appropriations required for price increases in 1981 should be included in the overall Common Agricultural Policy budget and the Committee on Budgets has followed up this proposal by deducting 2% from the overall EAGGF Guarantee Section appropriations placing it in reserve. We protest vigorously against such a proposal. Again this year it is the farmers who will pay for the industrial redeployment policy.

Fourthly the budget reflects the desire to continue the policy of European integration under the guise of 'restructuring'. This is evident in the European Regional Development Fund which aims to bring about so called alignment. But how is it possible to have alignment at European level when in each of our countries social inequalities are steadily increasing? For this reason there is no way we can endorse such a policy.

As for the Social Fund it is just a means of repairing, very inadequately, the mistakes of the restructuring policy. And indeed often it has been the workers who have struggled to win this reparation. This is why we also object to the contribution of 112 million EUA to the ECSC for temporary social measures linked to restructuring of the steel industry to which we are opposed.

Baillot

Before concluding I should like to say again that we are opposed to entering the European Development Fund and borrowing/lending activities in the budget. Likewise we reject the proposal of the Committee on Budgets to deduct, for the reserves, half of the flat rate repayment of costs incurred in collecting customs' duties in order to compensate for the shortage of Community own resources. If such a system were introduced for instance in France it would mean a reduction in a budget revenue which could only be offset by an increase in the already excessive tax burden of the large majority of families. And here, I should like to repeat our determined opposition to any system of European taxation which – as we know – some people want to introduce so as to permanently increase the Community's own resources.

We have proposed several amendments which concern more particularly the Common Agricultural Policy, our rejection of Community enlargement, aid to the developing countries and the fight against hunger and famine which are increasing throughout the worlds, as was pointed out at the last ACP/EEC meeting in this forum a few weeks ago.

Most of our amendments propose transferring funds within the budget itself, from title to title, from one budget heading to another, thereby avoiding increasing expenditure overall.

In conclusion, the amended draft budget reflects once again the will of the majority of Parliament to pursue its policy of European integration. However, this year, this determination will probably not go as far as repeating the political operation of rejecting the budget which meant having recourse to the system of 'twelfths' for a period of six months. And yesterday, the Council and the Commission could be heard calling on the majority of this Parliament to act wisely. This is indeed the proof, as we said already last year, that the opposition between Parliament and the Council is more symbolic than real. How in fact could it be otherwise? Are not the ranks of the Parliamentary majority, from Socialists to Conservatives, made up of representatives of the parties in power and of the parties in opposition whose policies, let us admit it, are identical in principle and in their objectives? Why wrangle here when in reality there is no reason for it?

For our part, aware of our responsibility to our people, but also to the workers of other countries, we the French Communist and Allied Members will refuse to uphold the policy which is reflected so faithfully in the budget under discussion.

President. — The proceedings will now be suspended until 3 p.m.

The House will rise.

(The sitting was suspended at 1.05 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR JAQUET

Vice-President

President. — The sitting is resumed.

I call Mr Flanagan.

Mr Flanagan. — Mr President, I appreciate that much of this debate has tended to be repetitive, and perhaps I should begin by apologizing for the fact that I am going to reiterate much of what I have already said personally and on behalf of our group.

The most serious problem now facing both the Community and the 1981 budget is a financial one, and it poses a fundamental threat to the common agricultural policy. As I said a couple of weeks ago, whatever the experience may have been this year in continental countries, it was a disastrous year for the agricultural community in Ireland. The situation now is that with the tiny margin that is left, the prospect of the Council of Ministers being able to give any reasonable increase in agricultural prices next year is pretty slim.

I would like to repeat what I said in regard to Greece, and add that I commend the Greek Government for their attitude. In other words, I agree with the demand by Parliament for a 15% increase of the Regional Fund so as to start Greece off on the right foot.

They, for their part, insist that no other country should get into more serious problems as a result of looking after them. They are to be strongly commended for that.

Similarly I do not accept the recommendations of my colleagues on the Committee on Budgets that there should be a 2% across-the-board reduction in the budget. On the contrary, as I said last year and on the only other occasion I spoke from this bench in this sitting; I fear that we are neglecting the interests of the people who put us here because we are not seriously making an effort to reduce the imbalances between the richer parts of Europe and the poorer ones. I am not now talking about ideals, but simply about the stated objectives of the Treaty of Rome.

If we are to be serious about achieving these objectives and if, in particular, we are to be serious about trying to reduce the imbalances between the richer and the poorer parts of Europe, then we must have a Regional Fund, a Social Fund and other funds to achieve that purpose. We cannot do this until we face the problem of increasing own resources. That is the challenge that is facing the institutions of Europe as well as the Member States.

Put in a nutshell, then, if we are to keep the one common policy we have, if we are to try to improve the lot of the agricultural community which, as I say, had a very bad time

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this year and last year, if we are to have Regional and Social Funds which are capable of doing the job for which they were intended, then we must tackle the problem of resources, of money to do the work. If we do not, we are simply fiddling about with figures and fooling ourselves. I hope we have the courage to do that. I believe that that is what we as Members of this Parliament were elected, among other things, to do.

President. — I call Mrs Castellina.

Mrs Castellina. — (*I*) Mr President, ladies and gentlemen, I really cannot go along with the altogether 'normal' approach we have taken this year in dealing with the procedures for approving the 1981 budget. I cannot go along with it because in my view we should have adopted a special approach, an urgent approach even, to this urgent situation we find ourselves in.

The 1981 budget which has been submitted to us reveals in fact, far more than last year, the point of crisis reached by the Community. This budget is further proof of a political decision aimed at baulking the objectives which have been so often championed in this Parliament. Above all, there is the objective of proper Community solidarity, which means that if everyone is going to be asked to make sacrifices for the sake of unity — and among these sacrifices, where Italy is concerned, is the launching of the EMS — the sectors and the regions with the biggest problems ought to be able to get the help they need to correct the existing imbalances. But things are not like that.

The second objective is to balance out expenditure so that the Community is in a position to develop a new policy of its own within the Community and in its relations with the Third World. This has not been achieved because, once again this year, most of the resources have been swallowed up in expenditure which seems — thanks to some clever juggling of the figures — to be for the agricultural sector, whereas the fact of the matter is that the money goes to support a few of the better-off agricultural producers.

The third objective is the democratization of the Community. This means greater powers of supervision and decision by Parliament in all fields of decision-making. The actual situation is quite different because, once again, a totally unjustified distinction between compulsory and non-compulsory expenditure, together with all the procedures which currently govern the passage of the budget, means that Parliament's role is absolutely negligible.

A lot of people have said that this is a transitional budget and that we should accept it, even if it goes against the grain, because next year we shall at last have a complete overhaul of the budget. I do not go along with that idea. It has become even clearer this year that the key problems of Community policy have not been solved, and in my view we ought to have had a general policy debate aimed at drawing the attention of the Commission and Council to

the shameful delays which have built up in this area and to the conservative, and indeed retrograde, options which both institutions have again put before us.

The majority in the House has opted for a detailed discussion of the budget, chapter by chapter, which has resulted in the tabling of a series of minute amendments which can do nothing to change the stamp of Community policy, for the simple reason that they are framed within a structure which can in no way be changed by tabling amendments.

I consequently feel that Parliament's efforts in these few weeks have been a useless and indeed humiliating experience. I therefore think it is high time for Parliament to give a formal warning, so that next year we do not find ourselves in the same powerless position as this year. While agreeing with much of the criticism levelled in the Adonino motion for a resolution, I do not think that it manages to convey the sense of urgency which is absolutely essential in the present circumstances.

President. — I call Mr Fich.

Mr Fich. — (*DK*) Mr President, it is only four months or so since we last discussed the Community budget in this House. It is true that that was an unusual situation, but it nevertheless says something about the entire budgetary procedure which can best be described as extremely long-winded, complicated and enormously laborious. All in all, it might be said that the Community budgetary procedure is fundamentally illogical and it therefore seems to me that it is time this procedure itself came up for discussion. It strikes me that we might be able to find a more effective and up to date budgetary procedure.

If we are to discuss this question, I should like to recommend that the rules governing the budget itself should be made more precise and that, in addition, some genuine control of the funds passing through the Community coffers should be introduced. By this, I do not mean control on the part of Parliament, but control on the part of the Community institutions as such. This would presumably necessitate, amongst other things, budgets covering several years, but the main thing would be to ascertain whether or not the money allocated is in fact used at all, and what it is used for. At the moment, one gets the impression that the Community budget is more like a housekeeping account where we simply record what has actually been spent rather than a budget where we decide what is to be spent.

If we look at the proposed draft, we are in more or less the same situation as regards the budget as we were this time last year and six months ago, in that the budget before us now is very similar to the ones before us on those occasions, with, however, one important difference, i.e. that we are rapidly getting dangerously close to the own resources ceiling. If the proposals by the Committee on Budgets are adopted, we will reach 97% of the VAT re-

Fich

venue, i.e. 98–99% of the maximum possible own resources. This is, of course, an irresponsible way of going about things in the budget, as we do not yet know what next year's world market prices for agricultural products will be, and we have no details of the price increases which will be contained in the agricultural package. We are very close to the 1% ceiling, but we do not know exactly where we are. A budget of this kind, which incidentally, was also the kind of thing which the Commission had in mind, is, of course, irresponsible.

We will very soon – i.e. next year – end up in a situation where revenue remains constant by virtue of the Treaties, while expenditure increases, also by virtue of the Treaties to some extent, i.e. within the agricultural sector, and the two sides of the account will no longer balance. In view of this, it is no wonder that there should be all sorts of speculation as to what we are intending to do. In principle, of course, there are only two possibilities open to us, i.e. either we increase Community revenue, or we reduce expenditure. Proposals to increase revenue have in fact been made. There is one proposal to the effect that repayments to the Member States should be partially frozen, and I should like to say in a purely personal capacity that I do not think we should accept this proposal, as it is simply an administrative manoeuvre – which is not what we need, since the problem we are faced with is a political problem, and as such calls for a political solution and not for administrative evasion of the issue. A political proposal has in fact been made – not as yet officially, but we do have the Spinelli report which indicates clear political solutions to these problems – but I should also like to say – again in a purely personal capacity – that, as I see it, the Spinelli report is more an intellectual exercise than an example of *realistic thinking*, since its idea of direct taxation of Community citizens would not stand a chance in the Council of Ministers.

If the idea of increased revenue appears to be a non-starter, we must consider the possibility of savings, and there are a lot of people who are in fact doing this. In particular, they are looking at the agricultural sector, and for good reasons, since it now accounts for approximately 70% of our budget. I go along with the argument that one of the things we must do if we are to be able to introduce certain price increases for agricultural products next year, is to find some ways of making economies. I think it would be possible since, as we know, by no means all the money we pay to the agricultural sector finds its way to the farmers. We know that a lot of it never gets that far, and it is in this area of the various middlemen that we could make certain savings. The main thing, however, is that we should not interfere with the principles of the agricultural arrangements as such. Indeed, our guiding principle should be preservation through rationalization. Even if this agricultural arrangement comes to be based on sounder principles, it will still cost money, and we will never achieve what many people talk about, i.e. a better balance in the budget. Perhaps we may achieve a slight improvement, but we will never be able to achieve a good balance overall. However, this is not a budgetary problem, it is a reflection of the general state of Community policy where agricultural policy is central and other aspects of policy have never really been developed.

I should like to say with regard to policy in other sectors that I am strongly in favour of stepping up research into new energy sources and energy saving. It is in the interests of us all that this research should be coordinated as extensively and as efficiently as possible.

I also think that this Assembly should carry the resolution it adopted in September in connection with the Ferrero report to its logical conclusion, since this resolution will remain a mere empty gesture if we do not also make the necessary funds available.

Finally, I am – in spite of serious reservations – also prepared to support various activities in the field of regional policy. In principle, we support the regional policy, but we must say that our experience with the administration of this policy has up to now been very bad. We agree with the Heads of State and Government in all these fields. It is quite correct what the Heads of State and Government say at all their meetings. However, we are less in agreement with the Finance Ministers and we look forward to the day when the Heads of State and Government will come to some agreement with the Finance Ministers as to what they actually want. This would make the whole thing a lot easier for us.

Finally, I should like to make an observation in a personal capacity regarding education in the Community – and my remarks are addressed particularly to Mr Patterson who brought this question up earlier. Mr Patterson should remember that there is in fact no Council of Education Ministers and consequently there has been no decision by such a council on an education programme. If Mr Patterson manages to push these things through, this will constitute infringement of the Treaty in two respects. On the one hand, it will involve legislation via the budget and, on the other, legislation in a field which lies outside the scope of the Treaty. Mr Patterson should, I think, think carefully before infringing the Treaties in this way, since on another occasion it might be him and his colleagues who are on the receiving end of an infringement of the Treaty. Apart from that, there is nothing to prevent us implementing the programme. As we all know, the Nine governments could carry it out jointly in the form of an agreement between Nine equal countries. The programme could be put into practice tomorrow if we wished, but we do not. And why not? Because young people are being used as hostages in an attempt to make education a Community matter. That is my final remark, and I should like to close by thanking the 20 or so Members who were present to hear what I had to say.

President. — I call Mr Aigner.

Mr Aigner. — (D) Mr President, ladies and gentlemen, I should like to begin by thanking Mr Fich for saying quite rightly – at the beginning of his speech, I believe – that the most important lesson we should learn from today's debate is that the budgetary procedure must be rethought. If we

Aigner

want to retain the legal powers bestowed on us by the Treaty, we must in future make the institutional question a more central element in our deliberations than we have so far.

I must say that at no time over the years have I had such a strong feeling of taking part in a gigantic display of shadow-boxing, because the fact is that, given the current state of the Community institutions, all the effort and work we put in over the weeks of discussion to get a majority in this House can often, in the space of a few hours, be reduced to nought by Council decisions. That is the real state of affairs, and that is why I believe that the legal powers, the procedures and the cooperation between the institutions – and I am thinking here particularly of closer cooperation between the Commission and Parliament – should be better coordinated from the functional point of view. We must call up reinforcements if our legal powers are insufficient to enable us to implement the policies we have formulated together.

I should like to express my thanks to one of the Members who spoke this morning, Mr Bonde, who was elected to the European Parliament as an opponent of European integration. Ladies and gentlemen, earlier this morning, Mr Bonde said that he wholeheartedly supported the policy pursued by the Council. Surely there can be no better indication of the role of the Council in this whole business.

(Applause)

The fact is that the Council is behaving as an opponent of the European Community.

Allow me to comment briefly on the Council representatives here today. I realize of course that all this does not simply reflect the political convictions of the gentlemen representing the Council in the conciliation procedure. The real blame lies with the national governments in the background, who are unable to see any further than their own national problems. The members of these governments make great play of their commitment to Europe in major speeches, but when it comes to doing something practical to enable us to join together to overcome the problems facing our peoples – in other words, when national instruments are no longer enough – they retreat behind their national fortress walls and send to the Council people who are expected simply to sit there with their hands bound and to do as good as nothing which goes beyond the decisions already taken in the national cabinets. That is what is really happening in this budgetary procedure.

Moving on to the Commission, I am sure that Mr Tugendhat will not expect me to address a declaration of undying affection to the Commission. There can be no doubt that the Commission has the political will to do more, but – if I may use a rather down-to-earth turn of phrase – it has so

far failed to sever the umbilical cord which supplies political legitimacy from the national capitals to Brussels. Unfortunately, the Commission also derives its political legitimacy from decisions taken in the national cabinets, and it is at that point that the conflict arises. On the one hand, the Commission wants to, and must fulfil its rightful role, but on the other hand, it is not given the backing it needs. But if an institution like the Commission is not prepared – and I am pulling no punches here – to question its own motives as soon as it thinks it can no longer answer for the stagnating state of the Community, we shall never make the essential breakthrough.

Mr President, as I do not have very much time available, I shall concentrate on just a few problems. Let me start with what I take to be the central problem. How can we do away with the ceiling on income under the pressure of expenditure? How can we pursue new policies unless this breakthrough is made right away? As we have heard on two or three occasions, we must try to tap new resources at the same time as using the paltry resources we do have to get out of this stagnation and tackle new policies.

The Common Agricultural Policy is very much a problem, and, in my capacity as Chairman of the Committee on Budgetary Control, I should like to quote paragraph 10 of our motion for a resolution: the European Parliament confirms its support for the basic principles of the Common Agricultural Policy, which is at present a genuinely integrated Community policy, but confirms also the need to correct the serious imbalances in sectors with structural surpluses.

It further points out that the rate of increase in agricultural expenditure must be stabilized.

Mr Tugendhat, the Committee on Budgetary Control and the Committee on Budgets have, with the support of my group, tabled an amendment comprising three points, and I believe this amendment to be central to today's debate. Briefly, these three points are as follows. Firstly, the Commission will administer special funds for refunds and for milk products, at the same time ensuring that the system of advance-fixing and in particular the period of validity of the export permits do not give rise to speculation. Secondly, no more advance-fixing should be allowed for exports to state-trading countries. Thirdly, deposits must be so high that they lead to a fall in those exports which are not compatible with the needs of the market.

What is meant by all this? Mr Tugendhat, you went into this question yesterday. You know as well as I do that it is a matter of the administration of agricultural markets whether hundreds of millions of units of account are spent for no purpose or can be saved without selling so much as a single tonne less of butter or milk powder.

It is true that the Commission has increased the refund rate for butter from 100 to 160 over the last few days, at a time when – as we know – certain markets are virtually crying out for our agricultural products. It is true that this increase in the refund rates came about as a result of pressure exerted by a national government. Is it true, Mr Tugend-

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hat, that in the space of four days following this increase – this is the last figure I have – 40 000 tonnes' worth of advance-fixing contracts were concluded?

If it is true – and I should appreciate it if you would give a reply to the House – it is self-evident that speculation is rife and that the Commission is not sufficiently autonomous to get a grip on this speculation on the agricultural markets.

(Applause from the centre)

That is why we have tabled this amendment. Mr Tugendhat, I failed totally to understand two of the points you made yesterday. You said that if we got rid of advance-fixing contracts with state-trading countries, we should be discriminating against those countries. Forgive me for saying so, but surely we incorporated these contracts into our system because we have market systems. The fact is, though, that there are no market laws in the state-trading countries. In other words, they need other instruments in those countries. This does not amount to discrimination, but merely to adaptation to requirements, and the fact that the Commission has itself given thought to these matters shows that it has already gone over to direct invitations to tender. I do not understand why you are suddenly abandoning your own method after only a few days and reverting to this outrageous practice, thereby – and I am quite aware of what I am saying – causing the European Community and the European taxpayer to pay out hundreds of millions of units of account to no purpose.

There was another point you made yesterday which I understand even less. You said that the abandonment of this instrument with regard to State-trading countries was first and foremost a political matter which had nothing to do with the budget and had next to nothing to do with Parliament. Do you really think, Mr Tugendhat, that we are nothing more than book-keepers? Do you not believe that we should investigate whether certain instruments are really being put to the best possible use in the interests of the taxpayer and the future development of the Community, or whether mistakes have been made? If we are of the opinion that mistakes have been made, then it is up to the Commission to investigate the matter to give us an answer and to tell us, where appropriate, where our views are mistaken. So far, you have failed to do so. On the contrary, you have consistently given way to pressure, gone part of the way with us and then reverted to your original position, probably under pressure from other quarters.

I therefore believe that we could make the substantial savings we need to put to good use in other sectors simply by applying more rigorous yardsticks in the administration of agricultural markets. I am grateful to the Commission for stating so clearly to both committees – the Committee on Budgetary Control and the Committee on Agriculture – that it intended to deal with the agricultural price questions and all these matters in connection with these advance-fixing contracts.

I should now like to move on to deal with a second point, namely the amendment tabled by the Committee on Budgetary Control providing for stricter monitoring of transfers of resources, and including the agricultural sector. I realize, Mr Tugendhat, that problems may arise here, and you yourself know how far the budget has degenerated into a kind of railway goods yard, with the various items being shunted hither and thither. This, of course, is not the fault of any one institution but the result of factors like budget estimates or developments on world markets, factors which cannot be registered in time to adapt the budget accordingly.

If, however, you cooperate with this House on the monitoring of resource transfers, there will be a beneficial side-effect which, as far as we are concerned, is of no small significance. I am referring to the fact that the combined efforts of the Commission and Parliament will enable you gradually to prise the administration of agricultural markets out of the grip of the national bureaucracies.

After all, your real stumbling block is the very fact that you are caught up in the structures of the national bureaucracies. You are weighed down by national red-tape in your decision-making processes, and you are the ones who have to carry the can for that very red tape, whereas the fault really lies with the nine national administrations. The Commission must be liberated from this entanglement, and that is precisely the side-effect we aim to bring about by means of this amendment.

Mr President, the Committee on Budgetary Control has tabled a multitude of amendments aimed at achieving a more detailed breakdown and hence greater transparency with regard to the resources earmarked for ancillary agencies. You told us yesterday, Mr Tugendhat, that this was a very difficult subject, because our projected breakdown of resources did not correspond to the actual flow. This merely serves to confirm our suspicion that you have failed to provide us with accurate estimates, in which case we must ask you to supply us with a clear breakdown. We are certainly not opposed to these ancillary agencies – quite the contrary. I am pleased that we have such institutions as the European Schools.

Mr President, Mr Tugendhat, remarks show that the grey areas which have arisen here can only be eliminated if we are given clear policy guidelines. Mr Tugendhat, we have sufficient time between now and the next reading; if you intend to build ancillary units and submit fresh estimates, please let us know, in which case we can make the necessary changes in the second reading. But what we want to see is a clear distinction between administrative expenditure, personnel expenditure and operative resources.

Allow me to point out to the President-in-Office of the Council that we have tabled an amendment calling on the Council to investigate whether the refund rate of 10% allocated to own resources on customs duties and agricultural refunds can be reduced to 5%. I realize that the Council has itself discussed and tentatively accepted this proposal. This is, of course, compulsory expenditure – and I went

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along with what Mr Tugendhat had to say yesterday on this point. If we call for cuts to be made here, it means that the Council can only invalidate them by a qualified majority; in other words, if the Council votes on the issue, it must debate the issue as well. The discussion will then have to cover the legal problem, because the decision of 21 April 1970 provides for a refund rate of 10%. We should like to see the Council discuss the need for a moratorium — possibly until the problem of the 1% ceiling has been solved — and whether this moratorium cannot be maintained for one or two years, to allow sufficient time for the other problems to be dealt with.

The impression may have been given in the course of this budgetary procedure — and I know that this has been a source of public debate — that the work of the many committees has blurred the priorities, the central political elements and the political will of the European Parliament beyond recognition. I do not share that opinion. If you take a good look at the figures, you will see that we have concentrated on the following elements: energy policy, industrial policy, the solidarity contribution — whoever is in favour of monetary union must also be for higher solidarity contribution — the Social Fund, the Regional Fund, the Agricultural Structural Fund and so on. All this will become clear after the conciliation procedure. I should like to impress on the President-in-Office of the Council the virtues of agreeing with us at least on this common guideline throughout and after the conciliation procedure, so that we do not lose sight of new policies and hence new hopes for the future of the Community. If we were to manage that at least, the many difficulties facing us in this year's budgetary consultations would at least be pierced by a small ray of hope.

(Applause)

President. — I call Mr Robert Jackson.

Mr R. V. Jackson. — Mr President, as the budget procedure unfolds each year, the European Parliament faces two distinct but interrelated sets of issues. In this respect this year is no different from previous years, even though the budget for 1981 is being formulated under the shadow of the imminent expiry of own resources and the carrying out of a fundamental review of the structure of the budget and the distribution of its burdens and benefits. One set of issues is that to which most of our debates at this first reading in Parliament are quite understandably directed. These are issues concerned with the substance of Community policies, of what should be the level of expenditure on those policies and of the balance and the relative priority between different areas of policy. These are questions of substance as opposed to questions of formal procedure, and about those questions of substance I want only to say this now, that I believe that Parliament is still not doing justice to its task of making rational choices between competing priorities, because we approach the budget like a gardener with a watering can sprinkling many small sprays on a

wide range of flowers rather than like a fireman who turns a few powerful and concentrated jets on the strategic parts of a house that is on fire.

The other set of issues which arises each year, and to which, following Mr Aigner, I propose to devote my remarks today, concerns not the substance of the budget but the forms by which it is defined: the legal arrangements, the procedures, the conventions which govern the budgetary process. These are, of course, very intricate questions, but we in the Parliament must have a strategic grasp of them because of what they involve, not only for our present actions but also for our future as an institution endowed with certain budgetary powers.

Upon these questions of procedure — for example, the question of the amount of non-compulsory expenditure over which Parliament enjoys the last word within the margin of manoeuvre — there already now depends the expenditure of tens, if not hundreds of millions of pounds sterling. And in years to come we may reasonably hope that it will not be hundreds but thousands of millions of Ecus which will depend upon the way we in this House exercise our powers over the budget. The Community's budgetary arrangements are, of course, still in their infancy — they only date from 1975 — and the budget is an event which occurs not more than once a year. That is why it is hardly surprising that each year we have seen, and we will continue to see, a debate — even a confrontation — between Parliament and the Council about the operation of these budgetary arrangements. After all, the relationship envisaged in the Treaty amendment on the budget between two institutions sharing a common responsibility for that budget is an inherently difficult relationship. Indeed, it is possibly an inherently unstable one that can perhaps only be settled in the long run by one or other of the two institutions securing a primacy for itself, and I sometimes wonder whether the Council does not understand this rather better than we do in this House.

So each year since 1975 we have had a procedural debate about the budget. In 1978, for instance, the central theme was that of the right of a coalition between the Parliament and a blocking minority in the Council to increase non-compulsory expenditure over the margin, given that the majority required in the Council for voting increased expenditure at the second reading is different from that required to raise the maximum rate. This was, of course, an episode distinguished by very short-sighted behaviour on the part of the British Government, which resulted in an internal Council procedure on proportional cuts over the margin that is absolutely contrary to the purpose and spirit of the Treaty.

Last year, over and above testing our power to reject the budget, we focused our attention on our right to shift the balance between compulsory and non-compulsory spending by modifications in the compulsory sector. Although we narrowly failed last year to establish that power, we are returning to the charge this year under the aegis of Mr Adonnino with good hopes, I think, of success.

Jackson

What is the central theme this year? I don't think we have to look far to identify it. The question is, given the intensely restrictive attitude now being adopted in the Council to increases in non-compulsory expenditure, how Parliament can achieve some satisfaction without once again rejecting the budget, a step that none of us this year wish to take. Now I don't believe that any answer can be given to this question without a precise doctrine about the right of Parliament to increase expenditure at its second reading, that is to say, without agreement about the dimensions of the Parliament's margin for manoeuvre.

On this question there are no fewer than three contentious issues. One of these derives from differences between the Council and Parliament concerning the classification of expenditure, which in turn determines the base for the calculation of the margin. Parliament argues — and I personally have never dissented from this view — that food aid and the British measures are non-compulsory. The difference in terms of the computation of the margin is considerable. According to the Council the base is 2 100 million units of account, while according to Parliament it is a sum of 3 200 million units of account.

Then there is a second issue, that of whether the margin applies only to payments or also to commitments. The Treaty makes no distinction between payments and commitments, which may be a point in Parliament's favour. On the other hand, if Parliament can impose the view that the margin does not apply to commitments but only to payments, then clearly the way lies open for a substantial acceleration over successive years in the growth of non-compulsory spending.

The third issue which now arises concerning the margin relates to the stage at which it begins to operate, another question on which the Treaty is silent. Does Parliament's margin begin at the Council's first reading? Once again large sums of money are at stake as well as important issues of principle. It now seems to be emerging that the Council's view is indeed that the margin begins from its first reading. But the logic of this, as my colleague John Mark Taylor pointed out in his excellent speech this morning, simply cannot be accepted by this Parliament. For it implies that the Council is able not only to preempt Parliament's disposition of its margin by making cuts at its first reading that the Parliament will feel obligated to reinstate, but also that the Council should be able to pick and choose at its second reading from among the amendments voted by Parliament. This would make it impossible for Parliament to fulfil its political as well as its budgetary responsibilities. It would make a nonsense of our right under the Treaty to have the final word over the disposition of a least half of the maximum rate.

Upon the resolution of these issues concerning the dimensions of the maximum rate, as well as the question of Parliament's rights over compulsory spending, the fate of this year's budget will depend. I for one could not accept, nor can I see the Parliament accepting, the Council's doctrines on this matter of the margin. I believe that without a compromise on these points, this budget could fail to be

properly adopted and that it may not be able to come into effective operation from the beginning of next year. I do not need to explain why this would be very unfortunate, not only for the Community but also for the Member States. In this year's budget, perhaps more than in any other year, the Community is skating on the thinnest of thin ice. The only way forward that I can see is for the Council to agree to a settlement of these difficult procedural issues in conciliation with Parliament before it proceeds to its second reading on 24 November. Without an agreed financial framework based on such a settlement I regret that I can only see storm clouds ahead.

President. — I call Mr Spinelli.

Mr Spinelli. — (*I*) Mr President, if Parliament adopts — as I expect it will — all or most of the amendments tabled by the Committee on Budgets, the end result will be a draft budget practically the same as the preliminary draft budget submitted by the Commission. There will just be a few additions here and there. As for the items where we go a little too far, Mr Tugendhat has already told us that he will be unable to accept them. His answer puts me in mind of the elderly gentleman described by Sébastien Chamfort. He had been long and earnest in wooing a somewhat reluctant lady, and just as she was on the point of yielding, the old man, on account of his age — and in the case of the Commission, on account of its political impotence — asked the lady: "Would you mind being virtuous for another quarter of an hour?"

(*Laughter*)

I think this is all the difference there is between Parliament's budget and the draft prepared by the Commission.

Be that as it may, I think it would be a good idea to stop for a moment and think about the difference between the Council draft and the one submitted by the Commission and resubmitted, with a few minor changes, by Parliament on Thursday. The difference is simply this: there is no doubt that there is going to be additional expenditure because the costs of the price support scheme will go up next spring. Basically, the Commission is saying that when that time comes it will propose an amending budget, as part of this budget, and so its proposals are close to the ceiling. The Council, on the other hand, wants to leave the door open for a supplementary budget. What it boils down to is whether we are going to have an amending or a supplementary budget next March. If you ask me, this is not the right way of going about things.

This state of affairs is borne out by the fact that the Council said it was ready to consider the proposal put forward by the Committee on Budgets — as an indication of its desire to curb expenditure — for a provisional appropriation of 2% of the price support expenditure, i. e. approximately 254 million, to be entered under another heading. Mr Adonnino referred to this. But do you really believe that a

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housewife out shopping has saved money by taking it out of her purse and putting it in her coat pocket? She has still got the money, and she is still going to spend it. I have told Parliament before — although it does no harm to mention it again now and then — about how I heard it said time and time again at the Commission, first by Mr Mansholt and then by Mr Lardinois, that any old sum could be written in for price support expenditure. The actual figure in the budget was irrelevant because, when the time came to pay, we were obliged to pay out since this expenditure was compulsory under Community law. In other words, additional budgets would simply be drawn up. This means that it is pointless making these minor alterations.

It is Parliament's hope and the Commission's intention to remain within the budget and perhaps within the limits of agricultural expenditure. It is highly likely, however, that the limit will be exceeded. I imagine that everyone in the House is aware that, at their meeting in Luxembourg on 13 and 14 October, the agriculture ministers began discussing farm prices along the lines of a 10% increase. It is common knowledge — and I am sure Parliament knows too — that for some time the Commission has been basing its calculations on a rate of one percentage point to 50 million units of account. This means that 10% equals 500 million. So we shall have to find another 500 million units of account, and probably a bit more because there are almost bound to be increases in production or something like that. The point is that the Council wants to save 800 million, but Mr Santer has made it quite plain on two or three occasions that there is some scope for flexibility. In other words, a couple of hundred million will be tossed as a sop to Parliament, while the other 600 million will go on increased farm prices.

What this all means is that we have to admit that this budget, as it stands, does not meet the Community's requirements. This has been stated by all and sundry, and also for the most part by Mr Adonnino in his report. I am not going to go over again what has been said. In practical terms, however, it is neither possible nor sensible to reject it. Let me tell you why it is impossible. Because the Commission and the Council really have their hands tied by virtue of the fact that agricultural expenditure depends on regulations which exist, and the 1% ceiling depends on a Community law. This applies to the Commission and to the Council and to Parliament, too. If we were to reject the budget, we should have to adopt another one which was basically the same.

I feel that in these circumstances Parliament should not, however, be content with compiling a list of its wants and moaning about what is wrong. What I mean is that it cannot be content with what Mr Adonnino came up with and what most of the Committee on Budgets approved in his motion, which is simply a list of wants and complaints. Taken on their own, one by one, the points he makes are valid, but they lack thrust and purpose — what Goethe would call *das geistige Band*. There is no encouragement for the approach that Parliament should be adopting on this.

We have tabled an amendment to rectify this defect. It is a new paragraph to be inserted immediately after the reference to Parliament's requests last year. With this amendment we want Parliament to note three things. Firstly, we want it to note that the Commission was well aware that we should reach this stage because it said so, in white papers, statements and in speeches before this House. It knew that we should get to this stage where resources are running out with the ruinous spiral of the price support scheme. In spite of everything, the Commission has been culpably lazy throughout 1980 and has not made a single proposal on either point.

The second thing we want Parliament to note is that the Council has exerted a great deal of subtle but effective influence in dissuading the Commission from presenting any such proposals. It has continued to consider that farm price support has an absolute prior claim on the Community's own resources and it has ignored completely all pleas by Parliament. Indeed, in some cases, it has even reduced amounts for policies which the Council itself said were necessary. Thirdly — and this is the main point — Parliament must realize that it cannot go on seeking small and, in the long run, insignificant savings and indicating priorities which it very well knows cannot be followed up, and it has to issue a solemn warning — not to the present Commission as it would be utterly pointless — to the new Commission and to the Council, so that next year we get a budget which presupposes the adoption in 1981 of the changes in agricultural regulations which we have been advocating for so long. In 1981 there must be new opportunities for raising own resources — and this need not take years, Mr Notenboom. If the will is there, a fortnight of talks at government level and three or four months in the national parliaments will be enough, because you only have to put 2% in place of 1% or just do away with the ceiling. We have to urge that these two things get done during 1981. In addition, we have to ask for the budget to be based on a global policy which has been discussed and accepted by all the Community's political institutions, which includes us, and not simply on a series of sectoral measures. If we issue this solemn warning, letting the Council know right away that next year's budget will be judged in this light, we shall have given the proper answer. With this budget, amendments can be made to our heart's content, but that is not really solving the problem.

Do not think that in tabling this amendment we are trying to be like the man in the Bible who saved his soul by speaking out. It would be a sad matter if this amendment were to be rejected. We should like to put it forward for signing before the vote and then for adoption by everyone here who is anxious and concerned about the way in which the Community's affairs are being run at the moment and about how the Council and the Commission have been, and still are, managing matters. We want to urge everyone to take stock of the situation and we want Parliament to ponder the fact that the time is getting closer when it will have to undertake the task of completely rethinking and reorganizing all the institutional reforms which the Community needs. Let us go no further than this warning for the moment. If we do not give it our approval and if we fail to

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make things crystal clear to the new Commission and the Council, we shall simply have moaned a bit about this and that and altered the odd thing here and there, and we shall end up with the 200 million units of account which the Council will give us to keep us happy. I think Parliament is deserving of something better than that.

(Applause)

President. — I call Mr Nyborg.

Mr Nyborg. — *(DK)* Mr President, Mr Aigner said that Parliament wanted to uphold the principles of the agricultural policy, while at the same time getting a grip on the problem of surpluses. The Group of European Progressive Democrats, on whose behalf I have tabled an amendment to Article 314, item 3142, is willing to help Mr Aigner by noting that the agricultural policy being pursued by the Commission is contrary to the spirit and the letter of Article 39 of the Treaty.

All right, we have surplus production, but instead of doing our utmost to get rid of the surpluses, we should be trying to find alternative uses for them. It has been found that a whole range of products can be obtained from oil. We know that alcohol can be made from sugar. We know that billiard balls can be made from skimmed-milk powder. We know that there are vast opportunities for research into alternative uses for the agricultural surpluses. This would solve a great many of the problems constantly facing us. That is why we have drafted this amendment calling upon the Commission to regard it as its urgent task to carry out research into alternative uses for the foodstuffs which are in surplus.

At the same time, like many others before me, I should like to remind you that we have more or less reached the ceiling, and that there is no way we can go beyond this point, since there is only a limited sum of money available to the Community. Therefore, every krone we add to the draft budget proposed by the Council reduces the Council's room for manoeuvre. When we come to fix the agricultural prices next time, there is a danger that we shall have a situation in which the Council says 'My dear friends, we can give you an increase of 2 or 3%, but no more, for that's all there is in the kitty'. This would mean that one of the cornerstones of Community policy was in danger of crumbling. I therefore caution strongly against any form of increase which might destroy the Council's room for manoeuvre. That is why I personally will vote against the great majority of the increases proposed by Parliament.

President. — I call Mr Lange to speak on behalf of the Committee on Budgets.

Mr Lange, Chairman of the Committee on Budgets. — *(D)* Mr President, ladies and gentlemen, on the strength of this debate so far, one cannot help feeling that there is a

general sense of helplessness as to how the Community should develop from now on. Let me say to the President-in-Office of the Council that when Mr Santer presented the Council's draft budget, he pointed out quite unambiguously that an answer to this question was due from the Council and the Member States' governments. What we need to know is whether the Council only attaches importance to financing the Common Agricultural Policy — that is to say, the policy pursued up to now including encouraging the no longer justifiable levels of surplus production — or whether it is seriously prepared to do something about these abuses in certain agricultural sectors — which are at the same time abuses of the means of financing the CAP. This House at least was agreed that an answer should be forthcoming, which means that one major point in the conciliation procedure with the Council has been decided. The Council should not once again attempt to hide behind the claim that this question cannot be answered until the middle of next year, once the Commission's call for proposals has been met by the European Council. The Member States must give some thought to the matter right away, which means that the Council too must be prepared to outline the general guidelines, rather than giving precise figures.

So if we can be given an answer in one form or another, and if we genuinely want to extend the scope of the Community, if we do not want to become an agricultural Community or even less a customs union or free-trade area, we need answers to questions like how the Community is to develop, what political tasks it should assume, what should be left up to the Member States and what can be tackled jointly by the Member States and the Community. Only then would we have some clear idea at last of how the necessary financing should be arranged, and it is only then that we can start talking about increasing the Community's own resources. Once the positions are clear, we can start talking about how the tasks should be divided up — in other words, whether certain tasks belong exclusively to the Community or to the Member States or whether they can be tackled jointly by the Community and the Member States. Until that question is cleared up — and I address these remarks directly to the representatives of the Council and the Commission — it seems to me that, judging by experience, this whole matter — and especially the matter of the draft budget for 1981 — is nothing more than playing around with something which is basically unsuitable. We try to patch up what can be patched up, but that is really no way of restoring the Community to health, and that seems to me to be the most important thing.

So I should appreciate it if the Council and the Commission — whose term of office I know will be coming to an end soon, but one or two of its present members will belong to the new Commission as well and could therefore give some thought to this point — were to consider this matter. It is not only these matters which affect the conciliation procedure, but of course everything else which remains undecided after the conciliation procedure on the 1980 budget. I trust that the President-in-Office of the Council and the whole Council are aware of this. I am referring here not only to the common agricultural policy,

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but also to the other outstanding issues, such as non-compulsory expenditure, policy on borrowing and lending and the Development Fund. We have agreed with the Council that the fifth Development Fund should play no further part here, but the Council must realize that the sixth Fund will be an important factor as far as we are concerned. It should not once again allow time to pass without reaching agreement with this House. We — that is, the European Parliament and the Council — are two arms of the budgetary authority, and we bear essentially the same degree of responsibility. I do not want to repeat what has already been said about the position of the Member States; we are all agreed on that point. It is simply intolerable that politicians should go round averring their commitment to European unification, while at the same time actively pursuing a policy which is diametrically opposed to unification.

(Applause)

This is one point on which we shall dig our heels in when it comes to the conciliation procedure. I should also like to clear up an error or misconception. A number of Members have referred to the Budget Council. As far as I am aware, none of the Member States of the Community has a specific budget minister. Generally speaking, the finance minister or the economics and finance ministers are responsible for the budget. In the spring of this year, the finance ministers took certain decisions in accordance with the restricted position on finances. The situation is that other ministers — the agriculture ministers — did not adhere to these decisions. The European Council, which originally sided with the finance and economics ministers, allowed themselves to be won over by the agriculture ministers, rather than sticking to their guns and steering a steady course.

It is not sufficient to charge the Commission with a particular task; nor is it sufficient to call on the Council and the Commission to answer questions. We ourselves must be prepared to give our own answer on how the Community should develop, take shape and cope with enlargement.

(Applause)

I think, ladies and gentleman, that it is important for all the committees to tackle this matter seriously. The whole thing should be coordinated by the Political Affairs Committee rather than by the Committee on Budgets. Someone must, after all, do the coordination work; there is no way round it. For reasons of budgetary policy, we are bound to come to specific conclusions in specific policy sectors. But on no account does the Committee on Budgets want to take over the political functions of the other committees — nor can we do so. However, it is inconceivable that each committee should submit a separate report of principle. It would be better for these reports drawn up by the individual committees to be collated and submitted as the House's general opinion. And which other committee would be suitable for this task?

We are therefore involved — as was the case with this year's budgetary procedure, only this year even more so and with the difference that the coordinating agency this time was the Committee on Budgets. But the need for the coordinating agency applies just as much to the general political decisions expected of us as to the answers to our own, jointly formulated, questions.

This House will only be in a position to criticize the Council, the Commission and the governments of the Member States once it has brought clarity to its own affairs. There is no point in our claiming over and over again that this or that is necessary or that this or that will have to be done. This House, as one of the Community institutions and — as European jargon has it — as one of the arms of the budgetary authority, should in my opinion be prepared to accept full responsibility for its share of this task. So long as the governments and the Council are not in a position to give us the answers we require, we shall continue to forward specific proposals to them, which they will then have to consider.

Ladies and gentlemen, I should be happy if the rest of this debate on certain aspects of the budget, and especially the Commission's budget — disregarding the other institutions' draft budgets for the time being — were to proceed along the same lines as this general debate.

We must endorse the views expressed by one Member to the effect that the public is wrong in thinking that we have neglected to concentrate on central elements. The fact is that these central elements have been largely subordinated to certain secondary items which certain Members thought highly significant. It is true that in the four sectors I mentioned in the 1981 budget we have failed to emphasize our political will in such a way as to identify these sectors as priority areas as far as this House is concerned. The sectors I am referring to are energy policy, industrial policy and all the ancillary aspects, such as the steel sector and employment policy, the social policy needed to complement this economic policy and — last but not least — development aid policy. Allow me to repeat here one point I stressed earlier, especially with regard to the Ferrero report, which is that as long as the Community — as a Community of industrialized nations — fails to bring some semblance of order to its relations with the countries of the Third and Fourth Worlds, we shall never be able to put our own house in order. The Community must be prepared to give concrete evidence of its determination to bring order to its relations to the Third and Fourth Worlds. This point has not been brought out as clearly as we would have wished; after all, the fact is that all the social security measures in the Community may disappear into thin air one fine day if we fail to find a sensible *modus vivendi* with the countries of the Third and Fourth Worlds — with special reference to the international division of work.

Bearing this in mind, we should set about drawing up a budget for 1982 incorporating all the positive aspects of this debate. This House too must tackle this matter seriously in the same spirit as we expect from the Commission, the Council and the governments of the Member States.

Lange

Given this basis, the Community will really be able to develop in the interests of our people and of our relations with the rest of the world. I hope, ladies and gentlemen, that we shall be able to reach agreement in the course of both this reading of the budget and our general debates.

I would say, then, to the President-in-Office of the Council that the conciliation procedure will not be easy. To answer the question put yesterday by the President-in-Office of the Council and the Member of the Commission responsible for the budget: yes, there is the necessary goodwill on our side, and we demand and expect that the Council will show an equal measure of goodwill. The Council cannot expect this House to adapt to the Council's position. Both sides must move towards each other to enable us to reach a sensible compromise. It seems to me that that is the only way we can bestow any real meaning on this budget of uncertainty which we are debating now in this wholly uncertain economic and political situation in Europe and the rest of the world. Otherwise we can see no point at all in it, and the governments and the Members of the Council would be well advised to bear this point in mind.

(Applause)

President. — I call Mr Balfé.

Mr Balfé. — Mr President, there is no significant difference between the budget that we have here today and the one that some of us voted to reject in July. We had a draft budget from the Commission from which the Council cut roughly £500 m in which the Committee on Budgets has put back £600 m, but which is still fundamentally as badly out of balance and as badly distributed between different spending heads as was the budget that we voted against earlier this year.

Amendments which will not come before this House with the recommendation of the Committee on Budgets would admittedly add further money to this budget, but even so they do little to deal with the manifest crisis in the steel industry, with the problems of the textile industry, with the mounting recession which has now thrown over 7 million Europeans out of work and which appears to be continuing to worsen and is certainly showing no signs of lifting.

What we have here is basically an agricultural budget, and in many ways a richer person's budget rather than a poor person's budget. In spite of our brave words about hunger in the world, this budget does not make anything that resembles a determined new attack on the problem, and despite our frequent protestations that we will do our best to get rid of agricultural surpluses and formulate new agricultural policies, this budget has little to offer in the way of hope for people who wish to go along that path; and in spite of the frequent discussions that we have about the end of own resources, the crisis in the Community, we have seen little in the way of new ideas.

The only thing that we have seen really is the Spinelli report which is still, some two and a half months after it came out, being discussed at leisure by the groups of this Parliament as though there were no crisis on the horizon at all. The truth of the matter is that when the Spinelli report — in many areas I disagree with it — was produced and attempted to deal with the crisis of own resources, the groups reacted very slowly and very tardily.

Yet at the same time, in contrast to this side of the budget which has little new to offer the people of Europe, we have a European Parliament which is probably practising the art of gracious living to an extent never known before in parliamentary history. No number of offices is too great, no expenditure is too great for it to be considered. Within the last couple of weeks I have received at home, completely unasked for, sent from Luxembourg by express post, a large pile of envelopes and notepaper — I say unasked for because when I was asked what sort of notepaper I wanted, I asked for some very specific changes and said that I would pick it up in my car, when it was printed. I got the wrong notepaper, as I say, sent by express.

We have proposals for extravagant salaries for Members when many of us came here on the express understanding that we would serve for our national government salary. We have a general aura of spendthriftiness in this Parliament. I am pleased that we have two attempts to cure this in the votes that will come to Parliament on Friday: firstly, the amendment which will prevent Members who draw travelling expenses within the European Parliament from claiming those expenses if they have made use of national concessions, and secondly, even more important in my view, an amendment which will provide that if Members of Parliament attend for less than 50% of the sessions in a year, they will have their secretarial and office allowances reduced proportionally.

Whatever we can justify in this Chamber, I do not think we can justify spending vast amounts of money on Members we never see and there are a number of Members of this institution who, if I were to meet them, I would not recognize them. There are a number of others, spread around the Chamber, who attend very infrequently. If this is the frequency they regard as being necessary to attend this building, I suggest that we cut down the frequency which we regard as necessary to dispatch cheques to them, and I hope that this will find support within this Chamber.

I would like to say a word now about what has become known as the 'British contribution'. Much has been said about this and I think that we are all united in our conviction that where the balance of expenditure for one Member State gets completely out of proportion, it is reasonable to right that particular balance. We cannot accept descriptions of this in such terms as 'British problems' and 'the budget being burdened'. The Budget cannot be viewed as being 'burdened' unless you regard the quest for fairness as a burden, and accordingly a number of Members of this House will not feel able to support parts of the resolution which refer to a genuine problem of one Member State in the context as though it were a problem, a burden, or

Balfe

something else. It may be a problem in the sense that one has a duty to work out an equitable distribution of this Community's finances, but it cannot be viewed as putting one Member State in a position where it is asking for something that is unreasonable. I think it should be made clear that there are a number of things that cannot be accepted.

But we are still being asked to vote on amendments and on a budget which at the first reading is unacceptable. Many of the changes, even if they are made, will still go to the Council and it will be up to the Council to decide what to do. It is our hope that the changes Parliament makes will be accepted by the Council because a number of us came here to seek fundamental changes in the financial balance within the EEC.

We have, as they say in English, played the game. We have gone through the budget procedure of last year and we have gone through it constitutionally; we have moved amendments; we have voted on amendments; we have played a full part. We have done the same this year, and we will continue to do so. We have taken part; we have moved amendments; we have worked for what we want.

But there must come a time — and next year is supposedly the year of change — when, if it does not become clear that change is forthcoming, some of us have to consider to what extent the tactics we have been following up to now are the most appropriate for securing the advantage we want, namely a fundamental change in the balance of this budget.

I will say no more about this at this moment except to stress that we do not have just one way of changing the budget. But unless we as a Parliament unite and pass amendments and make this budget a budget which has something to offer to the unemployed, to the workers of Europe, and to the people in the Third World, who also look to us for a lead; unless we can manage to become a more outgoing Community, a fairer Community, and a Community that has more to offer to more people who deserve to have something offered to them; unless we can meet both these challenges, we shall have failed, and failed lamentably, and we shall deserve to be rejected by the people of Europe.

President. — I call Mr Barbi.

Mr Barbi. — (*I*) Mr President, ladies and gentlemen, there is no way this budget can satisfy the European Parliament, because it is obvious that the Council is trying in a highhanded fashion to restrict Parliament's powers with regard to the budget. This has been clearly illustrated by the rapporteur. Another reason is that in this budget, as in last year's one, there is a manifest intention to ensure that the European Community remains purely and simply an agricultural Community without any opportunity for expansion into other sectors. Expansion would make it a genuinely economic Community and open the door for swifter and more effective pursuit of the aims laid down in

the Treaty of Rome, that is, the harmonization and development of the Member States' economies.

This means that, when it comes to drawing up the Community budget, there are still, this year again, major differences between Parliament and the Council with regard to political decisions and desires. And the Council is doing its best to gloss over this with the weak excuse that it is pointless inserting appropriations into the budget unless the relevant regulations exist.

Mr Adonnino has done a good job in outlining the opinion of the Committee on Budgets on this point. I should like to say to the Council representative here that we believe, in the light of the Treaty, that the budget should be viewed as a document embodying decisions, and not simply as a statement of accounts. Can I just point out to the Council representative that months and years have gone by since the Council itself, in Bremen, told the people of Europe that the EMS had to be supported by suitable policies for the economic convergence of the Nine Member States and since, in Venice, it proclaimed the need for a common energy policy.

By cutting the already paltry sums written in by the Jenkins Commission for regional policy and energy policy, the Council is admitting that it was just mouthing empty words in Bremen and Venice. It is a confession of squalid tub-thumping.

The European Parliament has no desire to follow the path of these distinguished ministers, and so it is calling for a consistent plan of action, properly supported by adequate financial resources, so that these policies can be implemented and their aims achieved in the general interests of the Community. This is the basic issue — and not some minor matter — on which the Council and Parliament differ.

Be that as it may, it is my feeling that we ought not to turn down the budget which has been submitted to us this year. The primary reason for not doing so is that we have no means of making any substantial changes along the lines we want. Mr Spinelli made this point earlier. Secondly, the political significance and impact of such a rejection have already been absorbed, as it were, once, last year, by the general public in Europe, and I think the idea got home quite well. The third reason is that we have proof enough — and I am annoyed about this — that the Council is ready to use red tape to delay until June the presentation of a new budget to replace the one that was turned down the previous December. It is ready to hinder the work of the Community in a manner diametrically opposed to the aims of improvement and reinforcement which Parliament's rejection of the budget was supposed to indicate. The last reason is that the new Commission is due to take office in January. This is not really the time to ask the new Commission to prepare a new draft budget and to cope with provisional twelfths. For all these reasons, rejecting the budget is not the best way of furthering the political moves which this Parliament needs to take to give some impetus to the Community.

Barbi

I therefore think that Parliament should go out of its way to make as good a job as possible of amending the draft put forward by the Council. We have to make the most of the conciliation procedure available between the second and third readings. For this reason, I am greatly in favour of the balanced package of proposals put forward by the rapporteur, Mr Adonnino, with the aim of increasing to 1000 million units of account the financial resources to be made available to the Council for the review of farm prices — this will of course have to be done in a down-to-earth manner in the spring — and with the further aim of facilitating the amendments passed by the Committee on Budgets in the light of views expressed by all the parliamentary committees.

What this means is that we want to carry on outlining priority aims which, as soon as they are fleshed out by the Commission, are then hacked to pieces by the Council. I am thinking primarily of Community policies on energy and regional balance, but also of policies on social matters, industrial reconversion, transport and development cooperation. All in all, we are dealing here with relatively small amounts which are certainly inadequate for the purpose of implementing extensive and integrated Community policies, but which are enough to lay the groundwork for such policies. They have to be seen as pointers, showing the way for clearly defined political aims and decisions.

To ensure that this groundwork is stable enough we need proper support, and this means financial appropriations much larger than those in the current budget. There is no way these can be obtained to a sufficient degree by trimming, however drastically, current Community expenditure. Even changing the agricultural regulations, which Mr Spinelli mentioned earlier, would fail to do the trick. These appropriations have to be of such a scale that we shall need to ask for the Community's own resources to be promptly and considerably increased. It is in this area, concerning own resources, that the *esprit communautaire* of the Member States, and therefore of the Council, will be put to the test. This is the battlefield where the European Parliament must wage its new campaign for the development and strengthening of Europe.

In view of the restrictions on revenue, which we can do nothing about in the very short term, we have to look at the 1981 budget as a kind of pointer. The important thing now is to increase own resources. The Committee on Budgets in the form of the working party chaired by Mr Spinelli — and of which I was privileged to be a member — has drawn up a series of proposals. Very soon, in less than the two months which Mr Balfe mentioned, I hope that the House will have the opportunity of discussing them and referring them to the Council with all the authority that comes from the backing of the electorate.

I have no doubts about the decision and determination of this House. What I do fear are the major rearward actions by diehard nationalist interests and the underhand sniping by supporters of sectoral, trade or private interests. I think we should appeal to the politicians and parties in this Parliament who believe in the values of progress and free-

dom inherent in the European ideal, so that they follow a consistent line in their national parliaments and especially within their governments.

Speaking as a Christian Democrat and as an Italian, I feel I can call on the Socialists, Liberals and European Democrats of Denmark, Ireland and the United Kingdom, so that the need for new Community policies, and the resources required for them, in the areas of energy, industry, the regions and social matters will be championed consistently within the Council, as well as here in Parliament, for it is in the Council that we have the Socialist Schmidt, the Liberal Giscard d'Estaing and the Conservative Mrs Thatcher.

What we need, ladies and gentlemen, is for all the political parties of Europe to answer the rallying call for a consistent Community policy for Europe. This is the lesson to be learned from this inadequate and disappointing 1981 budget.

IN THE CHAIR: MR ZAGARI

Vice-President

President. — I call Mr Beazley.

Mr Beazley. — Mr President, I wish to stand back from the details of the 1981 budget and attempt to see it in perspective that is, in relation to the 1980 budget and those of 1982 and of future years. We all know the dangers of the present system whereby the greater part of our attention on the budget is concentrated on a single year and the rules of the budgeting system reduce it largely to a number-crunching exercise. I do not, however, wish to spend my limited time merely in advocating pluri-annual budgets, but rather to draw attention to the significance of this 1981 budget as being — I sincerely trust — the last of the series of budgets of a type which this House, directly elected by universal suffrage and hence with a mandate from the people of Europe, inherited from the past. This House, Mr President, was elected to make changes and, furthermore, so was the government of a least one, if not of all, Member States whose budget ministers speak and vote in the Council of Ministers. This House made its intentions clear by rejecting the 1980 budget last December and, furthermore, showed its maturity by finally passing a not very much improved 1980 budget last summer, when this House's point had been well understood and the Community's business had to be moved forward. Again, I believe, this House will show its maturity in the way it handles this 1981 budget, but it will, of course, require the Council of Ministers to show similar understanding of this Parliament's position.

Let me emphasize that the attitude of this House to the 1981 budget should not be misinterpreted by the Council, nor yet by the Commission. Any tolerance which this

Beazley

House shows will merely indicate that it does appreciate that the Commission requires time to perform the duty now laid upon it to provide a scheme at the earliest possible opportunity to draw up a new-style budget for 1982. The governments of certain of the leading Member States have already indicated their own desire for radical changes.

The peoples of all the Community countries have clearly shown their dissatisfaction and, may I say, disillusionment with the type of budgets put before this Parliament, which represents them and their interests. The people want to see a new dynamism in the Community's budgets, one which reflects the most urgent needs of today and not of yesterday. Their experience with the one common policy which the Community has may not make them hurry into further such common policies, but I do believe that Europe wants to know and to see that the Commission does recognize that the spending of taxpayer's money in Europe must reflect the political will to meet on a Community basis the most urgent needs of our society today. That must mean that where the Community approach can best provide the synergy and the cost-efficiency which ten separate national policies may not be able to provide, we must concert our efforts, and that in turn means that energy, industry, transport, research and their complementary regional, social and development policies must have due support. May I add that this should not be at the cost of agriculture for which an appropriate budget is fundamental to our communities: the right balance must be found between those of our needs which are best provided for at Community level and those which the Member States themselves must provide for.

I will not attempt to prejudge the decision on the issue whether, when the 1% VAT ceiling has been breached, there should be a redistribution of available monies between the various demands of different sectors and therefore between the various chapters of the budget, or whether Member States could and should decide to do more — or to do less — on a Community basis than on a national basis; but that question must be resolved, and resolved quickly. We must have our new-style budget in operation by 1982 so that we can show to the electorate of our ten Member States that their voice in this House has been heard and has had effect.

In saying this, however, I am not only mindful of my duty to my electors and to the peoples of the European Community, but I am recognizing that the Community must have a new drive, a new initiative and a new determination to meet the common goals of Europe. That means it must have a new and better policy and that the elements of that policy must be backed by the type of budget which will sustain that policy. The self-generating drive which the Community enjoyed in the 1960s is past and finished. The first energy crisis buried it, and the second energy crisis has laid bare not only our European Community but that of the whole of the West and even more so of the Third World. We have the duty to construct a better Europe and help to support a better Western world and a better Third World. For this, we need plans and money on a Community as well as on a national basis. If a cartel of oil-produc-

ers can hold the Western world to ransom and severely damage not only its economy but its social fabric, we must find effective ways of reacting not only on a national but also on a Community basis, and one linked with the Western and the Third World.

So I conclude, Mr President, by calling on the Council of Ministers to give us a sign, and a tangible sign at that, in this 1981 budget that they have received our message and understood it, and, having attended to our needs so far as this 1981 budget permits, that they and the Commission will work together with this House in ensuring that the 1982 budget is a proper cooperative attempt to bring about those changes most urgently needed, not only by the peoples whom we represent, but by all the people whom the nine, and soon ten, national governments represent.

There is one final task relating to the 1981 budget which I should like to handle on behalf of my group, and that is the moving of a small but very important amendment to Paragraph 37 of Mr Adonnino's resolution. We ask in regard to research programmes for the textile and ceramics industries which have already been prepared by the Commission and supported and amended by this House, and the amendments accepted by the Commission that their implementation be speeded up. I also move the amendments in the name of our group in regard to textiles (Item 3722), ceramics (Item 3761) and the clothing industries (Item 3762).

President. — I call Mrs Boserup.

Mrs Boserup. — (DK) Mr President, ladies and gentlemen, I should like to begin on behalf of the voters and the party which I represent, i. e. the Socialistisk Folkeparti, by pointing out that we are by no means unhappy about the cuts which the Council made in the preliminary draft budget for 1981 — indeed, I find it a little childish that, in his motion for a resolution, Mr Adonnino should remind us of the rejection of the budget last year. Reference to this event can only be an empty threat since everyone involved knows today that it turned out to be a rather pathetic fiasco for this Parliament, and that referring to it is both pointless and embarrassing.

The draft reflects a certain amount of cautiousness in various areas and, in my view, this cautiousness could well have been more pronounced. The budget still contains items which I would have liked to have seen cut out and for this reason I go along with a series of proposed modifications whereby appropriations for uranium prospecting, work with plutonium fuel and the recycling of this lethal substance are reduced or cut out completely. We are very well aware of the dangers of nuclear energy and the problems it entails, and we think it would be a sensible move to call a complete halt to the production of nuclear energy. Denmark is in fact one of the few Member States which have no atomic energy, and we find it unacceptable that we should be compelled, via Community research and energy

Boserup

programmes, to be involved in research into nuclear energy which forms a major part of the so-called research programmes.

I also go along with the British Conservatives in their request for economies in the Community budget. As an opponent of the Community, I am in favour of as little money as possible being spent on the venture, and at a time when the workers' standard of living is being eroded, it is totally unacceptable to grant more money to line the pockets of the members of this institution.

We have received assurances to the effect that the agricultural policy will be modified so as to bring agricultural expenditure under control. We have no details of how it is intended that this should be done, but I know that Danish farmers will not be expecting any good news since the agricultural problem is not primarily a question of small or large price increases, but stems from the fact that agricultural land is an object of speculation. This drains the sector of capital and makes the farmers dependent on major capital interests. The Community is hardly likely to do anything about this, but our own government is entitled and in a position to ensure, by means of legislation, that a joint land fund provides active farmers with security and acceptable conditions.

As I have already said, our farmers have no reason to expect that the revision of the agricultural arrangements which have been announced will lead to any improvement in their conditions. Wage earners also view with distaste this Parliament's perpetual attempts to arrogate to itself legislative powers. What Danish workers are used to — and what they want — is a system whereby their working conditions are laid down by agreements which reflect the balance of power between the trade unions and the employers. Any attempt to take away the influence and power from the workers' organizations by means of directives from this Parliament is totally unacceptable to us. This year Parliament is again trying to gain power in the Community with the aid of the budgetary procedure and, as before, I am opposed to this. The power of the Council of Ministers, in which every country has the right of veto, must remain inviolate. I should therefore like to recommend this Parliament to adopt the amendments to the Adonnino report which I have tabled together with the Danish People's Movement Against the European Community and which the Danish Social Democrats will also be able to support, provided they keep to their own election programme.

Finally, I should like to make a point which might appear to be a minor one. As a Dane, I must strongly oppose Amendment No 13 by this famous Committee on Youth, Culture, Sport and God knows what else. The Danish Government has made it clear in the Council that Denmark has no wish for common education programmes directed by the Commission. If this amendment is adopted here in this House, it may become a reality unless there is a qualified majority against in the Council. I cannot predict what attitude the Council will adopt, but I can assure you that any attempt, either direct or indirect, to interfere in any

way whatsoever with Danish education will be met with a storm of protest. Quite possibly those present here today do not realize the seriousness of this matter. The average Danish voter, however, realizes it only too well, and if education programmes are imposed on us, the basis for Danish membership of the Community will be destroyed and the voters will quite rightly be able to view Danish participation in Community cooperation as illegal. Interest in the Community is minimal in our country, but adoption of Amendment No 13 will change many people's indifference to a well-founded indignation.

President. — I call Mr Motchane.

Mr Motchane. — (*F*) Mr President, at the end of the last century a writer who was a candidate to the French Academy — he was rather young to gain admission, being under 50 — made the customary visits to members of the Academy and said to each of them 'Sir, I know how unworthy I am to join your ranks. This is the first time that I have been a candidate. However, I would be particularly gratified to have just one vote — yours'. Well, Mr President, this writer was elected, quite contrary to custom, on the first vote and by an overwhelming majority.

Mr President, I see some analogy and a certain symmetry between this tale and the suspicion that many of our fellow members are seeking or hoping for a situation where they would have the possibility of voting against the draft budget while still being certain that the majority of this House will be in favour. Since there is no better way of combating the temptation to demagoguery, itself or, more accurately, the awareness that one is no longer the only one engaging in it, I think that it would be worthwhile for this House to ask itself a few general questions. Since my colleague Mr Balfe has outlined the Socialist position on writing paper, in the few minutes allotted to me I will concentrate on the remainder of the political spectrum.

First of all, this is the first reading of the budget and it is understandable that this first reading should permit Parliament to voice the wishes, desires and leanings of the various parties. But is it not dangerous, as has already been observed, for these views to be expressed without any prior regard to what the final bill will be?

Secondly, is there any point in speaking of a good or a bad budget without referring to our actual situation, to the existence of contending social and political forces in the countries of the Community? And is there any point in speaking of imbalance in the budget as regards the agricultural section, when we know that, whatever reservations or criticisms we may have on this or that aspect, agriculture is the most Community-spirited part of the budget? Finally, Mr President, is it really responsible to behave systematically as if we were confronted with a good Commission and a bad Council? Do we really believe that on important issues the political balance in the Commission can, in the final analysis, really differ very much from that in the

Motchane

Council? Why do we systematically consider non-compulsory expenditure to be good in itself, Community-spirited by nature, whereas compulsory expenditure is deemed to be by nature nationalistic and bad? It would be very easy, on the basis of arguments which I will spare you here, to maintain that the opposite is true.

All this leads me to observe, if I may, that while undoubtedly it is important to choose one's thermometer well, while undoubtedly it is important to know the best way of using it, under the tongue, in the armpit or elsewhere, nonetheless, although the budget is a political act — in truth the most important political act we have to take — it is truly political only if we can work back from the consequences to the causes, from the fever to the disease. This is why I believe we should pay more attention to the advice which the Chairman of our Committee on Budgets, Mr Lange, gave us just now. If we have ideas, and I am sure there are some to be found in this House, then, Mr President, this is the moment to put them forward.

As regards agriculture, as we have already had hundreds of opportunities of saying, the priority which the Common Agricultural Policy gives to market intervention in preference to structural intervention must change. To take the most striking example, though not the only important one, that of milk production, we all know, or we should all know, that the co-responsibility levy is not a damper on production but simply a mechanism whereby overproduction is self-financed. Having said that, we believe that until we find another mechanism — and Mr Pisani and others have proposed one — we must at least introduce a strong element of progression into this co-responsibility levy. This would be some response to the flood of rhetoric from all sides claiming that the agricultural budget is a budget for the haves and not for the have-nots. Also, although there was a lot of talk about agriculture last year, is it normal that only indirect reference was made to the distortion whereby vegetable fats can be imported into and used in the Community free of taxes or customs duties, on the pretext that these are raw materials not produced within the Community?

To conclude, I should like to mention the question of own resources. In my view this issue cannot be broached properly without discussing and taking a stand on the essence of the Common Agricultural Policy, in other words on the real possibilities of finding ways to extend certain Community operations to a number of sectors, in accordance with certain priorities. In this context let me say that the Spinelli report — which is quite rightly being widely discussed — is in my view the worst possible basis for tackling this question. I say this because what strikes me first of all is the contradiction whereby it stresses on the one hand the need to monitor, check and assess the role and function of Community operations more seriously, more politically, while on the other hand it calls for a sudden increase as rapidly as possible in the overall funds available to Parliament.

Secondly, it is clear that the whole of this report is based on a political philosophy: the concept of a federal Europe. Mr

President, some of us may share this philosophy: others do not. But one thing is clear: this philosophy reflects a situation which is undoubtedly of the past. The European Economic Community is up against forces striving to destroy it which call for a response other than passive acceptance of a widening gap between reality and our speeches.

In this respect, I am surprised to note that, in the Spinelli report for example and in many other speeches by various Members on the problem of own resources, everybody seems to take it for granted that the levels of protection given by Community preference and of the common external tariff are untouchable. In fact, if we look at our history, the history of the Community, there has been a slow and gradual capitulation by the European Community in the face of pressure from the United States and, to a certain extent, from Japan.

Mr President, let me put one thing on record: either I am greatly mistaken or, five years from now, one or other of two international institutions — the European Economic Community and GATT will have practically ceased to exist. One cannot speak of developing the Community if we do not create for this purpose the minimum conditions of a single economic zone. This is why, Mr President, I should like to exhort this House to look indeed towards the future, but not to look at it in a rear-view mirror.

(Applause)

President. — I call Mr Lega.

Mr Lega. — *(I)* Mr President, ladies and gentlemen, there is no doubt that the budget debate offers the best opportunity for a Parliament like this one — elected by universal suffrage and in the context of the current balance of power within the Community — to express its own political resolve. This is shown by the fact that Parliament was at pains last year, when it first had to cope with the budget problem, to underline its legitimate function. What is more, it sought to make political use of the opportunity given by the rejection of the budget to illustrate its desire to get on the right path again with regard to the balance of power with the other institutions and also with regard to the formulation of the new policies which the Community needs if it is going to pull through this crisis. The method was perhaps a bit brutal last year, but this year Parliament has given evidence of greater responsibility and intelligence in trying to find a balance between the various institutions and the various political parties with the report by Mr Adonnino. I think he deserves everyone's thanks for the clever way he has steered a middle course between the powers of the Community to find the indications in this budget — which he himself has said marks a change — of the new policies which the Community will have to follow.

Everyone, and especially this Parliament, must endeavour to realize that the Community is not going to survive un-

Legat

less it manages to incorporate in its policies solutions to the current problems of development, cooperation in society and the very survival of an economic and industrial system which cannot be viewed piecemeal but has to be seen in an overall, European, light. At this stage, with Parliament debating the 1981 budget, it becomes vital to identify these policies, and we have to take a realistic view of things, using the means we have at our disposal and without trying to rush through, on a wave of political zeal, solutions which there is no hope of implementing at the moment. It is also important for the House to realize that this involves no vague decision but a specific undertaking and appeal to the sense of joint responsibility of the other institutions in the Community.

If I may insist on this point for a moment, it is particularly important to protect those Community structures which make it possible here and now to continue along the political path we have to follow if we are going to expand the work of the Community to include new policies and, above all, to tackle these policies with a proper Community-minded approach instead of by haggling among the Member States.

Seen in this light, the matter of staff policy — which the rapporteur has placed very near the beginning of the chapter on major sectors of expenditure — takes on considerable political significance. The political role which the staff of the Community has performed until now, and which it has to be able to carry out without any pressure or interference by the Member States, is surely the crucial element in the Community's independent and realistic approach to the expansion of its powers and the development of Community policies. It is in this area of staff policy — and this is what I am going to talk about in the few moments at my disposal — that we are laying much of the groundwork, here in this budget, for the development of policies for which new appropriations are proposed. The uncertainty surrounding staff policy in recent years, and especially the uncertainty prompted by the different policies adopted by the Commission and the Council, symbolize the lack of any definite ideas on how to look at this aspect of the Community. The lack of career prospects, the uncertainty about social benefits and pensions, the inability to come up with a budgetary policy which meets the promises concerning incentives to give a qualitative boost to the civil service: these are all factors fitting into a pattern which shows that, behind the refusal to acknowledge the European civil service, there lurks a problem which is, in fact, of tremendous importance. Furthermore, there can be no doubt that many of the problems with which the staff has had to cope in recent years stem from an increasing burden of work. Just think of the extra work this Parliament has had to cope with, the great volume of work which has overwhelmed a service used to getting much less: These are obviously factors which have contributed to unrest among the staff. But this is not the only problem which has to be tackled. Much of the staff's frustration and inability to get through the mountain of work are not caused simply by the fact that they have to get down to a lot more work, but also by uncertainty about the job and about what the point of it is. It is clear that an organization like the Community

cannot outline policies and establish a fine position of balance among the Member States unless it is based above all on an informed and realistic staff structure which is managed without a hint of constraint imposed by the Member States — and I mention this again with a view to a point I am going to raise in a moment — so that the political decisions it takes can be acted upon. A definite political meaning thus attaches to the appropriations in the budget — which ought to be increased — for policies affecting pensions and social benefits, since these policies are important if the Community civil service is to be safeguarded and restored to its proper status. We have to make this clear during this budget debate because we think it is important it should be understood by all shades of the political spectrum, and especially by the other institutions such as the Council and the Commission, as a vital part of the budgetary policy which the Parliament is putting to the other institutions.

It is against this background that it again becomes tremendously important to effect a review — which in any case has been done by the Spierenburg report — of greater staff mobility, an effective merger of the staff of the various institutions and the possibility of bringing these structures closer and closer together, so that they no longer perform separate roles in the Community but are part of an overall plan for the development of the Community. This will cost money, of course, and it will mean that the appropriations destined for staff salaries will have to go up, but it will be money well spent as part of the reform of the Community civil service which must be given a boost.

I want to end my speech by referring to another danger which is looming. This is the danger that by some stratagem or other — and this has been proposed in the Ortolini report and in other reports — a number of officials from the Member States could be recruited to the Community civil service under various guises, as experts or in some other capacity. This brings with it an added danger, because we do not want Community policies to be shaped by people who are outside the structure and way of thinking of the Community civil service. What is important, when we come to carrying out a general review of the role and purpose of the staff of the various institutions, is to stress the need to attach the staff to the Community in a firm manner by giving them career prospects, a sense of purpose and political aims which are related to the Community itself, so that all these elements do not have to depend on political and administrative power elsewhere.

These are some of the ideas I briefly wanted to outline in connection with staff policy. During this budget debate they take on a special political significance because there can be no doubt that it is in this area, the dedicated work of the Community civil service, that lies one of the essential elements for the political revival of the European Community.

President. — We shall now consider Section I — Parliament.

I call Mr Pfennig.

Mr Pfennig. — (D) Mr President, ladies and gentlemen, I should like to say a few words on Parliament's own budget. Yesterday Mr Ansquer introduced the decision of the Committee on Budgets. You could see from that, we have also been thrifty as regards Parliament's own budget and have wielded the axe freely. We must keep in mind how expensive this budget is — or perhaps how cheap it is when one considers that we are forced to work with six languages and cope with three working locations. We now cost just under 200 million EUA. With a population of 284 million — including the Greeks as from 1 January 1981 — all in all to date each EEC citizen pays less than one unit of account for this Parliament. I do not think that is too much. Let me say this once and for all to start with.

Now for the details. Mr Ansquer rightly said that Parliament should be subject to the same limitations as the budgetary authority imposes on all the other bodies, namely that Parliament should be very sparing in its own expenditure on materials and staff. I would really only like to draw the attention of Members to two points, because in my view they are important and are still perhaps somewhat in dispute here. The first point concerns Parliament's rent, the second its expenditure on staff. It has already been stated with justification that it is intolerable that rent should be paid for three meeting places. Taken to its logical conclusion, this means an annual increase in rental costs of almost one third, an annual net increase from 18 million to 24 million EUA. Undoubtedly the Council is solely responsible for the magnitude of these rental costs, because if there were only one place of work for Parliament, that is if the Council of Ministers had decided in favour of a single seat for Parliament as provided for in the Treaty, then these rental costs would certainly be less than 10 million EUA. I even dare to claim that they would be no higher than 8 million EUA.

By 30 June 1981 Parliament intends to deal with the problem of its place of work, in other words, the Council of Ministers must decide or otherwise Parliament itself will take a decision: a motion has been tabled to this effect. Consequently it is logical that the Committee on Budgets should have decided almost unanimously not to increase the appropriations for rent, on the understanding that in 1981 we would not have to finance three places of work for the whole year. This means that the Committee on Budgets would like, in its policy on expenditure to anticipate the wish of this House to decide on a single place of work in 1981.

Accordingly the Committee on Budgets proposes — and I support this fully — to cut the proposed increase of approximately 6 million EUA in rental costs proposed by the administration by 3.7 million EUA, meaning that increases will be two thirds less than those proposed by the administration. I believe that in this way we will be exerting beneficial pressure on the administration to start considering already how they can make the best use of existing premises which are already used by Parliament in order to avoid an increase in rental costs of the magnitude originally proposed.

On the second point, namely staff costs, I think it is true to say that these are partly the outcome of the increased expenditure on buildings. It is clear that if I have new premises then I also need new staff. If one cuts down on premises, then it is also possible to cut down to a certain extent on staff. May I remind you that in 1980, that is for the current budget year, Parliament accorded itself 243 new posts.

This was necessary and undoubtedly also useful in view of the doubling of the number of Members of the Assembly following direct elections. In the preliminary draft Parliament had approved a further 321 new posts for 1981. In the preliminary draft since all the other institutions have been prepared to forego big increases in staff, the Committee on Budgets re-examined the request of our Parliament administration and arrived at the conclusion that the approval of almost 550 of 560 new posts in two years was too much, even when one considers that our numbers will have increased to 434 Members following direct elections and the entry of Greek Members.

The Committee on Budgets therefore decided almost unanimously to approve "only" 88 new posts for 1981 and to delete a further 233 posts from the list of posts. This means nonetheless that the Parliament administration will have had an increase of 300 posts in 1980 and 1981. We believe that this is sufficient for the present. The Committee on Budget's proposal does not mean that we wish to override former decisions by the Bureau or Parliament. In taking such a step, we are acting with good sense and in a spirit of fairness and equal treatment vis-a-vis other bodies, and for this reason I ask you to approve these two motions by the Committee on Budgets in Thursday's sitting.

President. — I call Mr Rossi.

Mr Rossi. — (F) Mr President, my intervention on Parliament's budget will be particularly brief, since I just want to outline my Group's position on three amendments.

First of all, on Amendment No 426 concerning rents, this morning I stated my Group's determination not to get involved in an inflationary budget. But in this particular case, I cannot understand the reason for the cut of 3.7 million EUA. These premises are already occupied by the European Parliament or will be in the near future. Since we are not told on which premises the saving is to be made, we wonder if we are not indirectly adopting a position which will prejudice the choice of seat. For this reason we will vote against this amendment.

This amendment poses a further problem, namely that of the interpretation of Rules 49 and 50 of the Rules of Procedure, which is a problem which applies also to the following amendment. Without wishing to discuss the interpretation of these two rules here, I would remind you that at a recent joint meeting of Parliament's Bureau and the Bureau of the Committee on Budgets it was agreed that any consultation procedure should take place concurrently with the arrangements laid down in the rules of procedure.

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We therefore regret that these consultations have not taken place, in particular in the case of Amendment No 425, which concerns 233 new posts. This amendment raises a second problem, namely the fact that we had already adopted the budget estimate at the June part-session. I really do not see how we can go back on that decision today, particularly since I imagine that the administration has already started recruitment procedures. For the sake of consistency we will vote against this amendment.

I now come to the third and last amendment, No 540, which has been put forward by the Committee on Budgets. We were initially opposed to the formula providing for lump-sum reimbursement of Members, travel expenses for constituency work. Now that the Committee on Budgets has come round to our point of view — namely no reimbursement without supporting documents — we will vote in favour of this amendment.

President. — I call Mr Coppieters.

Mr Coppieters. — (NL) Mr President, it was to be expected that all the statements made in Committee would be followed today by some critical remarks, with a certain amount of hostility towards the Council, although it is obvious that the annual budget cannot but reflect the true situation. The truth is not something we like to hear in this matter, since what it comes down to is that we have little or no real power. When funds for what we call priority objectives are constantly being pared away, then this Parliament's political importance is clearly also going to the dogs. We should, on the basis of our political outlook, be giving substance to these priorities, instead of repeatedly being drummed up to do battle with the wicked Council.

I should like, however, to dwell a little on Parliament's own budget, as I did for the 1980 budget. My position remains the same, but I must say that the situation is getting not better but worse.

Time and again we are faced with the fact, with regard to our own institution, that the spread over three seats is an intolerable situation of which we, the Members of Parliament, are the victims. This is also a matter of concern for the Europeans whose interests we are here to defend. The fact that the Council has not reached a decision on this is no excuse: in that case we must create the necessary conditions ourselves.

I should like to illustrate the clear lack of any policy with reference to the new building we occupied recently in Strasbourg. No decision was ever taken on this building in the proper quarters in this Parliament. Last month we took possession of the building without even knowing the terms of the lease. This is an example of a *fait accompli* which we cannot allow to happen again. Anything like that would be unthinkable in private life. In this way the city of Strasbourg has gained an untoward advantage with regard to fixing the permanent seat. I have already heard an eminent

member of the Bureau saying that average attendance in Strasbourg was higher than average attendance in the other cities where Parliament has meetings. In this connection, it was also unfortunate that our public relations service was nowhere to be seen, so that the Press, which is always eager for scandal, was unable to obtain any serious answers to its questions about this building.

Finally, our renting policy. We rent a great deal. This institution pays out fabulous sums in rent every year, and has been doing so for 20 years now. The fact that our operations are spread over three locations costs the European taxpayer something like 3 000 million Belgian francs per year. Let me point out here that this Parliament does not own a single building. What do we conclude from that? That we do not believe in our own future. Is it not so that having our own buildings would be justified, if only in terms of sound management, but that it would perhaps also be an expression of the independence of this European Parliament?

Finally, I should like to endorse Mr Dankert's remarks on the amendment put forward by the Working Party on the Staff Regulations regarding the supplementary pension scheme.

I must, however, make one other remark, and I see no reason to mince my words, namely that it is not right for this amendment to be submitted directly by a working party. A working party is dependant on the Bureau, but this amendment has been neither submitted nor approved at a formal meeting of the Bureau. This is no way to go about making reforms.

President. — I call Mr Dankert.

Mr Dankert. — (NL) Mr President, I should like to say a few words on Parliament's budget, which has not yet gone over the limit of 200 million units of account but is getting precariously close to it. Looking at this limit, if we compare the amount — even making allowance for the language problem in the Community — with the budgets of national parliaments, there is only one conclusion to be drawn, namely that the European Parliament is uncommonly expensive. While it may well be true that for years we have had a gentleman's agreement with the Council where by Council and Parliament do not interfere in each other's budget, we must remember that any such gentleman's agreement can only apply as long as both institutions behave responsibly. At the same time, I would point out that one year after direct elections Parliament cannot yet be expected to have developed its decision-making procedures sufficiently to get expenditure completely under control. That does not mean, however — and I can say this on behalf of my group as well — that we do not need to get this expenditure under control next year. The simple fact is that Parliament too has to put its own house in order in a relatively short time. And as far as that goes there are, I think, some major shortcomings. As I said, this Parliament's decision-making procedures are unsuitable,

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since they overlap with one another and are therefore extremely difficult to understand. We have thus got into a situation in which firstly the chairmen of the groups and then the administration or goodness knows who else can all go their own separate ways. Mr Coppieters once again rightly drew attention to this. Parliament will have to use this year to really get a grip on its own organizational structure and its own expenditure. I think that is an essential condition for the continuation of a gentleman's agreement to which I attach particular importance.

This brings me to a few more specific remarks. The Committee on Budgets has made quite a few changes in Parliament's budget — partly for good objective reasons but partly also, I think, from frustration at the decision-making machinery and the influences to which it is exposed. I think we shall have to use this coming year to sort this out and decide who actually constitutes the budgetary authority in this House with regard to Parliament's own budget. And I tend to the view that the only way to get a sound budget is to add this to the Bureau's responsibilities. That is the only way to avoid the present confusion. I expect there will still be difficult discussions with our friend Mr Lange and others on this point, but this really is the only way to get this budget under control.

Mr Coppieters commented just now that the amendment on the survivor's pension had been tabled by a working party which was actually responsible to the Bureau. My group takes the view that in this budgetary procedure we should not in any way anticipate the terms of a statute for Members of the European Parliament. That is something which must be decided between Council and Parliament, and I think that in view of the current political situation in Europe discussions on this will be an extremely lengthy business. However, in view of the very varied arrangements for the members of national parliaments, my group does not think there is any justification for having no provision whatever for cases where a Member dies through illness or in a car accident. In my view a scheme must be set up for widows and orphans, regardless of the question of a statute. My group has tabled an amendment on this point which differs from the amendment put forward by the Working Party on Statutes, since the working party is still too concerned with the problems of a statute for Members of Parliament and more generally with questions of regulating legal status. We feel that we must at all events have measures of this kind to deal with individual cases where they are totally justified from a social point of view — and it is with this in mind that we have tabled an amendment. Our group welcomes the fact that Mr Pfennig's amendment, which has been adopted by the Committee on Budgets, sets certain limits to the arrangements for reimbursing members' expenses in their own countries. Actually, most of us were against this whole scheme, since here again the problem is that one country has some such arrangement while another does not. At the same time we take the view that United Kingdom or Irish Members cannot be allowed to suffer from the lack of arrangements which Members from the Netherlands or Germany do have. Something has to be done, therefore, and the fact that the Bureau's decision has been taken in Mr Pfennig's

amendment to mean that this reimbursement of travel costs within Member States can be granted on the basis of a declaration without any risk of double reimbursement means that our group, with a good deal of hesitation but in consideration of the unjust position some of our fellow Members are in, is able to accept this amendment.

I now come, Mr President, to a few points which will perhaps be on the agenda of the enlarged Bureau this evening: the establishment plan, rents and cars.

To begin with the most minor point, cars. It is intolerable to have amounts entered in Parliament's budget for purposes on which the Bureau has not yet taken a decision. This budget includes an appropriation for adding 20 or so cars to the pool, partly for the use of Vice-Presidents and dignitaries of that sort — including myself for that matter — and partly intended for general use, but without any decision by the Bureau. This is further proof of the complete lack of transparency in the decision-making process in this Parliament, which is something in which substantial changes must be made in the near future. That is one criticism I have to make, but I should also like to raise a point of a more direct and practical nature. I think the Quaestors, whose political popularity increases in proportion to the amount of money for Members of Parliament they include in the budget, should accept political supervision of their activities. They cannot really think that perks like these cars help the smooth functioning of Parliament. In the Committee on Budgets I heard a discussion between the Quaestors and members of the committee in which the argument came down to this: buying cars for Parliament is more attractive than hiring them because we can get the petrol tax-free.

At the same time they avoid discussing the staffing consequences of buying these vehicles, since these staffing questions are not their responsibility but that of the Secretary-General of Parliament. If we add in these staff costs and look at what buying cars really costs, we find that the total is considerably higher than for hiring. I am therefore very much in favour of the amendment put forward by the Committee on Budgets on this point.

The same goes too for the question of rents. Mr President, I have never known an administration to move into a building before the lease is signed. Yet, both in Strasbourg and here in Luxembourg we have seen Parliament and Parliament's departments settling into buildings for which there is still no tenancy agreement. And that is not all. In documents available to Members of Parliament and thus also to other people, estimates are being made of rent payments. If I were Mr Pflimling, Mayor of Strasbourg, or Mrs Flesch — who, moreover, is also a Quaestor — then I would say: "That will in any case be the minimum rent, so we shall go a little higher and then we can no doubt find a compromise." Mr President, that is not acceptable — and what is more, here again we come up against the same lack of transparency in the taking of decisions on this sort of thing. One gets the impression that our officials are out to give everyone satisfaction, but it is then the taxpayer who ultimately foots the bill. I therefore think it right that amend-

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ments have been tabled for cutting back on these rents and reducing the amount in the budget. This is quite separate from the problems of the seat; it is in the first instance a question of proper management. There is of course also the seat problem, but that is another aspect, the question of where this Parliament is ultimately going to meet.

I now come to the most difficult point, the question of the establishment plan. The Committee on Budgets has proposed cutting out of the budget all the posts for 1981 proposed by the Bureau, except the Greek posts. This involves 230 posts. I expect there will be the odd scuffle over this in the Bureau this evening. What has in fact happened? We in the enlarged Bureau gave a working party the task of examining the structure of Parliament. What did this working party do? It listened — one might almost say, as is traditional — to what the administration had to say and totted up all the requests. In this way we got the “new structure”, which was in fact the old structure with a few additions. The Committee on Budgets then said that this year’s rapporteur, Mr Ansquer, and his predecessor, Mr Jackson, should have a look at Parliament’s administration to see whether this structure is still appropriate. Well, Mr President, Mr Jackson and Mr Ansquer have not been allowed by the parliamentary authorities responsible to carry out this investigation. And if the Committee on Budgets is not in a position to form an independent opinion on what the structure of Parliament could be compared with what it is, then I agree that the Committee on Budgets must refuse any additional posts. This is in itself reason enough, not to mention a series of other arguments which tend to the same conclusion. And as to the gentlemen’s agreement, it is not without a certain malicious pleasure that I see that the Council knows perfectly well how many vacancies Parliament has. Compared with the other institutions the number of vacancies is indeed exceptionally high, and if we are not in a position to fill these vacancies it is exceedingly difficult to explain to anyone outside that we need another 230 posts. Consequently, I take the view for the time being — and this goes for my group as well — that until such time as there has been a thorough investigation of the structure of this Parliament — in which, for example, in comparable Directorates-General an A-1 official has in one case one secretary and in another four — and until such time as the necessary conclusions are drawn, we must refuse to pretend that we are solving problems by increasing staff.

This brings me to a number of concluding remarks. Last year, as general rapporteur, I made some very far-reaching criticisms of the Commission’s staffing policy — indeed, it was my job to do so. It seems to me that in exercising criticism of other institutions Parliament will gradually lose its credibility if it does not quickly put its own house in order. I am sure Mr Strasser — whom I can see smiling over there — will subscribe to that. Last year the Commission, perhaps somewhat rashly, expected that something would actually be done. It takes more than six months for a Parliament to become operational. But if the Commission can still make the same complaints the following year and talk of unequal treatment between the institutions, then the Commission has a point. Accordingly, Parliament must now put its own house in order. For the inescapable fact is

that in a number of Member States Parliament has been discredited more by what it has done for its own Members, its own budget and its own staff than it has gained credit for what it has done for the Community. This is a very serious situation, and this time we must tackle this problem. It is something which must also be reflected in the budget and needs to be thoroughly investigated over the next few months by the enlarged Bureau and whatever other decision-making bodies there are in Parliament. By way of serving a warning or even, one is tempted to say, a summons, I think that on this point the House must follow the Committee on Budgets, not perhaps because all this is objectively necessary but in order to launch a process which can lead to putting Parliament’s own housekeeping on a sound basis.

(Applause)

President. — I call Mr Lange to speak on behalf of the Committee on Budgets.

Mr Lange, Chairman of the Committee on Budgets. — *(D)* Mr President, Pieter Dankert was right that this one question would give rise to difficulties and involve us in further disputes. It is easy to say: let those who make such proposals take responsibility for them. How is that to work in practice? There will have to be further discussion on this point.

The Committee on Budgets, which is responsible for the whole Community budget, cannot avoid making pronouncements and will have to make its opinion known to the house. There is no way round this.

If, however, we are told that this is the task of the Bureau then the Committee on Budgets must make its comments known. The Committee on Budgets will, if need be, have to say to the Bureau — if this is to be the system — that it considers certain things to be irresponsible. Then we have a situation which we do not want, namely an open conflict between the Bureau and the Committee on Budgets, in other words a pitched battle.

We have to consider very carefully what we should do here. I am still firmly of the opinion that if we apply exacting standards to the other institutions, then we must also apply the same strict standards to ourselves. The honourable Members must realize that they cannot demand things for themselves which they deny others. This is a very decisive point, and here I can support Pieter Dankert as the spokesman for his group and perhaps more particularly, as Vice-President of this Parliament. This, however, means that Members will have to be more restrained in their demands, whatever their present role in Parliament. We will have to make this quite clear if Parliament’s budget policy is to be plausible and not belied by its own behaviour.

(Applause)

President. — We shall now consider Section III: Commission, beginning with the chapter on agriculture.

I call Mrs Castle.

Mrs Castle. — Mr President, this is the last budget we shall be discussing before the fundamental restructuring of the budget is presented to us by the Commission for the year 1982. One would have thought therefore that in this budget we would have been moving towards a better balance in Community spending. Instead of that we have actually been going backwards. In this budget we have the painfully familiar scenario repeating itself. The Commission produces a budget calling for an increase of 12% in agricultural spending and an increase of 40% in the minute sums we spend on regional, social and energy policies. Now that is only a modest start, Mr President. It still leaves agricultural spending at the enormous sum of 13 500 m EUA with the Regional Fund at a mere 750 million for payments in 1981. However, even this inadequate step towards budgetary reform was too much for the Council of Ministers which slashed the Commission's 40% increases down to a mere 5%. We all know that with inflation running throughout the Community at something like 10%, that means an actual cutback in regional spending this year, while once again agricultural spending remains sacrosanct.

Now, this is the very opposite of what we need if the budget is to be restructured and the problem of the United Kingdom contribution solved once and for all. I would have thought the British Government would have passionately resisted this decimation of a level regional spending which alone would suffice to give the United Kingdom a fairer share of the resources of the Community. Indeed, Mr Scott-Hopkins himself — and I am very disappointed that he is not speaking in this debate — said at a meeting in Cardiff only a few weeks ago that this 'savage slashing of regional, energy and social spending makes this the most obscene budget we have ever had'.

Strong words, and they ought to have been said inside this Parliament! But what is he and his European Democratic Group going to do about it? He says, 'we can't reject this obscene budget, because the repayments to the United Kingdom must not be jeopardized', but the European Democrats are going even further than that, Mr President. These British Conservatives are now setting out to wreck one of the most hopeful steps this Parliament can take to get expenditure readjusted in favour of the Regional Fund once again. There is a massive united campaign by the Committee on Regional Policy and Regional Planning, backed by the Socialist Group, the European Progressive Democrats and the Christian-Democrats, to restore in full the Commission's figure of 750 m EUA in payments for the Regional Fund in 1981, the figure which the Council of Ministers cut to 490 million. Why are the British Conservatives not allying themselves with their fellow-conservatives, because if they did we could get the necessary qualified majority and pass this in this Parliament?

Instead they have put down their own amendment to reduce that amount of restoration to merely 560 m EUA. It is still a cut in real terms, and they are going to do that as a fig leaf to save them from having to vote for the amendment that could win. I warn them that there are many people in different parts of this Parliament who are saying, 'if the British Conservatives are not prepared to fight for the restoration of regional spending which so much benefits the United Kingdom, why should we bother to bail them out?' If the British Conservatives go ahead with this ploy of theirs, we could end up with having only the Council's decimated figures.

If Mr Scott-Hopkins and his colleagues think that the cuts in this budget on the regional side are obscene, there is one way they can avoid them, in keeping with a realistic economy policy and without endangering the United Kingdom rebate, and that is by voting for modification 295 in my name and backed by the Socialist Group. What this does in effect is to impose a cash limit on agricultural spending in the coming year, because what it does is to write into the remarks governing Guarantee expenditure under Titles 6 and 7 the statement that any future decisions on farm price increases or changes in the market situation will not result in any extra expenditure for Titles 6 and 7. This is the challenge to us all. Are we really serious about restructuring the budget, or have we any hope of getting anywhere near it by 1982? Is it very much to ask that this vast budget for agriculture should accept an overall ceiling on expenditure for 1981?

The British Government at home is applying cash limits right throughout public sector spending. It is saying to workers in nationalized industries, for example, or in the Civil Service, 'you have got a cash limit for what your department, your industry, can spend in the coming year; if you want wage increases, then you have got to find corresponding economies to make room for them'. That is what this Parliament should say to the agricultural sector in our Community in order to make room for the crying needs of regional development and industrial policy. We should say that when farm price increases are fixed in the next few months, they must be fixed in the knowledge that the spending in this budget under Titles 6 and 7 will not be increased, so if adjustments are made upwards in one place they will have to be made downwards somewhere else.

We in the Socialist Group have suggested some ways of finding long overdue economies. Mr Pisani and I, for instance, have jointly put down an amendment to cut 50 million units of account from expenditure on aid for skimmed-milk powder to be used for feeding calves. Everybody knows that it is a farce that we should actually be subsidizing the use of skimmed milk for calves to produce more milk we cannot sell. It is a circular nonsense that has got to be stopped. I hope that this Parliament will pass that amendment. I am suggesting one on my own account — to cut the appropriations for refunds on milk and milk products back to the 1979 figure and place the resulting savings of 567 million units of account in Chapter 100, to stay there until the frauds and the mismanagements to which the Court of Auditors has drawn our attention have been rectified.

Castle

Now these are two very obvious and necessary economies. They show that economies can be made, and I challenge the British Conservatives to be true to their own principles in voting on this budget and to vote for cash limits on agricultural spending as a start towards the restructuring of the budget which alone can solve the problem of the United Kingdom's contribution and the return we get.

President. — I call Mr Tolman.

Mr Tolman. — (NL) In both the topics we are discussing today it is clear that the agricultural policy is in fact a green thread running right through the budget. And one point is obviously of central importance, namely getting expenditure under control.

It is quite plain that a large part of this House is at odds with itself. On the one hand there is a desire to take on new tasks, for which there are insufficient opportunities, and on the other hand people want to eliminate the imbalance which various speakers have noted with regard to the agricultural policy. If there is anyone in this House with an appetite for new tasks, for extending our work, then I am the one, and I can say the same for my Group. We find increasingly that in many fields Europe has problems which are no longer open to national solutions but must be settled at European level. In other words, tasks which demand a European and not a national approach.

Secondly, as far as the imbalance in the Common Agricultural Policy is concerned, I should like to point out to those who tend to get worked up about this, such as Mrs Castle just now, that the increase in expenditure was cut back to 12% last year and will not be more than 12 to 13% this year. I think this too needs to be pointed out if we are to form a balanced opinion.

I should just like to say a word of warning about craving for new tasks. We must not throw away what we have, and Mr Adonnino, for whom I have great respect as rapporteur, is right to make it clear that the fundamental principles of the agricultural policy must be maintained. My group is fully behind him in this. Let me, therefore, for the benefit of both the critics and those who are listening here with a more sympathetic ear, put it like this: we must indeed correct the Common Agricultural Policy, but not deform it. If we do, we shall be on the completely wrong course.

Concern has been expressed here, as well as in the Committees, at the consequences for the budget of price increases in agriculture.

We are going to have to realize that we cannot go on as in previous years. For three years a price freeze has been applied in connection with disturbing surpluses. These surpluses have now shrunk to a significant extent. Nor can a continuing price freeze be justified to the peoples of Europe. I do not wish to anticipate next year's debate on the price policy, but I think we must be prepared for the

fact that 10% will clearly be the minimum figure from which to start. Firstly, that will be necessary to prevent a clear fall in incomes, and secondly Parliament must be one jump ahead of the various Member States in taking vigorous measures, otherwise all kinds of measures will be taken at national level, which means breaking down and eroding the Common Agricultural Policy.

On the income side of the budget I have a few remarks to make. The co-responsibility levy is an interesting budgetary device but does not curb production. The real curb on production will only come next spring in the form of a specific levy, a super-levy or whatever else you wish to call it. That is a policy decision and is something we must take into account. We are in fact taking account of this. Over-production must not involve any financial burdens for Europe. That means that such a far-reaching decision cannot be taken in a one-sided fashion. It also means, incidentally, that a levy on oils and fats must, of course, be introduced, which is something that has always been envisaged but so far not implemented. Why do we only think about the co-responsibility levy and not about the other elements responsible for the surpluses?

If we take these far-reaching measures with regard to the income side of the European budget, that will also mean not mincing our words about the traditional butter imports from New Zealand. We have certainly not heard the last of that. I should like to turn for a moment to the continuing massive imports of substitutes such as manioc, maize gluten and so on. The figure varies from country to country, but since 1974 imports of some products have increased by 300%. Unless we give more attention to these questions, there is no sense in all these lesser measures. I appreciate that when we talk about changing the agricultural policy that also means changing trade policy.

I do not mean by this that we should simply shove aside all GATT agreements, but these agreements sometimes come upon us without our knowing what has been decided.

Restructuring of the agricultural policy is something we are ready to discuss. Simply taking *ad hoc* decisions is not enough, and if we are going to talk about a fundamental revision, then we cannot get away from the question of rather more protection.

If, like Mrs Castle, you are going to talk about enormous sums spent on agriculture, then you must not exaggerate. We must see things in proportion.

We shall only achieve a healthy balance if we take off our blinkers. If we think the agricultural policy is too one-sided and too expensive, we should remember that this policy is in fact the only integrated sector in the European Community.

President. — I call Mr Provan.

Mr Provan. — Before I come to what I was going to say, I must first turn to Mr Tolman and dispute in some large

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measure what he said about New Zealand. It is totally untrue that New Zealand producers have increased massively their profits from the production of butter for the Community. The fact of the matter is that New Zealand butter prices in the Community have gone up by only 50 % since 1973 and yet the cost of butter production in New Zealand has gone up 153 %. So I think, Mr Tolman, that you should try and make sure of your facts before you make outrageous statements like that.

However, Mr President, I want to refer to the common agricultural budget in my remarks today. The common agricultural policy was, of course, first designed at a time when Europe was only 60% self-sufficient in foodstuffs. We all know that today we are practically 100 % self-sufficient in many of the products we require for our own consumption. Therefore the whole policy has to be viewed in that light.

It worries me slightly when we hear various Members of this Parliament talking in various ways about various solutions. They are never really trying to achieve a total solution for what is a totally different problem that we now face, as we did in the 1960s when the policy was being evolved. I agree entirely with what Mr Lange said this morning. He said, if you remember, that we always seem to be trying to patch and mend. I agree with him entirely that we have to get a completely different approach if we are to achieve what we all want to achieve for the European budget, namely a better balance within that budget.

I am disappointed that we have received no direction this year on what is likely to happen in future years. I would have thought we had an ideal opportunity in this budget to detect a few movements in the direction of change, since change must indeed come. Where are we going? We have no recognition whatsoever that our resources are very nearly exhausted and that we are going to have to do something about that. No mention whatsoever. No help or guidance in the budget as to where we are going and what we are likely to be facing in the future.

We must of course remember that the Commission has certain regulations that it must uphold, and they must be funded. I feel therefore that it is extraordinary that the Council should come along on this occasion and cut many of the lines of the budget which have to be carried out and which the Council must well know have to be carried out if we are to implement the regulations that have to be maintained.

Now if I might turn to Mr Curry's report which I think has been received admirably in Parliament and especially in the Committee on Agriculture; a report that has greatly clarified some of the problems we face in the common agricultural policy.

Mr Curry says that the guarantees we give through budgetary lines should be going to a far greater extent to the producers and not to some of the industries that are siphoning off a large part of the monies used under the common agricultural policy. He also says, quite rightly — and this is a

point on which we have to maintain a major discussion in the future — that the increase in agricultural prices must coincide with the budget year. It is totally wrong for this Parliament, ladies and gentlemen, to go ahead in future having absolutely no control whatsoever over that budget line, which is a major budget line for the future.

What I primarily want to say today concerns the abhorrent, nasty and defeatist co-responsibility levy. We recently received a report from the Court of Auditors which says that it is administratively bad, that it cannot be properly accounted for.

Now to have a major institution of the Community coming and saying that sort of thing has to be recognized by Parliament, Mr President. It is unfair to producers who are trying to help in reducing surpluses. There are some Member States that are attempting to do this.

What we should be doing is looking at the levels of production in the Member States. We then discover, of course, that some people who have derogations and do not need to pay co-responsibility levies are going ahead and increasing their production rapidly. Yes rapidly, and why? Because, of course, the price they are receiving for their product is an attractive price, which proves to me that it is too high.

We should therefore be looking into reducing the price rather than putting in a tax which is not only abhorred by us but abhorred by the Court of Auditors as well. It acts against the producer, it acts against the consumer and it is acting, I put it to you, fellow Members of Parliament, against Parliament's interests. I believe, therefore, that we have got to try and transfer — and I mean transfer — all the monies that would have come from co-responsibility into the super levy, because that, I believe, can control surplus production within the Community. It must control surplus production within the Community. It will maintain our financial responsibility and it will maintain for the taxpayer his financial responsibility as well by controlling the surplus.

Ladies and gentlemen, the Guidance Section of the budget is, I think, an area that needs a close examination, because it is getting totally out of line with what we are trying to do. We find we are helping areas of production that are good areas of production. We find we are helping areas of production that are poor areas of production. We have got to make up our minds what we want to do in future.

I believe that we must try and put this into a package that helps the total rural economy rather than just trying to help the purely agricultural economy in the poorer areas. We have got to get a proper spread and balance within that.

We have many amendments down as a group, Mr President. One of the most important concerns the fishing industry. It has been discovered at a late stage that the Council has removed from the budget line that would implement a new common fisheries policy. I put it to Parliament that it would be totally wrong for us who have on all occasions, with almost complete unanimity in the House, tried to

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achieve the basic ground rules for the adoption of a new common fisheries policy. I hope that when it comes to be voted on on Thursday we can get support within the House for the resolution that is put forward to put 10 m EUA into next year's budget to get a common fisheries policy established. Without it we don't stand a bat in hell's chance. I think it is totally wrong, as Mr Taylor mentioned this morning, for the Council who well know that they have to implement a common fisheries policy by the beginning of next year, to remove the budget line that is in fact going to implement it.

President. — I call Mr Martin.

Mr Martin. — (*F*) Mr President, ladies and gentlemen, farmers having to work harder and harder to eke out a living, with an estimated drop in incomes of more than 5 % in France in 1980, farmers up to their ears in debt to keep their farms going, entire villages and regions dying, these are all things of which we have found no trace either in the Council's preliminary draft budget or in the Commission proposals.

For those who have a slide rule instead of a heart, a good farmer is a farmer who leaves the land or one who is content to suffer the consequences of their anti-agricultural budget in silence. With less show than last year, it is true, but adhering faithfully to the same policies, further massive blows have been struck at the Common Agricultural Policy through the budget. In the overall budget, payment appropriations have increased by 23 %, but the increase in payment appropriations for the EAGGF, Guarantee Section, is scarcely 12 %, or less than 8 % if one takes account of the entry of Greece and of the Community sheepmeat regulation. Following on the small rise of 10.3 % for agriculture in the 1980 budget, this marks a new attack on farmers' incomes, on their living standards and working conditions. The large majority of this House is directly responsible for this deterioration in the position of French farmers, since last year it rejected the amendment by the French Communists and Allies to bring the increase in French farm prices into line with the increase in production and general costs, i.e. 13 %.

From year to year, the integrationist method has been perfected: one foot on the brake regarding agricultural expenditure and the other on the accelerator for redeployment funds to benefit the multinationals. The principal rules of the Community code are still not being complied with. Community preference? Let us take a look! The temporary exemptions granted to certain countries are still in force; the Community continues to import free of duty four times more vegetable fats than it produces butter; it continues to import free of duty large quantities of cereal substitutes such as manioc; the multinationals such as Unilever continue to lay down the law and the fact is that they have ardent supporters even here in this House. What about financial solidarity? Giving in to the dictates of Mrs Thatcher imposing an unacceptable reduction in the British contribution was a further heavy blow here. Unity

of prices? Monetary compensatory amounts have still not been abolished. They represent intolerable distortions of competition which penalize French farmers in particular, in terms both of selling prices and of production costs.

We well understand and share the anger felt by farmers!

For years they had it drummed into them that they were not efficient enough, not productive enough. And so they went into debt to invest and to modernize; they wore themselves out working harder and harder and they produced more. And now today they are being told that there is too much milk, too much butter, too much meat, too much wine, too much sugar, too much everything... On the pretext of surpluses and consumer protection this 1981 budget is paving the way for an even worse 1982 budget, since the Commission makes no secret of its intention, with support in this Chamber ranging from the Right to the Socialist benches, of quickly mounting an attack on the Common Agricultural Policy.

To vote in favour of this draft 1981 budget, therefore, is not only tantamount to striking further blows against our agriculture but means endorsing a wider offensive against the Common Agricultural Policy, with the extension of the co-responsibility levy to new areas as the central instrument. This offensive is reflected in further heavy cuts in agricultural expenditure; the acceleration of the enlargement process and the attempts to restructure the Community budget will further subjugate the peoples of Europe to the plans of big business. We are about to take the same road with our agriculture as we have with our steel and our coal industry. Our coal industry has been wiped out in favour of foreign coal or oil, agriculture is being wiped out in the same way and for the same reasons, those of profit. First one sells off cheaply for profit, then it is the workers who must pay for the damage. This is why we will not take this lying down and will oppose this general sell-out, in the interests of farmers and of our agriculture. But also in the national interest, because what is at stake is our self-sufficiency in food. At all levels, at all stages and on every ground we are determined to pursue and step up our action together with the farmers against all plans for dismantling, wherever they originate.

It is in this constructive and responsible spirit that we have put forward amendments to this draft budget. We are asking for the abolition of the milk levy and of the super-levy, which mainly serve to subsidize agri-foodstuffs firms. It is significant that if the exemption granted to Great Britain to import New Zealand butter were abolished and if imports of vegetable oils and fats were taxed, the 509 million EUA of levies would be more than made up for. We are asking for the abolition of the princely gift made to the United Kingdom under Mrs Thatcher and for the total dismantling of the monetary compensatory amounts. These two measures would undoubtedly be enough to permit an increase in agricultural prices of well over 15 %. We demand a halt to the plans for restructuring and converting vineyards, plans preparing for enlargement which are designed to make way for Spanish wines in particular. On the contrary, we demand that this rich vine-growing potential be

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maintained by measures guaranteeing a profitable return for wine-growers and incentives to improve quality. We demand a halt to the destruction of products or restrictions on production which we consider particularly scandalous when millions of human beings are suffering or dying of hunger. We are making constructive proposals towards this end in the interests both of our agriculture and of the peoples in the developing countries.

Mr President, ladies and gentlemen, behind each item in the budget there are thousands of farmers and their families who want to continue to live by the profession they have chosen and love. Think of that when you are voting on our amendments, because you will have to answer to them. For our part we, the French members of the Communist and Allies Group will continue to stand by their side in the future to defend their incomes, to thwart the plan to enlarge the Common Market and to oppose the wreckers of our agriculture and those responsible for this sell-out.

(Applause)

President. — I call Mr Delatte.

Mr Delatte. — *(F)* Mr President, ladies and gentlemen, this draft budget is in many ways unsatisfactory and certainly deserves the serious criticisms which some of my colleagues have expressed and elaborated on before me.

But before contributing my own observations to this debate, I think I can congratulate myself on having maintained throughout the year that agriculture did not have its customary weight in the budget as a whole. Of course, I am not claiming that everyone is now convinced, but here and there I see signs of a new awareness of this fact.

It is true that there is still a refusal to separate from expenditure on the Common Agricultural Policy activities which have nothing to do with it, while at the same time the scale of this expenditure is criticized. It is also true that people persist in making contradictory, and often somewhat incoherent criticisms.

But in spite of the repeat statements by our colleague Mr Dankert — I am sorry he is not in the Chamber at the moment — who often only sees the negative aspect of the agricultural budget, I like to think that the basic arguments against the Common Agricultural Policy have lost ground, in Parliament and that instead a more realistic view of the problems is emerging, particularly with regard to a number of points — the role of agricultural exports, the role of agriculture in the less-favoured regions, the role of pricing policy in determining farm incomes, and also the gaps in supplies to Member States, competition from imported protein and vegetable products, etc. I could cite yet more examples. We have thus moved on to a more considered, calm and objective stage of our analysis.

Ladies and gentlemen, the defenders of the Common Agricultural Policy are not, as some seem to think, rigidly attached to the status quo, and it has come to be accepted that the policy needs adapting. Discussions are now in progress which should make it possible to retain the essential elements while making the Common Agricultural Policy a more dynamic policy, serving — and I stress this point — the general European interest.

Meanwhile, agriculture is suffering its share of austerity in the 1981 budget. I note that the growth in agricultural expenditure is considerably less than in previous years. The rate of annual increase in appropriations for agriculture has dropped in the draft budget for 1981 by 8 % more than for the other sections of that budget, going from 24 % in 1980 to 12 % in 1981. And this has occurred despite the eminent accession of a tenth member whose additional expenditure must be allowed for in the agricultural budget and also despite the sheepmeat regulation adopted a few days ago.

So for heavens sake let us not demand an even sharper drop in the appropriations for agriculture. Let us not forget that we have an obligation to respect the Treaty of Rome as well as the commitments entered into by Parliament in its various debates, and particularly in the debate on world hunger. The unanimous approval for Mr Ferrero's report implies that we should provide ourselves with the means to take the measures regarded as essential in order to combat the scourge of world hunger. I find the Council's draft budget scandalously inadequate in this respect.

But, you will reply, you do not wish to reduce agriculture's share while at the same time you wish to develop other common policies, whereas Community revenue has come up against the 1 % ceiling for VAT payments from each Member State. Let me say clearly that, in my view, the message to put about, outside this Chamber is precisely that this ceiling must be raised. We cannot from day to day aspire to the greater integration of Europe while at the same time leaving our plans at the talking stage, without the means or the funds to convert them into action. The budget debate is the right time to call firmly on the Council of Ministers to make an additional financial effort. This would express our shared political determination to give Europe its full significance. I would stress that being in favour of going above the 1 % ceiling in no way precludes better management or attempts to eliminate the waste which, as was said just now, can be found even in Parliament itself.

Moreover, I think it would be desirable to stop taking the fear that agriculture may still be beneficiary as a reason for putting off any increase in the 1 % ceiling. Of course agriculture will benefit, but certainly not more than employment, the regions, industry, energy and cooperation policy. All these sectors have been sacrificed in the draft budget before us, yet all of them are essential for the future. In particular, I deplore the lack of enthusiasm with which joint action is proposed in the energy field.

Finally, to return to a subject close to my heart, I am still unable to accept the way in which the parts of the budget

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dealing with the EAGGF Guarantee Section are presented. I must once again stress the need for a different breakdown of the expenditure under the budgetary items for agriculture so as to sort out the expenditure which has nothing to do with the Common Agricultural Policy, the cost of which is thereby artificially increased.

I would add a new observation. In all fairness, one must take account of the financial effort made by the producers themselves in the form of the present co-responsibility levy. If we incorporate this financial fact, which — need I remind you — has an effect on farmers' incomes, agriculture represents 2.7% less in the total budget, and the expenditure on dairy products accounts for 3.9% less in the EAGGF Guarantee Section. People should think about these figures before criticizing agriculture.

And what can one say, ladies and gentlemen, about the growth in the co-responsibility levies imposed on producers? Has anyone in Parliament bothered to calculate their rate of growth? I can tell you that they seem to be increasing by 128% per year. Remember this figure of 128%. What else in the budget increases at such a rate, I ask you?

Of course there is one budget item which expresses the resounding solidarity of eight of the Member States towards the other one, and the payments to which I refer account at a stroke for a considerable part of the budget, since they amount to about one thousand million. The British members will I am sure not mind me saying that. But to get an idea of this solidarity payment, let me point out that it represents total payment appropriations exceeding the sums allocated to the Regional Fund, the EAGGF Guidance Section and the energy, industry and transport policies put together. This, too, gives one something to think about.

Ladies and gentlemen, do not misinterpret this remark. I entirely agree that a disadvantaged Member State should be assisted by its partners. But the operation should not work once again to the disadvantage of agriculture, on the pretext that other policies would otherwise be cut back.

An agriculture suffering very seriously from the economic crisis, with falling incomes, with the additional burden of the co-responsibility levy, calls for a substantial rise in agricultural prices, which I have no hesitation in saying must be at least double last year's increase.

Our budget for 1981 must also take account of that, for whatever resolutions we adopt, however we vote, we cannot escape our responsibility for fixing to a large extent farmers' incomes. Let us not forget either that this is the only socio-professional category whose standard of living depends on a European decision, and that is why farmers, much more than others, look constantly to this Parliament.

Mr President, ladies and gentlemen, it is my earnest hope that we shall be able to respond to this rightful expectation.

President. — I call Mr Davern.

Mr Davern. — Mr President, I would like to congratulate Mr Delatte and Mr Tolman on what they said with regard to agriculture. It seems that every time the budget comes up it is open season on the farming community and open season indeed on the common agricultural policy. I took note of Mr Curry's report this year, and I am glad to see that he is going through a period of purification and that he is now at least objective about the facts of agriculture. Hopefully he will be a convert too before the end of this parliament.

We are talking about the serious position in agriculture where, in my own country for instance, government figures show that farmer's incomes have dropped by as much as 50% in many instances. 125 000 farmers will have less than £ 2 000 per year income and that does not take account of the work their wives and their children do on the farm. Let me say at the outset that we are not seeking to support factory-type farms. We are talking about the family farms, the ones where the whole family is involved and where output is small. They represent the way of life in many of our countries and the background of many of our peoples.

There is a tremendous lack of confidence in agriculture at this time. There is a lack of confidence and gloom throughout Europe. This lack of confidence and gloom is not being helped by the anti-agriculturalists in this House, some of whom have the wild idea that if you take money from agriculture, if you cut back in agriculture, you can solve the problem. They will only worsen that problem, as we are aware, because the Social Fund and the Regional Fund would have to be trebled to replace the incomes of those people and provide the jobs in towns and factories, and indeed the houses they will need to live in.

The cut-back exercise that is going on in this House will have to take account of the fact that farmers are just as seriously affected by the terrible new disease which has afflicted economies over the last couple of years — the rise in oil prices. As far as I can see, this House has failed to allow for the oil-price factor in the costs of farming. This has got to be considered, and I wonder if some of the people who oppose agriculture are aware of this.

But more seriously in Community terms we have to consider the accession of Greece. I would say to the Greeks, 'Beware of Europeans bearing gifts'. They may do to you what they are about to do to the other farmers in the Community. They say that they support the common agricultural policy and uphold the principles laid down in the Treaties. But once you have joined they may change all that. So I would say to the Greeks, make sure that your attitude towards farming is fully recognized before you enter and that it is fully accepted by the other Member States.

Mrs Castle mentioned earlier today that the common agricultural policy increase would amount to 12%. Since inflation is running in her own country at about 18%, and in the neighbouring country at 19%, she is in effect saying that there will be an immediate fall of 7%. We hear no mention from the British Socialist members of the imports of

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New Zealand butter. Mr Provan very ably defended the New Zealand farmers. I hope that he has the same concern for the Scottish farmers. I know that there are many farms for sale in Scotland at the present time.

We have a policy and we have put forward amendments. If people are serious about reforming agriculture — and those of us who are interested in agriculture can see that there is need for reform. — surely they will accept the tax on oils and fats, on manioc and soya beans which are used in the huge production units that are not family-orientated and which bear no relation to the rural areas as we know them. If you are serious about improving agriculture, and if you are serious about trying to effect a cut-back, then support the amendments that we have down for taxes on fats and oils and manioc and soya because those are the things that are causing over-production and placing considerable strains on the CAP.

Let us talk for a moment about the 1% VAT. What is so magical about 1%? What is so horrific about it that we cannot exceed the 1% limit? I can say this coming from one of the two countries that has a clear conscience on the 1%. Denmark and Ireland are the only two countries who have paid the full amount and, indeed, are open to inspection at any stage. Let us talk about increasing the percentage of VAT, because if we are going to develop this Community we will need more money for the Social Fund and the Regional Fund. We shall need more to help the Greek farmers, and eventually the Portuguese and Spanish Farmers when they join us. Instead of cutting back, let us think bigger; let us think in terms of expanding this Community, and of being of real benefit to people, which is what the Community was intended to do. Surely we in this House are not going to become a group of book-keepers continually looking at figures. We should be representing people and talking about people. That is what we should be concerned about, and not take instructions from any other House or any other source. We should be deciding for ourselves what we can best do for the people of Europe. The principles of the CAP must remain intact. They affect the lives and the social concerns of millions of people in this Community. I would ask, Mr President, that our policy of imposing a tax on fats and oils be supported. You will not only be helping this Community and helping to reform the CAP; you will also be helping to get the money to people in agriculture who need it most.

President. — I call Mr Wettig.

Mr Wettig. — (D) Mr President, ladies and gentlemen, the first directly elected Parliament has made great efforts to reform the Common Agricultural Policy. On taking stock, here in this budget debate, of the discussion that has been going on in the European Community for rather more than a year now, the first thing to note is that we have achieved certain things. In this I am contradicting some of the previous speakers, who do not see the situation in such a positive light. The increase in appropriations for the Common

Agricultural Policy is less this year than in previous years and is also likely to be less next year. There has increasingly been a determination in this House to put a curb on agricultural expenditure. This is shown first of all by the motion for a resolution tabled by the rapporteur for the budget, but also by all the statements made in the debate up to now. However — and this is where those who are insisting on a reform of the Common Agricultural Policy begin to have doubts — apart from the decision on the budget the concrete results unfortunately leave a lot to be desired. It is worth reminding ourselves that many a Member who was as bold as a lion in the budget debate turned tail when it came to the farm price debate. We should also remember this when, in the course of next year's farm price debate, we once again have to discuss weighty decisions and possibly decide on a supplementary and amending budget. When we shall see what the mood of the House is and now the groups actually vote.

The unfortunate fact is that own resources are getting even closer to their upper limit than last year. The danger of the Community's turning into a device for financing the Common Agricultural Policy is becoming increasingly clear. If we look at the state of reform discussions so far, we unfortunately find that at present the debate is between two widely separated extremes. On the one hand — and I am sorry to say that this has again come out clearly in certain speeches here — only minor adjustments to the system are said to be needed, while on the other side we have demands for a thorough reform, perhaps even a root and branch reform, of the Common Agricultural Policy.

It is extremely difficult to define the position of the European institutions responsible for dealing with these questions.

If we look very briefly at the position of the Council of Ministers, the conclusion is that it is beating about the bush on this question and is too hemmed in by national modes of thought, which is not just due to the fact that its decision-making process is considerably hampered by national elections and frequent ministerial changes. As for the position of the Commission, we have seen in this past year that while it gives a lot of thought to the problems and makes a lot of proposals, the final assessment must be that it has so far only shown that it is incapable of taking a major step towards reform of the Common Agricultural Policy...

(Applause)

...and this shows above all in the way it takes automatic adaptation to the position of the Council of Ministers as the guiding principle of its policy. As for the position of Parliament, some things in the discussion of budget questions are certainly to its credit and there is clearly an overwhelming majority opinion in Parliament that far-reaching reforms are necessary. But on reading the actual proposals one gets the impression that in many cases this is nothing more than a cosmetic operation: the Common Agricultural Policy is to be given a face-lift, but any treatment to restore the health of this seriously-ill patient is put off.

Wettig

I think we in this House must be clear in our minds about the effects of further procrastination on reforming the farm policy. No one will give this Parliament any further support if it fails in its duty with regard to the call for a reform of the Common Agricultural Policy. The widespread anti-European feeling in the Community — including in my own country — which, because of the financial problems stemming from the Common Agricultural Policy, it is already impossible to ignore, will spread even more if Parliament does not manage to make a clear proposal for reforming this policy. The people and taxpayers of the Community will ask us how the Community can justify the way thousands of millions are spent each year on surpluses which no one can or will consume. The surpluses, ranging from butter, skimmed-milk powder, beef or cereals to tobacco, have to be disposed of on the world market at knock-down prices because they find no takers in the Community. We cannot hope for sympathy if in two years time or less expenditure on agriculture takes up the whole Community budget, leaving nothing for the fight against unemployment, energy policy or other tasks. If this policy is to be changed, there is no time for clever little tricks.

Here I should like to comment on what various Members have said in this debate. One of these clever tricks is the demand, which has been put forward again here, for a levy on fats and cereals substitutes, otherwise commonly known as the margarine tax. This is the third time in a few months that the dubious attempt has been made to use this new tax to reduce surpluses of butter, cereals and skimmed-milk powder and find additional income for the budget. Back in the debate on the motion for a resolution tabled by Mr Davern and Mr Buchou our Group declared that for various reasons, which were partly connected also with foreign trade policy and development policy, it was not in a position to subscribe to such proposals. But there are also serious economic reasons, connected with agriculture itself and consumer policy, for rejecting this tax on fats. This measure will clearly lead to dearer feedstuffs for dairy cattle, but it should also be pointed out to the layman that feedstuff prices will also rise for pigs, poultry and egg production, leading to price increases of at least 5%. Prices will rise by at least 5 to 8% for low-cost oils and margarine. All the experts in the Community agree on this, and yet it is being proposed, although everyone knows that it will not make butter cheaper or reduce the surpluses. All it will do is to boost budget income, without making any real difference to the problems. Such a decision would have a devastating effect on Parliament's standing, and it will therefore be impossible for us to agree to it. This budget is a transitional budget. As was already clear from the debate on the 1980 budget, this budget cannot do anything to change the Common Agricultural Policy. We must, however, use this transitional budget as a breathing space, a time for reflection, so that next year a budget can in fact be adopted on the basis of a well-founded Common Agricultural Policy. Otherwise we shall get into a position where in 1982 we shall only be able to finance compulsory expenditure for the Common Agricultural Policy. That would clearly be the end of any pretence that this Parliament takes itself at all seriously.

President. — I call Mr Brøndlund Nielsen.

Mr Brøndlund Nielsen. — (DK) Mr President, it can be noted that the Liberal Group's attitude to the proposed amendments and to the budget is one of marked reticence in respect of expenditure policy. There are several good reasons for this. Let me say that this attitude is shared by all of us in the Liberal Group, but let me also add that I personally am so concerned about certain trends that I am very inclined to call for a complete halt to the Council's proposal while wishing also to see further cuts in it. However, there are wider issues involved in this debate, and I would like to make a contribution to furthering the common European cause by supporting individual items which I consider important, for example development aid, which I believe should be increased on a Community basis. But I must also add that it will be no help at all if we later learn that development aid in the form of foodstuffs — amongst the most valuable forms of aid — is to be entered as specific extraordinary agricultural expenditure. Such aid is also something which from time to time is attacked as one of the forms of agricultural expenditure to which there is such sensitivity in some quarters. Perhaps here I might be allowed to add a simple observation, since we have discussed the problem of hunger in the world and since we have also often discussed aid in the form of dairy products and dairy technology which we extend to the Third World. Some people think that such aid is not useful. A week ago when my country's Prime Minister was in India I noted to my delight that the Indian Prime Minister, Mrs Gandhi, specially emphasized and stressed the great value of our various forms of aid to India, particularly our aid in the form of dairy know-how and milk products, because, as Mrs Gandhi said, these were good, balanced foodstuffs, and in some places in India people were suffering from undernourishment and malnutrition, especially children. Mr President, I mention this because I think that this is very topical in that it confirms some of the things we have discussed many times here in this Assembly, and in any event it concurs with my personal view and my view as rapporteur on hunger in the world and how to combat it.

But let us return to the question of the Community's budget. My basic attitude here is quite clear in that I think that the greatest possible economy must be practised. Undoubtedly this is the viewpoint which should be borne in mind during the deliberations within the various institutions which will now continue to work on the 1981 budget.

I said that there were several reasons for my holding this view and for my stressing the economy aspect: one reason — and this is the section of the budget we are discussing here — is concern for the Common Agricultural Policy. As you know we have an explicit and elaborate agricultural policy based on the Treaty and if, as some fear, we soon reach the ceiling of the Community's own resources, this will mean that the Treaty cannot be respected in some of its most detailed and specific provisions. That would be a very critical matter for the Community.

Brødlund Nielsen

The coming negotiations on agricultural prices must produce considerable increases. Farmers' incomes have a lot of ground to catch up in the Community. I am fully convinced that the objective calculation of increases in costs, adjusted to take account of production increases, will show that there are several years' accumulated need for a marked increase in agricultural prices. This will be absolutely necessary if the Community's agricultural policy is to continue in existence.

Special mention has been made in the debate today of the agricultural problems in my country, but the same applies to farmers throughout the Community, who are being hard hit by increased costs because foodstuff production is labour-intensive and because, as a result of the slow capital turnover, agriculture has been badly affected by the high interest rates. It is clear that an occupation which by its nature has a very slow capital turnover because of the seasons — just think of the investment in a combine harvester — will inevitably be hit very hard by the enormously high interest rates prevailing at present.

In connection with what was mentioned about the situation in my country, I would like to point out that, when very many Danish farmers — and amongst them many young farmers — get into difficulties, this is because they simply acted in accordance with the expressed aims of the Community's agricultural policy — i. e. they have invested in compliance with EC regulations under the five year development plan which was designed to build up efficient family holdings. This they did, and the EEC supported them, while in addition the farmers concerned invested a lot themselves at an interest rate which is now much higher, and for this reason it is particularly those farmers who complied in this way, who were and are the target of the EC agricultural policy which aims to be able to produce good and plentiful foodstuffs for consumers efficiently and cheaply, who are today hit so badly and whom we must offer more realistic prices.

Mr President, there are also other reasons why I insist on great economy in the budget. I can only mention them briefly. Let me say that generally I am a strong supporter of economy in the use of public funds and of cuts, and I believe that it is a fundamental political mistake to think that one can avoid all conceivable problems by increasing public expenditure. I must unfortunately refer here again to my own country as an example — and I say unfortunately. There is at present in Denmark a tendency to think that one can solve any problem whatever just by increasing public expenditure; some noble declaration of intent is incorporated in a law and then the State's money — or rather the taxpayer's money — is pumped out. That is completely misguided. To remain sound, every society must see to it that, in many cases, the people themselves shoulder their own problems and feel responsibility for them. For this reason I would caution against the trend which is now becoming evident here as well and has been for some years, namely the belief that, by setting some idealistic goal and by earmarking large appropriations, any social problem can be solved. That is a totally mistaken view. This is another reason why I favour economy in the Community budget.

Finally, concerning this section on agriculture, may I say that it is crucial that we do not get into a situation in which, within half a year, we sabotage the only fully-fledged policy in the Community, namely the Common Agricultural Policy. If we do, then the Treaty itself will be threatened. Our fears will have been realized: if the most advanced element of the Community is destroyed, the Community itself will be destroyed. The fact is that even today we have major problems in the Community. We should not forget this. Because when we see that agricultural expenditure is obviously increasing at a slower pace than other expenditure this is put down of course, *inter alia*, to the current efforts to economize within the agricultural policy.

And what kind of economies are these? I must ask if what we are sometimes witnessing is not an anti-Treaty policy — and I might add, a policy contrary to the adopted regulations. At present we have a situation where pigmeat and beef prices are 80–85% of the guarantee price. Is this in accordance with enacted regulations? Can such a policy be permitted? I am just asking!

I mention this as an example of the fact that we have already gone so far with these cuts we have pursued this tough line in the agricultural policy vis-à-vis the farmers for so long that there is perhaps a definite risk that that very valuable asset for the Community, but also for man's daily existence namely our good, secure and plentiful supply of foodstuffs, may be threatened in the future if we damage this Common Agricultural Policy. This, in my opinion, is what we should bear in mind first and foremost during the budget discussions, where there is so much talk of the possibility of the Community's resources running out, and of this important sector consequently being threatened.

President. — I call Mr Fanton.

Mr Fanton. — (*F*) Mr President, there are two ways of looking at the agricultural budget as it has been submitted to us. The optimistic way is to say that the relative decrease in the agricultural part of Community expenditure means that the Community is more in control of its agricultural expenditure. The other, more pessimistic way, is to say that this cutback — for that is what it is — threatens the future development of the Common Agricultural Policy.

For our part, we merely say that this agricultural budget is one of austerity, and that whereas there may be something to be said for this there is also a risk that it may lead us in a direction of which we would not approve. We cannot forget that the Common Agricultural Policy is in fact the only common policy which has been implemented by the Community.

When I hear in this debate we have been having since yesterday, people calling for an energy policy, a transport policy or a research policy, I would like us to remember that the Common Agricultural Policy has the merit of existing,

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and we should try to preserve it, for it demonstrates the Nine's ability to control their destiny in such an essential field as feeding people. Yet, as you see ladies and gentlemen, the reality is quite different. The Common Agricultural Policy is threatened in two ways — firstly, in a practical day-to-day way, so to speak, by what I would call the ill-conceived dispute about agricultural surpluses, and then in a more pernicious, lasting and I might almost say ideological way by a Malthusian conception concept of what European agriculture should be.

Let us look first at the dispute over agricultural surpluses. In order to discredit the Common Agricultural Policy, speakers in this Chamber frequently invoke the surpluses, particularly in the dairy sector. Visions are conjured up of milk powder and butter mountains and milk lakes and we are told that these are the cause of all our troubles but with no explanation of why we are in this situation. We tend to forget too easily that surpluses are variable. May I simply remind you of two figures. The amount of milk powder in stock in the Community is now only a quarter of what was in stock three years ago, and even the butter stocks have diminished to a large extent. I be talking in a moment about other products which we were told were in surplus, and of which there is now almost a shortage.

Dairy products are accused of being the cause of the European Community's misfortunes; but can one say that the Community — the Commission and the Council — or indeed any of us have a consistent policy in this field?

For example, New Zealand has just been granted privileged butter import quotas with reduced levies, so that in the next three years 90 000 tonnes of butter will enter the Community. May I venture as to say that no one now claims that the Community needs butter? Perhaps this is a political gesture. It is certainly not a consistent policy!

Similarly, vegetable fats are allowed to enter the Common Market freely and without duty. Some of them are direct competitors of butter while others play a part in the development of the dairy industry in the Community. Thus the Community imports 56% of the fats it consumes. This is true of soya, for example. Just now I heard an honourable Member say that we cannot take measures of this kind in respect of products for developing countries. However, 82% of soya comes from the United States and no one can claim that the United States is a developing country. I think they have been developed for a long time.

Imports of manioc have doubled in five years. Everyone knows that most of the companies which cultivate manioc do not belong to the developing countries, but are European companies which have established themselves there to import cassava and process it.

The Community has imported 2.5 million tonnes of maize gluten this year and will probably import double that amount next year. Where does this maize gluten come from? First and foremost from the United States. We are a long way from the developing countries!

Thus, Mr President, ladies and gentlemen, in every case a real policy on fats is urgently needed. In this context, I would remind you that in 1976 a regulation envisaged this, as it contained provisions both for co-responsibility in the dairy sector and for levies on vegetable oils and fats. One of these things has been done, but the other has been forgotten, and we have difficulty in understanding why consumers were mentioned just now. Could someone tell us what benefit consumers derive from the agricultural policy as it is at present — I refer to the indulgence which is shown towards soya, manioc and maize gluten? Do consumers really benefit from this? Not in the least!

The farmers, the Community and the Community taxpayers all pay the price, for what is the difference between a consumer and a taxpayer? None. The only difference is that the one pays direct taxes and the other indirect. So, because of the refusal to establish a policy on fats, a policy of generalized co-responsibility is regarded as a suitable alternative, as if it could take the place of an agricultural policy. Let us not delude ourselves. The imposition of co-responsibility levies on small products can only have the following effects: first, the producer tries to pass it on to the consumer, and it is the consumer who pays in the end; if the producer cannot do this he will increase his selling price — where it is easy to do so — or increase his output or his productivity. The small farmer tries to acquire an extra cow, whereas the industrialized dairy-farming plant tries to import more manioc, soya and maize gluten, without worrying too much about true agriculture.

If by chance the levy is applied to a product which has become scarce, it becomes simply an additional source of income for the Community, and the need to restructure agricultural policy is ignored.

Finally I would like to mention that only a short time ago we were being told that sugar was in surplus and was costing the Community a great deal and yet what do we see today? Sugar no longer shows any surplus, its prices have gone up considerably on the world market, and thanks to the Common Agricultural Policy the consumers are satisfied, since they continue to pay a price for sugar which is lower than the world price. In addition, Europe makes a profit selling sugar on the world market. One might wonder whether we might not see the same happening with cereals next year. The harvest appears to be good in the Community and less good elsewhere. Who knows what may happen?

But, Mr President, the Common Agricultural Policy is threatened above all — one might say in a lasting ideological way — by the idea that European agriculture must content itself with producing for internal consumption — provided that the products consumed cost less than what it can be bought elsewhere at any time — without thinking either of trying to develop a trading policy, or of playing a practical role in the fight against world hunger, or of making the Community self-sufficient in food.

This threat is reflected in daily attacks on the principles of the CAP. First of all the unity of the market is threatened, in that the maintenance of positive monetary compensatory

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amounts is tantamount to the creation in practice of customs duties within the Community and has an effect on prices, which should be single prices. As for Community preference, I shall not repeat what I said about New Zealand, for example, but one could say the same about Australia — with regard to sheepmeat and butter. Agreements were reached which were meant to be transitional, to enable these countries to find new markets, but in fact they have not looked, and have been content to go on selling to Europe.

The result is that the Community grants high import quotas and low tariffs, and even forgoes the search for new markets to avoid creating competition for Australia or New Zealand on the sheepmeat and butter markets. New Zealand and Australia have now become, in a sense, members by proxy of the common agricultural market. They have its advantages without its disadvantages.

Financial solidarity is threatened both by the proposed generalized co-responsibility on all products and by the application in the Community of the so-called the rule of fair returns, strikingly illustrated by the agreement of 30 May with the United Kingdom.

Mr President, ladies and gentlemen, I would like to remind those who are so concerned about the cost of the CAP that it is only 5% of the value of agricultural production. Is that not a very modest price to pay for the guarantee that Europe will not suffer the shortages found in too many countries and that the European consumer will be regularly supplied at stable prices? Instead of complaining every so often we would do better to give some thought to creating a properly conceived policy for the export of agricultural produce, since outlets exist for a number of products we have the capacity to provide — in Japan, the Arab States the United States and elsewhere.

Inevitably Mr President, one is struck by the extraordinary discrepancy between the concern expressed here about ag-

ricultural surpluses in the Community — which I repeat are often temporary — and the distress caused to so many peoples in the world because of hunger? How could we go talking for long about world hunger if at the same time we gave the impression that we were trying to orientate the CAP in future towards restrictions on production, because we were unwilling make an effort and rejected even the slightest sacrifice? If we followed such a policy, we would be seriously neglecting the interests of our farmers, and we would be standing in the way of progress — for Malthusianism in any field is always a rejection of progress — but above all we would be betraying what should be the destiny of Europe and of Europeans — to bring a message of hope and generosity to the world.

4. Electronic voting system

President. — I should like to remind the House that the electronic voting system will be tested at the end of the sitting.

5. Agenda for next sitting

President. — The next sitting will take place from 9 a. m. to 1 p. m. and from 2.30 p. m. to 5.30 p. m. tomorrow, Wednesday, 5 November 1980, with the following agenda:

— continuation and conclusion of budget debate.

The sitting is closed.

(The sitting was closed at 7.20 p. m.)

SITTING OF WEDNESDAY, 5 NOVEMBER 1980

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IN THE CHAIR: MR MØLLER

1. Approval of minutes

President. — The minutes of proceedings of yesterday's sitting have been distributed.

Since there are no comments, the minutes of proceedings are approved.

Vice-President

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

2. Documents received

President. — The sitting is open.

President. — I have received several documents, details of which will be found in the minutes of proceedings.

3. General budget of the European Communities for the financial year 1981

(Continuation)

President. — The first item on the agenda is the continuation of the debate on the draft general budget of the European Communities for the financial year 1981.

I call Mr Früh.

Mr Früh. — (D) Mr President, ladies and gentlemen, in the absence of Sir Henry Plumb, I should like to begin by making a point in my capacity as Vice-Chairman of the Committee on Agriculture.

Document PE 68.253/fin./Ann. I, setting out the opinions of the various committees, should be amended as far as the opinion of the Committee on Agriculture is concerned. Our committee has decided that points 1 to 69 should not be attached to our opinion, but should instead be used as material for the forthcoming debate on the reform of the Common Agricultural Policy. This is a point we are bound to make in deference to our draftsman, Mr Curry, because the fact is that vital sections of the committee's conclusions are at variance with the preceding explanatory statement.

Following the curious and rousing plea for the Common Agricultural Policy we heard from Mr Fanton last night and with deference to the subsequent speakers on behalf of the Group of the European People's Party, I should like to confine myself to two points.

Firstly, I should like to express our heart-felt thanks to the general rapporteur, Mr Adonnino. In a very short space of time and as a result of intensive cooperation with all the European institutions, he has succeeded in overcoming a situation which, over the last year and the last six months, has been replete with mistrust. He has done a splendid job of work.

He has deftly warded off the initial attempts to get us to reject the budget, and his motion for a resolution is a clear and unambiguous statement of loyalty to the Common Agricultural Policy as the only common European policy as yet translated into fact. He has shown courage in making considerable demands of Europe's farmers, such as the blocking of EAGGF funds by 2% across the board, amounting to 254 million EUA. Here, the Commission is being challenged to repay trust with trust. The Commission had given an assurance that the farmers would not be expected to cough up all this money, but that the idea would be held back as ammunition for the price discussions to form a solid foundation as a starting point for those discussions. Then we have the notorious super-levy, accounting for 175 million EUA — again a major gesture of trust vis-à-vis the Commission. And this store of goodwill

has been laid up without the procedural arrangements being clearly specified. In both cases, the ball is in the Commission's court until the second reading, and let us hope that it will not try to find any disillusioning excuses.

It is a very difficult situation, and I am increasingly surprised at the people here who — knowingly or unknowingly, I cannot tell — deliver speeches calling for a major reform of the Common Agricultural Policy as if they could not listen to reason. One of these Members — and I am referring here to Mr Wetig, my colleague from the Federal Republic of Germany — appears to have set out yesterday to bring about the Great European Agricultural Reform. Talking about this budget yesterday, he referred to the inadequacy of minor, moderate steps or tricks. Is he not aware of the major change that has been made here? For instance, agricultural costs have risen more slowly than the average rate of inflation or the average rise in the general budget. And let us not forget the courageous attempt to bring price decisions into the budget discussions at this stage. Does he not realize what an unreasonable, well-nigh intolerable, imposition it would be to expect farmers to put up with a 20, 30 or even 40% reduction in incomes — and Mr Clinton will be going into this point in more detail later — given that the discrepancy in incomes is already so great? Does he not see what an imposition it is to propose such a measure of self-sacrifice and co-responsibility at a time when other groups are successfully putting forward their various demands without regard to jobs, unemployment, inflation, world competitiveness and zero economic growth?

(Applause)

Secondly, I think all of us in this House need to engage in a little soul-searching. This kind of thing has been going on since 1973 and especially — if I may say so — since the Labour Group made its entry into this House. There is one exception I must make to this remark, however: at Lord Bruce of Donington's time, there was still a high level of debate and genuine appeals to our consciences. Ever since then, we have continually been complaining at institutional level of the level of surpluses, despite the dynamic and substantial reduction in stocks. Many people appear not to have registered that fact. They should have been here to listen to what the esteemed delegate from Senegal said here on the occasion of the debate with the ACP countries: '... spare me your resolutions on world hunger and turn your minds to my people's hunger!' He said that he wanted to hear no more of resolutions, because once the delegates had left the chamber, any resolution would soon be forgotten. If that is not an appeal, I do not know what is. Mr Wetig referred to surpluses which were unmarketable throughout the world. The reason why they are unmarketable, though, is a different one entirely.

Do you think that, because of yesterday and today's election, we can go on endlessly talking about powdered-milk surpluses and percentages, and bother our heads about nothing else — we Europeans who can and must accept responsibility for peace and freedom in this world? No, we cannot hide behind the shield of the 1% ceiling on VAT, as

Früh

many would like to do. The central issue is not agricultural surpluses; after all, important steps have been taken to reduce and regulate these with a major level of participation by the farmers themselves, without regard to their incomes situation.

These surpluses will not bring Europe to its knees. Europe will, in fact, be brought to its knees if the spectre of the 1% VAT ceiling is allowed to continue to hold the lid down on our means of finance. Europe is slowly being strangled here, and that too is a major threat.

(Applause)

Let me say to Mr Arndt and Mr Wettig that, by seeking to implement other urgently-needed policies within this 1% financing margin by cutting the CAP's share of the budget from 70% to 40% and reverting to transfers from national sources to make up farmers' incomes, you are effectively signing the CAP's death sentence. The result will be a thoroughly scrappy job of work, with no legal basis whatsoever, and will in turn mean the end of an economically integrated and politically viable Europe. It is up to you whether or not to adopt that as a political objective; I only hope that no freely and directly-elected Member of this House will espouse such a cause.

(Applause)

Let me conclude by saying that, in a world like this, we cannot afford to squabble over fractions of 1% VAT. The only reason we have resources of our own at all is because there is a legally-based European agricultural policy. We have no resources of our own, and can only spend money because we have this one sole European legality. We cannot use these resources by roundabout political means to go cap-in-hand for money to finance other urgently needed policies. We — the peoples of Europe and this House as their representatives — need a proper, step-by-step, series of regulations regarding energy, research, regional and social policy. A modest transfer of powers — again step-by-step — will not place any additional strain on national budgets. On the contrary, we can counter national waste in these fields by a purposive European approach.

Let me say quite clearly to the Commission that what we need is a courageous political Commission which is prepared to cooperate with a freely-elected Parliament — directly responsible to the peoples of Europe — the European Council, the specialist Council of Ministers, the top national bureaucracies and — and I regret having to make this point to Mr Arndt — our colleagues in the national parliaments in putting up resistance wherever European interests are violated for selfish, short-sighted, national and vote-catching reasons.

(Applause)

President. — I call Mr De Keersmaecker.

Mr De Keersmaecker. — *(NL)* Mr President, ladies and gentlemen, I hope — probably along with a majority of this House — that we shall be able to pass the budget this year in good time. But we can only do so if the budget forms a basis for solving the problems of the European Community. Our wishes concern the retention and development of the Common Agricultural Policy, the Community's only genuine policy of its own, a certain minimum scope for developing policy in other sectors and a more forward-looking policy: the provision of more generous resources for the European Community. As regards the first-mentioned problem, what is proposed is no more than a provisional solution which will at best last no longer than the coming year. That is the best we can hope for it, and then only on certain conditions.

This applies above all to the common agricultural policy, which I should like to talk about now. Firstly, the increase in the Guarantee Section of the EAGGF is only 10.8% — in other words, less than the average rate of inflation in the European Community, which — as you know — is something like 12%. Secondly, the EAGGF accounts for only 66% of the total budget, compared with 73% in 1980. I shall not enlarge on what would have to happen to get the figure down to 66%; Mr Früh has covered that ground already.

Because the Member States refuse to make more resources available to the European Community, there is too small a margin for the inevitable price rises the farmers and horticulturalists have a right to, in turn leaving too little elbow-room in other sectors. Like our spokesman, Mr Tolman, we regret the fact that it is impossible for policy to be developed in other agricultural sectors, because eventually the situation in agriculture will become untenable. Indeed, the fact that there are now greater discrepancies between agricultural sectors, between north and south and between different branches of agriculture, is not primarily the fault of the common agricultural policy so much as of the lack of an integrated monetary, industrial and social policy. That is something we absolutely need as a matter of urgency. But we must make it quite clear here that there is no point in demolishing the only policy we have to replace it by another policy in another field. That will inevitably result in the collapse of the European Community. I cannot believe that this aim is espoused by anyone but those Members who at least are honest enough to admit that they want to see the collapse of the European Community in its present form and with its present political objectives. That does not mean to say that agriculture should not bear its rightful share of the current problems. That is something we have always maintained. But we have also consistently argued that this must be done on certain conditions and that we have certain objections to the proposals of the Committee on Budgets — the Adonnino report — as regards taking up a temporary loan by cutting each of the items in Chapters 6 and 7 by 2%, so as to balance out the inevitable fluctuations in agricultural expenditure. This appears at first sight to be a better proposal than the Dankert proposal of last year, because the yield will remain within the EAGGF and is not limited to the dairy sector. But we have a lot of questions to ask and a lot of amend-

De Keersmaecker

ments to move as regards the Committee on Budgets' idea that the total amount pencilled into the draft budget for the Guarantee Section of the EAGGF should not exceed the amount allocated over the budget year, and that any additional expenditure should be financed by savings within the total amount of credits.

The Commission claims that savings can be made, but what we want to know is precisely what these proposed savings are: they are not clear to us. And what is to happen if these savings prove to be inadequate to cope with the many as yet unknown elements, such as the necessary price adjustments, the production figures and the situation on the world market? For instance, the preliminary draft budget was drawn up in March and April of this year, and we all know what the European Community has had to face in the sugar sector over the course of this year. The relevant figures have not yet been incorporated into the present draft budget. Should any change prove to be necessary, can it be kept within the scope of the Guarantee Section of the EAGGF? Just imagine if we in Belgium had to meet any increase in the cost of unemployment by deducting the money from the funds available for current unemployment benefit. It would be completely inconceivable. Of course, it is possible to give tangible expression to our aspirations, and our aim here must be to formulate a policy for restricting unemployment and to incorporate the financial implications of any such policy in the budget. Should the policy prove unsuccessful, the necessary funds will have to be amended. There is no point in adopting this policy in this way, as the Committee on Budgets' resolutions do; to follow this line would be unrealistic in the extreme, which is why we have tabled our amendments on the subject.

If the farmers are prepared to foot their share of the bill for our Community problems, the scope of the co-responsibility levy must be extended, possibly by an additional levy. In that case, we must put into practice what this House decided last year regarding the application of financial co-responsibility in other sectors like the import and processing of vegetable fats and oils, bearing in mind the conditions set out in my amendment, and as proposed by the Commission itself in 1976. The Committee on Budgets may have reservations of a procedural nature against this proposal, but anyone who takes the trouble to read Article 32 of the same committee's report will find reason enough for the implementation of something which is at present not covered by any regulation.

Reference was also made to consumer protection, but what exactly is the present situation? Legislation already exists in certain Member States, and consideration has been given in Belgium to a tax on margarine, a proportion of which will inevitably be passed on to the consumer, but the whole thing will be outside the European Community's terms of reference, and that is something we should bear in mind.

Finally, I should just like to dwell on something which Mr Wettig said yesterday to the effect that, until we draw a line at further increases in agricultural expenditure, we shall never be able to pursue a sensible policy in other sectors.

What he was referring to was employment and the problem of unemployment in the European Community. This, I feel, is a tragic misunderstanding. It seems to me totally wrong for Mr Wettig to unburden himself of his justified frustration at the absence of a genuine policy in major sectors other than agriculture by attacking agriculture.

Every manjack of us should be proud of the Common Agricultural Policy, not because it is all that perfect — we are aware of its shortcomings — but because it does at least exist, and because it gives a Community framework for the activities of one of the soundest and most viable of our economic sectors. It would be truly masochistic of us not to set the highest possible value on this, or have we no faith any more in the future of the European Community? So it would seem if we fail to make an example of the kind of thing which should be going on in other sectors too. In my opinion, it is up to the European Parliament to make this point clearly and unambiguously and to point the way forward, rather than going any further with this rigidly inflexible policy. This is, after all, the great delusion under which Mr Wettig and far too many others labour in thinking that they can help the employment situation by dismantling the Common Agricultural Policy. The best they can hope for if they continue along those lines is to create still more unemployment.

(Applause from the centre and the right)

President. — I call Mr Clinton.

Mr Clinton. — Mr President, I have listened with interest to the views expressed so far in this discussion. We have had some excellent contributions and indeed many of the things I would have wanted to say have already been said. We have also had contributions that could only come from people extremely far removed from the agricultural scene in Europe today.

We have many difficulties. One of the great difficulties I always feel that we have when talking about the common agricultural policy is our difficulty in trying to operate such a policy in nine Member States, soon to be ten, where there is nothing uniform about the conditions. Whereas in the UK, for instance, a farm of 70 acres is the average size farm and in many areas of the UK 170 acres is regarded as a small farm, in the country I represent 65% of the farms are under 50 acres and some of it is very indifferent land.

We are confronted, as I said, with many difficulties; many constraints and many imponderables in trying to assess or pass judgment on the draft budget before us. Perhaps the biggest difficulty is that the money being provided to finance the work of the Community is totally inadequate. This has been mentioned already by a number of speakers.

At the same time, Members representing every country in the Community are looking for the development of new policies together with the extension or beefing-up of

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policies that have been started or at least exist in name. Everybody sees an urgent need to finance an energy policy, regional and social policies, development cooperation, food aid and a common fisheries policy that is long overdue.

But we are told, illogically, that the countries they represent are not prepared to go beyond the 1% VAT. Those who are pushing hardest to develop these policies are not prepared to wait until the 1% is adjusted upwards. They simply want to wreck the one developed policy that the Community has, by robbing the agricultural budget regardless of the dreadful consequences that would follow if such a decision were to be made.

Last July, in this House we adopted a resolution asking for more transparency in the budget by removing certain items from the agricultural budget such as ACP sugar, food aid, external relations, MCAs and so on. These items are not part of an agricultural budget and it is a falsification to put them into an agricultural budget. This resolution has obviously been ignored by the Commission and apparently even by the Committee on Budgets as well. At the same time, the Commission is telling us that there is too much money in the agricultural appropriations and that sufficient saving can be made to meet any price increases required next spring. The Committee on Budgets seems to be accepting this view.

But neither the Commission nor the Committee on Budgets is able to identify or indicate where such savings can be made without putting many farmers out of business. We have heard a good deal about the need to reduce import refunds or export refunds. This, in my view, would be a retrograde step that would cost the Community money instead of saving money. We must have an active export policy and we must give such a policy the support it needs to be successful. We must never forget the fact that this Community is the biggest importer of food products in the world. This, in my view, entitles us to be active exporters of agricultural products.

You know, it is an amazing thing that some people in this House are more concerned about New Zealand farmers than they are about the Community farmers. We must accept endless imports and we must not export anything at all. We have reached a position where farmers are now being warned that almost every agricultural product is being overproduced and that prices are too high. Yet we know that farmers' incomes has been reduced in the last two successive years and, in my own country, farmers' incomes has dropped by as much as 45% in two years.

This is the situation I have spoken about — the fact that there is no uniformity; that in some countries you have as much as 20% inflation rates; that interest rates are as high as 20% and people have borrowed heavily and are now in a very serious situation. This cannot go on indefinitely without serious damage being done to much of the good work achieved by the Community up to the present time.

I have always found it very difficult to understand why the budget was debated before farm prices were fixed for the year ahead. This was very well brought out in Mr Curry's report. In my view, and in the view I feel of many others, it would be much more logical to determine prices first and then frame the budget. I hope that this will be seriously considered in the future. Farmers are entitled to reasonable prices for their products, and if they do not get reasonable prices, we shall have a return either to national aids or to subsistence-type farming, with all the poverty and hardship this entails.

This point has been reached in some parts of the Community. Farmers under the heavy pressures of input costs, the adverse effects of inflation, the unbearably high interest rates, are forced either to sell out or to cut down on inputs and in some cases are selling their breeding stock and just digging themselves in, so to speak.

I want to say that I am totally opposed to all levies. When we talk about the co-responsibility levy or a super-levy, we are in fact telling farmers that we shall pay them with their own money. We are taking money out of one pocket and putting it into the other, but we are not giving them money. In my view it is nothing more than a reduction in price to say that we shall have to get this out of savings. This is a case, as I see it, of feeding the dog on his own tail. No other sector will accept this sort of treatment and we cannot expect farmers to accept it.

This year's budget is under exceptional strain because of the sizeable sum involved in the British settlement arrangements and, indeed, the money needed for the enlargement of the Community through the accession of Greece. Let me remind Parliament that in 1966, when enlargement was first discussed, every Member State was assured that before there was any further enlargement new money would be provided. That, of course, has gone by the board. I think this is quite a serious situation.

As I see it, we are in grave danger of putting so much pressure on farmers that they will cease to produce enough for this Community. That will be a sad situation. I would say to those Members of Parliament who are opposed to the common agricultural policy: Don't drive people out of the farms and out of the rural areas of the Community and into the towns and cities, because everybody knows that people who have lived their lives in rural situations very often transplant quite badly.

Many of them make a lot of trouble when they get into the artificial environment, as they see it, of a city or large town. And in any case, it is going to cost the Community very much more in the way of social welfare payments to support these people than to give them the kind of prices and conditions to carry on in their native environment.

I appeal to those who have made unreasonable speeches in this House: For God's sake, inform yourselves and get out into the areas and close to the actual position today. There is no other section of the Community that is putting up with a situation where there has been a drastic reduction in incomes in the past two years and where there is no sign of

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this changing and where we were told even by the Commission that the prices they were proposing to give farmers would enable their income to rise, when in fact we know the result — that incomes have gone down substantially.

I must bring what I have to say to a conclusion now because I know that my time is up and I do not want to encroach on other people's time.

President. — I call Mr Colleselli.

Mr Colleselli. — (*I*) Mr President, ladies and gentlemen, allow me first of all to acknowledge, as many speakers have done before me, the effort which the rapporteur on the budget, Mr Adonnino, has made to take account of the basic problem associated with the budget and relating to the Common Agricultural Policy. There was an attempt to use a new method involving consultations especially with the relevant committees and first and foremost with the Committee on Agriculture. This new method, introduced with these worthy and precise intentions, should lead, we hope, to the beginning of a more serious and detailed discussion of the Common Agricultural Policy than that which has taken place recently.

I would like to associate myself with the heartfelt appeal made by Mr Früh, who, I think, wished to point out what should be not only the ambition but also the duty of Parliament — to make agricultural policy a European matter instead of what could be described as almost an extra-European matter. Of course agricultural policy is connected with other very important matters — world hunger and aid to third countries — but if that policy does not have a basis in a clearly-defined European agricultural policy it will be difficult to implement it. I shall speak briefly and resist the temptation, in the few minutes available to me, to outline a broader argument on the budget and agricultural policy in general. A few brief comments, then. We are faced with two deadlines which it is right to take into account when deciding on the present budget.

The first deadline relates to the commitment to discuss, as soon as the budget debate is finished, the basic elements of an updating — some call it a 'reform' — of the Common Agricultural Policy. I think that the situation is such as to call for an in depth examination of the matter, and it did not seem right to us to include such a subject in the normal budget debate.

There is a second deadline — the imminent accession to the Community of Greece, and the forthcoming accession of two other Mediterranean countries, Spain and Portugal. I think that problems will certainly arise as a result of the accession of these countries, but that we have a duty, even in the short-term budget forecasts, to avoid some basic difficulties relating to the Mediterranean agricultural policy, which must not be regarded as a separate compartment but should be considered in the overall context of European agricultural policy if any adequate solution is to be found.

I shall make a few more comments, at the risk of echoing the statements made with such authority by previous speakers. It is totally unrealistic to think of reducing aids for agriculture by savings, by a group of other cuts in the context of the present budget. This is neither a policy nor a serious approach! Even though the subject is a difficult one, it is necessary to stress here once more the argument on own resources.

It has been authoritatively said that the argument on VAT as it has been put to us is unconvincing. But it is not merely Parliament that is unconvinced. The argument has above all failed to convince the main protagonists — Europe's farmers and farm operators, whom we are justified in involving in this discussion. The election of Parliament by universal suffrage creates a direct relationship between us and the electorate and especially with categories of the electorate, such as that of farmers and their associations. I think that one can once more stress here that this is one of the basic principles — involvement and cooperation is not only a psychological fact but also a means of persuasion which will certainly make it easier to solve some basic problems such as that of surpluses.

I do not want to go on at length, but we, who wish to benefit the agricultural sector, should be the first to understand that this problem must be tackled responsibly, and that if it is not solved immediately it will always be the Achilles heel of our debates and of the Common Agricultural Policy. Therefore — and I do not think this is merely my opinion — we must at all costs find a remedy for surpluses by using the means available to us, albeit as gradually as circumstances require. But I must also add that the co-responsibility levy, about which I have serious reservations — even though we may agree on the principle of it, we cannot condone its indiscriminate application, not merely to those who are the chief 'culprits', if I may use the term but also to the lesser ones, i. e. both to the stronger and to the weaker — cannot act as a corrective measure for our Community policy, because it is only a palliative, a provisional measure. It would therefore be a serious mistake to believe that this is the way to remedy the present inadequacies and deficiencies. And it would also be a mistake, in speaking of these areas which contribute to surpluses, not to give serious consideration to one specific conclusion which derives from the rights and duties enshrined in the Treaties in respect of internal and external preferences; we must examine the problem of the marketing of wine, which is encumbered by heavy duties in some Community countries, effectively preventing its export from other Community countries and causing a serious crisis in this sector.

Mr President, ladies and gentlemen, time does not allow me to make further comments. Moreover, as I said earlier, I referred to previous speeches which I can only endorse. We are faced not so much with the choice of a Community agricultural policy, for the choice has been made and has produced results, so that one can say that agricultural integration has been one of the basic factors in European political integration. So it is not a question now of making that choice, which has already been made and which I

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would say has contributed a great deal to the construction of Europe. I think I am not alone in reaffirming that this choice must be maintained, with the necessary corrections and modifications to take account of new developments, for it is undoubtedly a decisive factor for the future of Europe. At this stage, we would be glad to know the intentions and decisions of the Commission on the structural policy measures proposed by the Committee on Agriculture for reform of the Community directives, including the directive on hill-farming areas. We must realize that it is not by penalizing Community agricultural policy and reducing aids, but by clarifying the aims of this great agricultural tradition, that we shall be able to contribute to the economic, social and political development of the new Europe.

(Applause)

President. — I call Mr Bocklet.

Mr Bocklet. — (D) Mr President, ladies and gentlemen, mention has been made of two problems which I should like to go into in more detail: the supplementary budget and the superlevy. The budget debate has so far been characterized by two aspects: the Council's attempts to secure resources for increasing farm prices and Parliament's endeavours to secure a foothold for new policies in regional and social spheres — and a foothold is all it can be in view of the 1% VAT ceiling.

A comment on the subject of supplementary budgets is called for here. The Committee on Budgets is scared stiff about making any correction to its agreed budget, which is why — as point 12 of the motion for a resolution says — it intends to reject any supplementary budget or transfer of resources. Apart from the fact that it is the Commission's right to effect a transfer of resources, the Committee on Budgets is completely ignoring the fact that a supplementary budget is the most natural thing in the world and is an established element in any national parliament. How much more necessary, then, is such an instrument in the Community, where there has to be a wide-ranging control of markets, the development of which is not normally as predictable and manageable by way of the budget as are, for instance, taxation forecasts based on foreseeable economic developments.

It is therefore high time the Committee on Budgets rejected this wrong-headed way of thinking and rid itself of its pathological fear of a supplementary budget once and for all so that we in this House can discuss how to get to grips with the Common Agricultural Policy by way of the budget in a rational and objective fashion. From the point of view of the CAP in particular, a supplementary budget is a perfectly natural and essential means of exerting budgetary control over the EAGGF.

The second problem is the 'superlevy'. We are all aware of, and — I trust — acquainted with the principle of honesty and clarity in the budget. This principle, though, is quite

clearly violated by the 175 million EUA entered in the budget as income from a projected superlevy. Let us be quite clear about this: if we give our assent to this budget, we shall be buying a pig in a poke, because the fact is that no one knows what form this superlevy will take, and it is this element of uncertainty which will place a major strain on agriculture in particular. By voting for the budget at the first reading, despite what I said just now, we protagonists of an agricultural policy hope to highlight the fact that agriculture is firmly committed to putting a stop to the mushrooming overproduction in the milk sector and thus seriously tackling the problem of amending the agricultural policy. This does not mean to say, though, that we are prepared to issue *carte blanche*. We expect that, before the second reading, the Commission will have given us details of what form this superlevy is to take, because otherwise we may just have to rethink our attitude to these matters at the second reading. I think Mr Früh was right to point out that we should demonstrate our confidence in the Commission at the first reading, and that the Commission should justify and not abuse our trust.

There is one further point I should like to make at the end of this debate on the agricultural section of the budget. It is not Community agriculture which is awry so much as the discussion of the agricultural policy. Bearing in mind the essential elements of European policy and last night's events, I think we can now see clearly what the major elements are. By highlighting once again the essential elements of European policy, we shall once again be able to assess accurately the true dimensions of agricultural policy and its problems. In other words, we can be proud to have a Common Agricultural Policy, which does not mean, however, that we should refrain from making changes in certain areas or that the Group of the European People's Party is not prepared to make these changes.

(Applause)

President. — I call Mr Maffre-Baugé.

Mr Maffre-Baugé. — (F) Mr President, ladies and gentlemen, the budget put before us appears unequivocal. That is probably its only merit. The figures illustrate clearly the guiding principles behind its structure: 'Thatcherism', the dismantling of the Common Agricultural Policy and enlargement.

These three aspects sum up the profound changes sought by the Commission. Agriculture appears as a kind of scapegoat which is to be led into the muddy enclosure of free market policy while waiting to be sent for slaughter. It seems to us regrettable and dangerous thus to damage a sector which it had been hoped would be a kind of showpiece. Were we not told that the Common Agricultural Policy had been irreversibly integrated? While I am aware that other sectors of economic activity are also being cruelly hit, I shall confine myself to giving you the reactions of the French farming community to the latest blows it has received.

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Need I remind you that French agriculture has seen its overall revenue decrease by 5% after a long period of stagnation and recession in 1977, 1978, and 1979? Well, what do we see now? In 1979 the agricultural budget increased by 20% in line with the general increase in the budget. In the 1980 we had to content ourselves with an increase of 10.3%, which for the first time was seriously out of step with the budget as a whole. The preliminary draft budget for 1981 proposed an increase of 12%, which in itself is manifestly inadequate and does not permit any catching up — on the contrary, it accelerates the downward curve. But what is more, this 12% is, I insist, an artificial figure if one takes account of the sheepmeat regulation involving 240 million EUA, the appropriations set aside for the accession of Greece and the funds allocated to aid to Portugal in preparation for its accession. Let me remind you of the figures. Cost of Greek accession, 277 million EUA; preparatory aid for the accession of Portugal, 30 million EUA. In the light of this, one can say that the real increase will be barely 7.8%. This derisory figure covers neither investment needs, nor monetary erosion, nor the increase in production costs.

Obviously, to justify this slaughter of agriculture, or at any rate this haemorrhage of its lifeblood, those responsible immediately invoke the world economic crisis and the difficulty and cost of energy supply, and appeal to the spirit of sacrifice of the farming community just as they appealed for sacrifice on the part of the workers.

And yet, if one looks more closely, it is easy to see how things stand. The figures tell us the unadorned truth. 240 million EUA given indirectly as a present to Mrs Thatcher for the ill-conceived sheepmeat regulation which is unfavourable to French production, 277 million EUA for Greek accession and 30 million EUA given to Portugal as aid in preparation for its accession, adds up to 547 million EUA. This is a fantastic figure, and I would stress that it is sufficient to maintain the agriculture of the Nine in perfect health without fear of surpluses, with a will and dynamism which could turn it into a vital modern agriculture, capable of tackling the various problems, especially those created by world hunger. That is why I say there are no surpluses.

But 'Thatcherism' is there, watchful and attentive — although I don't like *franglais*, I hope you will allow me that expression. Without wishing to offend Mrs Thatcher, I would say she entered the Community like a Trojan horse, with a mind full of free market philosophy, and her insular egocentricity made her forget a basic rule of British life — fair play. She is imposing her own rules on a club which she has just joined, and the spineless members of this club give in to her at once or almost at once. The British Conservatives defend their viewpoint as they would defend St George himself, while the continental Europeans give in to the whims of Margaret and not to the whims of Marianne! The farmers pay the price. The Treaty of Rome is neglected, Community preference is undermined, Mrs Thatcher acts as an arm of American policy in Europe, and there is a rush to prepare for enlargement. Money for constructive measures to support the CAP is available only on certain precise conditions whereas the necessary finance is

granted for the untimely accession of Greece, Portugal and Spain.

Thus a dismal future is being prepared for many of us, especially for us Mediterranean producers. It is true that by the time we are fed up with it and anxiously call for explanations, the British Labour Party if they come to power, will have pulled out of this economic hell deliberately created for the benefit of a number of lobbies. Mediterranean produce, whether French or Italian, bear the full brunt of the effects of the general policy. But wine, fruit, vegetables and sheepmeat will be the first victims of this policy.

Thus the principal characteristics of the preliminary draft budget before us are as follows: slavish following of West German policy, favouritism towards Mrs Thatcher, laxity towards third countries and a tough attitude towards farmers and workers. That is the Europe envisaged by your preliminary draft budget with its selective austerity, and this is only the beginning of a downward trend in which producers, in whatever sector they are operating, will be condemned to a hell created by good intentions and full of setbacks. I say this without bitterness, regretting the failure to achieve a human Europe which like you, ladies and gentlemen, I had hoped to see but which has not materialized, since the obvious beneficiaries have been the various lobbies which in the final analysis control Europe!

(Applause)

President. — We now turn to the section of the budget dealing with research, energy, industry and exports.

I call Mr Delors.

Mr Delors. — (F) Mr President, ladies and gentlemen, we all know that the European Community is a trading giant and an economic power; I was about to say that the Community is still an industrial power. But will it remain so in the face of the present challenges — the rise in energy prices, the aggressive trading policy of Japan and the United States, and the appearance of new competitors, starting with the countries of South-East Asia, to be followed tomorrow by the economies of Eastern Europe or Latin America, not forgetting the new wave of scientific and technical progress.

Faced with this situation, the main features of which were apparent as long ago as the start of the seventies, the Community is doing little, whenever it is not actually powerless. Since the declaration adopted by the Heads of Government in Paris in 1972, how disappointing the results have been! As you will remember, on that occasion our leaders thought it necessary to provide a single industrial base for the whole of the Community.

There followed an ambitious and full programme, but reading it now is a good indication of the gap between words and actions. One may well wonder whether the

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same will not happen to the more recent declaration made in Venice by the European Council last June, in which it affirmed the vital importance of joint action on energy.

Need one say more? The omissions from the 1981 budget in the industrial and energy sectors are more revealing than any lengthy argument. In fact our governments are building a Europe of words and motions, but as for the rest, let us hope — since hope springs eternal — that the Council of Ministers will attach as much importance to the latest Commission proposal on energy and economic policy as they deserve.

But to return to the industrial sphere, the European Parliament could have proposed, as some of us did last year, the token entry of appropriations or a reserve. This gesture would have been symbolic while not involving any actual expense, and in fact it would not have been very sensible since the 1981 budget is a transitional budget before the necessary redefining of the rules governing relations between Community countries.

It takes time to get back to such rules, which have been so undermined in recent years by the Luxembourg compromise and the 'British Deal' that their failure to function is one of the reasons for the paralysis of the Community. No, it is the governments which we must convince — each of us in his own country as well as in the European Parliament — whenever there is a major debate on industrial matters.

That is why today we intend only to draw attention to a few points which we Socialists consider essential. First and foremost, is — as some claim — a large market of 280 million consumers enough to give the necessary stimulus to modernization and innovation in European industry? The reply must obviously be in the negative, as the experience of recent years shows. In the last part-session I already stressed the lack of foresight displayed by the European institutions, particularly the ECSC, from 1972 to 1976, not forgetting the scandalous and inexplicable delay in financing social measures in the steel sector.

I could also mention the escalation of national aids, particularly in the shipbuilding industry, where the Commission is always one step behind in its attempt to harmonize these aids. The depressing results are there for all to see — the failure of a system in which the free market is credited with every virtue. But this does not prevent all the Member States including the one which sets most store by the market economy and liberalism, from aiding their own industry by various and frequently underhand means.

Next, need I remind you that the free market is blind. Its current pricing system does not reflect the needs of the future. That is why incidentally, the large companies make medium- and long-term forecasts. That is why the Socialists demand that the Community should make an effort at forecasting and medium-term selective planning.

The Commission has to some extent set an example by designing and then proposing a joint strategy in one of the es-

sential fields of the future — the new information technologies. The matter has been before the Council for several months, but it shows no eagerness to deal with the matter. The Committee on Economic and Monetary Affairs has tabled an oral question with debate, but I have the impression that there is no desire to reply to it or even to include it in the agenda.

Meanwhile, we have continued to be reasonable, since we have merely proposed the reinstatement in the budget of a modest amount — 1 million EUA — so as at least to avoid putting a brake on the work of the Commission on research into problems of telecommunications, microprocessors and telematics.

Finally, will it be enough, assuming that it is really desired — and I have doubts about that — for the Nine to have a more consistent and aggressive attitude on external trade? Such a development is essential, ladies and gentlemen, particularly in the face of hidden dumping or protectionist practices used by the United States, for example, for synthetic fibres or by Japan for cars.

But, since I have mentioned the motor industry, who can deny that Community initiatives could facilitate the essential cooperation among companies and encourage research and innovation, which could make the European motor industry more competitive and our models more attractive.

In these circumstances, for heavens sake let us not waste time on quasi-theological discussions of industrial policy, with their background of attacks on planning, since everyone practises planning. Let the government which has never aided its own industry throw the first stone! Enough of this hypocrisy!

No, what is at issue is the climate of growing scepticism towards any European action which can be felt among all our Ministers and national civil services. It is also this perverse attitude of 'every man for himself', this suicidal idea in the minds of many national leaders that they will be able to manage alone in the face of the formidable challenges I have mentioned, like drowning people who cling to each other in the hope of coming out alive. Such short-sightedness is appalling.

The European Parliament must take on the task of breaking up this pernicious consensus and proposing joint policies and actions reasonable and realistic enough to make governments and top civil servants face up to their responsibilities. In my view, the first test will obviously be the inclusion of the appropriation for ECSC social measures.

Meanwhile, ladies and gentlemen, the gap between the Europe of words and the Europe of action in these vital fields of energy and industry is so great that I can only sound the alarm once more. The scepticism of governments is combined increasingly with the indifference or even the hostility of public opinion. The inadequacy of industrial response is already increasing unemployment and

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threatening even more the future of our young people. If the art of government is to foresee, as Pierre Mendès-France used to say, then the activity of the Community over the last twelve months, and the 1981 budget which typifies it, are a condemnation of the European Council and the Council of Ministers. And if this stagnation continues, we can expect the European trade giant to totter on its industrial feet and the Community to be reduced to an association of trades infiltrated by external products and technology and therefore no longer able to play any role in world affairs.

Recently, to judge by the European Council and its efforts at political cooperation we have had the impression that Europe, hitherto a political dwarf, wanted to become a political giant. Let me put this question to you: is it possible to strive to become a political giant while reverting to being an economic dwarf?

(Applause)

President. — I call Mr Herman.

Mr Herman. — *(F)* Mr President, I shall not take up the points in Mr Delors' speech, with which I very largely agree. I would like to use my four minutes to address Mr Tugendhat, who took advantage yesterday of the absence of legal bases to reject certain budget items which we would have liked to include, particularly in the energy and economic fields.

I would like to tell Mr Tugendhat that his attitude is particularly pessimistic and difficult to accept. Indeed, it is true that in some cases — much rarer than you think — it is necessary to obtain a regulation from the Council.

It is true that such a regulation is not always easy to obtain, but that is not sufficient justification for saying that the budget items must not be included, and there are three reasons for this.

The first is that the new Commission will perhaps be in a position — at least we hope so — to make more valid proposals to the Council than the old Commission, particularly in the energy field. And it is not a foregone conclusion that the Council will systematically reject good proposals which are in the interests of the citizens of Europe — interests which are not always taken into account in high places.

The second reason is that in the specific case of energy a political will was manifested at the European Council, of which you are not the faithful servants, and we would remind you — both Commission and Council — of the urgent need for action in this field.

Thirdly, we must avoid giving the Council this extraordinary pretext which enables it each time to reject a regulation because there is no budget entry. With a budget entry you will put all the responsibility on the Council for reject-

ing intelligent proposals which are in everybody's interest. So we cannot accept your attitude. Allow me to make a comparison. If the Commission is a football team, we, the Parliament, are simultaneously the supporters, the manager and the trainer. The goals must be scored on the Council table. The defenders are the COREPER. You must fight to score goals without making the excuse that the defenders are strong. You must get your jersey muddy! Let those who refuse to do so go back to the changing room!

That is what we, the elected Parliament, tell you. We have already shown that we can express our will by rejecting the budget. You must realize, Mr Tugendhat — and it is said that you may well be in the new Commission — that Parliament will not tolerate indefinitely and without reacting the failure to make the proposals which must be made and the Commission's falling short of its obligations under the Treaties.

President. — I call Mr Purvis.

Mr Purvis. — Mr President, there is a danger in the way we consider and decide the Community's budget that we get so immersed in administrative detail, pet projects and sexy-sounding schemes that we lose sight of the budget's political and economic function. That, I think, is what Mr Delors was facing up to and I, like Mr Herman, would agree with him. There is a tendency even in this Parliament to take unrealistically grandiose views. Sometimes we tend to the highest common factor rather than the lowest common denominator. But this is nothing compared to the capricious, opportunistic and cynical approach of the Council of Ministers. Perhaps the ministers should be seated in a bus one behind the other so that they can more easily scratch each other's backs, while their driver careens down a narrow street towards a T-junction scattering citizens into the gutter and making provocative gestures at the policeman who advises that a fundamental change of direction is desirable if they are to avoid disaster. From what the Minister said on Monday night, can I take it that he has seen that policeman, that he has perhaps recognized the worth of his advice and will be prepared to come to some reasonable compromise?

Does the Council's draft budget, as it now stands, show any sign of facing up to the most pressing political, economic and social problems of the Community? No. Its prime concern is to get the British rebate through, get the French farm prices through, keep Germany's contribution to the minimum. As Mr Delors said, it is everyone for himself. In order to achieve this what suffers? Energy suffers despite a patent crisis of worldwide economic and political significance about which heads of governments are wont to pontificate repeatedly. Social policy suffers despite a tragic waste of human resources as unemployment in the Community rises to the 7 million mark. Regional policy is hit as the less-advantaged parts of Europe suffer disproportionately in the cold winds. Overseas development suffers as the third world reels and threatens to bring us all down in a

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political and financial disaster that could make all our petty worries quite irrelevant. These subjects will be dealt with in detail by many of my colleagues.

I should like to touch on one particular aspect, namely, the problem of unemployment, in particular the problem of youth unemployment and the need to help those who lose their jobs in mid-career to move into new positions, to be trained and re-trained and assisted in the matter of mobility. The economic imperatives are obvious, not to mention the social imperatives.

As unemployment increases, the social transfer payments are a burden on those still in employment and on corporations that are still in production. One risks a downward spiral in demand and investment and hence in corporate profits, jobs and also in taxation revenue.

This situation demands some sign of concern, some signs of a positive and urgent attitude on a Community-wide basis. Not only is there no positive sign from the Council; the signals are wholly negative. Cut, cut, cut and procrastinate so that the sacred cows can go on grazing contentedly! The growing recession and the unemployment that goes with it are Community problems, exactly the sort of problems where Community solidarity is so essential. If the European Community has a future, if the Council of Ministers has any philosophical, idealistic, political, even just pragmatic commitment to the European Community, this is where one would expect to see a sign. What more positive sign could we contemplate?

I would be so bold as to suggest that we should be prepared to share the burdens of unemployment not negatively but positively by helping new industries to develop, by helping older industries to adapt, by assisting people to change and adapt to the new requirements of these industries and by easing their mobility. That is why this group will support the amendment put forward by the Committee on Economic and Monetary Affairs and the Committee on Energy and Research calling for help for the textile industry, for information technologies, for the wind tunnel, for the clothing industry, for industries undergoing a restructuring crisis, such as ceramics and so on. Not everything requires enormous finance. Coordination at EEC level is often all that is needed in order to make the benefits of scale available to all. Small amounts may be needed to prime the pump, and that is the essential function of these monies.

We have the bare basis of a social policy, restricted and circumscribed as it is. We have a regional policy which the Council intends to cut in real terms this year. We have an energy policy and some research which seems to mean the European patient most often receiving placebos at the bedside while the scalpels sharpen in the anteroom. The time is right for a major Community initiative to meet the daunting problems facing us, especially the economic and industrial problems. This draft budget does nothing to meet this. It is not an economic or a politically inspired document. It is a blatant trade-off of short-term national interests. It is therefore in my mind a cynical abrogation of responsibility. Parliament, despite the provocation and despite its dis-

appointment, has been approaching its work in a responsible way. It could be said that our budget amendments do amount to a lot at this stage, but this group has counselled realism and caution. I feel sure that Parliament as a whole will translate all this into the minimum necessary for the Community to remain credible.

Is it too late to hope or too much to expect that the Council will also show some measure of responsibility, that it will meet Parliament more than half-way and meet the Community's pressing needs more than half-way? I would implore the Council to approach the conciliation process in a positive, Community oriented frame of mind.

(Applause from the centre and from the right)

President. — I call Mr Frischmann.

Mr Frischmann. — *(F)* Mr President, it is already more than a year since our colleague Mr Damette denounced in this Parliament the financing through the EEC budget of intra-Community trade in coal. He showed in particular that certain Commission proposals had the effect of making France finance German coalfields to the tune of 20 million EUA and that these subsidies facilitated the import of German coal into France.

At the same time, the French Government continued its policy of closing down pits and therefore refused the financial support needed for the maintenance and development of coal production. And this attitude has not changed, as is shown by the need to carry on very bitter struggles in France, such as that of the miners who have been occupying the Estival pit in the Gard for seven months, or the great demonstration by miners from all over of France held in Paris on 24 October last.

But far from going back on such a misguided policy, so destructive for large regions of France and the people who live in them, the same policy, introduced under the aegis of the ECSC and favouring foreign coal, is included yet again in the EEC budget for 1981.

Indeed, a present of more than 5 000 million francs is being given to the United Kingdom under the Regional and Social Funds. This represents — and we associate ourselves with the miners in saying this very strongly — a new and very serious sell-out of the national interest by Mr Giscard d'Estaing, which is also very keenly felt by French taxpayers.

A new and terrible blow has also been levelled at the French coalfields. The EEC Council of Ministers has in fact agreed that this money should be used among other things to open coalmines in the United Kingdom. You will never be able to explain why France is the only country where pits are being closed at the very moment when the virtues of coal are being rediscovered as a result of the energy crisis. The French miners will never accept the attitude of the French authorities who, after reducing coal

Frischmann

production by three-quarters over the last thirty years, are now destroying the rich mining potential of France by accepting that French contributions should assist German or British coal production, when there are enormous reserves in France which would last for more than a century. We believe, therefore, that these miners are right, and that is why they can count on decisive action by the French Communists and Allies in support of their struggle to defend their jobs and their mines.

President. — I call Mr Calvez.

Mr Calvez. — (*F*) Mr President, ladies and gentlemen, many things have already been said on the energy and research budget, splendidly presented to Parliament by the draftsman of an opinion, Mr Galland. I shall stress once more the urgent need for an effort by the Community to make the Member States less dependent on external energy supplies and to endow them with technology which can be applied by their industries.

Our supply of crude oil is vulnerable. A continuation of the war between Iraq and Iran would have serious effects on oil supplies to Europe, and any price increase decided on by OPEC means thousands of millions of dollars added to the Community's oil bill. Community aims can be achieved only by considerable investments, often too great to be borne by one Member State and in any case too costly for the private sector on its own.

In order to guarantee itself a long-term supply, Europe must make as of now, substantial investments which will become profitable later. Today we all know that oil prospecting requires increasingly refined techniques, which of course become more and more expensive, such as off-shore drilling. These costs range from 50 000 to 5 million dollars.

We all know that the risks are particularly great, since on average one bore-hole out of five turns out to be unproductive. But these risks must be taken, since the quantity of oil yet to be discovered is reckoned to be at least equal to that already discovered. The demand for oil will rise to about 65 million barrels per day by the year 2000. How can it be met except by granting substantial credits for prospecting technology? And the factories cannot be expected to run on solar energy and biomass! The same is true of coal. If we wish to attain a production figure of 250 million tonnes oil equivalent by 1990, the investment needs each year will be about 2 000 million EUA.

The 150 million EUA proposed in our amendment obviously appears very modest in comparison with these sums; but this financial aid is far from negligible in that it would contribute to the implementation of projects financed by Member States or private companies. We wish to make clear that there is no question of taking the place of national action. Some may object that the financial effort is not in proportion to the energy produced, but one must bear in mind that the importance of new energy sources and nu-

clear energy should not be measured in tonnes oil equivalent, but in economic and social terms, since among other things they help to create the new jobs advocated by all the Members of this Parliament.

Mr President, we are very well aware that energy projects in all these fields are larger, more long-term and more complex than other industrial projects. Energy investments carry lower rates of return and longer pay-back periods. We must seize the opportunity offered to us at European level by limiting and sharing the political, economic, technical, commercial and financial risks entailed by such investments. The Liberal and Democratic Group therefore thought the time was ripe to propose additional appropriations, and we were supported by almost the entire Committee on Budgets, only three members of which abstained.

The Commission must surely give us its support, since our proposal follows its own recommendations. Indeed, it decided that the additional investments for alternative sources of energy and energy saving should be between 50 000 and 100 000 million EUA, stating that this additional expenditure should be committed at the beginning of the eighties and that the results should also be achieved in the present decade. In conclusion, I would say that the Council has sketched out certain aims, and the Commission has made proposals in this direction. It only remains for Parliament to face up to its political responsibilities. The Liberal and Democratic Group has faced up to its own responsibilities. I ask the Members of this Parliament to provide the budgetary means for carrying out a common energy policy, and I also ask the Council to think about it very carefully, for we are convinced that each Member State will find it worthwhile.

(Applause from the right)

President. — I call Mr Turcat.

Mr Turcat. — (*F*) Mr President, ladies and gentlemen, insofar as the budget should be the expression of a policy, I think we would all agree that the budget articles and chapters relating to industry give rise to some important questions. And yet the courses of action open to us are not merely budgetary in character, or rather we should not consider them in the light of the budget alone. Encouragement, example and guidance, aid for specific purposes which generates other benefit can be effective if they stem from a well-defined policy. Do we have such a policy? I'd like to take a rapid look at our energy policy, and a rather closer look at our industrial policy.

As regards energy policy, we have a definite aim — independence. Enough has been said on this point and I have nothing useful to add. Even if our institutions disagree on the amounts to be allocated to energy, at least we are united in our aims.

Turcat

In the field of industry, however, it is difficult to detect any real policy: the budget is so meagre that the figures scarcely bear mentioning. Here, for example, are the total payment appropriations in the articles in chapters 3.7 and 3.9 on industry and advanced technology respectively: preliminary draft — 9397000 EUA: draft — a total of 6277000 EUA, which is the same as the sum allocated in Item 6821 'Aid for preserved pineapple', i. e. 0.3/1000 of the budget! The figures for the other industries, with the exception of steel, are: preliminary draft — 5100000 EUA: draft — 2900000 EUA. This certainly provides food for thought. But perhaps it is not the most serious problem, because there is certainly no point entering large appropriations in the budget if you have no idea what to do with them.

In our view the most worrying aspect with respect to the period 1980 to 1990 is the lack of guidelines on industrial policy. What could we expect, you may well ask. It is, after all, very difficult to lay down a policy for such a wide variety of sectors. We believe that in such cases we must be guided by certain basic principles, and I am sure you will agree on these: industry is the area of employment and activity; the advanced industries which offer the greatest incentive and hope for the future are dependent on research and innovation; an industry's survival depends on its projects and on its market.

These are the reasons why we in the Group of European Progressive Democrats would have liked to see, and now call for, Community measures or incentives specifically aimed at the following four essential areas.

Firstly, employment. This will involve investigations on the ground, with tests on the impact of technological and industrial developments on employment, particularly the inevitable advance of automation, and analyses of ways of saving jobs.

Secondly, man in the context of his work — one might even say of his enjoyment of his working life. This will entail discussions, campaigns, research work on how new or indeed older technology has affected personal fulfilment and job satisfaction. I could, of course, also mention the very commendable environmental actions proposed in chapter 3.5. But concern for the environment is still in some measure defensive in character, necessary but nonetheless defensive, whereas I am talking here about promotional activities.

Thirdly, research. I am well aware that a chapter has been devoted to this as well, but apart from nuclear research, or energy research in general, and environmental research, the Community is clearly not giving any positive lead.

Finally, as regards the markets essential to the survival of European industry these are barely touched on, nor is the industrial and commercial cooperation necessary to guarantee them. I am referring here specifically to advanced industries.

It is true that cooperation does exist within certain sectors, for example in the aerospace industry. This produced

Concorde and more recently the Airbus and the new European aeronautical forces; nevertheless a European consumer market still has to be built up. The European Space Agency should now be given a long-term objective, for there is nothing like being involved in exciting major projects. But this sector is an exception and there are many others where our nations are indiscriminately trying to capture or recapture national markets which are too narrow, and to find their salvation in alliances, sometimes unequal alliances, across the oceans.

This is what is happening in the field of data processing and electronics, technologies which are already beginning to revolutionize the world and take root everywhere. This then is an area where we must make a particular effort. Admittedly there are quite a few items on data processing, and Items 3701, 3702 and 3704 refer to data processing and telematics, standardization, 'software portability', the definition of standards. In reality beneath these arid terms it is no small matter to draw up standards for a European market. Our purpose in trying to restore some credibility to these articles in our two amendments is above all to draw them to your attention.

In conclusion, therefore, our actions must be centred around three essential ideas: man, work, incentive. If we don't look to these first we can go no further. Our survival depends on research, standardization, the European market, industrial cooperation. I know that the Commission is not blind to this, nor certainly is the Council, but we must insist on the urgent need to take these major initiatives which we shall support here.

Although I am a newcomer among you, ladies and gentlemen, I have in the past, together with the Group of European Progressive Democrats, followed the activities of the European Institutions with a sense of hope. Allow me then, in conclusion, to express my wish that the initiatives, which we hope the Commission will take, will be accompanied by greater concern for these industries on which so much depends. In Mr. Adonnino's excellent report only two lines remained on industrial policy out of all the work he submitted to the Committee on Budgets, and there was no mention of it at all in the first replies given by the Council and the Commission. We do not even have a Committee on Industry. In conclusion, then, even if our budget is meagre, the one thing we cannot do without is a policy.

(Applause)

President. — I call Mr Coppieters.

Mr Coppieters. — *(NL)* Mr President, I have submitted a number of amendments to the budget for the energy sector, the aim of which is probably familiar to most of you, and will perhaps shock some of you. I proposed a reduction totalling about 34.3 million units of account in all appropriations directly or indirectly benefiting the nuclear sector and at the same time an increase of 17 million units of account for 'soft' or renewable energy resources. This

Coppieters

would mean an overall reduction of about 17 million units of account which could perhaps be put to better use in priority sectors, such as the social and regional sectors or development cooperation.

The first reading of the 1981 budget has once again given a minority — I admit, a rather small minority in this Parliament — the opportunity to speak for many millions of our European fellow-citizens who are opposed, on very reasonable grounds, to the excessive and irresponsible expansion of nuclear energy.

With reference to the plutonium cycle I would like to remind you again of the debate on the Seligman report. The plutonium cycle has been very deftly inserted in the budget in what appears at first sight to be quite innocent credit items, since the only reference throughout is to 'safety programmes'. We must continue to fight this, relentlessly and unequivocally — and to this end I have translated the ideas put forward during the general debate on the Seligman report into budget amendments.

Mr President, those among you, and there are many in this House, who cannot accept a moratorium on nuclear energy, will, I hope, be prepared to refuse Community support for technologies which are firstly dangerous and secondly have still not been mastered: technologies, for example, for processing waste matter and those associated with fast breeder reactors. My amendments stem from a view of society which has been presented frequently in reports, such as the Club of Rome report, the writings of Professor Tinbergen, 'L'appel aux vivants' of Garaudy and many others, which have shaken world opinion. I feel therefore that in the energy sector we should concentrate our efforts on an ambitious energy saving programme and on the vigorous promotion of alternative energy resources.

President. — I call Mr Petronic.

Mr Petronic. — (*I*) Mr President, certain budget items have been particularly hard hit by the Council, which has cut back and in some cases withdrawn altogether commitments or payments in the energy and industrial sectors, even though they were singled out as priorities at the summit meeting in Venice. Let me therefore say straight away that we will support all the amendments proposed by the Committee on Budgets which took over the proposals made by Mr Giavazzi and Mr Galland on behalf of the Committee on Energy! These amendments reinstate the original appropriations of the Commission, deleted arbitrarily by the Council, which as Mr Hermann has just said, often used the excuse that there was no regulation. With regard to the energy sector in particular the Council would like to reduce the chapter on 'energy' and the chapter on 'indirect action' by more than 50%. It is true that the Commission has accumulated some 80 unused appropriations, allocated specifically to actions for research and experimentation on the feasibility of alternative energy production processes, but it is equally true that such indiscriminate cuts will affect two major research projects on

energy, and what is more important, on the environment. However, it is even more vital that we save the two 'nuclear safety' actions, which are of paramount importance for the future: I refer to the 'Supersara' and the 'Pahr' (Post accident heat removal) projects. The first of these is intended to evaluate the very serious effects of the fusion of a fuel element in a thermal reactor, and the second to remove heat released after an accident. This work is being carried out, as you know, in the Joint Research Centre at Ispra.

The textile and clothing sector has also been struck unjustifiably hard by the Council's axe, with the decision not to carry out the second EEC-Comitextil programme of scientific research, an absurd decision if we bear in mind that the first research programme which was drawn up, organized and implemented between 1975 and 1977 has been successfully completed. It is even more inadmissible if we remember that the Commission formally submitted the second programme to the Council in April 1979, that the Economic and Social Committee gave its approval and that this Parliament adopted it in May this year. We will therefore support the amendment of the Economic and Monetary Committee which restores 3 200 000 units of account to the budget. If it is not accepted, the future of the textile and clothing industry in Europe will be jeopardized because it will be more difficult, in years to come, to guarantee high levels of production, in terms of both quality and quantity. This will make our products less competitive. Above all, not even the commitment appropriation of 1 000 000 units of account provided in the 1980 budget will be made available. Finally a word on the ceramics industry. The action proposed consisted of one multiannual appropriation of 500 000 units of account. The Council replaced this by the usual token entry. We feel that the original figure should be maintained, because the studies proposed are important for other sectors as well, for example the electronics sector. Moreover, the improvement of technology in the use of clay minerals and ceramics products can be of benefit to a sector in which small and medium-sized businesses are making valiant efforts in the areas of technology and energy conservation. It is imperative that we give them our support.

President. — I call Mr Colla.

Mr Colla. — (*NL*) Mr President, ladies and gentlemen, we are unfortunately condemned to mere arguing and paper-pushing as a means of coping with an economic crisis with millions of people out of work in the Community, and the number of potential solutions is inversely proportional to the number of resolutions. That is the situation facing the Community at the moment, and it is up to this House — and others — to find a way out of this vicious circle, something which will require imagination and courage.

As Mr van Minnen said yesterday, the budget is the nerve of a State, and the same applies to the Community budget. This is the point of pain at the moment, because the Council has touched this nerve, and in particular the Community's energy nerve.

Colla

Unlike the Council, we believe that the budget can be used to develop specific policy guidelines, which do not necessarily have to be mere painkillers designed to alleviate the current critical social situation, but which can have a stimulating effect as well. No-one will deny that, in order to achieve the desired results in this respect and as regards employment, we must give priority to the problems connected with our energy situation. That is why the Socialist Group has identified this as one of its priorities in this budgetary procedure. We are pleased that other groups and a majority of the Committee on Budgets felt the same and share our view.

My Group has therefore tabled an amendment aimed at creating a new item in the budget, providing for interest subsidies on loans allocated under the terms of the Ortolli facility to energy-saving investment projects. I should like to thank the Commission for its favourable reaction as expressed by Mr Tugendhat and Mr Davignon. Mr Tugendhat in particular said that the Commission would do everything in its power to ensure the immediate implementation of this idea. It is also pleasing to note the positive cooperation between the various political groups in the Committee on Budgets, as a result of which it has been possible to create a single package from a variety of ideas in the energy sector. Both Parliament and the Council should realize that there is a direct link between the proposal to incorporate interest subsidies in the budget and the proposal to include a general operational reserve for the energy sector in Chapter 10.4. This means that, if the interest subsidies are rejected, the specific aim of the general reserve becomes invalid, and likewise if the amendment on the energy reserve is rejected, the interest subsidies will fall by the wayside. That is a clear link which both Parliament and the Council should bear in mind.

The Council in particular is faced here with a two-fold responsibility. Will it dare haughtily to ignore a proposal put by Parliament in this field because of our presumption in taking the initiative in this sector? And will it dare to reject a move which promises to bring about a real improvement in our economic situation? I do not think the Council will take such decisions lightly.

Let me say a few words on the thinking behind my proposal. We must be realistic. Everyone says that a Community energy policy is absolutely essential, but at the same time we are all aware that the situations facing the Member States in the energy sector vary greatly, as a result of which it will be very difficult to set up an overall energy policy over the short term. We must make a start in those sectors in which agreement can now be reached, for example, energy-saving. It is impossible to over-emphasize the cumulative effect of a policy like this. Energy-saving will not only have favourable repercussions for our economic situation as a whole — we have only to think of our balance of payment problems — but will also have positive political effects, by reducing our degree of dependence, by improving the environment, by cutting out waste and by improving the employment situation, given that energy-saving will give a boost to a number of industrial sectors. The reason why we have put forward our proposals within the

framework of the Ortolli facility is, firstly, because this places emphasis on priority lending for investment in the energy sector. And let me add that, in the Council's two decisions approving the first and second instalments of the Ortolli facility, Article 2 clearly states in both cases that priority will be given to investment projects aimed at energy-saving. Our proposals therefore accord entirely with the Council's policy. Secondly, a hundred million of the first instalment of 500 million units of account have yet to be allocated, and of the second instalment — a hundred million of which has been earmarked by the Council for housing improvement projects in Southern Italy — there is still 400 million to play with. In other words, even bearing in mind certain preparations which have already been made, there is still plenty of scope within the present package. Allow me to add that, personally, I would not have the slightest objection — quite the contrary — to a Commission proposal to go above the ceiling set for the Ortolli facility next year.

Mr President, I therefore think that what we have here is an important initiative which offers this House the chance to exert more influence over a sector of the Community's lending policy, and where a minimal addition to the budget will enable us — as it were — to use interest subsidies as a small lever to bring larger amounts of money into circulation, and which will in the final analysis give tangible expression to a theoretical programme mapped out by the Community and the Council. We shall only succeed, though, if the Member States submit programmes in line with the Community programme, and if refunds and loans are spread equitably among the Member States.

Mr President, ladies and gentlemen, we therefore commend this proposal most urgently to your attention as a means of bringing into being a specific policy regarding an energy-saving programme. Let me repeat that this is a lever we can use to get a number of balls rolling. Although we appreciate that a general reorganization of our Community policy will depend on a comprehensive reorganization of the budget, we have a responsibility to use this budget as a step in the direction of a structural policy which will certainly have the approval of a very large majority of this House.

(Applause)

President. — I call Mrs Walz.

Mrs Walz, Chairman of the Committee on Energy and Research. — *(D)* Mr President, Mr President-in-Office of the Council, ladies and gentlemen, in my capacity as Chairman of the Committee on Energy and Research, I should like to begin by thanking the Committee on Budgets and especially the rapporteur for reinstating the Commission's proposals at our suggestion. These proposals were in any case only the very minimum element of an energy policy which should be as convergent and as Community-based as possible. The cuts made by the Council of Budget Ministers have shown once again that the Councils are not

Walz

horizontally coordinated. As a result, they take decisions which are diametrically opposed to the general policy guidelines and which make nonsense of the lofty statements issued at summit meetings from Venice to Tokyo. One is bound to wonder whether democratic countries can afford such a luxury at all. Is it not a fact these gentlemen are busy sawing away at the legs of the chairs they are sitting on? Credibility is one of the basic conditions for our form of government. But if no attempt is made soon to coordinate our policy on the basis of specific priorities, the reputation of the European Community throughout the world will very soon suffer.

For the present, we have a very good reputation, as is evidenced by Iraq's requests for our services as a mediator. Unless this wretched war between Iran and Iraq is brought to an end soon — both in our interests and in the interests of the peoples directly concerned — it will probably take years rather than months for the oil to start flowing again, and that at a time when the Soviet Union's oil production has reached its lowest level for years, and at a time when the situation in the Middle East has become alarmingly unstable. Let us hope that the International Energy Agency's forecasts are not over-optimistic. We may just about manage until the autumn of next year. But for us in Europe, the lesson is that we should not allow narrow-minded restrictions to be placed on our energy policy as the basis of our entire economic policy. In my country, savings are even being made now in the development of alternative energy sources — an odd kind of attitude. What we should be doing is saving for all we are worth, as individuals and with government incentives. We must work as quickly as possible to build all kinds of power-stations using anything but oil, and at investigating the viability of all kinds of energy sources and encouraging their development. This is what the Committee on Energy and Research's amendments are aimed at, and we would ask the House to give us its support and the President-in-Office of the Council to fight for these amendments in the Council of Ministers.

President. — I call Mr Price.

Mr Price. — Mr President, in determining the budget what are we really trying to do? First of all, surely, to forecast the expenditure which is going to be incurred in implementing the policies that we have already adopted as a Community, or policies which we know are likely to be adopted shortly. It is a job of forecasting.

The second objective is to authorize the spending of that money. Year by year, what we have seen is that neither of these objectives has been adequately fulfilled. We have a forecast year after year when the budget is adopted of an increase in non-obligatory expenditure as a proportion of the budget. And year after year the out-turn is one in which that proportion is falling. This is partly because the agricultural price review is not incorporated in the budget and therefore those figures are added at a much later stage and give a totally false picture. For that reason I strongly

support the proposal in the Budget Committee's motion for a resolution, that the two should be taken together; but also partly because of the slow implementation, or non-implementation of so many items in the non-obligatory sector. And here the energy portion of the budget is hit particularly hard.

If we examine the part played by each of the three institutions in producing this situation, first of all we have the Council. The Council fails to pass many of the legislative acts which the Commission regards as necessary to execute those items and the Council knows perfectly well that by blocking the passage of the legislation the budgetary authorization will come to nothing.

Secondly, where they do eventually pass a regulation, they create in it a 'dabbling' situation where the Council itself can interfere during the course of implementation so that they delay the implementation of that budget line. They wish to retain control over something which the Treaty accords to the Commission. The Commission itself meekly bows to this policy. They seem to totally disregard Article 205 of the Treaty which says, in so many words, that the Commission shall implement the budget in accordance with the provisions of regulations made pursuant to Article 209, on its own responsibility and within the limits of the appropriations. This budget specifically, under the Treaty, requires the Commission to act to implement it and yet, year after year, fails to do so.

Now it seems to me that Parliament also has a responsibility since, seeing the situation occurring, what it has been doing year after year is to put money into budget lines where it knows perfectly well the Commission is not going to spend it and then simply criticizing them — not to the extent of sacking them so that one would really settle the issue once and for all but just criticizing them so that everybody is left in a state of frustration. I believe that the time is now ripe for us to settle this issue once and for all. If Parliament is not ready to do this by means of a motion of censure on the Commission, then a far better way would be to take at least one of these budget lines to the European Court and let them determine the issue. Once that decision was reached, we would at last know where we stood and then there could be no excuses for a budgetary decision being taken and then not being implemented and the balance of the budget being totally changed during its year of implementation.

Looking specifically at the energy sector we have three instances in major amendments now before Parliament where we have already been told by the Commission that there is virtually no prospect of implementation and yet where there is a large measure of support around the Chamber at the moment for those amendments. One is in line 3230 for coal, where there has been a draft regulation before the Council since January 1977. There is really no prospect that this will be achieved during the course of the next year. That money — of which the Energy Committee proposed 100 million in commitments and 50 million in payments, and on which the Socialist Group have put forward an amendment which would delete the payments but

Price

leave the commitments at the same figure (there is really no point in passing that amendment) — all it does is to use up part of the maximum rate increase to no purpose whatsoever. We will not achieve anything in energy spending and there is every risk that we will in fact detract from other budget lines where it will be spent.

There are two other instances in line 326, with the new initiatives arising from the Venice Summit: 100 million commitments proposed; and in line 103, a new line: a general reserve of 150 million in commitments and 50 million in payments. None of these stand any real chance of being implemented. They inflate the non-compulsory side so that we can beat our chests and say, look how much more money we have added to that side this year. But when the annual outcome appears at the end of the year, we will see that we have achieved absolutely nothing by it.

We must, I believe, have an attitude of realism in this Parliament. That realism I think, is found in lines such as that dealing with demonstration projects, which are at the heart of the existing energy programme of the Community. That has been successful, despite the way the Council has framed the regulation so as to intervene again in its implementation and, of course, delay that implementation. Nevertheless, it has been a success. And prospecting for uranium — a very important strategic material for the Community; we really must ensure that lines like these go into this budget.

Mr President, overall the Council have taken a very big axe to the energy sector. They have, as Finance Ministers, looked down at the figures and not up at the world around them. I believe that that world which is in a recession induced by an energy crisis requires that the Community should act in this sector, and act vigorously.

IN THE CHAIR: MR VANDEWIELE

Vice-President

President. — I call Mr Linde.

Mr Linde. — (D) Mr President, ladies and gentlemen, in a budgetary debate of this kind it is only natural that we should have an opportunity to reply to the points made previously by our colleagues. I should like to reply to Mr Früh, who said that it was scandalous that the German Social Democrats should wish to freeze the VAT ceiling at 1%. Mr Früh has not enhanced his reputation in doing this, as he was a bit on the late side, since the resolution of the German Bundestag also has the support of his own party, the Christian Democratic Union. I regard this as a good thing since it is the only way it is going to be possible to reform the agricultural budget.

(Scattered applause from the left)

Apart from this, Mr Frischmann of the French Communist Party pointed out in a very monotonous speech which he probably regarded as moving, that German coal was competing unfairly with French coal and that development of the French mines was being jeopardized by coal imports from the Federal Republic. I should like to invite him to take a look at the figures and he will see just how much coal is being imported from South Africa. I would be very interested to hear what he has to say to that.

(Scattered applause from the left)

And now to energy policy. The situation in the various Member States as regards energy policy has not changed for years. They are dependent upon oil imports for their very survival. There is no way of getting round this. There is, therefore, no lack of suggestions and proposals aimed at eliminating or at least reducing this dependency. The suggestions have been the same for years. Firstly, energy saving, secondly, development of indigenous energy sources and thirdly, development of new alternative energy sources. Thus we continue to be dependent and there would appear to be no shortage of ideas. The conflict between Iran and Iraq has made us more aware than ever of just how vulnerable the Community is as a result of its dependency on oil. There is a danger of direct supplies being cut off and the transport routes being closed. This would affect 60% of our supplies. The problem is not immediately obvious at the present moment, as we still have extensive stocks, but we will not be able to rely on these stocks if supplies are cut off completely, which would damage our economy for months and years. In addition, there is a danger that we might end up getting involved, directly or indirectly in military adventures. At any rate, the prices will increase and thus we will have to play our part, whether we like it or not, in paying for the war.

As has frequently been mentioned, two conferences have been held in Venice. At both of these conferences there was no shortage of specific proposals and undertakings regarding energy policy, and common to them all was the slogan 'let us get away from oil, step up our energy-saving policy and develop indigenous energy sources'. The suggestion was made that the use of coal in the Community should be doubled or even tripled by the year 2000. However, there is an enormous credibility gap between these fine words and what is being done. In its hatchet job on the preliminary draft budget for 1981, the Council has particularly gone to town on the chapter on energy and research. There have been cuts and reductions amounting to 56% in the commitment appropriations and 60% in the payment appropriations. The Council has made such severe cutbacks that it would really be advisable for Parliament to reject the budget since, as far as energy is concerned, we could be better off with the provisional twelfths than with the budget which the Council has proposed.

(Scattered applause from the left)

In addition to these drastic reductions, the Council has also cut out entire lines of the budget and eliminated *pro memoria* entries as if it did not want to be reminded of any-

Linde

thing. This policy is particularly absurd when it comes to coal. On the one hand, there is the decision which I have already mentioned to increase the use of coal threefold by the year 2000, whereas on the other hand we see that in the draft budget even the token entries have been deleted in the case of Items 3230, 3231 and 3232. Coal is no longer included in this budget: the chapter entitled 'coal' will be a thing of the past if the Council gets its way. However, under the terms of the ECSC treaty, there is hardly a more suitable area for common energy policy than coal. The coal sector has been very much neglected. Coal production is stagnating, except in one country, investment is stagnating and stocks are increasing, while at the same time the Community is importing more and more coal. Thus what we need is an about-turn in the Community's coal policy so that priority will be given to Community coal. We need a 'coal 2000' programme to highlight this objective of using more coal by the year 2000.

If we are to make any progress towards this objective, we will have to develop production capacities, since there would be no point in reducing our dependency on imported oil by becoming dependent on other things such as coal from South Africa, Poland or the Soviet Union.

In my view, therefore, a new mine should be sunk each year in the Community, particularly in those Member States which have major coal deposits but which have so far done nothing about coal policy, e.g. France. We must do all we can to open up the vast coal resources of the Community, and this will require, among other things, new transport and trade systems. World trade in coal might well develop to the detriment of the Community if we are not prepared to play our part in it. We need more coal-fired power-stations and, naturally, more coal processing plants. This all means that we need more money. However, before any decision is taken regarding more money, the Council must first of all make a decision on the coal package which has been before it for years. It must reach a decision on this package if words are to be followed by deeds, and it must at least be possible to introduce token entries for the time being in areas where no money is available, so that we will be able to cope with any situation which might arise.

The coal dilemma naturally leads us to the question of the common energy policy. Do we want a European energy policy? Everything would suggest that we need one. The dependency and interdependency of our economy is a salient feature. It would be completely unrealistic to promote an energy policy financed entirely out of the Community budget. Setting aside for a moment the question of whether an energy policy of this kind would be desirable, the fact remains that by the time it was established the lights would long since have gone out all over Europe. We must therefore act, and the Council, Commission and Parliament must agree on the coordination of national efforts with the priorities in the European programme.

These priorities should then also be reflected in the budget — for example, in the field of energy saving which represent the most important energy source for the Community. However, saving does not immediately produce money

— indeed, in the initial stages, it costs money. We need money, for example, to develop motor vehicles with low fuel consumption, since obviously the petrol and oil which we have must be reserved for motor vehicles over the coming decades. We need money to develop new transport systems. We need money for programmes involving heat insulation in residential buildings. We must make money available to develop the use of industrial waste heat and to connect power stations and combines to public heating systems. It is true that this would cost money, but it would also create jobs and alleviate our dependency on energy. In order to make savings, we no longer need to make the major step from research to investment. All we need is the goodwill. There are enough proposals, and this entire House can show its goodwill by supporting the motion which Mr Colla has just moved.

To sum up, we are a long way from a common energy policy. If the Council's draft becomes the definitive budget for 1981, this will be an incomprehensible step backwards. We must act swiftly to overcome our dependency on oil. Naturally, we must all ask ourselves why the Council has made such ruthless cuts. It was clearly not with a view to making economies, as the money will still be spent but in other sectors. Anybody wishing to speak about energy policy in this House must also speak about agricultural policy; since this is where the money is going one might perhaps wonder whether or not the Council has developed a completely new policy aimed at replacing mineral oil by butter oil.

President. — I call Mr Croux.

Mr Croux. — (NL) Mr President, ladies and gentlemen, Mrs Walz as chairman of our Committee on Energy and Research has already expressed her satisfaction at the fact that the amendments tabled by our committee have, generally speaking, been favourably received. I should also like to point out that, for the most part, our priorities coincide with those of other groups, i.e. energy saving, the use of coal and the development of new energy sources — but not at the expense of nuclear energy.

I listened very carefully to Mr Tugendhat's last reactions Monday and have reread the text, in which he said 'but I think it is important to bear in mind the distinction between those lines where we can spend and those where we cannot'.

I should like to ask Mr Tugendhat two questions. Firstly, how does it come about that appropriations for energy policy provided for in certain lines of the budget have either not been used or only used to an unsatisfactory extent?

In view of the great urgency and importance of energy policy, this question repeatedly arises, but we never get a satisfactory answer. Secondly, how does it come about that only last year in drawing up the three-yearly financial forecasts, the Commission made available two major commitment and payment appropriations while its proposals this

Croux

year and your reactions last Monday do not tally with last year's forecasts? There is no need for me to remind you of the figures. Last year, the Commission's figures for commitment appropriations in 1981 were 260 million EUA or 300 million EUA in hypothesis 1 and hypothesis 2 respectively, and for payment appropriations 265 million EUA or 270 million EUA. Its own proposal for the budget was 143 million EUA for commitment appropriations and a mere 48 million EUA for payment appropriations. This seems to me to reflect a lack of continuity in the Commission's vision as regards energy policy. This is a serious matter in the light of the statements made by the Commission itself, among others, regarding the need for such an energy policy, at least in the long term.

My second question to Mr Tugendhat is as follows: when I see how low the appropriations contained in the budget are and, furthermore, read the very recent Commission communication on energy and economic policy which was discussed by the Finance Ministers on 17 November, I wonder whether the Commission has any idea what the financial consequences of its proposal would be. For the rest, this is too vague a statement which we have already heard too often.

We are pleased to note that the Commission here is touching on unambiguously financial aspects such as the problem of prices, taxes, investments and balance of payments deficits resulting from the energy policy. These problems are very much in the minds of the members of my group, which is why we put forward the idea of an energy bank last week and intend to turn to this matter in greater detail in this Parliament in the very near future. However, when I see these texts, I should like to ask the Commission whether or not this is reflected in any figures in an action programme and how it could be financed via the budget or by means of loans. The Commission itself has dropped a few hints about loans but loans are still outside the budget. This is not a responsible thing to do from a democratic point of view and must be remedied as soon as possible. These were my two questions.

For the rest, we share the concern regarding a Community energy policy. We have suffered many disappointments. The Commission must do more. Unless the new Commission is careful, it will have to face more and more insistent questions about the exact state of its energy policy, and I am afraid the pressure on Parliament to make use of its power of veto *vis-à-vis* the Commission will increase considerably. This is already being suggested in some quarters and I think these suggestions will become more frequent and more insistent if the new Commission fails to make a greater effort.

Mrs Walz rightly mentioned the problem of coordination in the Council.

Last week the current President of the Council of Energy Ministers, Mr Bartle, made a statement reflecting the Council's inability to act. This is a clear case of a dispute between the Energy Ministers and the Finance Ministers which demonstrates the Council's inability to act in such an important field.

Finally, the European Council. Time and time again, we refer to statements made by the European Council. We remind ourselves of what was said about the European Council when it was set up in 1974 and hailed as a major European breakthrough. It was said at that time that these nine Heads of State and Government were responsible to their own countries, but also bore a responsibility as regards the fate and future of Europe and that they must translate this responsibility into action. We therefore hope that a new approach will be adopted next year as regards energy policy for the Community as a whole.

President. — We shall shortly hear the answers.

I call Mr Paisley.

Mr Paisley. — Mr President, it appears that despite this Parliament's stand on last year's budget, little has changed. We are still faced with a totally unbalanced draft budget for 1981. I entirely support the observations of the budget's rapporteur that, instead of meeting the real problems of creating a balanced budget, the Council has once more sought to cut what is termed 'non-compulsory' expenditure, while the sacred cow of common agricultural policy expenditure is again cocooned and protected.

Crucial areas such as regional policy, energy, transport and industry are to be savagely cut. In the agricultural sector there is to be an increase of 14%, but in the research, energy, industry and transport sectors, payment appropriations are down by 0.8% — a drop of 10% in real terms over 1980. On the one hand the Council has been calling throughout the year for Community action on energy policy. Now we find the Council imposing niggardly cuts in this sector of the draft budget.

Unless and until this Community shapes, develops, finances and implements a cohesive energy policy, it will continue to find it impossible to shape the future in any meaningful way. A common energy policy, oriented to the development and exploitation of our own indigenous resources to the exclusion of our present dependence on external sources, is a must for the entire Community. Energy is the key to our industrial development and competitiveness and more and more it will be seen to be so, but it appears that this is a reality which the Council refuses to face, else it could not submit a budget of this nature.

A common energy policy based on the equalization of energy availability and costs throughout the EEC is of paramount importance. The need for this equalization is well illustrated in the situation in my country, Northern Ireland, where we, though part of the United Kingdom, are denied the right to share in UK oil and gas resources and forced to pay over 20% more for our electricity, £ 10-12 per tonne more for our coal and upwards of 300% more for our gas, with the result that our gas industry is finished.

Paisley

Northern Ireland also well illustrates the urgent need for this Community to devise and follow an energy policy which ends our dependence on oil and concentrates on our indigenous coal supplies. Because of the almost exclusive dependence on oil for the generation of electricity, Northern Ireland's energy must rank the most expensive in the whole Community. We need urgently to reverse this disastrous situation by switching our electricity power-stations from oil-fired to coal-fired. Not for the first time in this Parliament, Mr President, I am calling upon the United Kingdom Government to face up to this necessity and to forthwith avail themselves of EEC funds available to facilitate this changeover in phase two of our Kilroot power-station.

Not only do the sorry experiences of Northern Ireland illustrate the urgent need for equalization of the availability and cost of energy throughout the Community and the folly of an exclusive concentration on oil as an energy source, but those same experiences of Northern Ireland also vividly illustrate the disastrous industrial consequences of the absence of a coherent energy policy which allows energy costs to run riot.

By failing to grasp the nettle of energy and award energy development and research its proper place and allocation, the Community is inviting the disastrous industrial consequences which we in Northern Ireland have suffered. Runaway energy costs have directly lost Northern Ireland thousands of desperately needed jobs. In a time of world recession our prohibitive energy costs have been the final nail in the coffin of countless industrial concerns in Northern Ireland.

In textiles, for example, the cost of energy has contributed directly to the desolation of a once thriving industry. Areas of Northern Ireland, once thought prosperous and stable, have now turned into indescribable blight areas through factory after factory being forced out of business, at least in part by the prohibitive cost of energy. The town of Carrickfergus is a graphic case in point. Once an industrial heartland it is now a wasteland which has received its final blow from the recent withdrawal of the ICI factory in that area.

Mr President, it alarms and saddens me that in presenting this budget the Community has shown little or no sign of realizing the far-reaching importance of providing for the development of policies in the fields of energy, industry and regional policy which would allow us to grapple with the real issues as our various industrial communities struggle for prosperity, if not for survival.

Finally, may I say that by again over-concentrating on the inappropriate and selective common agricultural policy to the detriment and near total exclusion of the vital areas I have dealt with, we have for the second successive year a budget which I find quite impossible to support.

President. — We shall now consider the chapter on youth and culture.

I call Mr Skovmand.

Mr Skovmand. — (DK) Mr President, on behalf of the Committee on Cultural Affairs and Youth etc., Mr Patterson has proposed a modest cut in appropriations for European movements. I can go along with the reasons he gave for this proposal, i. e. that the political parties represented in this Parliament now have more money at their disposal which they can use to finance organizations with which they have close links. However, I do not see the logic in not proposing that these appropriations should be completely eliminated for this response. I should like to invite Mr Patterson to take his argument to its logical conclusion and support the amendment proposed by Mr Lomas and others to the effect that this appropriation should be scrapped.

I should like to point out on behalf to the People's Movement that this appropriation is in flagrant conflict with basic democratic principles. You cannot use taxpayers' money to finance political propaganda aimed at these taxpayers themselves. The situation is particularly striking in Denmark where the organizations which this money would be supporting use their funds for propaganda against views which would appear to be held by the majority of the Danish electorate.

President. — I call Mrs Gaiotti de Biase.

Mrs Gaiotti de Biase. — (I) Mr President, speaking on the budget on behalf of my group, in particular with reference to the matters covered by the Committee on Youth, Culture, Education, Information and Sport, I must say I feel somewhat ill at ease. In this document, which I feel people have been a little too ready to say symbolizes the power and the role of this European Parliament, we find all the obstacles and difficulties which prevent us from faithfully carrying out the tasks which were given to us by the voters who believe in the idea of Europe and its construction.

Our committee's share in the budget is quite ridiculous and in no way justifies the existence of a special parliamentary committee. It is becoming more and more likely that the specific purpose for which the committee was formed will be lost amid ineffectual expressions of vague hankering. The Council still refuses to rise to the challenge of the present situation. What I should like to know is if there is such a thing as a single Council with a consistent policy in this area. Looking at the matters which involve our committee, we are forced to say that there is not, with regard to the three areas of expenditure which affect our committee: education, information and cultural affairs.

After lengthy urging by Parliament, the Council of Ministers agreed to meet in accordance with decisions it had made — although they were consistently disregarded — to develop an action programme which the Council itself approved and adopted. The meagre outcome of that meeting has been underlined and made worse by the disgraceful cut which has been approved for the education programme. Naturally, our committee intends to reinstate this programme at the realistic level proposed by the Commission.

Gaiotti de Biase

There are political reasons for increasing expenditure on information, a subject which Parliament is due to debate on the basis of a report by Mr Schall at a forthcoming part-session. Information policy is an ingredient of the policy of the European institutions, indeed it is an essential ingredient in the development of democratic supervision by Europe of its institutions. It is an essential ingredient of the image the Community presents to the world. It represents a test of the willingness to make the Community a political creature. The cuts affecting information policy, particularly youth information policy and the Youth Forum, provide further evidence of the basic disinterest and haphazard manner in which the Council goes about these cuts. Quite apart from informing our young people, I should also like to mention the impact — which many Members do not seem to appreciate enough — of information for women, as a way of drawing the attention of the whole of European society to the affairs of the Community and of the European Parliament.

Lastly, I want to mention cultural policies. A number of noble efforts have been made hitherto but they have inevitably been piecemeal, partly because the total amounts involved suggest the work of a charitable institution rather than a supranational political body. In this respect, apart from the Council's general cuts, the deletion of funds for the Cultural Foundation, the brainchild of Mr Tindemans, is particularly significant. It shows how inconsistent the Council is, when it makes an explicit decision not to go ahead with a genuine instrument of cultural policy for the Community.

After these few brief comments echoing what was said yesterday by the official rapporteur of the committee, Mr Patterson, I simply wish to ask on behalf of my group that the House pass the amendments tabled by the Committee on Youth, Culture, Education, Information and Sport. These amendments are extremely limited and their aim is simply to repeat the symbolic gesture, as it were, of a culture and youth policy which the Commission had proposed. In making this plea, Mr President, we are bolstered by our firm desire to pursue the aims of an educational and cultural policy for the Community, even though we are regrettably aware of the grotesque situation which stems partly from the tremendous cultural crisis affecting young people in Europe today and partly from the casual indifference of the Council.

President. — I call Mr Hutton.

Mr Hutton. — Mr President, I do not know if William Shakespeare's majestic play *King Lear* is well known in the European Communities. In a nutshell it is the tale of an old king who sought to know which of his three daughters loved him best. The first two deceived him with flattery. The third was straightforward with her father and for her pains she was banished. Only much later did this wretched old man discover his mistake, for the third daughter was the one who truly loved him.

Now, Mr President, I have told this brief tale because I sit on the committee concerned with culture, along with youth, education, information and sport, and because I am a Member of the European Democratic Group. Perhaps it is no coincidence that we are the third group in this Parliament, and we feel rather like poor Cordelia, the third daughter, loving this Parliament dearly but not being prepared to dissemble and flatter simply to look well in the public eye. We are prepared to face the realities in this budget and do what is best for Parliament. We do not believe, for example, that an increase of 90 or 100% in the budget for the Official Journal can be justified on any grounds. Even the 50% increase which this group proposed and which the committee has supported is generous when we see what has been allowed for other publications.

In several meetings no one has yet justified the increase of half a million units of account for the dissemination of information to young people. Now I am sure that we will be criticized for not supporting this action. But although I happen to believe that this is a very important subject, I am not prepared to see our approval having no more relevance than a rubber stamp. The Commission must realize that our job is to know what is going on and, when we do not know, to find out. When we cannot find out, we cannot be expected simply to accept that this or that sounds like a good idea, so we had better accept it.

Nor, Mr President, can my group accept whole programmes because they have some good bits in them, and this must be our attitude to the culture programmes. There are some excellent areas which must be supported, but we cannot agree with the efforts to increase the budgets for Items 3930 and 3931 above the figures proposed by the Council.

We love this Parliament and we will not support measures which we think will not do it credit just because some other folk might think we do not care. It is precisely because we do care and take care that the attitude of this group towards these programmes will not be enthusiastic. This group is neither hardfaced nor Philistine; it is what in Scotland we call 'canny', which simply means prudent and careful. We do not have the money to spend like a drunken sailor, and so we will not pretend that we have it. When we vote we will vote where we think the best interests of Parliament lie, and that brings me, Mr President, to the crucial but grossly undervalued business of information.

I am sorry that the President-in-Office of the Council has just slipped away from his seat, because I wanted to ask him how long-thinks the Council can keep the European Community a secret. I can perfectly well appreciate that there are Members of this Parliament who would love it to stay out of sight, never seen, never heard and eventually laid quietly to rest. But I am not one of them. I am proud to be a Member of this Parliament, and I want to say so. I want to tell all those voters out there that we exist, what we are doing and how we are trying to improve our Community. What on earth does the Council think it is doing, chopping nearly 3 million units of account off the information budget? It has asked us to accept less than we have had

Hutton

this year, and never mind inflation. Our business, Mr President, is democracy, sharing the business of government with the people in the Community, and how are we to manage that effectively if we cannot tell the people what is going on? This is not some dreary outpost of a Soviet empire, where word of decisions taken far away eventually dribbles out to the people who just shrug and accept them, knowing that there is no way to ever change them. This is the European Community. We should conduct our affairs out in the open where folk know what is going on.

I would have said to the President-in-Office, had he stayed, that the members of this group will not countenance any attempt to tamper with their ability to tell their electors about this Community. I would also have said to him that the leaders of the governments which he represents here have their part to play in the wider awareness of Europe. If I could, I would say to the leaders of our nine countries: why do you not sit down and decide what you want to do together? Do you want a common policy for energy or not? Do you want a common policy for transport or not? And if you do, for goodness' sake why not fund them and stop raising false hopes? A Community which does not know where it is going simply looks ridiculous.

Frankly our Community today, and I am only talking about our image — perhaps the reality is more hopeful — looks like a *bateau ivre*. Please let us decide what we want to do together realistically and then tell people what we are up to. As Mr Ortoli once said in this Parliament: «*Il n'y a pas de bonne politique d'information sans bonne politique*». What Europe needs are the policies and the will, as well as the money, to carry them through. When we have achieved that, I think we shall not have to worry so much about our image. And perhaps the young people of Europe, the voters of the future, will give Europe the support it is going to need if it is to survive, prosper and progress.

President. — Mr Hutton, you twice mentioned the fact that the President-in-Office of the Council is not in the Chamber at the moment. I should like to point out that he has been here almost without a break and that he has left someone to stand in for him while he has to be absent to attend to other urgent matters, so that your comments are bound to be noted by the Council.

I call Mrs Pruvot.

Mrs Pruvot. — (F) Mr President, two fellow members took the floor before me to speak on the education of young Europeans and cultural projects. Like Mrs Gaiotti de Biase, I am somewhat hesitant about speaking on these problems and I am tempted to ask my fellow members to forgive my presumption. I am the fourth and therefore the last to speak on this subject and in the course of this Assembly debate lasting three days we will have devoted scarcely half an hour to the problems of education and culture. To try to put my point across better I am going to quote you some figures.

The cultural budget represents about 0.5% of the Community budget. My dear fellow members, may I ask you to reflect on the time and money which we devote to education and to culture. I think that once you have reflected on the matter, you will perhaps be inclined to agree with me.

From time to time for over a year now I have heard speeches and have read press reports of high sounding, dramatic statements about schemes to help young people, and schemes in the cultural sector, with pleas that there will be no Europe unless we find a cultural identity, that a European culture is the basis for the construction of Europe.

However, in the privacy of a meeting at which we must vote, I no longer find this determination, even though it is true that culture is a factor which can more than any other, help to assemble and unite people behind a common ideal. It is true that to promote better understanding between peoples there must be more exchange visits between young people generally because it is through an improved knowledge of others that young people will succeed in making the importance of Europe better known within their own country.

It is essential that we make an effort to give the Community adequate funds to implement such a policy. In the 1980 budget, even though the Committee on Youth, Culture, Education, Information and Sport had only been in existence for a few months, Parliament accorded it not only the appropriation proposed by the Commission, but actually increased this by 130 000 EUA: 30 000 for the San Servolo Training Centre in Venice, and 100 000 for the creation and funding of Item 3932 'Contribution towards financing the conservation of the architectural heritage'.

For the 1981 Budget, our Committee is thus to be allocated only the appropriation originally proposed by the Commission, with Parliament refusing any increase.

To do this is to call into question the importance and even the existence of our committee. For Items 3930, 'Expenditure on cultural action' and 3932 'Contribution towards financing the conservation of architectural heritage' we are in fact prepared to make do with the restoration of the appropriations proposed by the Commission. On the other hand, in the case of Item 3931 'Financial contributions to cultural events of European importance' we strongly urge that the appropriation proposed by the Commission which was increased from 140 000 in 1980 to 280 000 EUA in 1981 be restored, and in addition we request an increase of 200 000 EUA on that figure. I emphasize that this increase of 200 000 EUA only exceeds the increase of 130 000 granted last year by 70 000. Let me add that this sum is absolutely indispensable if the committee is to continue to organize and run projects already started in the past and to undertake a new more spectacular project designed to serve the cause of European culture. Let me just list these projects briefly.

The crowning glory of these projects is the youth orchestra of the European Community, which was created on the in-

Pruvot

initiative of Mr Heath and which continues to be remarkably successful; it is not only useful in the cultural sector but also in the social sphere since it helps to train young musicians of exceptionally high quality, real professional musicians, equipped to find work in the exercise of their art, to develop, to propagate culture, but also to earn their living.

The European Festival of Wiltz is another of these projects; finally, and this is new, it is planned to organize a travelling exhibition of 100 young Community painters. Obviously the appropriation requested by the committee does not meet the needs of this undertaking, yet it is the essential minimum.

Mr President, ladies and gentlemen, those are, briefly, the reasons why we are asking you for additional appropriations.

President. — I call Mr Kavanagh.

Mr Kavanagh. — Mr President, as vice-chairman of the committee concerned, I have been appointed by the Socialist Group to speak on the subjects of youth, culture, education and information.

For the Socialist Group, the first priority in youth policy is to combat youth unemployment, which, according to recent figures, is now at 37.6% of the total work force and is continuing to rise. We fully support the Commission's efforts to rectify this situation under the Social Fund and also the amendments reinstating the Council's cuts in Article 501. It cannot be repeated too often that the Social Fund, although the only existing Community instrument in the campaign against unemployment, is inadequate in its structure and in its financing, it aids retraining and, in certain instances, provides for the payment of premiums to encourage the employment of young people. But it does not create jobs — and we must create jobs; we must develop a comprehensive industrial policy which includes considerable planned public investment.

New and improved educational and training policies are necessary, particularly to enable young people to avail themselves of the opportunities which do exist. Statistics show that the majority of unemployed young people are unskilled. In addition, young people must have an opportunity to be mobile, and therefore a facility in languages other than their own is necessary. Qualifications must be recognized in other countries. This is also essential. Therefore we have welcomed the initiatives taken by the Commission, both in social affairs and in education, to develop ideas in this area and also the recent decision of the Ministers of Education. We believe, therefore, that the Commission's requests for Article 392 — its education programme and the preparation of young people for working life — must be supported. In addition, those programmes, which are also part of the package, dealing with educational problems for girls and migrant workers' children must also be supported, arising as they do from various directives already adopted. However, staff is necessary as

well as money. I am rather disturbed that the general rapporteur, Mr Adonnino, has not given this the attention which the Committee on Youth, Culture, Education, Information and Sport asked him to when we talked to him in Florence recently. I believe it is essential that more staff be assigned to the appropriate section of the Commission.

Regarding education policy, we also have a particular interest in adult education, and to this end we introduced amendments to Article 290 increasing the amount and changing the title of this Article — subsidies to institutes of higher education — to include residential institutes of adult and further education.

Regarding the youth forum, we also fully support the continued evolution of the forum, which has already done excellent work in the short time of its existence. I do feel that it needs more money than is presently appropriated to it if it is to continue to develop positively and become a truly representative body.

The second programme for the exchange of young workers has eventually got under way. We support it and believe it is irresponsible of the Council to cut its appropriation haphazardly. This programme is enshrined in Article 50 of the Treaty, and I find it scandalous that it has not been used to much greater effect in the last 10 years to develop the Community youth policy. We shall continue to encourage these exchanges which seem to have had in certain areas some teething difficulties, and we shall certainly keep a close and critical eye on their development.

We should also support the Commission's demand for increases in the Kreyssig Fund. We intend to insist on greater clarity with regard to its spending.

In the area of information, an adequate information policy and strategy are essential to democracy. We therefore give our full support to the Commission's requests, and we shall continue to assess critically the evolution of its policies and strategies.

Our committee also deals with cultural aspects of the Community. We believe it is essential to protect our common cultural heritage and also to make it accessible to many more of our people. In addition, we must widen our conception of culture to include minority groups in our Community.

The European Foundation for the Improvement of Living and Working Conditions has, I believe, received a severe blow by the reduction which the Council has made in its appropriation, and I am alarmed that the Committee on Social Affairs and Employment should further reduce this appropriation by 1 m ECU. If this is done, I think it must be regarded as the end of this particular Foundation as an instrument of the Community. There are perhaps people in this House who are against the decentralization of Community institutions and would prefer to see everything centred in Brussels. Let me tell them that where this particular institution — this Foundation — is concerned, the work it is doing and continues to do is of the utmost

Kavanagh

importance and its presence in Dublin is important to a peripheral area of the Community in demonstrating that we are part of this Community. I would therefore ask the House when they are considering the amendments on this point to reinstate at least the Council's figure for that Foundation.

President. — We shall now consider the chapter on social affairs.

I call Mr Peters.

Mr Peters. — (D) Mr President, ladies and gentlemen, we now come to the social budget. The Socialist Group regards this section of the budget and the appropriations it contains as crucial to Community policy. However, the Council's decisions on this aspect of the budget indicate that it does not share this view. Many speakers, particularly members of the Committee on Budgets, have stressed that the 1981 budget is a stop-gap budget. What on earth is that supposed to mean?

In the preliminary draft budget, the Commission had attempted to increase the appropriations for social and regional expenditure and restrict agricultural expenditure. The Council has done precisely the opposite. At several conferences, the Ministers and Heads of State and Government have called for a European structural policy and a strengthening of the Social Fund. In the budget, however, they are trying to strengthen the agricultural policy and weaken social policy. For example, the Council has decided to increase compulsory expenditure by 25% as against the 27% proposed by the Commission. The most the Council is willing to allow as regards non-compulsory expenditure which accounts for the major proportion of social expenditure, is an increase of 5% whereas the Commission had proposed 39%. Thus, the Council has not only failed to correct the existing imbalance, but has aggravated it still further at the expense of social expenditure. The Commission is quite right in saying that we can expect an average price increase in the region of 10% in the course of the year. If we take this into account, expenditure for the non-compulsory sections of the budget has in effect been reduced by 5%.

The social situation in the European Community is no longer such as to permit transitional periods or delays of one or two years. The number of unemployed is bordering on eight million and appears to be still increasing. Over the last few weeks and months, the events in various industrial sectors, such as the steel industry, have been catastrophic and it is now being suggested that we should react to the catastrophes by waiting and taking stop-gap measures.

I ask you quite seriously whether this is a viable European policy. In my view, the European Parliament cannot accept a policy of this kind and the Socialist Group at least demands that something be done about this. In particular, it calls for an increase of around 300 million EUA in the amounts fixed by the Council for the social sector, of

which 150 million EUA would be for measures in the fields of employment, education and training for young people and training and retraining for women and handicapped persons, etc. The remaining 150 million EUA requested by the Socialist Group would be for social measures in the steel sector. Both these sums are of the same order of magnitude as the amounts included by the European Parliament in the 1980 budget. The Socialist Group expects a majority in this House to vote in favour of changing the budget appropriations in the social sector.

The Socialist Group is particularly concerned that the expenditure on social measures for the workers in the steel industry should be increased by 150 million EUA in view of the dramatic, and so far in the history of the European Community unprecedented, deterioration of the economic and social situation, the responsibility for which quite unambiguously lies with the employers in the steel industry who have not only failed to abide by the agreements they entered into of their own, but have barefacedly destroyed their own economic bases in a manner reminiscent of the earliest days of market economy when it was a fairly cut-throat business. They failed to find a settlement under the terms of the European steel policy and because of this, because they indulged in ruthless competition with ruinous consequences, the Commission was compelled to invoke Article 58 of the ECSC Treaty and declare a state of crisis.

I cannot see any other way round this problem and support the Commission's move, but it will be impossible to take the measures necessary to deal with the crisis unless we also finance appropriate accompanying social measures. The United Kingdom, France and Belgium have already made applications for aid under the ECSC budget on the basis of Article 56 (2) of the Treaty. These applications come to about 500 million EUA over the next three years and we can expect to receive further applications. In my view, the social measures must be financed partly out of the general budget, which will call for about 150 million EUA or 0.75% of the total budget.

Secondly, we attach particular importance to a series of measures involving the Social Fund with respect to training and mobility of young people, combating unemployment among women, a programme for the training and retraining of handicapped persons and measures relating to migrant workers and the fight against poverty. Taken as a whole, these measures would require an increase of approximately 300 million EUA in the appropriations for the Social Fund compared with the amount proposed by the Council, making a total of 1000 million EUA, or 5% of the total budget.

Mr President, ladies and gentlemen, this is the least this Parliament can do for the workers in the current crisis-ridden situation. Anything else would be failing in our duty.

(Applause)

President. — I call Mrs Maij-Weggen.

Mrs Maij-Weggen. — (NL) Mr President, ladies and gentlemen, if we were to ask the people of Europe what the major problems facing the Community were, the problem of increasing unemployment would undoubtedly head the list. Recent statistics show that since last September unemployment in the Community has risen by no less than 18% and there are currently over 7 million unemployed in Europe. In view of this, one might expect the European social policy and, in particular, those items aimed at improving the employment situation and combatting unemployment would receive extra emphasis in the 1981 budget. My group was therefore pleased at the fact that the European Commission had announced a substantial increase in its preliminary draft for the social budget — although we must nevertheless point out that this increase would be practically cancelled out by inflation.

This reflected a positive reaction on the part of the European Commission to the many appeals by this Parliament to take a European approach to employment policy. It was particularly disappointing, therefore, to hear that the Council had blocked these initiatives taken by the Commission, in accordance with the wishes of this Parliament, by introducing such drastic cuts in these very items. In so doing, the Council has not only ignored the wishes of this Parliament and the Commission, but it has also demonstrated its indifference with regard to one of the major problems facing the people of Europe, i.e. unemployment.

My group, the Christian-Democratic Group, does not support the Council in this and we regard the reinstatement of the increases introduced by the Commission, in accordance with Parliament's wishes, in the European social budget as one of the major priorities in this debate. Our reasons for this are twofold. Firstly, our group feels that the industrial policy of the European Community should be more systematically accompanied by an appropriate social policy and we support, in this connection, the proposal by the Committee on Social Affairs, which has been taken over by the Committee on Budgets, to the effect that 112 million EUA, which is over 300 million Dutch guilders, should be made available to the ECSC for the financing of social measures to accompany the restructuring of the steel industry.

We should like to comment in passing that this is not the way the social policy really should function, i.e. as a critical and constructive accompaniment to economic policy, but rather as a sort of Red Cross providing assistance in major painful operations in ailing sectors. In the European social policy, the main emphasis should be given to positive and prophylactic projects. Innovation cannot be regarded simply as an economic and technological question, but also as one of the tasks of social policy.

For this reason, we also attach great importance to all the various projects under the social budget aimed at providing further training and retraining for the workforce in order to equip them for new technologies and new industries. There is a pressing need for the reinforcement of projects of this kind in addition to the Red Cross service which is al-

ready being provided. This conclusion was also reached by the recent OECD Conference in Paris and we can wholeheartedly go along with this. Secondly, my group feels that under the social policy more particular attention should be paid to groups which are particularly vulnerable from the point of view of unemployment. We are thinking here in particular of young people, women, handicapped persons and migrant workers. There is an urgent need to step up the measures aimed at improving conditions for these groups. There is a tendency when times are difficult to make cuts in social projects designed to benefit weaker groups, but if there is any time when vulnerable groups are in need of extra assistance it is during an economic recession. A large number of items for the benefit of these groups have been cut from the budget for the European Social Fund, e.g. those concerning young people, women, disabled persons, migrant workers and the fight against poverty. My group finds this unacceptable. We intend to support all the amendments on this matter which have been tabled by the Committee on Social Affairs with the support of the Committee on Budgets.

The Social Fund accounts for less than 4% of the total Community budget. In fact, it is barely possible to do anything about the major problems of rising unemployment at European level with a budget of this size, and we therefore regard the attempt by the Commission to have this budget increased as a step in the right direction which this Parliament should support as unanimously as possible. If, in the second round of debates, the Council again makes cuts in items of this kind, it will be running the risk of a serious confrontation with this Parliament. A European Parliament cannot leave seven million unemployed in the lurch.

President. — I call Mr Spencer.

Mr Spencer. — Mr President, I am delighted to follow Mrs Maij-Weggen and her mention of the 7 million unemployed, because while we debate the finer points of parliamentary procedure in this hideous and somewhat overheated Chamber, it does us all good to remember that out there in the cold there are 7 million unemployed and that that figure is going to be higher next year and higher the year after and quite possibly higher the year after that — for the logic of the birth-rate and the oil crisis goes directly against a reduction in unemployment figures. The Commission estimates that even to hold unemployment down at its current unacceptable level we should need a rate of growth across the Community of 4½%. That is a rate of growth that has not been achieved in the United Kingdom since the 1940s. Those figures may seem grim, but that they do not take into account either the impact of micro-electronics or the impact of jobs lost to the newly-industrialized countries over the next few years. The sad truth is that only a massive attempt by the Community to pull itself up by its boot-straps, to increase its growth, is going to stop the 1980s from being a grim and dangerous decade.

Spencer

Against this background, my group would like to see the real value of the Social Fund maintained. The Commission's original figures would have produced a growth in real terms of 1½%. The Council's cut would affect it massively downwards. So let me, against this appalling background, turn from what we should do to what we can do as a Parliament.

Our ability to make room for social spending depends this year more than in any previous year on three crucial points of principle.

Firstly, I see Parliament's ability to modify items of compulsory expenditure as our last best hope of making room for social spending, of balancing the budget, of exercising some control over the flagrant waste of Europe's resources in the agricultural sector when those resources are desperately needed in the social and economic spheres. I therefore passionately support the modification down in the name of Mr Adonnino.

Secondly, I believe it is vital that this Parliament should be able to exercise properly its control and its room for manoeuvre as the Treaties lay down. If the margin is to run from the first reading of Council, then we shall be reduced to nothing more than an expensive multilingual rubber stamp for decisions which the Council take.

Thirdly, I believe that we must jealously guard our right to set priorities for the Council in the spending of non-compulsory monies. If we massively and indiscriminately inflate our claims on that margin, we run the risk of laying ourselves open to the Council's ignoring recommendations *in toto*.

My group on the Committee on Social Affairs and Employment therefore strove to set itself priorities. We decided to give priority to those actions which had a direct impact on the length of the dole-queues and those actions which directly help the disabled. We selected the disabled from the long list of the worthy, not because they had been arbitrarily picked out by the United Nations when it designated 1981 as the year of the disabled, but because it is the disabled who suffer most when recession hits the economy. Therefore where we differ from the recommendations of the Committee on Budgets is in an attempt to indicate to Council where cuts, if cuts there must be, should fall. The effect of our proposals would be to safeguard actions for the disabled, for the young and for those facing change due to micro-electronics. We have tried to carry this approach through into our attitude to specifics. We recommended, and still recommend, a cut in the budget of the Foundation for the Improvement of Living and Working Conditions in Dublin, which as far as we can see produces nothing but a mountain of unread paper. We reluctantly do not favour the restoration of the Council's cuts in the sums available for the exchanges of young workers, not because we oppose the schemes but because we cannot justify them as a priority.

We take a particular stand on the poverty programme. We are in favour of this expenditure, but we will not vote for its

inclusion at this stage until there is some chance of the monies being spent in full, and that chance depends entirely not on what Mr Peters says but on the vote of the West German Minister in the Social Affairs Council later this month. If the Council will give us the legal basis for spending the proper monies on this, we will support it; but until they do, we will not throw away another 4 million units of account of Parliament's margin.

Above all, we carry through what I believe to be a logical and creative position into the key matter of the 112 million units of account for social measures in the steel industry. We want the money; it is desperately needed, out there in the cold, and we should prefer to see it included as non-compulsory spending; however, we are not prepared to see it included as part of Parliament's margin for manoeuvre when it has been dumped on us unceremoniously at a late stage after the Council's first reading. It would be blackmail of the worst kind to ask this Parliament to choose between aid for steelworkers and aid for all the other things which we want in the Social Fund. I say to the Council that the governments want the money; they have presided over the crisis, and now they must face the consequences of their actions. 'Pay up, pay up and play the game!' must be our message to the Council.

Mr President, I have delineated my group's position on social affairs with some care. On each item of principle you will find us as a group on the side of Parliament — our Parliament — as it wrestles with the dragon of social crisis in Europe. If our methods seem at first sight unfamiliar, I beg some of my colleagues in the other groups to look at them more closely. This Chamber should be a melting-pot of parliamentary traditions. Come with us on this budget! Be realistic on this budget. Try and impose upon the Council our priorities. Do not leave the door wide open for them to ignore us. We may be representing a different parliamentary tradition, but come with us, because above all we strive to be parliamentarians worthy in this Chamber of our beloved Europe.

President. — I call Miss De Valera.

Miss De Valera. — Mr President, colleagues, it is necessary for us all here to remember that the European Social Fund was established in order to improve employment opportunities for workers in the common market and to contribute thereby to raising the standard of living. I regret to have to say that the draft budget for 1981, as regards the Social Fund, does not live up to these basic requirements. Indeed, the situation would be further aggravated if the additional cuts which have been requested by the Council are implemented.

Improving employment opportunities for workers is difficult at the present time. Unemployment is particularly high, with more than 7 million people out of work. The economies of the Member States are still struggling to overcome the effects of the recession. Some Member States in particular are having serious difficulties in relaunching

De Valera

their economies so as to reduce unemployment and control inflation. That in itself is a difficult task and it requires courageous and strong government. The role of the EEC in such a situation must be to back up the efforts of the Member States with supplementary policies and financial assistance. The draft budget under discussion today fails to provide adequate financial assistance for the necessary supplementary policies.

Recruitment premiums and subsidies for work programmes are vital to promote the employment of young people. This is a very important area, not only from the point of view of creating employment for young people, but also of giving these young people an opportunity to make a positive contribution to society at a very important and formative period of their lives. Young people completing their education have very high expectations of society. If society fails to provide them with a role in the form of suitable employment many of them may come to reject that society at a later stage.

The first fundamental problem which arises is that the Commission has admitted that its draft allocation for 1981 for the social sector is highly inadequate, but due to budgetary limits within the 1% VAT they are obliged, regretfully, to restrict the increase in the 1981 budget, after provision for inflation, to an absolute minimum. This is a preoccupying situation. But, worse still, the Council of Ministers has drastically reduced the proposed appropriations for the social sector which include, among other vitally important measures, help and assistance to young people.

Parliament must reject this approach by the Council of Ministers. We must insist that they respect fully their obligations to the youth of Europe and adopt the necessary measures as soon as possible and allocate the financial resources that will be required.

In a similar way, Mr President, I would like to expand on the chapters relating to measures for handicapped persons, measures for migrant workers, measures for women and the allocation of a special contribution to the ECSC for temporary social measures in connection with the reconstruction of the steel industry. I sadly regret that the few minutes that have been allocated to me do not allow me to do so. Suffice it to say therefore that my group totally rejects the cuts which have been made by the Council in both commitment and payment appropriations and we call for the adoption of the Commission's original proposals as a strict minimum.

President. — I call Mr Verhaegen.

Mr Verhaegen. — (NL) Mr President, I can shorten my contribution to this debate considerably since one of the points I wished to stress has already been made by Mr Peters at the beginning of his speech and he in fact made the point more clearly than I could have made it. On behalf of my group I should like to thank the Committee on

Budgets, the chairman and the rapporteur for social affairs in the Committee on Budgets who have put right quite a few things which had been distorted by the Council decision. This is an important point which I should like to stress.

My group has two major priorities in the social sector. Firstly, there is the question of employment, where it is the weakest groups who are hardest hit, i. e. young people, women, unskilled persons and the disabled. A situation of this kind is a clear challenge to our European institutions, the Member States and, I might almost say, all our democratic structures. Academics may disagree over theoretical solutions to the problem or lay into each other with various slogans without finding any solutions, but people responsible for policy must have the necessary courage to translate their convictions into actions. They cannot simply ignore problems such as overtime and leave in compensation for extra hours worked, abuses in connection with temporary work, humanizing of shift work, distribution of the available work by reducing working hours and what have you. The new Commission has a difficult task before it, and whoever succeeds Mr Vredeling, who has done excellent work during his time of office, is certainly not to be envied.

Secondly, my group attaches great importance to the problem of disabled persons. As Mr Spencer and Miss De Valera have already pointed out, 1981 is to be the year of disabled persons. I should like to sum up our attitude by saying that we think it is vital that interest in disabled persons should not end with 1981, but that 1981 must be the year of definitive structures, permanent policies and enthusiastic interest in the problem.

President. — I call Mr Prag.

Mr Prag. — Mr President, I have been listening with great attention to the speeches of my colleagues and especially to those of our allies of the centre-right. I would claim that as a virtue, Mr President. I think it is one. It is a notorious characteristic of politicians that their detestation of listening to speeches is paralleled only by their unquenchable desire to make them. That is, of course, how you get empty benches. But I do hope our Christian-Democrat and Liberal friends will understand that our desire for a real restructuring of the budget is undiminished and is no less than theirs.

Fundamentally, we share views such as those expressed by Mr Herman this morning concerning the need for effective Community policies, though I wonder if the Commission were to play football against the Council of Ministers as he wishes, why it should do so clad in bathing costumes and get them wet. Where we seem to differ from our allies is that we believe that we can better influence the Council of Ministers by making our priorities clear.

And now I turn to the Social Fund itself. The vast bulk of Social Fund spending is on training and retraining. An es-

Prag

essential part of the restructuring of our European industry is fundamental to innovation and change, to competitiveness, the competitiveness of our high-wage economy in a highly competitive world. It is fundamental too, because if we are not efficient we will not be able to resist protectionism. It is vital that resistance to protectionism should be maintained.

Now the Council of Ministers, as Mr Spencer said, cut back the Social Fund commitments to 923 million units of account, a nominal increase of 1½% over 1980, but in real terms a cut of 9% or a cut of 14%, if you weight the figures according to inflation in the beneficiary Member States. The Council has also made quite impossible cuts in payments by 150 million units of account from the level of the Commission's preliminary draft budget. Now there is no doubt whatsoever that that cut in payments is going to present massive practical problems in 1981 when the Commission will have no money to pay for projects under way, and I cannot believe that that can be the aim of the Council of Ministers.

Now the European Democratic Group, Mr President, has supported the restoration of all the Council of Ministers' cuts in the social sector except six. I personally hope our position may be flexible on two or three of these. If the Council fails to meet Parliament it will be doing Europe, the European Community's industry and economy, our future jobs and prosperity, a great disservice.

Now I come to the question of steel. This is effectively a new item which was entered after the preliminary draft budget and after the draft budget. There are massive requests, supplementary requests from the British Government and also from the French Government. The Commission has proposed an entry of 112 m EUA. All I want to say here, Mr President, is that two of the possible consequences are very disturbing. One is that if this is treated as non-compulsory expenditure, it gives the Council the ability, by bringing in a large new item at a late stage, to eat up a very substantial proportion of what will turn out to be the margin of manoeuvre, and that is a very dangerous precedent. But reports say that in fact the Council will turn to national financing for this matter. I want to stress the very great dangers of national solutions to Community questions. Such a trend in the budget would run parallel to the political development which we have all seen where matters of the Commission's competence are being transferred to a vast number of Council of Ministers *ad hoc* working parties.

Now two points of details, Mr President: the Community's role in other questions. I deal particularly here with our attitude to pilot projects to provide housing for migrant workers. We in the European Democratic Group are not supporting the restoration of the Commission's original preliminary draft budget figures for this item. Why not? Because this item is not what it says, not what it purports to be and it is not what Community policies should be either.

Over two-thirds of the money for this item has been spent, not on pilot projects at all, but on straight subsidies for housing. All it has done is to subsidize the almost irrelevant number of 500 dwellings in the whole of the Community in two years. That is not the way that Community policies should be developed or that Community money should be spent. We must take a firm stand against the shuffling around of little bits of money on national projects which show neither additionality nor originality. Money shuffling to the Community and back without changing or adding anything is not the way to develop the European Community. The Commission should not acquiesce in it. Pilot projects must have a genuine experimental character. They must be analysed and conclusions drawn and they must lead to the adoption of the best methods available. Then those conclusions must be given proper publicity in the Member States and lead to a genuine cross-fertilization of ideas. In this respect I commend to all my colleagues the excellent text of paragraphs 16 and 17 of Mr Adonnino's motion for a resolution.

A final point which Mr Spencer has already mentioned: the question of the disabled. I believe that all our colleagues have a deep concern for the disabled and especially, but certainly not solely, in the light of 1981 being the international year for disabled people. Now on behalf of the European Democrats in the Committee on Social Affairs and Employment, I propose that under the Article 11 measures for the disabled there should not merely be a restoration of the Commission's figure but a symbolic increase of a further 1 million units of account. This was approved not only by the Committee on Social Affairs and Employment, but also by the European Democratic Group and the Committee on Budgets. All Members who empty their mail boxes will know that I am organizing on 18 November in Strasbourg, with the help of disablement organizations in all our Member States, an all-party group for the disabled and I hope many of you will want to join us at that time.

Throughout the budget, Mr President, we in the European Democratic Group have given priority to employment and re-employment with special emphasis on the role of training and re-training. But in all our Member States there is so much to be done for the disabled who cannot help themselves that I urge all my colleagues to vote for the European Democratic Group amendment to Article 511. Then, whatever the Treaties say or do not say, we can set about the task of developing a real Community policy for disabled people.

President. — I call Mrs Cresson.

Mrs Cresson. — (F) Mr President, ladies and gentlemen, I have six minutes in which to make you aware of the very serious concern felt by many Socialists — many French Socialists at least — at the way in which this budget is once again ignoring the problem of the fall in agricultural incomes. Although it may not look as spectacular as other serious social problems, its extent is unprecedented.

Cresson

Agricultural incomes in France will fall in 1981 for the seventh consecutive year. Furthermore, many farmers are faced with bankruptcy, and that is something we have not seen since the war. I am not unaware of the problems involved in fixing common prices in a community where price rises can vary from country to country by anything from 5 to 20%. It will therefore be up to the French Government to keep its promise to the workers and maintain their standard of living in 1980.

Let us return to the Community, however. How can we disguise the very real concern felt by the majority of Europeans? How can independent Community action even be considered when the Community does not have the food resources available to develop its full worldwide role in support of underdeveloped countries and détente? And now what is being hastily proposed to us for the Common Agricultural Policy is less its rebuilding with these new objectives than its demolition.

I would like to add another question: how, when the Community has shown itself to be incapable of halting the advance of unemployment, how can we go ahead with measures which will undoubtedly condemn tens of thousands of farmworkers to unemployment and block any future opportunities for those who would like to stay in agriculture? This policy is as unsatisfactory to farmers as it is for the Community budget.

Let me give you an example. This year we shall once again be asking for the budget to include a tax on vegetable oils, a need which is becoming more and more urgent with Spain's expected membership of the Community. We all realize that high dairy output, and the consequent surpluses, are caused by soya imports, mainly in large-scale farms. And who pays for the surpluses? All farmers pay, and most of them are small. We all know too that the co-responsibility levy on milk — which the French Socialists have always opposed — does not get rid of the problem of surpluses; that is why we are asking for it to be abolished. But, in case we cannot get that, we are tabling an amendment to ensure that it does not apply to those farms producing less than 200 000 litres of milk per year, and should then be applied progressively, and at the same time we would abolish the super-levy. This would not affect the Community funds in any way. We must however go further.

Are we right to continue subsidizing the production of skimmed-milk powder, burning 120 litres of fuel for every tonne of milk instead of encouraging the use of liquid milk in veal production, without bothering with producing milk powder? This accounts for 800 million EUA. Granted that we cannot effect such a change from one day to the next, the Socialist group calls for the reinstatement of 50 million EUA under the appropriate heading as a token of the will within this House to get out of this ridiculous situation.

Another ridiculous situation: the dairy surpluses which we are so frequently told are so expensive total 138 000 tonnes. Dairy imports from New Zealand total

135 000 tonnes. The transitional period has been over since 1977 and now it is expected to be extended indefinitely. Is it the job of the agricultural budget to finance what may well be a commercial or strategic policy, but about which neither we nor the farmers who pay the co-responsibility levy have been consulted? I might perhaps also point out that if it is a commercial policy it is a failure. I have the Community's trade figures with New Zealand here before me. Does our generosity in the agricultural sector pay off in commercial or industrial success? Does it lead to any improvement in unemployment in Europe? Absolutely not!

We could have hoped that an increase in New Zealand's industrial purchases might form part of what is effectively becoming New Zealand's unofficial membership of the Community. In other words Europe could have hoped for that trade, rather than Japan and countries outside the Community.

That has not happened, and even if it had done so I would still fail to understand why European farmers should have to pay for such a policy. I wonder whether the Commission is hoping to include something like a commercial policy in the budget one day. In any case New Zealand is not the only example. How is it that this House has never been consulted about the GATT negotiations, which affect not only the development of the agricultural policy but the future and development potential of the other common policies and indeed the survival of the whole European venture? Do we want to give the United States the exclusive right to build up the cereal surpluses which allow them both to enforce a highly inefficient embargo on the USSR — inefficient but still dangerous — and to get involved in the Third World, reaping the political and commercial benefits which we deny ourselves?

This, together with the fact that we believe in the principle of not earmarking funds, means that we cannot support the proposal to set aside 2% of the EAGGF guarantee section to be held against agricultural price increases.

As I said at the beginning of my speech, every year the increase in agricultural prices is not even enough to hold our farmers' incomes at the same level. It is not by eliminating farmers that we will solve the problems of the budget or the problems of the Common Agricultural Policy: it is production costs which must be dealt with.

Day by day we get further and further away from the universally accepted principles and goals which were the foundations of the Common Agricultural Policy. We are abandoning our international role just as we are abandoning the safeguarding of our self-sufficiency in food and the honouring of our commitments. Dependence on outside food supplies will one day turn out to be expensive, just as we found with energy.

This House may rest assured that failure to take a strong line now — and I can only deplore that the French Government failed to take such a line and gave way on every issue — means that we are preparing a very gloomy future for the European Community.

President. — We shall now consider the chapter on regional and transport policy.

I call Mr Griffiths.

Mr Griffiths. — Mr President, on behalf of the Socialist Group, I wish to support the amendment of the Committee on Regional Policy and Regional Planning which seeks to reinstate the amounts for commitment and payment appropriations in the quota and non-quota sections of the Regional Fund put into the preliminary draft budget by the Commission. Taken together, this means that the Socialist Group wishes to see 1 600 m EUA in commitment appropriations and 770 m EUA in payment appropriations in the European Regional Development Fund for 1981.

My colleague, Mr von der Vring, has shown quite clearly in his opinion for the Committee on Regional Policy and Regional Planning, that although the superficial increase of 37% in commitment appropriations seems large, a detailed examination reveals that the increase is more apparent than real.

Further, he clearly demonstrates in his opinion that, for the major beneficiaries from the Fund, the apparent generosity of the Commission is actually a cut in real terms because of the rate of inflation in those countries. He might well have added that because of the exchange-rate policy of one major beneficiary, the United Kingdom, it has suffered a further reduction in real terms of 7% in what it will actually receive in pounds sterling from the Regional Development Fund in 1981 when compared with 1980. Therefore, the Commission's preliminary draft can only be regarded as the absolute minimum which we can support.

This attitude is strengthened when we look at the inflation-rate estimates which the Commission use to determine the size of the budget. Last year, they used a Community average of 6% when deciding the size of the Fund. At the time I warned that this figure was far too small, and events have proved me right, as the Community average for last year was nearly 11%. Thus, though commitments in last year's budget represented a 23% increase in the Fund, the real increase was far less, because inflation ran at twice the predicted rate. This year, the Commission predict an inflation rate of 9.6% for the operation of the Fund. This is more realistic than last year, but again I believe it will fall short of the real figure, which we shall, of course, know when we debate this budget next year.

One innovation the Commission could take up is to put an additional amount into the Fund each year, perhaps at this stage, to make up the fall in its real spending-power caused by a rate of inflation which turns out to be higher than that predicted by the Commission when they made up their estimates in the previous year.

Against this background, which makes the Commission's preliminary draft an absolute minimum which we can accept, the Council amendments are cynical. The majority of

these hard-faced people, with one or two honourable exceptions, choose to ignore totally the verbal support they have given to the fight to reduce the disparities in wealth between the rich and poor areas of the Community. I believe that no one in the Parliament can support the hypocritical position of the Council, which, if it is maintained, will only succeed in driving another nail in the body of this Community. The continuing production of unbalanced budgets can only lead to the breakdown of this Community. Thus, next year there will have to be a radical restructuring of the budget if the growing discontent in a number of Member States, but perhaps most keenly felt in Britain, is not to become, if I may use another metaphor, a tidal wave engulfing the institutions of the Community.

I conclude with a brief word about the European Democratic amendment which seeks to reduce commitment appropriations by 170 m EUA. The cynicism of this amendment is almost beyond belief. Having secured the United Kingdom rebate, the European Democrats are now seeking to reduce the help available to other weaker regions of the Community. Last year I likened the regions to the poor man Lazarus and the Council to the rich man whose table he begged at in the hope of being given a few crumbs. This year the European Democrats provide an extra character on this scene. This character succeeds in getting half a loaf off the rich man and in return kicks a few crumbs out of the hand of Lazarus. I hope they change their minds about forcing their amendment, even at this late stage, and do the decent thing, like the ladies and gentlemen they are supposed to be, and support the amendment of the Committee on Regional Policy and Regional Planning.

President. — I call Mrs Boot.

Mrs Boot. — (NL) Mr President, ladies and gentlemen, I should like to speak on Amendment No 419 which proposes one 1 million EUA for the setting up of a Mediterranean plan. This amendment might be described as a solidarity amendment. The views of my group regarding the other aspects of regional policy and the relevant figures in the budget will be dealt with by other colleagues.

Over the last three years, various groups including my own have devoted a considerable amount of discussion to the measures necessary in view of the second enlargement of the Community which will be a very different affair from the enlargement of 1973, since the economic structure of the Mediterranean countries is totally different from that of the northern countries. Mr Tugendhat has described the figure of 1 million EUA as a symbolic amount, i. e. we will not actually not be able to do very much with it but it nevertheless has a value as a gesture. Thus it is high time that we made serious preparations.

The aim of the Mediterranean plan is to introduce instruments for the development and the restructuring of the economies in this area by means of a revolving fund. The ultimate aim is to reduce the disparity between North and South as regards economic structures. If things continue as

Boot

they are now, the difference in the prosperity of the richest and the poorest regions which is now 1:6 will rise to 1:12. We are thinking, for example, of the difference between the region of Hamburg and parts of Southern Italy. The instruments currently available are far from sufficient to eliminate the existing regional imbalances, let alone those arising from the second enlargement. A revolving fund is a fund set up along the same lines as the Marshall Plan, which was aimed at stimulating economic activity in general. In the present case, however, the entire infrastructure is different, which necessitates a longer-term plan. I should like to point out at this juncture, for the benefit of my British colleagues, that when the Marshall Plan was announced, the British Prime Minister leapt out of bed so as to be the first to be able to accept it. Italy, France and the United Kingdom were the first countries to react to it and it was the United Kingdom which received most under the Marshall Plan in its first year. I should like to make this point since I fully agree with the previous speaker that it would be a great pity if the European Democrats, who voted against this proposal in the Committee on Budgets, were to do this Thursday.

We invite the Commission to work out a strategy for the implementation of a plan of this kind in the next few years. It is also essential that the plan should be accompanied by an employment plan for Europe as a whole, since money spent on projects which are not in tune with the overall economic situation cannot produce satisfactory effects.

I should particularly welcome it if this amendment were to receive adequate support and if a little of this modest amount could be left when the consultation procedure has been completed.

(Applause)

President. — I call Mrs Kellett-Bowman.

Mrs Kellett-Bowman. — Mr President, my group is, and has always been, very much in favour of an active regional policy. Indeed, we refused to join the Community unless and until a Community regional policy was established. That is our position still. We differ only on the tactics to be employed in achieving this goal. As this Chamber well knows, I speak as one who cares deeply for regional policy, as do all my European Democratic colleagues on the Regional Policy Committee, who have been the best attenders in that committee throughout. For five years, I have fought tooth and nail to extend the funding and effectiveness of the Community's regional policy, and I shall continue to do so, however parsimonious and short-sighted the Council may be, and so will my colleagues. As Mr Adonnino rightly said on Monday, regional policy is a priority of the Community. It is, as he reminded us, a fundamental object of the Rome Treaty to lessen the differences in the standard of living of different parts of the Community, and yet this difficult task has not been crowned with success, as we all know to our very deep sorrow. Instead of narrowing, the gap between the prosperity

of the richest and poorest regions has widened from 1:4 to 1:6 and will widen still further on Greek entry.

Why is this so? At Summit after Summit, the Heads of Government have stated categorically that regional policy is one of the first priorities of the Community; they have described it as an essential prerequisite; but have they ever suited their actions to their words voluntarily in this respect? Never, never! Every advance in regional policy and every increase in the Regional Fund in real terms has had to be painfully extracted from an unwilling and a grudging Council. And last year the Council had the gall to try and get away with a decrease in monetary terms — let alone in real terms — if this Parliament had not dug in its heels. Two years ago the increase in the Regional Fund was secured only by a brilliant procedural manoeuvre by the Parliament, which involved the Parliament in returning the budget to an astounded Council in precisely the same form as it came to us, though in doing so, we had to sacrifice all opportunity of advance on other fronts. Last year it was only the united determination of the entire Parliament which enabled us to make progress on the Regional Fund after rejecting the budget. At the present time the Community finds itself in the most serious economic crisis and recession since before the War. No country has escaped unscathed, but at such a time of crisis it is inevitable that the weakest economies and the most disadvantaged regions suffer most. Alas, the older industries such as shipbuilding at Barrow, in my own constituency, steel, textiles and footwear are all concentrated in the disadvantaged regions of the Community.

This, then, above all is a time for a massive increase in the Community's spending in real terms if the regional policy is to have any real impact on these terrible human problems. And yet, what do we find? Far from endorsing the Commission's proposals, which themselves were quite meagre enough, because they have had to take account of the near exhaustion of the Community's own resources, the Council has severely slashed those proposals, and I would agree with my colleague that in fact their action was cynical. When one looked at the overall figures in the preliminary draft budget, 1 600 m EUA appeared superficially to be quite a substantial increase, although unhappily it was cut to 1 400 by the Council; but looking further into the bare figures, we must take account of the fact of Greece's entry and her possible 15% quota, and when this is deducted the figures look vastly different. The figure in the Commission's preliminary draft budget minus the Greek quota is 1 360 m EUA, an increase of 16.7% in monetary terms over 1980. The Council slashed this to a mere 1 190 m, a so-called increase of 2.1% over 1980. I say 'so-called', Mr President, because the average expected rate of inflation in the Community is 9.6% for 1981, so that in real terms this 2.1% increase is a very substantial cut indeed.

In reality, however, the facts are much worse. Of the Regional Development Fund, 83% goes to three countries — to Italy, France and the United Kingdom, whose average inflation rate is well above the Community average for the Nine. It is roughly 18%. I am happy to say that thanks to

Kellett-Bowman

strong government action inflation is now falling rapidly in the United Kingdom and is expected to be in single figures next year; but the fact remains that the weighted average rate of inflation in proportion to the Regional Fund quota allocations is nevertheless 16.8%, and this almost exactly cancels out the increase the Commission proposed in the preliminary draft budget.

Mr Tugendhat said on Monday that the Commission desires to maintain the great structural funds at a high operational level. I am bound to say, and I told him afterwards, that I do not exactly regard them as being at a high operational level now.

Much more can be done than is being done, but if the Council's butchery is condoned there will be a cut in real terms by any reckoning, and if account is taken of the weighted average rate of Community inflation, the cut will be no less than 12.5% and the three weakest economies, those of Italy, Ireland and the UK, will suffer most.

While it is true that the United Kingdom is cushioned to a certain extent by the supplementary measures, it is not true that they do not want a large Regional Fund, for they benefit to a very large extent from the quota section and have also been fortunate in the non-quota section. Small wonder, though, that as Mr Santer said the day before yesterday, the spokesmen of all the groups 'expressed their discontent' — that is putting it mildly — at the budget in Strasbourg. Indeed they did, and they have done so again throughout this week. In past years I have always been, as has the entire Committee on Regional Policy and Regional Planning, far more concerned with the amount of commitment appropriations than with payment appropriations, because right from the days of Commissioner Thomson we have always been assured that if we could actually spend the money already committed, the Council and Commission would always make the payments promised on the agreed projects. Indeed, year after year we have been urged to try and speed up payments, and we have made strenuous efforts to do exactly this. It is ironic, therefore, that it looks as if the very small figure entered for payments by the Commission and slashed still further by the Council might prove a real bottleneck, which will be tragic just when a system of accelerated payments has been introduced and pressure put on Member States to speed up their applications for payment. However, the Budget Committee's insistence that payments will be increased if necessary provided this stipulation is clearly expressed in the budget will prevent such a bottleneck occurring.

I said three years ago, and I repeat again today, that the regional policy is, or ought to be, the cement which binds the Community together. Without a proper regional policy — and this goes far wider than the Regional Fund itself and embraces the social policy, the European Investment Bank, the Ortolí facility and the structural part of the EAGGF — the Community may well disintegrate under the stresses and strains which will develop in the poorer regions.

I believe in the Community; I believe it is the greatest influence for peace in the world today; but it can grow more influential and more prosperous only if it shoulders its proper responsibility towards the poorer regions and enables them and their citizens to take pride in their proper place as equal members of the Community. Mr Santer said on Monday that it was difficult last year without a budget and that it would be unfortunate if such a situation repeated itself in 1981. Indeed, it would, Mr President, but it is for the Council to make a realistic offer, not to throw at us figures they know we cannot possibly accept.

It is for these reasons that I and my colleagues on the Committee on Regional Policy and Regional Planning will be voting for the amendments put forward by that committee to restore the Commission's original figures for commitments and payments, in the hope that the Council will see reason on this vital matter. And I may say that my group will not be opposing that.

4. Agenda

President. — In view of the large number of amendments to be considered, the Bureau proposes that tomorrow's sitting begins at 10 o'clock so that we have more time for the voting.

Since there are not objections, that is agreed.

The proceedings will now be suspended until 2.30 p. m.

The House will rise.

(The sitting was suspended at 1.05 p. m. and resumed at 2.30 p. m.)

IN THE CHAIR: MR ROGERS*Vice-President*

President. — The sitting is resumed.

5. General budget of the European Communities for the financial year 1981 (continuation)

President. — The next item is the continuation of the budget debate.

I call Mr Buttafuoco.

Mr Buttafuoco. — (*I*) Mr President, ladies and gentlemen, Mr Romualdi gave an excellent summing up in political terms of the period the Community is going through and of how the failures of those in charge are certainly not contributing to the process of integration.

Against this background I want to talk about transport policy. Our committee, under the outstanding chairmanship of Mr Seefeld, was quite unanimous in its opinion which was excellently presented by Mr Doublet and which was taken up by the budget rapporteurs in their admirable documents.

It is with deep bitterness, Mr President, that we note a continuing lack of understanding by the Council. It makes you think that they are deliberately ignoring the spirit and the letter of the Treaty of Rome, which sees transport as one of the four basic Community policies and even — I should be inclined to say — the key policy, and certainly the decisive one as far as integration is concerned.

There cannot be any Community policy in this area, and we are never going to get any actual results, unless we tackle the problem of infrastructures in a realistic fashion.

Since the direct elections the parliamentary Committee on Transport has heard two Presidents of the Council of Transport Ministers uttering almost the same words and coming out with all kinds of good intentions, but without producing anything to show for it and without giving any real indications for the future. The Commission and Parliament seem to be on the right road, Mr President, but the Council seems to be lagging behind.

The other non-attached Italian Members agree with me here and consequently give their support to the amendments tabled by the Committee on Transport: a proposed increase from 800 000 to one million units of account under Item 3.7.8.0 concerning studies preliminary to financial aid in respect of transport infrastructure — I am referring to the studies concerning the development and use of a traffic-forecasting instrument and infrastructure requirements arising from the accession of new Member States — and the entering of a commitment appropriation of no more than 15 million units of account, in view of what was proposed in the last budget, under heading 3.7.8.1 concerning financial support for transport infrastructure projects. This will allow greater scope for regional development policy, on which Mr Almirante will be speaking.

We hope that a readiness for dialogue will become apparent on all sides and that people will be willing to realize that a budget is not just simply a list of figures which somehow balance out, but the outcome of firm political decisions, and that when these exist it becomes easy to find the technical means of implementing them. This is what the citizens of Europe expect of us.

President. — I call Mr Puletti.

Mr Puletti. — (*I*) Mr President, ladies and gentlemen, I am speaking on behalf of the Socialist Group after other Members in the group have already spoken. I shall naturally try not to repeat what has already been said but to bring out one or two points which have been overlooked until now. The rapporteur for the Committee on Budgets, Mr Adonino, emphasized the transitional nature of this budget because it marks a different approach by Parliament — while standing up for our rights, we do not intend to make matters worse between the Council and Parliament — and also because it is hoped that this budget will be approved just before the appointment of the new Commission.

The rapporteur also spotlighted the difficult times the Community is going through. The first problem is that the Community is shortly going to reach the limit of its own resources. Secondly, there are the added problems which will come with Greece's accession to the Community, although we welcome this accession as a very good thing. And lastly there is the question of how to solve the problem of the United Kingdom's contribution.

The political background to these events is one of tremendous concern. It is becoming more and more vital to have tangible evidence of the Community solidarity which is an absolute necessity if Europe is to be built. It is only too understandable, that national interests prevail when individual countries run up against mounting economic and social problems. One of the means of combating this self-centred response is the regional policy outlined in Regulation 724/75 of 18 March 1975, as well as Regulation 214/79 of 6 February 1979. I have mentioned these dates in order to highlight the difficulties that regional policy has had to cope with in taking shape. It is a policy designed to bring the countries of the Community closer together and to put an end to what the press has termed the two-tier Europe. It is quite natural that a year after the election of this Parliament by direct universal suffrage we should be inclined to take stock of what has happened before. I feel I have to say, as far as regional policy is concerned, that it has not managed to bridge the gap between rich and poor regions, but has in fact pushed them dangerously apart. The reliable figures of the Committee on Regional Policy and Regional Planning show that, whereas before there was a 6:1 ratio between the wealthy and less well-off regions, this has now widened to 10:1. It is easy to see how, in some Member States, this constant decline in social and economic terms is likely to cause serious problems of a social nature. It will be said that it should be up to the national governments to deal with these major problems, but thinking of this kind runs counter to the philosophy of the European Regional Development Fund, which was conceived as a means of transferring resources from advanced regions to weaker ones. This Fund is therefore the touchstone of the real Community spirit. Its purpose is also to ensure that existing regional disparities in Europe are not made worse by other Community policies.

The Council, however, does not seem to have grasped this and has slashed Chapters 55 and 56 in the budget. In the Commission's preliminary draft 1 600 million units of account were set aside for commitment appropriations and

Puletti

770 million for payment appropriations. The Council knocked 200 million off the first lot of appropriations and 270 million off the second. If we compare these figures with those in the 1980 budget, with its 1 165 million units of account going to the Regional Fund, you might think there has been a hefty increase. In fact, when the Commission put forward 1 600 million for 1981, it was calculating a 9.6% increase in prices in the Community and was also earmarking 15% of the Fund for Greece. People will calculate that the Fund has gone up by 10%, but this is a serious mistake. The Commission took 9.6% as the basic rate of inflation, but in Italy and the United Kingdom, where 83% of the appropriations are spent, the inflation rate is running well above the Community average of 16.8%. It touched 21% in Italy in October. It follows that, even if the Commission proposals were left untouched, the Fund would have a hard job to maintain things as they were in 1980. The cuts inflicted by the Council are therefore likely to emasculate the entire regional policy. This leads to a political problem which cannot be tackled by purely financial means. Just what did the Council have in mind? Earlier, I mentioned the self-centred response, and someone else will stand up and talk about the vigorous defence of the legitimate interests of his own country. It remains to be seen whether a Community-minded approach, which ought to inspire this Parliament, prevails over the resistance of the national governments within the Council.

You only have to think of what happened at the last Council meeting when Italy was the sole country to stand up against the Franco-German understanding which blocked the increase in compulsory expenditure. Parliament has to realize what is going on, unless we want to see reflected in the Council the continuing pattern of individual national policies, over and above the vaunting of the Community and the federal ideal. These are the points which I believe a parliamentary delegation raised when it met the budget ministers on 23 September. There are two other points I should like to make, Mr President, just before I get to the end of what I have to say. We all know that the Regional Fund in Italy operates in the south and in other parts of the country. The regional governments in several areas — especially in Umbria, Tuscany and the Marches in central Italy — are urging that the benefits of the Fund should be extended, and I would remind you that these have to be additional and supplementary to national aid, and not in place of it. It would be as well to bear this in mind. This point arises just before the regulation governing the Fund is due to be amended in early 1981. I might add that southern Italy will find itself worse off after the enlargement. With the likely demand for new projects and with mounting problems in some of the less well-off regions, it will be essential to coordinate the various Community funds and bodies: the Regional Fund, the Social Fund, the Guidance Section of the EAGGF and the work of the EIB. It goes against every basic idea of proper planning to have them split up, and this has to be changed. This also explains why no appropriations have been entered under 561 — the article covering integrated measures — and also why the Council, after the Commission had proposed a token entry, scrubbed even that. It is beyond me why this decision was made, unless they are trying to sabotage the coordi-

nated actions which have already got under way for Naples and Belfast.

I must add that there has been no start yet to the non-quota section we were all waiting for — even though it is limited to 5% — and there have been no moves towards a Community policy of streamlining procedures to ease the financial burden at a time of galloping inflation. My group, the Socialist Group, is asking that at least the appropriations in the Commission's preliminary draft budget be restored, and in this we are echoing the call of the Committee on Regional Policy and Regional Planning. We want to show that Parliament does not turn a deaf ear to Community needs and, what is more, that it is capable of getting its opinions home to a Council which has been described — and I make no apologies for repeating this here — as absolutely cynical in its approach to Europe.

President. — I call Mr Moreland.

Mr Moreland. — Mr President, originally I was going to speak entirely on the transport budget, but a number of views have been expressed on my group's reservations with regard to the Committee on Regional Policy and Regional Planning's proposals on the budget and I think, therefore, that as the last speaker from my group I ought in fairness to deal with those criticisms.

Let me emphasize, as Mrs Kellett-Bowman did, that my group strongly supports the existence of the Regional Fund. Let me also make it clear that we are critical of the Council's budget and that we, too, are proposing an increase. Our attitude to the Committee on Regional Policy and Regional Planning's proposals relates not to the Fund itself but to our view on the size of the budget, for if we amend this budget so far beyond what is acceptable to the Council, we are simply handing to the Council the final decision on the areas that should be expanded or cut. Conciliation or no conciliation, that is the danger, and I hope that my group's view on this would be appreciated. After all, we believe that the Budget Committee's proposals on transport, energy, culture, research and the Social Fund are vital for jobs in the Community and particularly in the regions. For example, one should not ignore the fact that the Social Fund will have an impact on the regions through its use for the steel closures or that, for example, the energy proposals will be useful for Southern Italy in terms of the proposals for solar energy.

Let me also emphasize, Mr President, that our view is not influenced by the British contribution problem. That did not enter into the debate on this subject within my group, and if I may say so, I thought it was unworthy of the rapporteur of the Committee on Regional Policy and Regional Planning to suggest it. I do want to emphasize that we are supporting a large increase in the Regional Fund, and we do not intend to vote against the Committee on Regional Policy and Regional Planning's proposals. We are open to further bright ideas on this particular problem.

Moreland

I should now like to come back, Mr President, to my original mandate, which was to speak on transport. First of all we will, of course, be supporting wholeheartedly the views of the Committee on Transport and, indeed, of the Committee on Budgets. The Community has failed to give a lead to Member States on transport. The Community has failed so far to remove barriers to traffic created by national boundaries, and in the context of this budget the Council of Transport Ministers has failed to stand up to the Finance Ministers in the battle for priorities. The Council has left us with a transport budget of 425 000 units of account. Not 425 million, 425 000 — the equivalent of paving half a kilometre of motorway. This is the Council's financial policy on transport! More and more people are travelling across the Community. Interstate traffic is increasing faster than traffic within the Member States, yet the Council believes we should only spend 425 000 units of account. This is not a policy, this is an insult.

Consequently, my group fully supports the views of the Committee on Transport. We deplore the Council's attempts to starve programmes of study and research on transport of funds, particularly when it has endorsed and even encouraged the establishment of such studies or research. My group will vote to restore the Commission's proposals on the various studies. However, we do make one request to the Commission, and that is that as the sums involved are quite large in relation to some of the subjects covered, we ask the Commission to supply to the Committee on Transport reports on the progress and results of the programmes of study and research.

The rapporteur for the Committee on Transport has stated in his report: 'We shall never tire of repeating that there cannot be a Community transport policy without an infrastructure policy'. How right he is! We agree with his proposals. We believe that it is vital for the Community to remove bottlenecks in transport. We believe that the interests of the Community, as well as national and local interests, should be taken into account when examining major infrastructure proposals, and that that interest should be backed by the transport infrastructure fund. Frankly, if we have a criticism, it is that the proposed fund is too small. We can all mention projects in our own countries. I can, of course, mention the Channel Tunnel and the links between the Midlands and the East Coast, and my Danish Conservative colleagues will mention links between Jutland, Funen and Zealand. However, I can also mention routes in the Community, and indeed in Austria and Yugoslavia, which road hauliers and rail shippers in my country complain about when carrying exports around Europe. The transport infrastructure fund is vital.

The Commission may argue that there is no point in putting any funds in Chapter 100, that there is no legal base. Our answer is that Parliament has in the past urged the passing of the Financial Regulation. We demand that it be passed as soon as possible. Indeed I have a Commission publication of 21 October on priorities for transport over the next three years. I am not sure if I am supposed to have it. I was surprised that no mention was made of this very important document at our committee meeting on 27 Oc-

tober. However, it puts as the first objective of transport over the next three years the infrastructure fund. Therefore I do urge this Parliament to support the vote on that, and indeed to support the whole of the Committee on Transport's and the Committee on Budgets' proposals on transport, because we demand that progress in transport which is vital to the strength of our Community.

President. — I call Mr Almirante.

Mr Almirante. — (*I*) Mr President, ladies and gentlemen, speaking as a Member of the DNI party elected in the south of Italy and also in my capacity as a city councillor for Naples, I want to express my extreme disapproval, not to say my acute concern, at this budget which was described by Mr Adonnino in connection with the Regional Fund as unacceptable, and which I should go as far as to call an insult.

You will understand that I am not taking a party stance on this, since the rapporteur for the Committee on Regional Policy and Regional Planning, Mr von der Vring, who is not Italian, not a southerner and certainly not of the right — although let me express my grateful thanks for the bold way in which he spoke out — was also firm in rejecting the radical cuts made by the Council of Ministers. He pointed out that the Council proposal would in fact mean the suspension of the Regional Fund for a whole year, he censured the Council's readiness to finance agricultural surpluses which are going up and up, and he hinted that serious social and political problems could well emerge in the regions which have to suffer unfairly.

This is what I am really worried about, Mr President. In 1979 the people of Italy showed that they cared about Europe, and this was shown in particular fashion by the people in the south and in the islands. No political party in Italy came out against Europe — which is more or less what happened in every other Member State of the Community — and the Italians voted overwhelmingly for Europe, especially in the poorer regions where the turnout touched 90%. It beats me why these people — who were urged by all the European MPs elected in Italy to vote for Europe and to believe in Europe, or at least to place their hope in Europe, and who live in the most depressed regions of Italy and Europe — should now have to be abandoned in the struggle which they were so keen to wage.

We are already seeing the signs in Italy of the serious social and political problems which the rapporteur sees as a potential outcome, in the poorer regions, of the Council's breach of trust. It is little consolation to know that this time it was only the Italian delegation in the Council of Ministers which voted against the budget, primarily because the commitments and expenditure earmarked for the Regional Fund, the Development Fund and the Energy Fund were cut.

Almirante

The fact is that the Italian Government failed to get any backing in the Council, even from those governments whose interests would be served, albeit to a lesser degree, by increasing or at least maintaining the so-called non-compulsory expenditure which — as Mr Romualdi pointed out — is really the only expenditure which ought to be considered compulsory, since its purpose is to narrow the frightening gap between the rich and the poor regions.

I give my entire support to the strong criticism expressed by the general rapporteur, Mr Adonnino, and by the rapporteur for the Committee on Regional Policy and Regional Planning. As a Member for southern Italy and as city councillor for Naples, I protest against the rejection of a small amendment which other groups, with our total approval, tabled to benefit the city of Naples. Let me also express my indignation at the Council's insulting gesture in making only a token entry for the integrated measures for Naples and Belfast.

President. — I call Mr Albers.

Mr Albers. — (NL) It has frequently been said that the proportion of the budget earmarked for transport policy is very small. Some of the figures quoted have also been incorrect, since in fact the amount involved is a mere seven hundredths of a percent of the total expenditure requested for next year. However, the real significance of transport policy is, of course, considerably greater than can be expressed in terms of money since internal and external trade relations are increasing with the result that the flow of goods and the movement of persons is also growing. In addition, the distances between the Member States will also become greater as a result of the enlargement.

Coordination and harmonization are therefore vital, and even fervent opponents of the Common Market agree that it would be extremely useful if we could find solutions to a number of problems in the field of transport. I am thinking, for example, of the problem of capacity, i. e. adapting the amount of transport available to the amount of goods to be transported and avoiding unfair competition and unrealistic transport conditions.

The Treaties, Mr President, make no bones about this point, in that they speak about the elimination of obstacles to trade and avoiding protectionism and unfair competition. This then is a field in which the Council deserves serious criticism since for more than 10 years now the Commission has been submitting scores of proposals for regulations and directives regarding the harmonization of social conditions, motor vehicle tax, technical regulations, establishment requirements, professional requirements in the goods transport sector, price tariff policy and capacity, and the Council either takes far too long to come to a decision or fails to reach any decision whatsoever.

On the other hand, we must also try to take a fresh approach to transport. We must take more use of energy-sav-

ing measures and devote more attention to the demands made by large sections of our society as regards the environment. Considerable attention must also be made to questions of town and country planning and the traffic systems in big cities. It is, therefore vital that the studies which have already been started should be completed and that we should reject the decision by the Council to make substantial cuts in the relevant budgetary items. I should like to urge very strongly on behalf of my group that at least the item necessary for a study of the transport market in the European Community should be maintained at the level originally proposed by the Commission. Even more important, however, is that studies continue on the infrastructure problems in the Community, and on the projects aimed at remedying the major problems which cannot be financed by the national governments. Here too the necessary funds should be made available in the budget. I therefore urge you on behalf of my group to adopt the relevant amendments.

President. — I call Mr Doublet.

Mr Doublet. — (F) Mr President, ladies and gentlemen, please bear with me for two minutes. I should simply like to state, following in the wake of Mr Buttafuoco and Mr Albers, that if there is one problem of international and consequently of European significance, it is indeed that of transport. If there is a sphere which can be considered to be a fundamental pillar of European policy, it is that of communications, and indeed we have an obligation here under the Treaty of Rome. Finally, if there is one area which has been dealt with in recent years in a less than satisfactory manner, it is that of transport.

It is in view of these irrefutable and important facts that the Group of European and Progressive Democrats has unanimously endorsed the proposals of the Committee on Transport, supported by the Committee on Budgets, which indeed reflect the votes cast on several occasions in recent years in this House. Well, the projects are there to be carried out. May I remind you of the plan for a Channel Tunnel, on which further studies have been made very recently with a view to updating the data on the basis of which work had in fact started five years ago. Then there is the linking of France to the European waterway network, the Dublin-Belfast line, the opening of motorway links to Luxembourg, the Italy-Germany motorway link and the link between Italy and Greece, whose forthcoming arrival amongst us is also linked in our eyes to the reform of the Olympic rules and to the permanent establishment of the summer games in a country so close to us. The only problem is one of choice. However, political will is also needed. This House should again, and on a massive scale, demonstrate this will; as we mentioned recently, the transport policy accounts for only three thousandth part of the general budget in commitment appropriations. Today we must transcend political positions and frontiers. I have every confidence in urging you to do this and in thanking you in advance for the support we are sure you will give us. For its

Doublet

part the Group of European Progressive Democrats will unanimously and enthusiastically support this policy.

(Applause)

President. — I call Mr Pöttering.

Mr Pöttering. — *(D)* Mr President, ladies and gentlemen, the topic under discussion today is regional policy which is one of the most important aspects of European policy. I should like, if I may, to make a serious criticism of the Members of this Parliament, namely that it would be appropriate, in view of the importance of this question, if a large number of them were present.

(Applause)

I realize that many Members are currently at other meetings, such as group meetings, Bureau meetings and Committee meetings, but I should nevertheless like to raise the question of whether or not we would be doing both the people of Europe and ourselves a service if we could in future be present in greater numbers.

(Applause)

Ladies and gentlemen, the Council of Ministers has — as has been mentioned by many speakers already — made drastic cuts in the appropriations proposed by the Commission. My group, the European People's Party, regards this as completely unacceptable and we hope that in its subsequent deliberations the Council will be able to return to a more sensible approach so that we will also be able to give our support to that section of the budget which relates to regional policy. However, if this is to be the case, certain corrections must be made. The Commission proposals represent the absolute minimum which we as Parliament must demand for European Regional Policy, and the amounts proposed by the Council of Ministers are a step backwards.

Thus, one of the questions which this Parliament must ask itself is what direction should the European Community take, what are we aiming at in Europe. Do we really — and this is a question which this Parliament must answer unanimously — want political union in Europe? If so, we must erect other pillars of European policy in addition to the important pillar — the agricultural policy — which is something which must be maintained. I am referring, for example, to regional policy and energy policy, etc. Regional policy is an extremely important area since it is a question of showing solidarity within the European Community with those groups which need this solidarity

because they have not been able in recent years to develop in the same way and achieve the same standard of living as the people in many other regions. In particular, we must do what we can to enable them to find employment without having to leave their homes.

The Council of Ministers will also have to ask itself how these new policies, such as regional and energy policy, are to be developed within the existing financial framework and whether it will be possible to develop a new policy by restricting agricultural expenditure. For my part, I do not think so, or at least not to any appreciable extent. It is up to the Council to take the decision to increase the revenue of the European Community above the 1% VAT ceiling so that we will really be able to develop a new common European policy. It is not acceptable — and this question directly affects the future of the European Community — that the Council should push problems involving the Community as such to one side while on the other hand taking any advantages which Europe might offer to the national governments. No, ladies and gentlemen, the individual Member States on the one hand and the European Community on the other must share both the problems and the successes equally, so as to avoid giving the people of Europe the impression that the European Community is a rubbish dump for national problems.

Ladies and gentlemen, in view of the enlargement of the Community by the accession of Greece, Portugal and Spain, regional policy will in future have to have something to say about how we can solve the problems of these countries. Mrs Boot this morning stated her views regarding the proposal tabled by my group — although the idea in fact originated with Mr Lücker — to the effect that a revolving fund should be set up. This would not be possible within the existing financial framework of the Community and we must, therefore, urge the Council of Ministers in view of the basic political decision to admit Greece, Portugal and Spain to the Community, to take the necessary follow-up measures as well.

Finally, I should like to say — and I sincerely hope my British friends will pass this on when they get home — that we are not only including the British regional measures completely within the context of European regional policy, but we also go along with the rapporteur for the Committee on Regional Affairs in regarding the Commission's proposals as the least we can expect. Thus, we must reject the draft drawn up by the Council of Ministers since we wish the regional policy of the Community to become a major pillar of European policy. This is the central issue, and I urge all the groups in this Parliament to give their united support to the draft tabled by the rapporteur, so that we can take up a convincing stand vis-à-vis the Council of Ministers and hence be able to expect it to change its own attitude, after which, I hope, we will also be able to give our support to the budget.

(Applause)

President. — We shall now consider the chapter on the environment.

I call Mr Muntingh.

Mr Muntingh. — *(NL)* Mr President, socialists tend to object if the weak are oppressed and minorities brought low. Socialists man the barricades if they see injustices, or the harm which can result from the large scale political systems which govern our world and this is why our group, within the Europe of the Nine, devotes so much attention to human rights, the problems of young people, women, the disabled and underprivileged and problems concerning nature and the environment.

As regards nature and the environment, the situation in Europe is bad. Rivers, streams and canals are so polluted that it is dangerous to drink from them or swim in them. Air pollution is attacking houses and buildings, including historic buildings which form part of our international heritage and is causing damage which can cost hundreds of millions of guilders per year.

Recently, it has even become apparent that the ground on which we live and walk is no longer trustworthy. Entire residential areas must be compulsorily demolished because it is dangerous to live there, and the ground under them must be excavated for decontamination. Ground, water, air, noise and radiation pollution are modern social ills which are infesting and attacking the skin of mother earth at an incredible rate.

The Socialist Group maintains that things cannot continue in this way — indeed we have already gone too far. It is, in our view, an international problem with major economic, social, ethical and scientific implications and we think therefore that this problem must be tackled swiftly, inventively and effectively at international level, including Community level.

A start has already been made. We have an environmental action programme which indicates the lines along which we must work and which, Mr Tugendhat, provides the legal basis for our action. As I understand, you said in the Committee on Budgets that there was no legal basis for the environmental fund we wish to see set up. If you in fact said this, I should like to draw your attention to the fact that there have already been a first environmental action programme and a second environmental action programme and over 58 Community directives and measures have been introduced. In addition, there is Article 235 of the EEC Treaty which, together with the other things I have mentioned, provide an adequate legal basis for an effective environmental policy.

In budgetary terms, the amounts involved in a European environmental policy are peanuts — two bits and they are gone. They do not satisfy our hunger but rather stimulate the appetite. What we are talking about here — I hardly dare say it — is less than one tenth of a percent of the total

Community budget — which really is peanuts — whereas the actual problem is something far more substantial. The damage resulting from pollution, for example, has been calculated by the OECD as representing between 3% and 5% of the GNP. Various species of plants and animals are dying out, entire communities are being destroyed together with magnificent old buildings. These are not matters which can be expressed in terms of money.

In our view, this budget is, from the environmental point of view, a flop. However, we must work on it and improve it. Our group, therefore, has tabled four amendments to the budget, which are intended to give the initial impetus for a substantial environmental policy. In our view, an environmental fund should be set up in addition to the existing Regional Fund and Social Fund. We want a serious environmental policy which will actually produce some effects. We don't want peanuts, we want coconuts. We are faced with a lot of hard nuts to crack, and we want to crack them. If Mr Tugendhat says that he has doubts about the usefulness of the limited proposals we have tabled on the grounds that it would be too small to make an effective start, I would draw his attention to nature where he can see that everything grows from very small beginnings. A whale starts off as a sperm and egg which are invisible to the naked eye, but it grows into a magnificent beast 30 m long if we don't kill it off first.

(Applause)

The Commissioner is being a little naive, I think, if he says that this is hardly necessary since only last year this Parliament introduced the environmental fund and it appeared as a token entry in the budget. Now the Commission has also included it as a token entry.

And what does the Council do?

It simply makes a stroke of the pen and it's gone.

I feel therefore — and I invite the Commissioner to give some thought to this point — that it would be better at this stage to have something at least in the budget, if only the five million we are asking for. It is better to have something than nothing at all, since in the latter case the Council could say, *coh!* neither the Commission nor the Parliament are interested, so let's get rid of it.'

You will understand that we Socialists will under no circumstances accept the Council making cuts in the environmental items in the budget. This is totally unacceptable and we firmly support the proposal of the Committee on Budgets to reinstate all the items proposed by the Commission, including the environmental fund, and even to add a few more. This is only right and, in our view, this is what the Council should do.

(Applause)

President. — I call Mr Mertens.

Mr Mertens. — (*D*) Mr President, ladies and gentlemen, in this very serious budget debate there has been one thing all areas have in common: the spokesmen for the individual committees each believe that their sector naturally deserves priority and that it is the most important in the whole budget.

The speakers have been in agreement on yet another point. They remarked that while the Commission's draft budget was not completely satisfactory, it was nonetheless quite good. What they found unacceptable, and what made Parliament very angry, was the fact that the Council had cut this draft budget far too much. Accordingly praise was deserved by those who at least helped to reverse the Council's amendments.

That is the line that has been taken and I have no reason to take a different one. Let me say therefore that I find it laudable that our rapporteur, Mr Ghergo, is a man of conviction who can present the position of the Committee on the Environment with understanding, energy and dedication. Just look at the figures for a moment! In this budget we have a total of 0.26% of non-compulsory expenditure and of the total budget a full 0.06%! You will ask why then I bother to speak about it. If not even we draw attention to it, we have little hope of winning the understanding we need for our claims.

Consequently we are grateful to the Committee on Budgets for restoring the appropriations which the Council had cut. We are grateful for every item which proved possible to improve thanks to the skill of our rapporteur, Mr Ghergo. Our group is therefore prepared to approve this end result, with certain reservations. We are also grateful that Parliament has some appreciation of the importance of environmental protection, as evidenced by the understanding shown by the Committee on Budgets. But it would be untrue to say that we could be satisfied with this result in the long term. It is our opinion that this share of the appropriations is not sufficient in the long term to keep alive and promote a forward-looking policy of environmental protection. By approving the budget we do not wish to give the impression here that we are totally complacent and satisfied with this result. No, we must make it clear that we expect more in the future. The citizens of our countries, who are sometimes more aware than we of the progress that can be made by taking small steps, will make their views clear to each Member of Parliament, to the effect that if we are unable to take major political decisions on the construction of Europe, then at least they hope for smaller advances.

We must develop new technologies in all areas of environmental protection. The progress already made as regards water purification — think of the problems of the Rhine and other rivers — groundwater, or air pollution is totally inadequate. The same is true of the problems of border regions and the question of waste. We are a long way from finding a workable approach.

For want of time I cannot go into the consumers' case in detail. For this I refer to the O'Connell report, which we consider has the right approach.

Ladies and gentlemen, those are therefore our reasons for saying 'Yes' to this section but only with reservations, because in our view, out of a sense of overall responsibility for the progress of the budget debate, we cannot do otherwise. That is our position. We will not be able to support the demands of the other groups which go considerably beyond what we have called for, but we will approve what has been put forward here by the Committee on Budgets.'

(*Applause*)

President. — We shall now consider the chapter on development and third countries.

I call Mr Cohen.

Mr Cohen. — (*NL*) Mr President, ladies and gentlemen, in this budget debate a good deal has already been said about the Council's draft budget. My friend and fellow Socialist Mr Dankert called it a monstrosity. It received a devastating press in Europe and for the first time in the history of the European Community even the European Commission in Brussels has not given the Council its support.

I should like to add just one epithet to those that have already been used: as far as the Community's development policy is concerned, I would say that the concoction the Council has submitted as a draft budget is criminal. Not criminal in the legal sense, of course, but as a crime against humanity. We Socialists therefore have no hesitation at all in supporting the amendments to the budget put forward by the Committee on Development and Cooperation. For us that is the minimum that must be done if we are to maintain our credibility.

In September we had the great debate in plenary session on hunger in the world, when Mr Ferrero's resolution was adopted more or less unanimously. What Parliament's Committee on Development and Cooperation has done is to translate into figures the principles expressed in that resolution. If we adopt the Committee on Development and Cooperation's amendments to the draft budget, we shall thus in reality simply be remaining true to ourselves, which is surely the least one can expect of a politician. I have the strong impression that a majority in this House — perhaps even the whole of Parliament, but that remains to be seen tomorrow — takes the same view. It is in any case significant that the Committee on Budgets has endorsed, with just one or two exceptions, all the amendments made by the Committee on Development and Cooperation. The exceptions concern just two items. The Committee on Development and Cooperation had proposed including the International Fund for Agricultural Development as an item in the budget, with payment appropriations and commitment appropriations for 13.5 million and 40.5 million units of account respectively. The Committee on

Cohen

Budgets has cut this item back again to 1 million, the amount originally put down by the Commission.

Another bone of contention with the Committee on Budgets relates to cooperation with the developing countries in the energy field. The Socialist Group subscribes to all the Committee on Development and Cooperation's amendments. The Committee on Development and Cooperation had proposed 5 million in payment appropriations and 20 million in commitment appropriations, but both these have been reduced to token entries again by the Committee on Budgets. The Socialist Group supports the Committee on Development and Cooperation's amendments, and we feel ourselves all the more justified in this in the light of the comments by Mr Tugendhat, who said that a sum of 1 million for the IFAD was far too little to meet our obligations. He did, it is true, express some doubt as to whether the legal obligation to make money available for the IFAD could already be put into effect for 1981, but that is precisely why we do not want to make do with a token item. We want to exert pressure to see that this legal obligation is put into effect. When all is said and done the Community too is a negotiating partner in this whole process and the Community itself could see to it that the negotiations are speeded up so that the IFAD gets off the ground as quickly as possible.

The same goes for energy. For years now we have been hearing the Commission say time and again that it is difficult to get this business off the ground. We now want to see real amounts set aside in the budget, once again in order to impress it on the Commission that it is time to give effect to the fine words we have been mouthing for many years.

Very briefly, I should like to say a few words on the items for food aid and emergency aid. For food aid we once again simply have the translation into figures of what we adopted a few months ago in Mr Ferrero's resolution. The Commission has also admitted that the amounts we are now proposing are in line with what was in the resolution. I must say I am amazed that the Commission did not see this before and did not put forward these amounts itself, thus making it more difficult for the Council to make cuts in the budget.

A regards emergency aid, I must once again criticize the Commission. It is simply incredible that the Commission imagined a total of 10 million units of account would be enough. This is incredible because we know — and we shall be discussing this next time in Strasbourg — that there is already a shortfall of 20 million for the undertakings given to Cambodia in the context of the 1980 budget. We know that there are difficulties with regard to the transfer of items intended for the Maghreb to this emergency aid — up to now we have always done this via food aid, but that is no longer possible either because food aid is at present fully committed up to the limits entered in the budget — but it is quite impossible to assume that we can make do with a total of 10 million in 1981. Perhaps the Commission and the Council suppose they have a special relationship with the Almighty and can therefore prophesy that no emergency aid will be needed in the coming year. We are not so sure.

In our view a minimum of 60 million should in any case appear in this budget, not least because we have some respect for the budget and are not willing to see an amount entered just like that which does not have the slightest bearing on reality.

I should like to add just a few words on the Committee on Agriculture's amendments. The Commission has tried once again to transfer a number of amounts from Title 6 of the budget to Title 9 — I am thinking here above all of the refunds for food aid. I find this absolutely incomprehensible: I really do absolutely fail to see how the Committee on Agriculture can be so pernicious as to try this yet again. Last year the Commission also tried to do this. It came away with a flea in its ear. The Council would not hear of it. This Parliament was almost unanimously against it. Parliament's Committee on Agriculture is acting as if it was in a political vacuum and is trying this on yet again. The Socialist Group will put all its weight against these amendments. Food aid refunds are a direct consequence of the agricultural policy pursued in this Community and must be shown in the title on Agriculture.

I should like to leave it at these general comments. Our concern is that we in the Community should pursue a credible policy towards the Third World. What the Commission has done with food aid fills us with fear and apprehension. What the Council has done with the Commission's preliminary draft budget fills us with shame. We blush to see how much the Community intends to spend on its development policy this year.

The Christian Democrats have already stated in the debate on hunger that they want to increase the amount for development to one per cent of the total budget. We assume that the Christian Democrats and Socialists will all follow the same line on this section of development policy and will make every effort to cast off the shame the Council has brought upon us. Only then — and this is particularly true for 1981 — will we be able to look the Third World in the face again.

(Applause)

President. — I call Mr Narducci.

Mr Narducci. — *(I)* Mr President, ladies and gentlemen, I sometimes wonder whether we are here simply to make sympathetic noises in the face of the problems currently rocking our Community, or whether the views which are expressed in this House do not perhaps deserve a better hearing and should not really have some effect on current policies, so that these genuinely reflect the views of the people who elected us, and not just the views of the motley, sometimes very narrow majorities on which our national governments rest.

Narducci

This Parliament has in fact managed to achieve real consistency and a large measure of unity at difficult and decisive moments, when we rejected the 1980 budget and when we approved the resolution on hunger in the world — voting “No” and “Aye” with the same motivation each time, that is, seeking policies aimed not at protectionism but at solidarity, not at egotism but at humanity, aware of the present situation and its real constraints but still capable of expressing the political potential — in the strictest sense of the word — of this Community.

One of the reasons why the Group of the European Peoples Party had to vote against the Council's proposals in the first debate on the 1980 budget was the complete neglect of cooperation and development policies which went beyond all reason both in absolute terms and in its general trends. Those criticisms were renewed when we finally had to approve that same budget — I would remind you of the speech made by my friend Mr Bersani — with the clearly stressed hope that the trend would be reversed for 1981. Such demands became even clearer as we worked through the complex process of approving the resolution on hunger in the world, and, with the relative consistency shown by the Nine at the last United Nations Session in New York, together with Mr Thorn's statements at the beginning of the Luxembourg Presidency, it did not seem too much to hope there might be some change, for, I would like to remind you, it can have been no accident that those statements placed considerable emphasis on the very themes of cooperation and development, in line with the opinions which Parliament had already voiced.

The EPP was explicit in its support of this part of Mr Thorn's statements but that approval was conditional on future budgetary decisions which would be, so to speak, the acid test of the Commission's powers of initiative and of the true political will of the Council of Ministers.

Now we have the budget before us and in effect we are being invited to take it or leave it. This will not do: Parliament cannot abandon the realistic — even brave — goals which it set itself with the resolution on hunger in the world; Parliament cannot diminish its relations with the ACP states to mere colourful exchange visits; it cannot forget the obligations it has taken on with regard to the non-associated countries; it cannot calmly shelve the need to feed those who are dying of hunger; it cannot, of course, ignore the vital contribution made by non-government organizations — religious and otherwise — to real, free development in the countries of the third and fourth worlds. And the same applies to every item in the budget we have before us. Mr Adonnino has already said that the cuts made by the Council will not even enable the Community to meet its present commitments, to which I would add that, if the Council does not accept the amendments relating to cooperation and development which the EPP is supporting, it will be scuppering one of the principal policies — perhaps the only one which officially introduces an element of dialogue and peaceful cooperation into a world divided by contrasts and bleeding to death with the arms race.

Going beyond the expected institutional conflicts, this seems to me to be the vital question as far as concerns the sector which I have attempted to explain to you. This is the challenge from the European People's Party which the Council cannot ignore, and the responsibility is the Council's. The Council should remember that people look to Europe for solidarity and not for selfishness; they look to Europe for dialogue, not for useless surpluses; they look to a Europe which does more than destroy produce and which can create new relationships and consolidate old ones in a spirit of freedom.

(Applause).

President. — I call Mrs Le Roux.

Mrs Le Roux. — *(F)* Mr President, ladies and gentlemen, a large number of developing countries are ravaged by hunger. In Europe, low salaries and unemployment lead millions of families to cut back on the essentials of life, the most basic need: food. Faced with this situation, the French Communists and their Allies are unable to accept the line taken by almost all the speakers in this budget debate — that of reducing, if not doing away with, the production of commodities essential for feeding people, by reforming the Common Agricultural Policy.

Under these circumstances, destroying or denaturing thousands of tonnes of farm produce each year is truly outrageous. The same is true of any measure which aim at reducing farm production at the expense of farm workers and of those who are hungry.

This is why we have several proposals to make. The first is aimed at stopping waste and making effective use of existing farm produce. We must no longer douse it with paraffin or dump it in the sea. Accordingly, we suggest setting up a fund for storing and processing this food and shipping it to peoples suffering from hunger. This proposal, which we feel to be a matter of common sense ought in the normal way to be approved unanimously by this House.

It is perhaps worth remembering that the ACP countries were almost unanimously in favour of this plan when voting on a motion moved by my friend Jacques Denis, at the meeting of the EEC-ACP Consultative Assembly in Luxembourg.

We also suggest that EEC food aid should be increased in the form of cereals, dairy products and sugar. This is quite feasible because the produce already exists and production can be increased.

As for how such aid should be attributed, we Communists feel that it is intolerable that aid should be tied to political conditions. Any country which needs aid should be able to receive it without discrimination. I should in particular like to refer to Vietnam and remind the House that the

Le Roux

ACP-EEC Consultative Assembly also unanimously condemned any use of the weapon food.

We also propose that, as the ACP states have requested, long-term contracts should be negotiated for the export of surplus farm produce. This is quite feasible.

I must repeat that farm production can be increased in the EEC, both in order to give Europe guaranteed self-sufficiency in food and in order to pursue a positive export policy.

Long-term contracts of this sort would go a long way towards cutting down the dominant influence which multinational food companies exert on trade in farm produce. Multinationals are today making huge profits at the expense of starving peoples. We might ask by the way, why the Commission has refused to answer the question put by Jacques Denis on the activities and the market position of the five largest food multinationals.

In order to achieve this aim, we similarly suggest that a fund should be set up. There is nothing extravagant or unrealistic about these various proposals. We have the means to carry them out. What is needed, however, is the political will.

Whatever happens, if we can stop applying policies aimed at destroying agriculture and abandoning the land, then great savings can be made. I should also like to remind you that, in our proposals, the increase needed in the sums allocated to the EAGGF would be met by taking back the gift made to the United Kingdom.

Finally, I should like to point out that in order to implement these proposals negotiations would be necessary with the countries concerned. I should add to solve the problem of hunger these countries must get to grips with the development of their agriculture.

Our proposals respect the sovereignty of the developing countries. They involve no restrictions. They stem, Mr President, from a simple notion, which I should like to restate, but which for some reason is far from being universally accepted, namely that we refuse to accept any cuts in production or any destruction of farm produce as long as the need for it is so great.

President. — I call Mr Irmer.

Mr Irmer. — (*D*) Mr President, ladies and gentlemen, for the Liberal and Democratic Group development policy, together with the energy, regional and social and industrial policies, represents one of the focal points of our work and of European politics in general. When I look back over the work of this House over the last few years, I am pleased to see that we have managed to make considerable progress in gaining a theoretical understanding of development policy problems, in developing a political awareness of our re-

sponsibility regarding these problems and finally in developing together the political will to cope with these problems by uniting our efforts.

We are now debating the budget, and one thing is quite clear to us: if we in this House cannot make the effort to put all our declarations of intent into practice in the form of budgetary decisions, then everything that we have done in the past year in this respect will have been just window dressing. In addition, ladies and gentlemen, we would lose all credibility. In September, during the debate on hunger in the world, I said in this Chamber that all those Members who were prepared to vote in favour of Mr Ferrero's motion for a resolution were thereby pledging their word and that they should be ready to draw the necessary conclusions during this budget debate. The European Liberal and Democratic Group declares itself fully prepared to do so. We shall unreservedly subscribe to and support the decisions of the Committee on Development and Cooperation.

The intolerable cuts made by the Council, which would destroy our whole policy, are not to be taken lying down. This applies in particular to aid for non-associated developing countries, food aid, including the setting up of an emergency reserve, support for the extremely worthy and beneficial work done by non-governmental associations, and contributions to the International Fund for Agricultural Development. This also includes aid in the event of disasters. The cut to 3 million EUA made by the Council is, in my opinion, inhuman. If the European Community were to accept this, it would be tantamount to admitting to world public opinion that the Community is morally bankrupt.

Ladies and gentlemen, I must also oppose the Commission's proposal in this field, which was for 10 million EUA. We all know that 40 million EUA were needed during the current year. We also all know that next year, since this is unfortunately not under our control, it is probable that at least 50 or 60 million EUA or even more will be necessary, just to finance the most essential measures. I thus ask the Commission why it thinks it only needs to ask for 10 million EUA. The answer is that they think that they can take the necessary amounts they decide to spend out of other chapters or articles of this budget. This, however, blatantly goes against the principle of transparency and honesty in managing the budget. It also means admitting that they will be prepared not to spend on other purposes money which has been set aside for those purposes. Members of the Commission, Parliament must insist that monies which are allocated in the budget to specific purposes are spent for those purposes.

If we know beforehand that a certain minimum requirement exists, then we must be consistent and meet that requirement by allocating appropriate funds in the budget.

This is also addressed to my colleagues in the Conservative Group, who have tabled draft Amendment No 504 to restore the 10 million EUA which the Commission requested. Why have you done this? I would ask you to

Irmer

think this over. In my opinion there is only one solution. We know that there will be a need for this money. We also know that we will pay out the money. The Commission will do so because it cannot close its eyes to the misery of the world. The question is, then, why we do not simply insert these sums in the budget. The Conservative Group too should give priority to transparency and honesty in the budget over and above any other considerations.

We ought, furthermore, to guard against differentiating between whether aid for disaster victims is to be paid to associated ACP States or to other non-associated developing countries. The distress caused by disasters knows no national boundaries. Misery and disasters are no respecters of international treaties. Our aid should therefore not distinguish between associated and non-associated victims, as if they were first-class and second-class victims.

Mr Tugendhat said yesterday or the day before that it was unlikely that the increased resources for development policy — what he meant by that, I really do not know — could actually be spent. Now one thing is quite clear. If there were any technical or administrative impediments which might prevent the Commission from spending budget resources, then we would be the last to insist that such resources be entered into the budget, because we too are committed to frugality. If, however, Mr Tugendhat simply meant the alleged legal impediments the Commission has invoked time and again in the past, then I must tell the Commission that they will meet stiff resistance from Parliament on this subject. For we will not allow the Council's inertia, its refusal to enact regulations, to deprive the budgetary decisions of this Parliament of their legal force. The Council has the ability . . .

(Applause)

. . . to enact regulations. When it does so, then the Commission must abide by these regulations. However, if it does not do so, then the Council forfeits its right to invoke this alleged legal requirement, and Parliament will insist that the Commission pay out money simply on the basis of the budget, even without that additional legal basis.

Ladies and gentlemen, I should like to raise one other point on which we have unfortunately had occasion to speak all too often before. Despite previous assurances from the Council, in spite of the fact that Parliament has repeatedly expressed this desire, the Development Fund has still not been budgetized. We shall insist that in the 1981 budget there is at least a token entry. We are pleased to note that for its part the Commission has made the same proposal. We cannot accept the fact that the Council has once again deleted the token entry, which was meant to ensure that at least the next European Development Fund would be firmly budgetized. We further insist that the Council of Ministers make a binding declaration on these lines, for in the long run it is intolerable for large amounts of Community funds to be managed outside this budget.

(Applause)

President. — I call Mr Clément.

Mr Clément. — *(F)* Mr President, ladies and gentlemen, my group is fully aware of the need to show budgetary restraint. Against the background of a world economy beset by the successive oil crises, monetary disruptions and unstable political situations, each of the Member States has had individually to impose a policy of austerity.

This being the case, it appeared quite logical for the Council to adopt a restrictive approach to the Community budget. However, this apparent logic begs two questions. Firstly, the Europe of nations which we support has, in the eyes of the world, responsibility of its own, which is not simply the sum of nine individual responsibilities. The other fact is that in these difficult times we must choose our priorities.

In this respect, the Community must in my opinion, remain faithful to one basic priority, the Common Agricultural Policy, and to two Community achievements which make Europe exceptional, that is regional development policy and the policy of development and cooperation.

Regional development policy is absolutely essential for maintaining European unity. Europe will cease to exist if there continues to be a huge imbalance between the central regions and less-favoured outlying regions of the present Community and if Greece, which is soon to join us, does not derive full benefit from a policy which is particularly suited to its needs. It is for this reason that the sum set aside by the Council for the Regional Fund is totally inadequate.

As for development and cooperation, we are unable to go along with the Council's choices here, since they are likely to lead to the total ruination of this Community policy. The reasons adduced by the Council — which are a matter of budgetary technicalities — do not seem very convincing to me. According to the Council, it is unnecessary to provide large appropriations for this sector, since the funds for the present financial year have not been used up.

This reasoning is, in my opinion, unsound in three ways. Firstly, it takes a certain amount of time for the Commission and the developing countries to negotiate aid and development programmes, and they can only be gradually implemented in largely rural and often unfamiliar countries.

Secondly, the Council is to a certain extent responsible for the slowness in allocating funds, because it is very slow in approving certain projects. For example, it is only on 18 November next that the Council is to approve a list of projects representing 138 million EUA in commitment appropriations under the 1980 budget. The Council can hardly use its own slowness as an argument.

Thirdly, the Council cannot but be aware that most of the delays to which it refers have practically disappeared over the last year. For milk powder, the quantity not consumed and carried over has dropped from 25 000 tonnes in 1979 to

Clément

4 000 tonnes in 1980. As for butter oil, it has dropped from 10 000 to 2 700 tonnes, and for cereals, nothing has been carried over at all.

The truth of the matter is that we must make our choices not on technical, but on political criteria. It is our duty in this House, as far as our powers permit, to concern ourselves with fulfilling our commitments, and on this our credibility depends. Europe, in managing to institutionalize the dialogue between the industrialized and the developing countries, in particular within the framework of the ACP-EEC Assembly, has assumed, in the eyes of the world, a certain moral and political responsibility. What would become of our credibility if we failed to match action to our words? What would be the point of our debates on hunger in the world, if in future Europe were accused of 'triple talk', that is fine phrases for the ACP countries, a doctrinaire attitude in Parliament and a virtuous pose in the Council?

In conclusion, Mr President, I should like to remind the architects of budgetary austerity that, quite apart from legitimate humanitarian considerations, the revival of the Community economy, in other words tomorrow's jobs, depend on aiding development today.

IN THE CHAIR: MR KATZER*Vice-President*

President. — I call Mr Enright.

Mr Enright. — Mr President, may I begin with the prologue that it should have been Mr Pannella next, and that I think there are too many people around in this world who spend a great deal of time on slogans and demonstrations and do not get down to the hard practical work that is required.

(Applause from certain quarters on the left)

As far as development and cooperation is concerned, this budget has shown the sort of sympathy that one could have expected — of a scorpion. Minuscule amounts of money were proposed by the Commission, and for the Council to cut further the budget that was proposed by the Commission is the biggest slaughter since Herod massacred the Innocents.

I should like to speak on three topics principally: first of all sugar, then the non-associated countries and finally the non-governmental associations.

I would refer first to the two proposals made by Mr Curry, on behalf of the Committee on Agriculture, that the sugar

protocol should be put into the development budget. If I have already spoken of scorpions and mentioned Herod, then I can only describe these proposals as those of a snake in the grass disguised as a mass murderer.

Let us consider how these conclusions were reached. It is very clear that the British Conservatives have been in collusion with the British Government. It is not the French who have a monopoly on narrow nationalism in this place. What they are trying to disguise is the fact that it was Peter Walker, the British Minister of Agriculture, who vetoed the eminently sensible proposals made by the Commission on sugar-beet quotas last year. They are further disguising the fact that British sugar-beet growers, unlike the Belgians and the French — and I think one must be honest about this —, are expanding their production at a quite alarming rate.

They are trying to disguise the fact that Harold Wilson's renegotiated terms for the EEC were very successful in that they brought in 1.3 million tonnes of cane sugar and gave that cane sugar a guarantee: that was a considerable success in the renegotiation of the terms for the British staying in, not re-entering.

They are also trying to disguise the fact that the only guarantee of entry for sugar-cane into the Community is the capacity which exists in the United Kingdom for refining that sugar — for unless you can refine sugar-cane there is no point in its coming in — and the present policy of the United Kingdom Government is simply to ensure that sugar-beet expands and that sugar-cane no longer exists. This means, I would point out, that although the British sugar-beet growers are expanding enormously, unemployment is imminent at the Port refineries in Liverpool. That, I think, is a very important fact to note.

In other words, these amendments have nothing whatsoever to do with this Community as such — and I believe in the Community as such — but they have a great deal to do with British sectarian, national, governmental interests, and I warn all the other countries who think that this is a nice amendment because it helps their sugar-beet producers that this is not the case: it is a case of expansionism on the part of the present British Government. Peter Walker — and I must not be unfair to him — has made his aim absolutely clear in this respect. In fact, I would dub Peter Walker, and have already done so, as the biggest non-tariff barrier which exists in the Community.

What we are saying is that to move sugar from the agricultural budget to the development budget is like the poor man paying for the rich man's cigars, and I hope that this House will take no heed whatsoever of the Committee on Agriculture's amendments.

(Applause from certain quarters on the left)

I turn now to the wicked cut, to what Mr Tugendhat rightly called a 'blind cut', which was made in the budget for the non-associated countries. The Community took its first tottering steps towards a more global development

Enright

policy almost four years ago. Whilst the increase last year was substantial in percentage terms, in real terms it was an infinitesimal sum. At a time when the poor are getting poorer, after we have adopted the Ferrero resolution on world hunger, when everybody is paying lip-service to the Brandt report, and when all member governments hold up their hands in horror at the starvation that they see on their own television sets, it shows an insensibility beyond comprehension that the Council should slash in half a budget which is destined to relieve the poverty and the suffering of at least a few of the enormous number of people who are suffering from starvation. In fact, with regard to the non-associated countries, I would go even further — and I make no apology for this: it is quite clear within Lomé that bilateral aid, as opposed to Community aid, is wastefully used. This is even truer of bilateral aid outside the African, Caribbean and Pacific countries. The Council of Ministers make decisions in this area off the cuff completely. They then go back to their own countries and again make decisions off the cuff. There is no coherent policy, and the result is that places like Kampuchea can very well get millions and millions of bandages, but no coherent assistance for what they really need.

(Applause from certain quarters on the left)

Incidentally, I think I should point out that if member governments are concerned to spend money effectively, then they should plan it effectively, and the only way to plan it effectively is in fact through the Community in this instance.

Finally, and very briefly, because I am aware that I have only one minute left, I would like to talk about the non-governmental associations. Now, it is all very well to cut their budget, because that is a teeny-weeny little budget and we do not need to worry about it. But let us spell out what it means. It means cutting assistance to Oxfam; it means cutting assistance to War on Want; it means cutting assistance to justice and peace, and it means cutting assistance to IDIAS at Sussex University, which may please the political predilections of some people, because they are a very awkward bunch, but which means in effect that you are getting rid of a whole amount of free assistance which is being given and which, to be effective, should be there on the ground.

I warn the Council of Ministers that if these cuts are not restored in the budget, I shall certainly use all my powers of persuasion to get my group to reject this budget and at all events to delay it as long as possible, even though this is allegedly against the interests of the United Kingdom Government. It is a mean budget. Let us at least get back to its being a budget that we can build on rather than a budget which is destructive.

President. — I call Mr Michel.

Mr Michel. — *(F)* Mr President, ladies and gentlemen, on the topic of our policy on aid to developing countries, I

should like to make four brief preliminary remarks, and four very specific proposals for the budget.

After a year's work, this Parliament almost unanimously adopted the report on the causes of hunger and the ways of bringing about the sort of development which will eradicate these causes. The budget proposals made by the Commission seemed to us, the members of the Committee on Development and Cooperation, not just hesitant, but even disappointing. That was my first remark.

But — and this is my second remark — the cuts which the Council has made in the Commission proposals are not just disappointing; they are provocative and do not even grant the Commission the means to meet the commitments it has already entered into at various levels. The outcome of this is that the Council proposals really sabotage measures which are already being implemented.

A third remark is that the Ferrero report should have been costed and, at least for the basics, backed up in terms of units of account, without which — and several people have said this — we no longer have any credibility whatever, and Parliament will be accused, like other institutions before it, of being all talking and no action and never honouring the promises it has made.

My fourth preliminary remark concerns the proposal referred to just now by Mr Cohen, a proposal put by the European People's Party, on whose behalf I am now speaking, when the final vote was being taken on the Ferrero report. Our Group suggested to this House that 1% of the total Community budget should be devoted to aid to developing countries. This motion was rejected by Parliament, but some people, in particular the Socialist Group, said at the time that we would come back to this point during the budget debate. That debate is taking place now, and now is the time to commit ourselves.

Mr President, ladies and gentlemen, at the beginning of this debate on the budget, Mrs Castellina expertly summed up the position worked out and approved by a large majority of the members of the Committee on Development and Cooperation. I do not intend to go back now over what she said. Mr Cohen in his speech also stressed these proposals, as did Mr Narducci, Mr Irmer and just now Mr Enright, following in the steps of Mr Clément. I am not going to repeat what they said, but I should like, personally, to dwell on four very specific proposals which I shall set out briefly.

Firstly, aid to non-associated developing countries will, I think we can say, be non-existent if the next budget is implemented in the form in which it has just come back to us from the Council. The truth is that what we have been offered here only just allows the Community to meet a commitment it has already entered into towards India, in particular for fertilizers. If we honour this commitment, then we shall have used up all the funds allocated in the budget. So, there is no longer any point in talking about really aiding non-associated countries, since we no longer have the means.

Michel

Secondly, I should like to refer to the co-financing of projects with non-governmental organizations which are the organizations closest to the populations concerned, who work with them and for them as Mr Enright also mentioned just now. The Council has quite simply lopped off the proposed increase in funds — 5250000 units of account. We not only propose that this be reinstated, but, with the agreement of the Committee on Development and Cooperation, we suggest an increase of 2 million EUA which would mean raising the appropriation for this item to 7250000 EUA because this seems to us to be of the greatest importance for the populations concerned.

My third suggestion is that we need to go beyond food aid. Food aid is necessary, but it is only a stop-gap solution. What we need to do is to increase our support for development, and in this connection the Commission had made proposals which, broadly, involved increases of 110 million EUA. We consider that these proposals should be reinstated and implemented.

My final remark is directed at the problem of staff working in the field. It is not enough to want to do the work, nor to have the means to. We also need to have enough qualified staff. This applies to the delegations needed in the countries concerned. It also applies to the staff required in DG VIII, and here we feel that we must insist on not just maintaining of the present establishment, but also granting the increases which Mr Cheysson has been strenuously demanding for the last two years.

In this very Chamber at the ACP-EEC Consultative Assembly, we propose that, in accordance with the Ferrero report and the views expressed by the delegates, we should get together to examine closely ways and means of fighting the causes of hunger and fostering development. How can we confidently and reasonably embark on this work and these discussions if we know that we will not be given any effective budgetary means to act? The gauntlet is down. It is our job to pick it up.

President. — We shall now consider the chapter on administrative and other expenditure.

I call Mr Maher.

Mr Maher. — Mr President, it is very difficult in a long debate like this, with so many speakers, not to have a great deal of repetition. I ask for understanding if I repeat as well.

I want to concentrate on a point that I consider to be of great relevance to what we are all trying to do. We are endeavouring to bind together a number of different countries, traditions and peoples in order to improve the quality of life and ensure that we have peace and that people can cooperate for their own benefit and development. We are also trying to ensure that we are not introvert, that we are not living in a vacuum, that we take note of peoples in other

parts of the world who are in some ways not only decades but whole generations behind in terms of development, and who are suffering as a consequence. For that reason I want to express very great concern, and I express it directly to the Commission.

In my view the Commission has lost a great deal of its bite in this regard. There was a time when the Commission fearlessly put forward this concept again and again. They fearlessly pointed the way ahead. They showed that if we were not prepared to continue progressing towards unity, then we were going backwards. I see very little sign of that attitude today. The Commission seems to have thrown in the towel.

I remember listening to Mr Tugendhat in Strasbourg at the last part-session when he began what was in many ways a very fine presentation of the draft budget by saying that there would be no possibility of increasing the resources or the contributions that countries were making towards the common budget for the European Community.

Frankly, and I say this to Mr Tugendhat directly, I think that is an admission of defeat. I think the Commission ought to be the body that fearlessly points the way ahead.

We cannot expect the Council to do this because it is made up of government ministers who — and I am not defending them at all, but we have seen this pattern down through the years — are grappling with internal problems, who tend, naturally, to be nationalistic in their outlook. They are concerned with national problems day by day.

This is the great problem of the European Community today, this nationalism which is growing, not declining, Mr President. It is not a problem of money or resources, strictly speaking. The problem is that governments are not prepared to concede any more sovereignty. They are not prepared to do any more in common. In fact, they want to do less in common. If anything, they want to pare down what we are doing. It is not a problem of money, since we can show country by country how all governments are wasting resources simply because they want to do things on their own.

I challenge the Commission — and I think this is where the main work of the Commission ought to lie — to prove to these governments that it is even cheaper, more economical to act in common, to act together, and not to act separately. What is the point of talking about a European Economic Community if we are only concerned with an agricultural Community?

That is the kind of cul-de-sac we have got ourselves stuck in. It is virtually an agricultural Community, since that is the only common integrated policy we have. We have gone only a fraction of the road towards other common activities or common measures. Surely it can be shown that savings can even be made by putting our heads together.

At a time when economies are under pressure surely this is what we should be doing. In human affairs, when people

Maher

have common difficulties, that is the time that they bury their differences and come together to act in unison so that they can be stronger in a time of difficulty and problems. But it seems to me that now, when we are faced with economic problems in all the Member States, we are becoming more nationalistic. We are looking more at how we can solve these problems ourselves, how in fact we can take back money from the European Community, as the UK succeeded in doing last year. I know they will advance strong arguments for having done so, but it was an anti-Community act. It is saying in other words that the best way to act is to go it alone.

Now I am putting it to the Commission that they have an ally in the Parliament. If not, I do not see a future for this Parliament. If this Parliament does not have this Community instinct and this Community feeling and this urge to act together, then what purpose does it serve? We are only another glorified Council with the same nationalistic ideas. And I have heard these ideas repeatedly expressed in this Chamber and in the Chamber in Strasbourg. That is our real problem. Why have a second Council? Why go to the expense and trouble of having a second Council with the very same basic ideas?

Let us do more in common, let us get on with an energy policy. Not let us duplicate. Why should we have to carry out the same research in Germany, Britain, France or elsewhere? Can we not do it together? Is this not what the Community is about, Mr President, or am I completely wrong? Maybe I am too simplistic. If I am, I can only defend my simplicity by saying that that is how I see the Community. I hope the new Commission with its new President will have more guts, and I speak in plain language, than the old one. Have the guts to stand up to the Council! Have the guts to find the way ahead and not to be afraid! That is the way to gain recognition. But as soon as you go back to adopting the same position as the Member Governments, — I realize that as it comes to the end of its term of office the Commission is subject to certain political pressures — you cease to fulfil your function as a Commission. I understand this. Commissioners may be worried whether they are going to be reappointed by certain governments and may not like to say or do anything which could jeopardize their positions. That may very well be the case. I do not know. But frankly, if that is the case, they are not fulfilling their functions.

The Commission must be courageous. It has got to show on the basis of facts and figures how we can get ahead with other policies, not just agriculture, but all the other policies. If you do that, you will have my support as a parliamentarian, and I believe that you will gradually win support from the Council. You will be showing that this European Economic Community is a real community and not just a loose gathering of nations that are desperately trying to hold together. That is a negative approach. I believe our attitude ought to be positive.

President. — The following speakers will speak on the motion for a resolution.

I call Mr Langes.

Mr Langes. — (D) Mr President, we have more than 600 draft amendments before us. A large proportion of them are the fruit of discussions in the individual Committees, but many have been tabled by individual Members. Now we have just received yet another batch of draft amendments. All these motions show how far opinions in this House often differ as to the way in which the problems of Europe should be solved. As the last speaker for my Group I shall of course not venture to go into details. I know that many Members over the last two days have made some very wise, forward-looking speeches. Now that we have reached the end of this debate, our only concern should be to emphasize what we have in common and make quite clear to those who are going to vote on these 600 draft amendments tomorrow that this Parliament has a decision to take which is extremely important both for the 1981 budget and, consequently, for the European Community. I therefore call on all Members, even if their own draft amendment is not adopted, to approve the broad principles of this budget.

What are these broad principles, which we in fact worked out with the over-riding majority of the Members of this House? We realized, when the Council admitted the draft budget to us, that we could not accept its swingeing cuts in the fields of energy, world hunger, industrial and social policy and finally regional policy. For these cuts do not just restrict European policies but will in many cases render them impossible. The Council has done this, as it has itself already made clear, because it was afraid that in the field of agricultural expenditure we would reach the 1% VAT ceiling or even that we might go beyond it, this not being possible without a decision by the national parliaments.

I think we agree that during the budget debate we have up to now made it quite clear — and at this point I should like specifically to thank the President-in-Office of the Council for his few but telling words on Monday — that, with regard to agricultural policy, we fully understand people's concern but also know how to do something about it. Now that the Commission, via Mr Tugendhat and Mr Gundelach has explained that the 2% cross-the-board reduction — which makes 256 million ECU — and the transfer of this money to Chapter 100 in fact means creating a reserve with which we can safely embark on the farm price discussions, we have shown the Council that we understand its concern, but also that we have found a means of alleviating it. The European Parliament does not simply want to spend tax revenue, but wishes to achieve a balance between essential expenditure on agricultural policy, the elimination of senseless farm subsidies and the development of a purposeful policy in four sectors: energy, world hunger, industrial and social policy, and regional policy.

I therefore ask the Council to accept our offer during the conciliation procedure. Then we will be prepared to discuss matters which are still open to question because we have increased funds for this or that item. There is the proposal which will be voted on tomorrow, to reduce to 5% the 10% administrative costs paid to the Member States. This would release several hundred million

Langes

Deutschmark in own resources. We know that it is difficult for the Council to give a quick answer on this. This too will have to be discussed during the conciliation procedure. We invite the Council to make use of this procedure. But I must warn the Members of the Council that conciliation does not mean having dinner together or having an exchange of views for an hour or so, it means thorough discussion, item by item, of the individual problems.

Those colleagues who are still undecided as to what attitude to adopt tomorrow — and by this I mean those Members who share my opinion that we should be building Europe together, not the pseudo-revolutionaries or pseudo-anarchists, nor the anti-Marketeters, who can obviously not be expected to try and strengthen the European Community, but all those Members on the right or on the left who are considering whether now is the right time to embark together on increasing non-compulsory expenditure by some 870 million EUA — those people all wonder if they ought now to say yes. To them I now say you should vote 'yes' tomorrow. We need your 'yes', we need a broad community of spirit in this House, so that the Council is made to realize that there is here a common determination. Tomorrow, any abstention is wasted. Attention is perhaps a subtle way of saying 'no', but basically what it means is saying 'yes' to the Council's cuts, and this much must be absolutely clear to everyone here. All honourable men and women can only vote either 'yes' or 'no' tomorrow, and voting 'yes' means support for a strengthening of the European Community.

Ladies and gentlemen, although matters have often been seen only in black and white here, we should now understand together that what is needed is to pursue common policies, which can only arise from reasonable compromises. Reasonable compromise will further the cause of Europe. Anyone who thinks that everybody here can ride their own hobby horse or push their own special interests, is doomed to failure. Anyone who says that the Common Agricultural Policy is no more than a corpse with only a semblance of life in it, is mistaken. The Common Agricultural Policy is a successful policy overall, since 260 million people in Europe have enough to eat and we are also able to supply food to developing countries and disaster areas.

This is something we should welcome. We are dependent in the energy sector, but we are not dependent on others for food. This is a great advantage for us in Europe. However, we must also naturally make it clear to those responsible for running the agricultural policy, that areas in which everything has gone wrong, in which there are certain weak spots or where there are some senseless regulations in force, must be looked into and corrected with the Commission's help. We must say clearly that this is not the right sort of Common Agricultural Policy.

Ladies and gentlemen, I once more urge you to vote 'yes' on the first reading tomorrow, so that we have a basis for sound conciliation with the Council and I ask the Council to take our request very seriously.

President. — I call Mr Delatte.

Mr Delatte. — (F) Mr President, ladies and gentlemen, once again it falls to me to take the floor, but I shall be very brief. I speak on behalf of the Liberal Group, which has tabled two new amendments to Mr Adonnino's motion for a resolution.

The Liberal Group, faithful as always to the Common Agricultural Policy, is unable to accept paragraphs 11 and 12 as they stand in Mr Adonnino's motion. He proposes that we decide now that there is to be no increase in the planned expenditure for agriculture in 1981 after the farm prices have been fixed for 1981-82.

I must stress that this proposal is absolutely unacceptable. I would even say that it is quite contrary to Community regulations and to the rules of the Common Agricultural Policy.

It should be realized that agricultural expenditure is the result of a certain equation, which naturally must be applied — and it is precisely the budget which should make this possible — but I would add that we have a number of proposals on the streamlining of the Common Agricultural Policy, and I see no reason why we should today be trying to anticipate any decision on this. Nor do I see why it should be for the Committee on Budgets to decide the future of the Common Agricultural Policy. In the text before us today, we naturally propose that paragraph 11 be amended. Since the Commission has itself promised to make proposals, it is important for us to know something about them before we decide what should happen to the expenditure needed to finance agriculture. My Group feels that the overall sum of agricultural expenditure, which depends on the one hand on the 1981 budget but will on the other hand be affected by the fixing of farm prices for 1981-82, cannot be properly assessed before the Commission has made known precisely how and to what extent it proposes to make savings, as it has promised to do, within the overall amount set aside for the EAGGF. That is our proposal as regards paragraph 11.

As for paragraph 12, we propose to drop it purely and simply, because if we want to undertake now before farm prices are fixed — which can only happen in the spring — to do without a supplementary budget, I do not see how such a decision could be taken. We are, therefore, opposed to paragraph 12 and ask that it be dropped.

The truth is that we do not know what agricultural expenditure will be for the end of this year and next year. The trend in world prices at the moment is such that we shall probably make large savings on some products, in particular sugar and cereals. We can see from the Chicago market how prices for cereals have been rising steadily. This means that we will doubtless make savings, and I do not see why we should formally commit ourselves at this stage to eliminating increases which may become necessary depending on market trends.

I should like to add that acceptance of the idea that the Common Agricultural Policy should be revised, should also mean that we are at least prepared to wait for conclu-

Delatte

sions to be drawn. The Commission, as I said just now, is at present carrying out a study. The Committee on Agriculture has itself promised to submit a report. Various people belonging to various political groups in this House have produced reports on adjustments to the Common Agricultural Policy. I therefore see no reason whatsoever why we should take decisions of this nature today. As I said yesterday, a great deal has already been asked of agriculture, as far as expenditure is concerned. I should also like to remind you that the dairy producers themselves are now providing an additional 2.7% in budget income, through the co-responsibility levy alone. Let us therefore be patient and bide our time. We must take the time we need, and avoid anticipating decisions which will only be taken when there has been time for reflection.

I have noticed during this debate that many speakers have supported the Common Agricultural Policy, and to my mind this proves just how important this policy is within the Community. Those who criticize the CAP — and some were violently critical — nonetheless almost all admitted that if this policy foundered, then the whole Community would be heading for disaster. Well, in my opinion what they have really done — and I must insist on this point — is to prove conversely that up to now it is agriculture which has stimulated the development of this Community. This, I suggest, is a point to be taken into account. It is important to see just how much the Common Agricultural Policy has contributed to the establishment of the Community. I think that we should always bear this in mind.

Let us, therefore, wait for proposals to be made, and doubtless we will be pleasantly surprised. This is my conclusion on the way in which agricultural policy will develop, a policy which needs to be dynamic and export-orientated.

This is why we want to see paragraph 11 amended and paragraph 12 removed. In my opinion, this is a fundamental question. It is a serious problem which demands a serious approach.

President. — I call Mr Pannella.

Mr Pannella. — (*I*) Mr President, ladies and gentlemen, I think that there are three reasons for concern which might well have suggested to all the political groups that they should take a close look at what they have been doing. I believe, in fact, that the views expressed in the corridors, Mr President, by those in the majority groups are exactly the same as those which Mr Langes just gave when he referred to pseudo-anarchists and so on.

I, personally, Mr President, have been a federalist since I was a babe in arms, which means that I have been one for half a century more or less, and I have no intention whatsoever of changing my point of view. Since I am situated on the left, the extreme left, it has been difficult for me to

maintain my conviction, and precisely because I have absolutely no intention of giving up what little hope I have for our Community, I feel that it is necessary to examine the significance of our work here and ask ourselves if, by chance, we are not aiding and abetting the planting of the seeds of dissent not only in the structure, but also in the expectations for, and the rational basis of, this Community.

I am of course in agreement with the effort made, for example, by Mr Spinelli, who insists on stating that after a year and a half of experience, this three-card trick must now be abandoned. Last year we attacked the Council on many occasions and spared the Commission's point of view. As a Parliament we wanted to complete our experience. However, it is now obvious, Mr President, that the Commission more and more frequently acts in order to cover up the Council's doings and that the dialogue between these two institutions is one of connivance and complicity, and not a clear and transparent political dialogue. Perhaps we need to go a little further than what Mr Spinelli said. The problem is also to see what is the exact situation of Parliament, that is to say the third card in the game.

Well, Mr President, a short time ago Mr Langes in his fine sermon — even if it is not Sunday today — explained that we must become a Parliament of 'yes men' or something approaching that. Why? Because — according to him — this is the way to obtain the most. This — in my opinion — is a logic fit for beggars and not for Members of the European Parliament. We have the option of rejecting the budget. If we showed that we really wanted to use this option, then we would have real bargaining power. I am sure that the outcome of bargaining and negotiation would not be what we think it ought to be. But the fact is that at least we would establish, and defend, a fruitful political dialogue, and there would no longer be this charade which takes no account of the reality of Europe today.

Mr President, in our attempt to do as we always have done, both in this House and elsewhere, that is to go about our unpretentious work as parliamentarians, although that work is often considered not only as too selective and as simple manoeuvring, but even as obstructionist, we have tabled approximately 100 amendments on a whole series of problems, in respect of which Mr Michel — the poor man who had to speak on behalf of the Group of the European People's Party — called the Council's provocation. But where exactly are we? A Member of the European Parliament considers that the Council is being provocative and not that it is pursuing a wrong policy? And after this, with his group, he accepts this broad policy, since Mr Adonnino is from the same political group as he is. This means that we are no longer playing a three-card trick but that from now on the game has ten, twenty, thirty cards. We must add, Mr President, that as always happens when there is a lack of political clarity and cohesion, the resulting gap is filled by something else and I must add that in this case it has now quite clearly been filled — and we denounce this fact — by the moral paucity, not just in political matters, but also in financial and administrative matters, exhibited by this Community.

Pannella

Shameful payments are being made, in shameful ways, by shameful procedures. We were accused of causing a furor when we worked out how much the expenses paid to the Members of the European Parliament cost, which are in fact an invitation to dishonesty. They are undignified in manner. I might well agree to having extremely high 'ceilings' for our salaries, but I cannot agree to the insincere, hypocritical and squalid way in which these were granted. Therefore we tabled — once more breaking the taboos which reign here — amendments on Members' remunerations, salaries in the Commission, and even at the Court of Justice. Being a Member of Parliament means not having this type of taboo, at least not for the small items in the budget. But you do not do this, because you are the very people who in Paris, Bonn or elsewhere are responsible for present European policies. I understand this. But you could at least make up for this by showing a modicum of parliamentary ethics when we are dealing with the budget. The truth is that you cannot do this, because the problem that is eating away at you is that of sharing out jobs and of your lack of belief in the rules of play, to judge by the scandalous events which we denounce. Did you not, for example, last week, you of the majority in this Parliament, share out amongst yourselves — from the Communists to the Gaullists — in a most shameful manner, the jobs of directors in Parliament, on a party proportional basis, without open examinations and so on? Shame on you!

I can say this with an easy mind, because it is only if voices like mine are raised, which are not hypocritical, that we will be able to keep our self-respect, Mr President. It is only today that Mayor Pflimlin after the scandal we raised, has apparently sent a letter concerning the cost of the rent of this Parliament building.

We haven't indulged in vote-catching, like the larger groups. We have always given in our amendments exact details of the various sums involved. Many of the large groups, on the other hand, stated that we need to do this or that, without making any effort at all because, according to their logic, which is that of tradesmen and not politicians, they are only interested in publicity operations for their party. As usual, the rich get richer and the poor get poorer. We, however, have given exact details of where cuts should be made.

Mr President, it was in this very building last August that the ACP-EEC Consultative Assembly met. At that time we gave a very shameful impression of ourselves, Mr Michel. You know we did, because you were one of the few people who were here to uphold our dignity. Out of 120 Members who were supposed to be present, there were 12, 13 or 14. Now I do not know whether the people who did not attend qualify for expenses. Why were there so few of us? Because the fact is that this policy on cooperation could not be supported by Parliament. For the first time, Mr President, the ACP countries did not vote en bloc, but many of them split away from the majority opinion, in order to vote in favour of our views — which are extreme minority views, when compared with the Ferrero report.

It would not take long to explain that it was obvious that even the Ferrero 'agreement' would not even be defended? Because you always destroy things instead of creating them, with your political realism and your realistic outlook on realism. You don't have any courage, neither intellectual nor political courage. That is why it is pure fantasy to imagine that this Parliament is really seeking to obtain for Europe a different sort of budget. This is a Parliament which is now completely paralysed, not just in its principles, but also in the undignified type of internal corruption it suffers from.

The fact that it is only today, one month after the scandal was revealed and criticized by everyone, that the Mayor of Strasbourg has sent us a complete rundown of the rents paid by Parliament, seems to me to be symptomatic. We asked that these premises be purchased. And we thereby — or so it seems — blew the lid off the scandal of these incredible rents. Let us at least discuss this matter, given that, Mr President, it is useless to try to carry out grand European policies here, because the fact is that in this House all we have are spokesmen of the Nine who to a great extent are destroying the Community instead of building it!

President. — There is something I should make clear, Mr Pannella. You have just made an assertion that a number of appointments were made this week. I want to make it perfectly clear that the Bureau, as the statutory body of this Parliament, made appointments which were permissible and necessary in accordance with the rules which we ourselves approved.

I call Mr Tugendhat.

Mr Tugendhat, Member of the Commission. — Mr President, it is now 48 hours since this debate began and we have had, I think, 17 hours of speeches within that time. I believe that I have listened, if not to every single one of them, then to almost every single one of them, and a very interesting and comprehensive debate it has been.

I should like to start by saying one thing which I hope the House will take as praise. As I sat and listened to these speeches during the last few days, I could not help reflecting on the situation a year ago, on the corresponding debate we had a year ago, and feeling how very much more sophisticated the level of debate has become on this extraordinarily difficult subject of the Community budget, a subject which really is very complex even by normal budgetary standards. I was very struck by the fact that, when people talk about the various issues that confront us — the Council, the Parliament and the Commission — about the different ways in which they can be tackled and the different options which are open to the institutions, the level of debate is now quite different and infinitely more sophisticated and well-informed than it was a year ago. I think that everybody who wishes the Parliament well, who wants to see the Parliament develop as a major force in European affairs, must be encouraged by that.

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We have, of course, heard speeches from every side of the House and it would be invidious of me, I think, at the end of so long a debate, to pick out any for particular mention. I cannot, however, resist saying how struck I was, how impressed I was, by the absolute *tour de force* that Mr Adonino gave at the beginning, a 90-minute display in which he covered almost every aspect of the problems we are dealing with not only the specific issues of the 1981 budget, but also how these fit into the evolution of a broader budgetary strategy. It was a very formidable contribution, if I may say so.

I was also struck by the contribution, as I have often been struck before, of the chairman of the Committee on Budgets, Mr Lange, a man who speaks with a greater experience in these matters than anybody else after very many years of dealing with them. As one has learned to expect from him, he put his finger on the nub of the matter when he drew attention to the fact that in the end one has to make choices, that in the end when one is drawing up a budget, inevitably with limited resources, one does have to make choices. We of course have now reached the stage where the Commission has made its proposals, where the Council has taken the action which it feels appropriate. As the House knows, we do not agree that it is appropriate. It is now for Parliament itself to decide what to do.

Before, however, turning to the bulk of the debate, I would like to say a word to Mr Maher, who spoke very near the end of it. I agree with him that the Commission must be bold. The Commission exists to be a powerhouse of ideas and if it is not that, it will not be anything. But what it must also be is thorough. And the Commission must show that the resources which are available to the Community at the moment are being used in the best possible way, in the most economical way, in the most comprehensive way. We cannot expect anybody to take what we do, or indeed what the Parliament or the Council does, on trust. We must prove that Community money is handled in the most effective way possible and when we have proved that — and I do not believe that this should be difficult — we can then talk about the additional resources which the Community is certainly going to need.

Clearly if one thinks in terms of a 1% ceiling for all time, then one is thinking in terms of a very modest development indeed. But first we must show that we are doing everything that can be done with the resources available at the moment. When I say we, I mean we and you and the Council.

Secondly, we must show that we have explored all the various possibilities on the revenue side as well as on the expenditure side. Then we must face the parliaments and public opinion of our Member States with the consequences that inevitably flow from the further development of the Community, a further development that certainly almost everybody in Parliament — not quite everybody judging from some of the speeches and bearing in mind that from Mr Bonde and one or two others — would like to see.

Now Mr President, to turn to the debate itself. I was struck by the fact that a number of speakers — Mr Herman, Mr Croux and Mr Schön too, who is not here at the moment — complained that the Commission is adopting a narrow approach on the question of the necessity for a separate legal base for expenditure. Now we went into this matter at some length in the part-session in Strasbourg, particularly when I was answering a question from Mr Notenboom concerning the way in which the budget is being implemented. Therefore this is not the moment for me to enter into a full-scale explanation of this issue. But as it occurred several times in the debate and as it is an important issue, it seemed to me that at the end of this debate I should perhaps go over some of the ground again in order to make sure that there can be no misapprehensions or misconceptions.

There is, of course, also the related question of whether appropriations should be entered on lines where a legal base is lacking, but where the Commission or Parliament or possibly both institutions, would like to see policies developed. Now the Commission and Parliament certainly agree very strongly on one point, namely that the Community budget must remain a policy document. It must be a policy document in its own right and not simply the financial expression of existing policies already being implemented. This is an important point of principle.

Now at the same time — and I thank Mr Herman for his remarks — Parliament has insisted — and this was very much a leitmotif of the debate last year and also a point which arose in the report of the then rapporteur, Mr Dankert — that the Commission should indicate before Parliament takes its final decisions on the allocation of appropriations, all those lines where the Commission has doubts about whether or not it should spend the money. Mr Dankert in his report last year, with the support of the House, made a great point of principle about this. I think he was right to do so because I think it is right that Parliament should know exactly what all the possibilities and dangers are when it comes to make its own decision. It is for Parliament to make its own decision, but it must first be in full possession of the facts.

The Commission has taken Parliament's exhortation in this matter very seriously, as indeed it does in others. That is why we have been careful this year to respond to that request. In many instances we have had to say — and this is not a message that we like to give — in response to Parliament's request that where a legal base is lacking, there will be difficulties over spending the money. Now I say this to the House even though you do not like hearing it and we do not like saying it; but it is no good beating the herald over the head just because one does not like the message that he is bringing.

Some speakers have gone further and suggested that the Commission has been derelict in its duty in that it is failing to put forward proposals to enable policies to be developed in certain sectors or that it is failing to defend vigorously enough proposals that are already before the Council. Particular reference has been made in that context to energy.

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I would like to say quite clearly that I reject those charges. The Commission has been second to none in its attempts to bring about the existence of a genuine Community energy policy. It has been assiduous in its efforts to stimulate discussion of energy at the European Council, and then to follow up with appropriate proposals at the level of the Council of Ministers. Here I would like to pay tribute to my former colleague who has now gone off to the Bundestag, Mr Guido Brunner. If the finger is to be pointed anywhere it is at the Council of Ministers, and I suggest that the House would do better to look in that direction.

Nor is it right to say that the Commission has failed to defend its proposals vigorously enough. We have for instance — and this is but one of several examples, but it is a good example — been defending the proposal for the use of coal in power stations, which is surely a rational use of the Community's indigenous energy resources, for the last three years. The Council has still taken no decisions and does not, at the moment at any rate, seem disposed to do so in the immediate future. How in those circumstances can the Commission encourage the House, given the very small margin of manoeuvre that the House has and given the desire of the House to make sure that its money is spent, to put no less than 100 million units of account in commitments on such a line?

The political priority remains. Our attempt to persuade the Council remains. The vigour with which we are defending and promulgating our energy proposals is as great as ever it was. But we have been asked by Parliament — rightly I think — to say whether there will be difficulties about spending money. We have done so. You must not then interpret the fact that we respond to your message as an indication that our resolve to put forward and defend those policies and to get them accepted is any weaker as a result. We regret as much as you do the absence of a legal base. We are trying as hard as we can — and I have given one instance where we have been trying for three years — to get the situation put right. There are of course other examples which I could give.

I would add something else. And that is — and I said this in Strasbourg a fortnight ago — that the Commission does believe that this is a very important issue. It does believe that it is an issue which requires a real inter-institutional dialogue, both on the purely budgetary and the legal matters that underly this difficulty. That is why I said in Strasbourg — and I said it again on Monday night and I hope the House will take account of what I said — that it is very important that a conciliation procedure on this issue should be launched. I hope that when people talk about the importance of this issue that they will also bear in mind what I said about you having it in your power to launch a conciliation procedure so that we can get out of the situation where people are simply putting forward different theories, but where we can actually get down to trying to find a way out of this particular impasse. I hope also that the House will bear in mind my point about the need to develop policies which are at present held up as a result of this difficulty.

I mentioned particularly energy policy, but there are of course others. Energy policy was mentioned a lot in this debate, transport rather less. But transport is none the less a subject which is also very important and there are others as well. The Commission, for its part, would like to see and will help to promote discussion between the institutions on these extremely important issues and I hope very much that we can get down to that.

Mr Schön had some critical remarks to make about the Commission's attitude concerning Article 54 of the budget, that is, as I think everybody well knows, social measures in the steel sector. I am bound to say and I wish Mr Schön were here because I am going to be blunt. I am bound to say that I think his criticisms were unjustified. It is not true to say that the Commission has not done all it could to facilitate the passage of these measures, or that it has put unnecessary legal obstacles in their way. Since I believe this is an important point and that there should be clarity on the matter, I am going to take the time of the House to rehearse briefly the steps that the Commission has taken to try to get these urgently needed measures through. Parliament knows that in trying to get a transfer from one Treaty to another we are sailing in uncharted waters. It is something where there is no experience on which we can call.

Let me remind the House that it was the Commission — which Mr Schön saw fit to attack in his speech — that came up with this extremely imaginative idea. It was not his; it was not Parliament's; it was not the Council's. It was our idea; it is an imaginative idea and I think we deserve some credit for it. At that early stage the Commission took the view that there were two indispensable legal elements. First, that because the measures envisaged went beyond those provided for in the ECSC Treaty the use of Article 95 of the ECSC Treaty was necessary. Secondly, we also took the view that the decision on this measure had to be by unanimity under Article 235 of the EEC Treaty. Thirdly, as the House will recall, our original proposal was for a once and for all transfer between the Treaties which we classified as compulsory.

In response to the changing situation and in response to the view of Parliament, the Commission has shown very considerable flexibility in adapting its initial proposal. First of all we are ready to abandon the use of Article 95 and rely instead on an extensive interpretation of Article 56 of the ECSC Treaty as a sufficient base for the proposed measures. We also, as the House will recall, changed our initial proposal in order that the annual amounts could now be fixed during the budgetary procedure and the credits have been classified as non-compulsory expenditure, a matter which was specifically welcomed by Mrs Hoff's resolution and adopted by the Parliament in July. We have done a lot, we have listened to Parliament, we have responded to Parliament, we have moved a long way but we have not however been able to find any way of dispensing with the use of Article 235 of the EEC Treaty. All our legal advice continues to be that this is necessary, and it was my duty to recall this matter to the House on Monday. May I also remind the House that during the debate on Mrs Hoff's re-

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solution in July, when she herself suggested that Article 235 could be dispensed with, the House did not support that view. I think the Commission is entitled to interpret this as meaning that Parliament no longer takes the view that action under Article 235 can be dispensed with.

Mr President, I have dwelt for a moment on this point because it is important, both as regards substance and because the record in these matters must be kept straight. But that is the past. Looking to the future may I underline what I said on Monday. I would like — I hope the House does not believe it to be too vague — to quote from what I said. I said, that

the Commission trusts that in view of the overwhelming need for such financial support in the steel industry ways will be found of overcoming the legal difficulties.

I underline the importance of this sentence, not only for the benefit of the Parliament, but also for that of the Council.

Mr President, I felt it right to dwell at some length on these issues because important speeches were made in the House and I wished to show with a certain amount of vigour why I believe that we have done a very great deal in that area and also to draw attention to some of the other difficulties.

Now I must turn, if I may, to the common agricultural policy, because a certain amount was said about that too during the course of the debate. Here I refer not only to remarks made in the debate but also in particular to paragraphs 12 and 13 of the motion for a resolution on the budget. Doubts have been expressed as to whether the Community will be able to keep within the limits shown for agricultural guarantee expenditure in the draft budget for 1981. Provided of course all the institutions contribute to this end, the Commission sees no reason why this should not be possible. The Commission for its part will make every effort. I certainly understand the desire of the House to learn more about the intentions of the Commission as regards price proposals and related measures, and it is only natural that it should want to know at the earliest possible moment what savings are, in the view of the Commission, feasible. The decisions involved are certainly of very great significance, as the House undoubtedly recognizes, and it is for this reason that they will have to be the responsibility of the new Commission which will be called upon to defend and promote them in the other Institutions. This Commission is already engaged in doing the necessary preparatory work.

Mr Rossi asked a number of questions on this aspect. He will, I know, get an answer as soon as the new Commission, which will be responsible for carrying this work forward to its conclusion, is in a position to supply it.

The management of the CAP has also been referred to. Here I should like emphatically to reject all charges to the effect that the Commission might act otherwise than in a manner consonant with what it believes to be in the best interests of the Community. The Commission acts indepen-

dently; in this spirit it carries out the various management operations; and I wish to assure the House that the Commission takes the precautions necessary to ensure control over both the volume and the destination of exports. Obviously, when ingenious minds are at work determined to try to find loopholes, sometimes they succeed and those in control must then close the loopholes. The Commission, for its part, certainly does all that it can, and when it finds that somebody has developed an ingenious new idea, it is prepared to respond by finding an ingenious new solution.

I now come to a rather specific question which Mr Croux asked during the debate. He enquired about the relationship between energy and economic policy. The Commission has recently put forward a communication on this subject; your Committee on Economic and Monetary Affairs now has the documents before it and will no doubt be discussing them in the weeks to come. The object of the Commission's communication is threefold: it tackles, first, the problem of balance-of-payments deficits and the recycling of capital; secondly, the question of a price policy for energy; and thirdly, the need to have an annual assessment in the Community of the financing available on the one hand and the needs of energy policy in the Community on the other.

The Community has, of course, already begun to act in this area. We have the proposal to enable Community loans to take place when balance-of-payments problems are caused by the cost of imported energy. Secondly, the Community helps through its loans activity with the costs of energy investments in the Member States. The House, Mr President, may ask whether the points I have just mentioned entail any cost to the Community budget, and I can say that so far this has not been the case.

Well, those are a number of specific points that I felt it right to deal with at the conclusion of this very long debate. In fact it is not so much a conclusion as a pause for refreshment because the Committee on Budgets will, I know, shortly be starting work on the 600 amendments — as I think Mr Lange said was the number at the last count — and I shall of course, be attending that. But tomorrow the House will have an opportunity to vote. It is for the House to decide; it is for the majority in the House to decide what decisions it wants to make, where it wants to lay the emphasis, which priorities it believes are appropriate for the Community in 1981. We set out our position when we produced our preliminary draft budget. We have endeavoured, in the Council, in the Parliament, to give our advice on various aspects of the policies, the problems, the budget itself, as and when they have been developed. We have said that we believe that the Community needs a dynamic budget. We recognize, of course, the financial constraints. We recognize, of course, the fact that we are operating within the shadow of the 1% ceiling and, indeed in the shadow of the work which we ourselves are doing to produce the proposals which, we hope, will lead to far-reaching reforms during the course of next year and afterwards. This will be a major work, which is already being engaged upon by the present Commission and will come to fruition under the new Commission. But we also believe

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that, despite all those factors, the Community needs, the Community requires, a dynamic budget. It requires continued development, it requires renovation and improvement in some areas, it requires innovation and new ideas in other areas.

Our budgetary procedure, as I said earlier, is a complex one. It is one in which each institution has a part to play. Our most important part, perhaps, was when we produced the original preliminary draft budget. Parliament's most important part comes tomorrow with the vote and then, of course, again in December when it will be voting on the second reading. May I say to the Parliament that we await your decisions with interest, and I hope that the Council will listen to what you say with the attention that the elected representatives of the European Community deserve.

President. — I call Mr Adonnino.

Mr Adonnino, rapporteur. — (I) Mr President, ladies and gentlemen, we have now reached the end of this long debate and I feel that the fact that all the records for the number of speeches have been beaten — I think that approximately 120 Members have spoken during the debate — is very positive and has once more stressed just how important the annual budget debate is. I must thank all the Members who have spoken and tender apologies to those Members whose speeches I was unable to listen to, not because I was unwilling to, but because I was otherwise engaged, either in Committee or examining the huge pile of amendments which were tabled in the interim.

I must also thank the representative of the Council for his speech at the beginning of the debate, which seemed to me to be very objective, even in comparison with the extremely definite and clear opinion expressed by the rapporteur of this Parliament. I must also thank Commissioner Tugendhat for his contributions which I read as being strictly in line with what he explained to us just now, that is with the desire to make clear to Parliament — at the very time when it is taking its decision — what are, in the Commission's opinion, the chances of putting into practice and implementing the policies and measures decided upon. He did this whilst remaining within the scope of the Commission's contribution to the annual inter-institution dialogue between Parliament and the Council.

I think that it has quite clearly emerged from this debate — someone has already said as much — that basically the budget is not just a technical operation, not only a set of options for the management of policies or measures, but that it is a set of options which provides answers to various problems of a procedural nature, which for all that are not of lesser political import, and which also provides definite answers to some of the major questions we must ask ourselves when faced with the basic problem of what exactly is this Europe, this Community which is now being built, what we want from the Community, and therefore how it

should be conceived and where it is going at the moment. I refer to all this in my report and I noted that these questions were put many times during the debate in various forms.

At this point I ought also to stress that, basically, the Commission and the Council have themselves shown that they attach the same importance as we do to this debate. Who ought to answer these basic questions? Of course, this task should fall primarily to Parliament. However, since each institution must have its own responsibilities, the Council ought also to answer some questions since it holds great power at the moment, as the repository of the determination of the Governments which make up this Community. We in this House must also play our part, as I think we are doing, and we must play it — as I reminded you — along the same firm lines as those adopted last year. We should, of course, not do this in order to ascertain whether it is the Council or Parliament which has the greater power — since this would be far too narrow-minded an attitude — but for considerations of balance between the institutions and of the very idea behind this Community. In these circumstances, it falls to Parliament, and in particular to this Parliament elected by universal suffrage, to carry out the special task of defining a concept of Europe which will enable us to get beyond the view of Europe as a totting-up of nationalities, as a continual compromise between varying interests, as a balance of forces, or even as a means of applying force. This view of Europe ought to be superseded by a view in which Europe's policies and Community actions — I stress the word Community, as the Treaty of Rome requires — will help to reduce differences, to fix and emphasize points we have in common, to overcome short-term economic difficulties and, above all, to stimulate gradual and balanced development. Basically, it should provide the prerequisites for enabling our Community later to express itself as one on the major international problems of the moment — which is what we wish to do and what the political cooperation initiatives are trying to bring into being — and thereby, to play our part as one of the major poles of attraction amongst all those who are making their contribution during this period of history. All this, ladies and gentlemen, is also true for the budget.

This is the reason why this House, in answer to the basic question of whether it was once more going to reject the budget out of hand or if instead, it would not in fact exercise its own powers, and thereby allow the Council's proposal to become the definitive budget, decided, by a very large majority, to exercise its powers. This — and I should like to point this out to Mr Pannella — is in fact a sign of a high political morality and a great sense of responsibility. Everybody has his own concept of political morality. I feel that political morality is quite clearly defined by the attitude shown by this House, which does not hide behind empty poses but has every intention of accepting its own responsibilities and exercising them completely. It is clear that the right tone must be found to express the firmness we need to adopt, and that is what we are at this very moment trying to do. And I think that in this debate our sense of responsibility has clearly emerged.

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We have tackled some of the fundamental problems, feeling them to be more important than others which have emerged from the speeches containing detailed figures, or from the main chapters in the budget. The problem of the legal basis of the budget has also been dealt with. I am fully aware that we do not share the same views, Mr Tugendhat. I am fully aware that Parliament's conception of the budget might well lead to management difficulties for the Commission. But in spite of this and even if the invitation to attempt to solve the problem by way of conciliation is accepted, I am of the opinion that the views which were extremely clearly expressed in my report — and which I shall not dwell upon for this reason — are the right ones, even though I must stress that it is one thing to solve the legal problem — that is the problem of the correct interpretation of the Treaties — and quite another for the various institutions, and primarily Parliament, to make the right choice of the political options available and the right decisions concerning the policies and measures to be adopted, which must obviously be taken with due consideration being given to the actual ability of the executive institution — the Commission — to implement them.

In addition, the major problem of compulsory and non-compulsory expenditure was once more raised during the debate. It was stressed that it was — if I may say so — absurd to make this distinction which, because of the tension it causes between the Council and Parliament, is simply likely to jeopardize the policies which both of these institutions wish, on the contrary, to uphold and expand. I think that common sense requires both institutions to avoid occurrences of this sort.

Another problem which was raised was that of entering borrowing and lending activities in the budget. However, it was also stressed in this respect that it was absurd that Parliament, which has to act in respect of guarantees to third countries as the budgetary authority competent for this item, is deprived of decision-making power as far as the intrinsic merits of the question are concerned. It was therefore pointed out that it might well be useful, with regard to the problems of guarantees, to provide the necessary explanatory notes.

One of the main problems, as we are all well aware — and on which I must dwell for a few minutes in some detail — is that of agriculture. I listened with respectful interest to the views of those who think that my whole formulation of the problem goes against the conception of the Common Agricultural Policy and represents a desire to see the latter reduced. I should like to point out that, on the contrary, I have always stressed — even in my initial report and I am sorry that this was not noted — the importance of agricultural policy for the Community. I stressed how the CAP had undoubtedly provided a basis for the development of this Community, and how, in a nutshell, it should not be done away with, but on the contrary reinforced. At the same time, to be realistic, one must admit however, that everything in the garden is not rosy; that there have been malfunctions of the system; that these malfunctions are called structural production surpluses — not occasional surpluses — and that we have to take action on this, and

that action also — and now I address my friends in the Liberal Group whose views I respectfully noted together with those of the other Members — must involve means for reestablishing balance within the whole range of agricultural policies, without stifling them, but on the contrary consolidating them along with all the other common policies, if we wish the Community to survive. It is probably quite true that if we were to take a wet sponge and wipe agricultural policy from the slate of Community measures, then the Community would no longer exist. But it is also true that if we do not defend agricultural policy in an intelligent manner, it is likely to kill off the Community. So we must strike a balance and find the golden mean. I do not feel that I made a gesture which was hostile to the agricultural policy when I accepted the extremely responsible proposal made by the Commission, which, with regard to the future question of farm prices, told us that it is possible to finance them from within the budget — and our Committee, as Mr Tugendhat is aware, was extremely pleased to accept this proposal and the confirmation of it by the Commissioner responsible for agriculture, Mr Gundelach. As a follow-up to this proposal, whose veracity I have not reason to doubt, we were also asked to make an effort, in close collaboration with the Commission, by carrying out an across-the-board reduction of 2%, so as not to damage any single budget heading and in order to be able to set aside the necessary funds under chapters 6 and 7. I do not feel, ladies and gentlemen, that this is a hostile gesture towards the Common Agricultural Policy. I may be wrong, but it seems to me that it is a responsible gesture, which shows my desire to defend and my appreciation of the CAP. The notion that agricultural policy is dependent only on market prices, which cannot be known in advance but must simply be faced up to when they arrive, is a view which might, theoretically and at the very outside, be a correct one, but it is certainly dangerous, because it comes down to saying: let us keep ready all our reserves, stifle all other policies and wait to see what happens. But if this were so, then we would not be able to complain about imbalances such as Britain had, or about any other imbalances which might ensue in any of the other sectors.

The fact is that simple situations are easy to control, difficult situations are very difficult to deal with. We must make an effort in a very difficult situation and, therefore, my proposal and what I stated in my motion for a resolution is, for my critics amongst you, only aimed in this direction and no other. I ask you to believe me and I ask you to think about whether, basically, a good way of defending the CAP is not to accept this type of logic and this type of determination.

Mr President, time is we are at the end of a very long debate, we are all tired, including the interpreters who sometimes have special difficulty with me, because I speak extremely fast. So I must apologize to them, and hurry on towards the end of my speech.

I merely wanted to remind you that I also dealt at length with other policies, besides the problem of agriculture, other problems which we must solve. I know, for example, that a range of criticisms and reproaches were raised in this

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House because it seemed that the rapporteur had not wished to take any account of the urgent requests originating from various Committees on the subject of specific demands for increases in personnel for one particular activity or another. However, it is not that the rapporteur did not want to take account of these problems, but that he followed a logic which he feels to be correct and which was approved by the Committee on Budgets, which considers that in this House requests cannot be made from time to time for specific increases in establishment. This House must give an overall assessment of the problem which will in turn allow the Commission to have a number of posts at its disposal — which may be either permanent or temporary, or posts which have been changed or new posts — and naturally enough responsibility for the internal organization, the use and the detailed sharing out of such posts can only be the Commission's. Parliament has pointed out, by bringing together all the opinions of the Committees, what its priorities are and has passed them on to the Commission. Obviously Parliament has in this respect a political control to exercise, but it can do no more, otherwise we will become the organizers of the Commission, thereby going beyond our own powers.

I have no desire, in this House, to go back over the other policies because it seems to me that a great deal has already been said about them. Obviously the extremely important problem of own resources once again, Mr President. But it was also quite rightly pointed out — quite independently of whether in the past this was discussed at the right time and of whether proposals were made — that as things stand the problem of own resources is linked with what are known as the new restructuring proposals which the Commission will have to make in 1981. It is clear that the problem of own resources, on which Parliament has quite clearly stated its opinion that they should be increased and extended, must be linked to proposals for reestablishing the balance between policies and underlying financial problems which will emerge next year because, in the difficult times in which we are now living, it would be really strange if we thought only about asking for resources without at the same time making it clear, with sufficient integrity, what we wish to do with those resources.

There finally remains the question of my resolution. Apart from some objections to certain paragraphs to which I have tried to reply, perhaps in a somewhat imprecise and incomplete manner, I understood the position of Mr Spinelli, who basically, whilst appreciating and sharing the views made in this report, maintained that he felt unable to vote in favour of it only because — and here he brought Goethe into the picture — he felt that the soul and spirit were lacking, which he translated into political soul and spirit. Well, Mr Pannella's conception of political spirit and soul are also different. There are those who think that they must put forward their views in a strong and extremist way, by attacking, and there are those who on the contrary feel — and I would place myself in this category — that one can be just as firm and just as decisive, or perhaps even more so, whilst at the same time remaining completely calm and clear. Between myself and Mr Spinelli there is perhaps a difference in the interpretation of the spirit of this motion

for a resolution, and if he does not share — as he more or less said — my views and statements, I should really like to feel that he can overcome his stance on this matter and finally vote together with others in favour of this motion for a resolution.

Mr President, ladies and gentlemen, I shall not speak any further because the hands of the clock are turning very quickly. I hope you will excuse me for my brief reply and for the fact that I did not speak on each separate statement in turn, but this is in keeping with the normal run of our debates and time is always to some extent our master. I thank you for listening to me, and I hope that Parliament, in tomorrow's vote on the amendments — of which there are many —, the draft amendments — there are a lot of those too — and the motion for a resolution, will find a way to give united expression to that sense of responsibility which it has already shown during this debate.

(Applause)

President. — The debate is closed.

I call Mr de Courcy Ling on a point of order.

Mr de Courcy Ling. — Mr President, admiring as I do the fortitude and assiduousness of the Minister representing the Council and also of Commissioner Tugendhat, who, as he says, in three days and seventeen hours has listened to most of the speeches made by 120 elected Members of this Parliament, I regret very much that there are so few Members here this evening at the close of three day's vital debate on the first reading and on the eve of the important vote tomorrow. I would ask you, Mr President, to convey to the Bureau my hope that next year it will be possible to avoid having the Committee on Budgets sitting at the same time as the budget debate, discussing as it is this afternoon internal matters of the Parliament which really ought, with respect, to have been sorted out well before this debate. Commissioner Tugendhat has complimented the House on the improvement in the standard of debate between 1979 and 1980, and I would like to express my hope that in the four years in which we hope to see him here with us on these occasions there will be a much more lively participation by the elected Members, so that he may feel that the flood of words to which he has been subjected has been part of a dialogue, not a series of unilateral assaults.

President. — I shall be quite happy to mention again to the Bureau that no committee meetings should be held while the House is sitting. This should remain an exception to the rule, as is the case today.

6. Agenda for next sitting

President. — The next sitting will take place tomorrow, Thursday, 6 November 1980, from 10 a. m. to 1 p. m. and

President

from 2.30 p. m. until the end of voting, with the following agenda:

Votes on:

- the draft amendments to Sections I, II, II-Annex, IV and V of the draft general budget of the European Communities for the financial year 1981
- the draft amendments and proposed modifications to Section III of the draft general budget of the European Communities for the financial year 1981

- the motions for resolutions contained in the Ansquer and Adonnino reports on the draft general budget of the European Communities for the financial year 1981.

The sitting is closed.

(The sitting was closed at 5.55 p. m.)

SITTING OF THURSDAY, 6 NOVEMBER 1980

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IN THE CHAIR: MR DANKERT

Vice-President

(The sitting opened at 10 a.m.)

President. — The sitting is open.

1. *Approval of the minutes*

President. — The minutes of proceedings of yesterday's sitting have been distributed.

Are there any comments?

The minutes of proceedings are approved.

2. *General budget of the European Communities for 1981 (vote)*

President. — The next item is the vote on the draft amendments and proposed modifications to the draft general budget of the European Communities for 1981. We shall then proceed to vote on the motions for resolutions contained in the Ansquer and Adonnino reports, on Sec-

tions I, II (including Annex I), IV and V and Section III respectively of the draft general budget for 1981.

I would remind the House of the procedure to be followed.

Appropriations to which no draft amendments or proposed modifications have been tabled will be deemed adopted without a formal vote. All draft amendments and proposed modifications will, unless withdrawn by their authors, be put to the vote in the order of the budget and according to the nature of the appropriations to which they refer.

Where more than one text refers to the same item, that which departs furthest from the text of the draft budget will be put to the vote first. The criterion that has been chosen for deciding which departs furthest is the extent of the difference with regard to the original volume of expenditure or receipts.

To be adopted, proposed modifications, which concern compulsory expenditure, require a majority of the votes cast, while draft amendments, which concern non-compulsory expenditure, require the support of the majority — today 205 — of all Members who make up the Parliament. An asterisk in your documents draws attention to this requirement.

Only the rapporteurs will be allowed to speak, in order to give the opinion of the Committee on Budgets. The authors of draft amendments and proposed modifications can only take the floor to withdraw them.

An opportunity for making explanations of vote will be given after the draft amendments and proposed modifications have been put to the vote.

President

We shall begin with the vote on Sections I, II, IV and V, relating to the Parliament, the Council, the Court of Justice and the Court of Auditors respectively; then we shall proceed to Section III, relating to the Commission.

I call Mr Klepsch on a point of order.

Mr Klepsch. — (*D*) Mr President, I have a request to make regarding the organization of the sitting. It was announced yesterday that proceedings would be suspended for one-and-a-half hours. The chairmen of the groups had agreed with the president that we should not have a break. I have not been able to speak to Mr Glinne, but Mr Bangemann, Mr Scott-Hopkins and I have been authorized by our groups to ask that we sit without a break. I am making this request now rather than later, so that the necessary administrative steps can be taken. We feel we shall have difficulty with the number of Members attending after the resumption of proceedings if we take a break.

President. — Mr Klepsch, I agree that we find ourselves in a rather exceptional situation in view of the number of amendments and the number of votes that therefore have to be taken. I also have it in mind to shorten the lunch-break. However, if the staff agree, I shall follow your advice and continue the vote without breaking for lunch. On the other hand, perhaps we should take a very short break, because I do not feel that it would be possible to keep Members in the Chamber during the whole of the vote. Therefore a short break is, perhaps, necessary, but not one of 1½ hour or so.

I call Mr Aigner.

Mr Aigner. — (*D*) I would like to suggest that explanations of vote are given after the final vote has taken place, in order to avoid the danger that the requisite majority is not present.

(*Applause*)

President. — Mr Aigner, I believe I have already dealt with that point.

Before proceeding to the vote, we have to hear the rapporteurs.

I call Mr Ansquer.

Mr Ansquer, rapporteur. — (*F*) Since I presented the reports to you on Monday on behalf of the Committee on Budgets, there have been various developments in connection with these reports, and in particular regarding the budget of our institution.

As I announced in the House, the Committee on Budgets proposed at its last meeting a number of adjustments to

Parliament's establishment plan and budget as a means of achieving various economies and limiting the number of newly-created posts. Since Monday, the Committee on Budgets and the Bureau have met to exchange information before Parliament voted today.

I said in my oral presentation that I considered these discussions necessary and important and that I felt we should approach them in a spirit of conciliation. On Tuesday afternoon the Bureau of the Committee on Budgets was received by the Bureau of Parliament, and we had an extremely frank exchange of views, the Chairman of the Committee on Budgets, Mr Lange, took this opportunity of asking the President to attend a meeting of the Committee on Budgets, and this Mrs Veil did yesterday, remaining for more than three hours. She replied to all the points raised by Members and explained the Bureau's views on them very clearly. The Committee then reconsidered three questions on which the Bureau and the Committee on Budgets disagreed. Although the Committee has not changed its basic position, the President did succeed in clarifying various issues, which will enable us to consider the underlying problem, and above all the question of the respective terms of reference of the Bureau and the Committee on Budgets with respect to Parliament's budget, with a view to finding agreement on this important question.

I now come to the points which were outstanding. By 19 votes to 15, the Committee on Budgets decided to maintain the position it had adopted on the amendment tabled by the European Democratic Group on rents. This amendment, which seeks to reduce the appropriations despite the growing number of buildings rented by the European Parliament, is politically rather than financially inspired. I feel that should be stressed at this stage. However that may be, and despite the lack of agreement between the Committee on Budgets, the Bureau and the administration of our institution, I would ask the Assembly to be wary, because if we adopt reductions of this nature, we may find ourselves in very serious financial trouble in 1981. I feel this is a subject which is worthy of Parliament's attention.

Similarly, the Committee on Budgets decided to maintain the position it had adopted on Parliament's establishment plan, particularly after hearing various proposals from Mr Lange on the best means of strengthening the control we might exercise over a possible unfreezing of posts. The Committee decided by 18 votes to 15 not to reopen the discussion and to uphold its amendment. I must add that I felt unable to support the position adopted by the majority of Committee members.

As you know, ladies and gentlemen, the appropriations for maintaining contact with the electorate, a principle decided by the Bureau, are intended for the reimbursement of travel expenses within the constituencies and the Member States. The Committee on Budgets approved my proposal that this allowance should be granted to Members to enable them to do their duty as representatives of the European electorate. This proposal was approved by 30 votes — that is, by all those present.

Ansquer

The Committee on Budgets then considered two other amendments relating to the establishment plan, which take account of the Bureau's latest decisions regarding the filling of posts in the institution. These are senior posts. By 20 votes to 15, with one abstention, the Committee approved the draft amendment tabled by Mr Glinne and Mr Klepsch on behalf of their respective groups, which seeks to create an A2 post for a Greek official. This would put Greece on an equal footing with the present nine Member States.

The Committee on Budgets also approved a preliminary draft amendment tabled on behalf of Mr Lange and of the Chairman of the Committee on Budgetary Control, Mr Aigner, and again presented by Mr Klepsch and Mr Glinne, chairmen of the Group of the European People's Party and of the Socialist Group. This preliminary draft amendment seeks to convert the A3 post of the Head of Division of the Committee on Budgets into an A2 post. This proposal reflects Parliament's decision, I might even say decisions, taken in 1976 and 1979, that this service should be converted into a directorate because of the importance of its work and the need to have a single secretariat for the Committee on Budgets and the Committee on Budgetary Control and also to ensure the coordination of all conciliation procedures relating to acts having financial implications. The Committee on Budgets adopted this position by 31 votes, with one abstention. This is amendment No 609.

The Committee then approved by 18 votes to 7, with 4 abstentions, a preliminary draft amendment I had tabled on updating the reserve for the political groups, a decision of principle having been taken during the previous meeting. It also approved the amendment tabled by Mr Battersby and others seeking to convert various drivers' posts, an area which has not yet been the subject of proposals for the conversion of posts to give those concerned fair career prospects.

On the other hand, the Committee on Budgets did not approve amendment No 566, by Mrs Hoffmann, which sought to freeze, for political reasons, the appropriations intended for the EEC-Turkey Joint parliamentary committee. This decision also reaffirmed a position previously adopted.

The Committee adopted by 25 votes to 1, with 3 abstentions, an amendment tabled by the Socialist Group seeking to include an appropriation of 200,000 EUA in Chapter 100 for Survivor's Pensions, pursuant to the decision taken by the Bureau on 29 April 1980. The Committee felt — and hoped — that this amount would be sufficient for 1981. This decision allowed us to withdraw an amendment which served the same purpose, but proposed the higher figure of 1 m EUA.

Finally the Committee on Budgets endorsed its amendment, No 543, seeking to delete the 233 new posts in the establishment plan, and after considering the motion for a resolution which I have now put to you, it adopted an amendment concerning reductions in the allowances of Members who do not attend half of our part-sessions.

Here I stressed, Mr President, that we are indeed referring to part-sessions and that we must instruct our Bureau to draw up appropriate rules for the application of this principle. This amendment was adopted by 26 votes to 2, with 2 abstentions. For the rest, the Committee on Budgets was unable to approve other amendments to this resolution. On the other sections of the budget on which I had been given the responsibility of presenting reports, we did not receive any new proposals. The reports are therefore submitted without modification.

Mr President, ladies and gentlemen, that is the information I felt I had to give all of you so that you may take your decisions in full knowledge of the facts.

(Applause)

President. — I call Mr Pannella on a point of order.

(Protests from various quarters)

Mr Pannella. — *(F)* Mr President, I should just like to refer briefly to our working conditions, even of those who protest before they know what it is all about.

Mr President, the documents we have before us are unfortunately not — and this is understandable — in the order in which they will be put to the vote. I wish to draw your attention to this point. I would therefore suggest that, for the first hour at least, you mention the number of the amendment as well as the number of the item to which it refers.

President. — I see that, contrary to the rules of the House, most of the political groups, including your own, have someone beside them to assist in the work. I think we ought to try that method of solving the problem first. In any case, I shall try to explain the order of the votes as clearly as possible.

I call Mr Adonnino.

Mr Adonnino, rapporteur. — *(I)* Mr President, in the course of the Committee on Budgets' recent work on Section III (Commission), a further 60 amendments to the budget and 31 amendments to the motion for a resolution were presented. Many of these were not reconsidered by the Committee, since they had already been dealt with some time previously. All together, 6 amendments to the budget and 6 to the budget were accepted.

The first amendment to the draft budget calls for an increase of 150,000 EUA in the appropriation intended for decentralizing the parliament's information offices in the Federal Republic of Germany. This amendment was accepted, together with the revenue increase, since it was aimed at the implementation of decisions already made. The second amendment merely alters the remarks appended to an item for which 100 million EUA have already

Adonnino

been appropriated, specifying the need to support the conversion of power-stations from oil to coal. The third amendment is a precautionary one, requesting that expenditure for 1981 be reduced by the 200 million EUA intended for refunds to the UK and that the sum be set aside under Chapter 100 to await the letter of amendment — already announced by the Council — confirming its anticipation on the 1980 budget. Another proposal calls for a 50 million EUA reduction in the sum destined for aid to powdered milk used for the feeding of calves. I should point out to the Assembly that this is a small part of the overall effort to reduce agricultural spending. In another amendment, accepted by the Committee on Budgets, there is a request for an increase of 10 million EUA in premiums for the production of choice tobaccos, to be compensated for by a charge of 10 million to the EAGGF (Guarantee Section).

Finally, there is a request for an appropriation of 10 million EUA for fisheries under the EAGGF (Guidance Section), replacing what is at present only a token entry. The purpose of the provision, which would be covered by a corresponding revenue increase, is to allow the first steps to be taken this year to implement the fisheries policy established by the Council in its decision of 30 May 1980.

Ladies and gentlemen, I would like to draw your attention to the fact that, as a consequence of recent proposals regarding staffing requirements, my initial proposal for 75 permanent posts has been modified to increase this number to 80. This increase is especially directed at providing the staff necessary for the decentralization of information offices in Germany — to which I have already referred — and for studies on bimolecular genes. A similar addition has been necessary for the posts to be converted. My original proposal called for 160 posts to be allotted to the Commission, but unfortunately no provision had been made for the conversion of posts at the Community Research Center at Ispra. To take account of its needs, 60 posts were asked for; of these, 20 were granted, thus bringing the total up to 180.

I shall now review briefly the amendments to the resolution. On Paragraph 13, an amendment has been tabled inviting the Commission to apply refund rates which will make it possible to reduce expenditure and, in particular, to implement an export policy which will make this possible. After Paragraph 14, another amendment emphasizes the need to curb the increase in management costs without, however, jeopardizing the development of production. It should be specified that the Committee on Budgets, with the phrase 'without jeopardizing the development of production', had no intention of referring to structural surpluses, having already expressed its opinion quite clearly on this subject.

Another amendment to the resolution has been tabled regarding the evaluation of the budget and stressing that, owing to the inadequacy of the draft now proposed, Parliament has decided to use its prerogatives to modify it, in line with its previous decision and with the present debate.

Finally, the wording has been improved in Paragraph 38, though without altering the content of the one you have

before you. Paragraph 39, on the other hand, was modified by the committee to clarify its authors' opinion that the draft does not allow the Commission to fulfil the commitments already made.

Ladies and gentlemen, these are the amendments that were reviewed yesterday by the Committee on Budgets. I wish to stress that, taken together, they in no way alter the previous evaluation. The final text was again approved by a large majority in committee, and in conclusion it can be affirmed that the political stand and general strategy announced in the report have not been modified by these amendments but, on the contrary, have been reinforced.

(Applause)

President. — I call Mr Balfe to speak on a point of order.

Mr Balfe. — Mr President, looking round the Chamber, I notice that many Members have not got their voting-cards out. I wonder whether at this point, before we begin, it would be appropriate to remind Members that they may be needed during the course of the day.

(Laughter)

President. — Thank you, Mr Balfe. I am sufficiently confident that Members can take their own affairs into their own hands.

(Laughter)

We shall now proceed to the vote.¹

...

I call Mr Galland on a point of order.

Mr Galland. — *(F)* Mr President, we have just spent more than four minutes thirty seconds on this vote: I noted the time precisely. The electronic voting-system here seems to work much faster than the one at Strasbourg. Don't you think, therefore, that it would be better to use it?

(Applause from various quarters)

President. — Mr Galland, we shall certainly make use of the electronic system, but it is useful to be able to see exactly, from the show of hands, whether the number of those present reaches the required figure of 205.

...

¹ From this point on until the end of the vote on the draft budget, only those passages are reproduced which gave rise to interventions from the floor and replies by the President. Omissions are indicated by three dots at the beginning of the line.

For the results of the vote, see the minutes of this sitting. For the opinion of the Committee on Budgets on the various amendments, as announced by the President during the sitting, see the Annex.

President

On Item 2000, I have two draft amendments:

- No 426, tabled by the European Democratic Group, on which the Committee on Budgets has expressed a favourable opinion; and
- No 176, tabled by Mr Pannella and others.

Mr Pannella has asked for a vote by roll-call.

(A first attempt to use the electronic system for the roll-call vote proved abortive)

Mr Panella, do you maintain your request?

Mr Pannella. — *(F)* Mr President, we paid 25 million Belgian francs for this electronic system. Can it be that the fault lies with the operator? The situation is now becoming embarrassing!

President. — Mr Pannella, we shall obviously try to find the source of the error. We shall try once more.

(The electronic system again failed to function properly)

In the circumstances, Mr Pannella, do you still maintain your request?

Mr Panella. — *(F)* Mr President, saboteurs though we are, we desist for the moment!

(Applause)

...

President. — On Article 204, I have two draft amendments:

- No 465, tabled by the European Democratic Group, on which the Committee on Budgets has expressed a favourable opinion; and
- No 177, tabled by Mr Pannella and others.

(Parliament adopted Draft Amendment No 465, as a result of which No 177 fell)

I call Mr Pannella.

Mr Pannella. — *(F)* Mr President, I am surprised to hear you say that, as a result of the adoption of No 465, no 177 falls. These are, in fact, two quite different matters: in the one case, it is proposed to reduce a certain sum and, in the other, to make a transfer.

President. — Mr Pannella, I said before the voting began that the criterion chosen for determining the extent to which an amendment departs from the text it refers to was the extent of the difference with regard to the original volume of expenditure or receipts. Here your amendment has no effect at all, since it is based on a process of compensation. It was therefore the other amendment, No 465, that had priority.

...

(Parliament rejected draft Amendment No 425 and adopted draft Amendment No 592)

I call Mr von der Vring on a point of order.

Mr von der Vring. — *(D)* Mr President, I did ask in good time for the floor on a point of order. I ask you to put draft Amendment No 425 to a fresh vote by sitting and standing, since I do not agree with you that the requisite majority was not reached.

President. — I am sorry, there was no doubting the result.

...

On the establishment plan, I have a further seven draft amendments:

- No 2, tabled by Mrs Roudy and others;
- No 21, tabled by the Committee on the Environment, Public Health and Consumer Protection;
- No 139, tabled by the Committee on Development and Cooperation;
- No 140, tabled by the Committee on Development and Cooperation;
- No 148/rev., tabled by Sir Fred Catherwood on behalf of the Committee on External Economic Relations;
- No 415, tabled by the Committee on Economic and Monetary Affairs; and
- No 591, tabled by Mr Bangemann and others.

The Committee on Budgets is against the first six and in favour of the last.

I call Mr Adonnino.

Mr Adonnino, rapporteur. — *(I)* Mr President, these amendments have been taken up and absorbed in the amendment introducing new posts, and for this reason the Committee on Budgets has not dealt with them any further. Since this is the committee's position, I consider that these amendments should not be put to the vote.

...

President. — On Item 3030, I have three draft amendments:

- No 44, tabled by Mr Van Minnen on behalf of the Committee on Social Affairs and Employment;
- No 207, tabled by Mr Pannella and others; and
- No 521, tabled by Mr Adonnino on behalf of the Committee on Budgets.

I call Mr Balfe on a point of order.

Mr Balfe. — The point of order is that I passed you a note earlier on this morning asking for a roll-call vote on No 44 and on one subsequent one, the number of which I have forgotten. However, I did pass a note up to the platform.

President. — Was it on behalf of the Socialist Group, Mr Balfe?

Mr Balfe. — This one was a personal request. I dare say you want to ask 21 people to stand up.

(More than 21 Members rose to their feet)

...

President. — After Article 325, I have four draft amendments:

- No 78, tabled by Mr Galland on behalf of the Committee on Energy and Research;
- No 542, tabled by Mr Adonnino on behalf of the Committee on Budgets;
- No 505, tabled by the European Democratic Group; and
- No 463, tabled by Mr Linkohr on behalf of the Socialist Group.

I call Mr Galland.

Mr Galland. — *(F)* I withdraw draft Amendment No 78 in favour of draft Amendment No 542, tabled by Mr Adonnino on behalf of the Committee on Budgets.

President. — I call Mr Taylor.

Mr J. M. Taylor. — We withdraw Amendment No 505.

...

(Parliament rejected draft Amendment No 31)

President. — I call Mr Purvis on a point of order.

Mr Purvis. — Would you not say that the pattern was similar on previous votes? The numbers have been falling in the House; your officials were concerned.

President. — No, Sir. The numbers are changing, and I watch very carefully what kind of changes take place.

...

(Parliament rejected draft Amendment No 33)

I call Mr Rogers on a point of order.

Mr Rogers. — Mr President, a number of Members have asked when you are likely to have a break. Not for the Members but for yourself...

(Laughter)

President. — Mr Rogers, I think we shall still go on for a few minutes until I see a good moment to stop. It will not be so long. I was also thinking of that problem.

...

(Parliament rejected draft Amendment No 35)

I call Mr Collins on a point of order.

Mr Collins. — Mr President, in view of the rapidly changing numbers in the Chamber just now, I should like to suggest to you that either we have an electronic vote on every single item between now and the lunch-break, or indeed we have the lunch-break now, in spite of your determination to sacrifice your own health for the sake of the work of Parliament.

President. — My health is OK, Mr Collins, but I agree with you that other Members seem to have difficulties and are running in and out. I therefore propose that we now take a break for three-quarters of an hour, and no more!

(The sitting was suspended at 1.10. p.m. and resumed at 2.05 p.m.)

The sitting is resumed.

...

(Parliament adopted draft Amendment No 106 and rejected draft Amendment No 49, as a result of which draft Amendment No 453 fell)

I call Mr Ryan on a point of order.

Mr Ryan. — Mr President, I wanted to rise on a point of order which, with respect, would have been more appropriate before the vote was taken. The justification here incorrectly attributes to me a remark which I never made and infers that I made a report on the Dublin Foundation, which I did not make, and I think it is unfortunate that the record should imply that I did. I, therefore, wanted to correct the record, but I am glad that the vote has gone as it has.

President. — Mr Ryan, I am sorry, I saw you asking for the floor at the moment the vote had started, so there is no correction possible, but your remark will be put into the record.

...

(Parliament adopted draft Amendments Nos 20 and 53, as a result of which draft Amendment No 204 fell)

I call Mr Pannella on a point of order.

Mr Pannella. — *(F)* Mr President, I think the situation is quite clear here. We are proposing an increase beyond the figure that has just been adopted and, at the same time, a compensation elsewhere in the budget. It should therefore be possible to put our draft amendment to the vote.

President. — Mr Pannella, the procedure regarding the order of priority of amendments was fixed this morning. In your draft amendment, the sum entailed is entirely compensated for, and therefore it comes after the other draft amendments. These having been adopted, yours falls.

Mr Pannella. — *(F)* Mr President, sometimes the faults of a system are not discovered until the very end. The House has just voted for 20 million EUA, and we are proposing 25 million. It is therefore a mad system. I understand the order; what I do not understand is that one should consider that voting on the other first should prevent us from voting on this second.

President. — Mr Pannella, if, on the basis of the system that has been followed, the House adopts — and it has already done so — the Patterson draft amendment, which increases expenditure by 20 million without compensation, that is because the difference taken into account is the one with regard to the volume of spending. Your draft amendment does not go so far and therefore falls. If one thinks only of the line in the budget, you are right; but the complications of that approach lead to other problems, and it has to be decided which system is the best.

...

On Article 550, I have three draft amendments:

- No 441, tabled by Mr Ansquer on behalf of the Group of European Progressive Democrats;
- No 136, tabled by the Committee on Regional Policy and Regional Planning; and
- No 488, tabled by the European Democratic Group.

The Committee on Budgets has expressed a favourable opinion on No 136.

I call Mr Forth.

Mr Forth. — Mr President, I would like to ask if we could have a roll-call vote on this item.

President. — We have a request for a roll-call vote. We shall therefore proceed to use the electronic voting system.

....

On Article 580, I have four draft amendments:

- No 559, tabled by Mr Marchais and others;
- No 448, tabled by Mr Ansquer and Mr Flanagan on behalf of the Group of European Progressive Democrats;
- No 509, tabled by Mr Notenboom on behalf of the Group of the European People's Party (CD); and
- No 300/rev., tabled by the Socialist Group.

The Committee on Budgets has expressed a favourable opinion on No 509.

I call Mr de la Malène.

Mr de la Malène. — *(F)* I withdraw draft Amendment No 448 in favour of Mr Notenboom's amendment, which has the same purport.

President. — Mr Notenboom, do you also wish to withdraw your amendment?

Mr Notenboom. — *(NL)* I am sorry, Mr President, but I also wanted to withdraw my amendment.

President. — Mr de la Malène, what do you propose to do now?

Mr de la Malène. — *(F)* I maintain my amendment.

President. — What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, the situation following the withdrawal of this amendment is as follows. It is known that a letter of amendment on this point will be submitted by the Council and the Commission. In my view, therefore, since the amendment has been withdrawn, it would be better to defer the vote on this item, as it is to form the subject of further discussions outside this Chamber.

President. — That does not help me very much, Mr Adonnino, since in any case I have to put the other draft amendments to the vote.

...

On Article 923, I have three draft amendments:

- No 120, tabled by the Committee on Development and Cooperation, on which the Committee on Budgets has expressed a favourable opinion;
- No 492, tabled by the European Democratic Group; and
- No 237, tabled by Mr Pannella and others.

I call Mr Pannella.

Mr Pannella. — (F) Mr President, we still have another twenty or so draft amendments. With your permission, I should like to explain in a few words why we are prepared to withdraw them.

President. — You have two minutes.

Mr Pannella. — (F) Mr President, in view of the degree of attention given to our work by the groups, given the fact that this House has on a number of occasions conspicuously failed to respect the commitments entered upon by the groups when voting on the Ferrero and Focke reports, and in view of the fact that the sparse attendance by certain groups means that very often the numbers present from the European Democratic Group — and hence this group's positions — are decisive, we have decided to withdraw all our amendments except the one concerning Turkey. Our efforts will be judged politically outside this Parliament.

President. — Mr Pannella, I note the withdrawal of these amendments.

...

We shall now consider the motion for a resolution contained in the report by Mr Ansquer on Section I (Parliament) (Doc 1-546/80).

(Parliament adopted the first three indents of the preamble)

On recital (a), I have Amendment No 2, tabled by the European Democratic Group and adding the following new indent.

- (iv) the continuation of the method of work and pattern of activity of the indirectly-elected Parliament.

What is the rapporteur's position?

Mr Ansquer, rapporteur. — (F) The Committee on Budgets rejected this amendment by 4 votes to 25, with 1 abstention. I am therefore against.

(Parliament rejected Amendment No 2 and adopted recital (a), then recital (b) and paragraphs 1 and 2)

President. — After paragraph 2, I have Amendment No 3, tabled by Mr Bonde and others and inserting the following new paragraph:

- 2a. Is opposed to the proposal for a Community system of salaries, pensions and other emoluments for Members of the Assembly and, in particular, to the introduction of new subsidies, for example to maintain contacts with their constituencies and for individual journeys; affirms the principle that all salaries should be fixed by the Member States themselves; is therefore opposed to the payment of travel and secretarial allowances without the submission of supporting documents, and to the payment to Members of daily allowances higher than those paid to staff;

What is the rapporteur's position?

Mr Ansquer, rapporteur. — (F) Against.

(Parliament rejected Amendment No 3 and adopted paragraphs 3 to 5 and then 7 to 9)¹

President. — On paragraph 10, I have Amendment No 4, tabled by Mr Ansquer on behalf of the Committee on Budgets and completing this paragraph as follows:

... Considers that all allowances of Members who have not attended at least half of the part-sessions should be reduced, and instructs its Bureau to draw up a regulation to that effect.

(Parliament adopted Amendment No 4 and then paragraph 10, thus modified)

¹ Paragraph 6 was deleted as a result of previous votes on the budget.

President

After paragraph 10, I have Amendment No 1, tabled by Mr Balfe and adding the following new paragraph:

- 10a. Agrees that, commencing with the 1981 budget, Members of the European Parliament who in any one budgetary year attend on less than 50 % of the days that Parliament meets shall forfeit 50 % of their secretarial and office allowances, and for each extra percentage point below 50 % attendance, secretarial and office expenses shall similarly be reduced (thus 40 % attendance would attract 40 % of allowances); this rule shall not apply where a Member has been given leave of absence by the Bureau, but leave of absence shall be given only for reasons of health or when a Member is engaged in carrying out other specific functions on behalf of Parliament authorized in each instance by the Bureau of Parliament.

(The author asked for a roll-call vote, but failed to find the 20 Members required to support his request)

What is the rapporteur's view?

Mr Ansquer, rapporteur. — (F) I am against, since the preceding amendment, which covers that of Mr Balfe's, has been adopted.

(Parliament rejected Amendment No 1)

President. — I propose that the motion for a resolution as a whole should not be put to the vote until Parliament has considered the amendments to the Adonnino motion for a resolution.

Are there any objections?

That is decided.

We therefore proceed to consider the motion for a resolution contained in the report by Mr Adonnino on Section III (Commission) (Doc 1-540/80).

(Parliament adopted the first seven indents of the preamble)

After the seventh indent, I have Amendment No 16, tabled by Mr Bonde and others and inserting the following new indents:

- opposing any attempt to legislate through the Community budget,
- opposed to any attempt to increase own resources by introducing special taxes and charges,
- supporting the Council's refusal to include the Development Fund and borrowing and lending operations in the budget,
- opposed to any increase in non-compulsory expenditure, which would give greater room for manoeuvre to the supranational bodies,

- supporting all the attempts by the Council to preserve its powers, including its powers over the management of the Community budget, for example, through the use of the procedure of management committees,

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) I am against, Mr President, because, among other things, we have here a number of principles which this Parliament has always refused to accept.

(Parliament rejected Amendment No 16)

President. — On the eighth indent, I have Amendment No 17, tabled by Mr Bonde and others and rewording this indent as follows:

- whereas the financial year 1981 is set against a background of extremely difficult political and economic conditions,

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) I am against Mr President, for the same reasons as in the preceding case.

(Parliament rejected Amendment No 17 and adopted the eighth and ninth indents)

President. — After the ninth indent, I have Amendment No 15, tabled by Mr Bonde and others and inserting the following new indent:

- whereas the decision-making power in respect of the EEC budget should be vested in the Council, in which each State has the right of veto,

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) I am against, Mr President.

(Parliament rejected Amendment No 15 and adopted paragraph 1 and the title of Part II)

President. — After the title of Part II, I have Amendment No 1, tabled by Mr Spinelli and others and inserting the following new paragraph before the title 'Development of own resources':

1a. Notes

- that the Commission was well aware that compulsory expenditure arising from existing agricultural regulations and the 1 % VAT ceiling on own resources would

President

inevitably make it impossible for the Community to assume fully its responsibilities and that, in any case, the Commission has so far been guilty of failing to take suitable action, since during 1980 it has made no proposals either for the reform of the agricultural regulations or for transfers of resources from the national budgets to the Community budget;

- that the Council has exerted a great deal of subtle but effective influence in dissuading the Commission from presenting the above proposals, thus avoiding the need to come to a decision on them; that it has continued to consider that farm-price support has an absolute prior claim on the Community's own resources; that it has ignored the urgent calls by Parliament to provide the Community with common structural policies and a common development cooperation policy, both more in keeping with the real scale of the problems, and that in fact, in a number of cases, it has actually reduced the scope for Community action;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) The Committee was in favour of this amendment. Personally, I agree with a great deal of what is said here, even though I should have appreciated an opportunity to discuss it with the author. The committee's opinion is, however, favourable.

President. — I call Mr Pannella.

Mr Pannella. — (F) I wish to ask for a vote by roll-call, Mr President, if 21 Members are prepared to support my request.

(The request failed to receive the requisite support. Parliament adopted Amendment No 1 and then the title preceding paragraph 2)

President. — On paragraph 2, I have Amendment No 14, tabled by Mr Bonde and others and modifying this paragraph as follows:

2. Notes that the own resources at present available under the Decision of 21 April 1970 will shortly be exhausted; *(rest deleted)*

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) I am against, Mr President.

(Parliament rejected Amendment No 14 and adopted paragraph 2)

President. — After paragraph 2, I have Amendment No 28, tabled by Mr Konrad Schön and others on behalf of the

Group of the European People's Party (C-D Group) and inserting the following new paragraph:

- 2a. Hopes that the Commission will soon be able to submit proposals which will ensure an increase in own resources proportional to the requirements of the balanced development of the above mentioned common policies, and notes that the Council is failing to fulfil its responsibilities in this field, which may either paralyse Community action or oblige the Community to cease payments;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, the committee expressed a negative opinion on this amendment, albeit by an equal number of votes for and against: 13 to 13. Personally, I should regret it if these views on the development of the Community's own resources were not to figure in the text of the motion. However that may be, the committee's decision was unfavourable.

(Parliament adopted Amendment No 28 and then paragraphs 3 and 4)

President. — On paragraph 5, I have Amendment No 5, tabled by the European Democratic Group and rewording this paragraph as follows:

5. Notes that the 1981 budget will be burdened by the repayments (8% of total expenditure) to the United Kingdom, reflecting the burdens previously borne by that country, and that these repayments will be even higher in the 1982 budget;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) The committee's opinion is unfavourable, Mr President.

(Parliament rejected Amendment No 5 and adopted in succession paragraph 5 and paragraphs 6 to 9)

President. — On paragraph 10, I have Amendment No 18, tabled by Mr Jacquet and others and deleting the following words: 'with structural surpluses'.¹

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, with regard to agricultural policy, the need has always been underlined to reduce surplus production if it is structural, but not otherwise. Consequently, the Committee on Budgets took a negative view.

¹ Amendment No 32, by Mr d'Ormesson, was withdrawn.

(Parliament rejected Amendment No 18 and adopted paragraph 10)

President. — After paragraph 10, I have two amendments, each inserting a new paragraph:

— No 29, tabled by Mr Früh and others on behalf of the Group of the European People's Party (C-D Group):

10a. Confirms its resolution of 27 June 1980 and calls on the Commission to incorporate in its future budgetary estimates a reclassification of expenditure not directly connected with the common agricultural policy, such as monetary compensatory amounts, expenditure connected with sugar from the ACP States and India, resources allocated for food aid, and other expenditure resulting from the Community's external economic relations, so as to make clear the real cost of the common agricultural policy;

— No 34, tabled by Mr Tolman and others on behalf of the Group of the European People's Party (C-D Group):

10a. Notes that the rate of increase in agricultural expenditure in 1980 was stabilized and that the 13.7% increase proposed in the draft 1981 budget is acceptable, particularly in view of the fact that it includes only expenditure directly connected with the agricultural policy, such as expenditure on food aid;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) The committee expressed a negative opinion on both these amendments.

President. — I call Mr de la Malène.

Mr de la Malène. — (F) I should like the electronic system to be used for the vote on these amendments.

President. — Your wish shall be granted.

(Parliament adopted both amendments)

On paragraph 11, I have three amendments:

— No 19, tabled by Mr Jaquet and others and deleting this paragraph;

— No 13, tabled by Mr Delatte on behalf of the Liberal and Democratic Group and rewording this paragraph as follows:

11. Considers that the total amount of agricultural expenditure arising both from the draft budget for 1981 and from the fixing of farm prices for 1981/82 cannot be assessed

until the Commission has made known the precise nature and extent of the savings which it has undertaken to make within the total allocation for the EAGGF (Guarantee Section);

— No 30, tabled by Mr De Keersmaecker and others on behalf of the Group of the European People's Party (C-D Group) and adding the following to this paragraph:

... provided they are accompanied by measures governing the co-responsibility of producers and processors of fats and oils of vegetable and maritime origin intended for human consumption, equivalent to the co-responsibility borne by producers in the dairy sector; if this cannot be implemented the budget must, if necessary, be adjusted;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, the opinion is negative on all three amendments.

(Parliament rejected Amendments Nos 19, 13 and 30 and adopted paragraph 11)

President. — After paragraph 11, I have Amendment No 23, tabled by the Group of European Progressive Democrats and inserting the following new paragraph:

11a. Points out that the Community budget is used to finance the existing common policies and that the reforms to be introduced must be reflected in the budget;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) The opinion is negative, Mr President.

(Parliament rejected Amendment No 23)

President. — On paragraph 12, I have three amendments:

— No 20, tabled by Mr Jaquet and others and deleting this paragraph;

— No 35, tabled by Mr Delatte on behalf of the Liberal and Democratic Group and also deleting this paragraph; and

— No 36, tabled by Mr De Keersmaecker on behalf of the Group of the European People's Party (C-D Group) and adding the following words at the end of this paragraph: '... under the conditions laid down in paragraph 11'.

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) The opinion is negative, Mr President, on all three amendments. Apart from this, I would point out that, if the preceding amendments are not adopted, it would now be difficult to incorporate Amendment No 36 in the text.

(By a series of votes, Parliament rejected all three amendments and adopted paragraph 12)

President. — After paragraph 12, I have Amendment No 24, tabled by the Group of European Progressive Democrats and inserting the following new paragraph:

- 12a. Considers that, in due course, farmers must be granted price increases for the 1981/82 marketing year which correspond to the rise in their production costs and take account of the need to achieve income levels equal to those in the other socio-professional sectors;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) The opinion is negative, Mr President.

(Parliament rejected Amendment No 24)

President. — On paragraph 13, I have four amendments:

- No 21, tabled by Mr Jaquet and others and deleting this paragraph;
- No 25, tabled by the Group of European Progressive Democrats and inserting the following new indent at the beginning of this paragraph:
 - pursue a genuine trade policy, in particular by seeking export markets,
- No 6, tabled by the European Democratic Group and rewording the second indent as follows:
 - apply for the financial year 1981 the minimum refund rates compatible with promoting the export of agricultural products in such a way as to keep stocks in the EEC at a financially acceptable level and to supply traditional export markets, bearing in mind the Community's undertakings to its allies;
- No 33, tabled by Mr De Keersmaeker and others on behalf of the Group of the European People's Party (C-D Group) and adding the following to the second indent:
 - ... to be reduced; in particular, implement an export policy which will make this possible;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, I am in favour of Amendment No 33 and opposed to the other three.

(Parliament rejected Amendment No 21, adopted the first part of paragraph 13, rejected Amendment No 25, adopted the first indent, rejected Amendment No 6 and adopted Amendment No 33, the second indent, thus amended, then the third and fourth indents of paragraph 13 and finally paragraph 14)

President. — After paragraph 14, I have four amendments:

- No 11, tabled by Mr Provan and adding the following new paragraphs:

14a. Requests that a joint working-committee of the European Parliament and the Commission of the European Communities be established to undertake a thorough review of the structure of the Budget of the Community;

Insists that the recommendations of the European Parliament concerning the structure of the agricultural budget should be adopted by the Commission when drawing up the budget;

14b. Requires the Commission to present its proposals on the 1982/83 agricultural prices before the end of August 1981; and informs the Commission that, in the absence of the legal requirements in this matter being respected, the Parliament must consider an appropriate response;

14c. Warns of the danger that increasing pressure on the Community's financial resources may lead to an increasing recourse to national aids and a progressive breakdown of the CAP;

14d. Considers, therefore, that Community agriculture will require an increasing recourse to the principle of financial participation by producers, subject to the criteria outlined above, to ensure the proper functioning of the CAP; emphasizes that the extension of this principle of financial responsibility will be totally unacceptable to producers unless the receipts obtained are assigned directly to the sector concerned and to the disposal of the surplus;

14e. Considers that the Community, if it wishes to take responsibility for fisheries policy, should ensure that adequate financial resources are made available;

- No 12, tabled by the Committee on Agriculture and adding the following new paragraphs:

14a. Believes that the budget is the result of a number of provisions governing prices and related measures and that modification of it presupposes the prior modification of the regulations concerned;

Considers that controlling the sectors of production responsible for the surpluses must be a primary objective and could improve the cost-effectiveness of the CAP;

President

- 14b. Requests that a joint working-committee of the European Parliament and the Commission be established to undertake a thorough review of the structure and nomenclature of the Community's budget;
- 14c. Points out in this connection that, on 27 June 1980, the European Parliament recommended a reclassification of expenditure not arising directly from the CAP, so as to ensure greater transparency and objectivity in the allocation of budgetary appropriations; regrets that the Commission and the Council have failed to take account of this recommendation in the draft budget for 1981;
- 14d. Hopes that the Commission will submit its proposals on agricultural prices for 1982/83, based on the objective method, by the end of August 1981;
- 14e. Warns of the danger that increasing pressure on the Community's financial resources may lead to an increasing recourse to national aids and a progressive breakdown of the CAP;
- 14f. Requests the Council to take up the Commission's proposal of 11 October 1976 on the introduction of a tax on oleaginous substances of vegetable and marine origin intended for human consumption (except olive oil);
- 14g. Considers that the Community, if it wishes to take responsibility for fisheries policy, should ensure that adequate financial resources are made available;
- 14h. Requests that 500,000,000 EUA be entered in Chapter 100 as an initial allocation to cover the expenditure arising from the 1981/82 price decisions;
- No 22, tabled by Mr Jaquet and others and inserting the following new paragraph:
- 14a. Requests that, in accordance with the decisions already taken, the European Parliament be prepared to propose to the Council a plan for the reform of the CAP before work begins on the drafting of the 1982 budget;
- No 26, tabled by the Group of European Progressive Democrats and inserting the following new paragraph:
- 14a. Emphasizes the need to curb the increase in the management costs of the common agricultural policy without jeopardizing the development of production;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, the Committee on Budgets is in favour of Amendment No 26, the point of which I have already explained, but is opposed to the other three.

(Parliament rejected Amendment No 11)

President. — I call Mr Coppieters on a point of order.

Mr Coppieters. — (NL) Mr President, you have called me too late. I was asking in good time, before we voted, for a separate vote on each paragraph.

President. — You are right: I did not notice. My fault.

(By a series of votes, Parliament rejected Amendments Nos 12 and 22 and adopted¹ Amendment No 26. It then adopted paragraphs 15 to 32)

After paragraph 32, I have two amendments:

- No 27/rev., tabled by Mr Adonnino on behalf of the Committee on Budgets and inserting the following new heading and the following new paragraphs:

The draft budget

- 32a. Believes that the Council's draft budget cannot be regarded as adequate, since it represents a refusal to extend the range of common policies to include sectors which are vital to the European economy and will stunt the growth of policies already in operation, thus aggravating existing imbalances instead of correcting them;
- 32b. Decides, therefore, to use, within the budgetary procedure, its own powers and prerogatives to modify and amend the draft, reserving its final position for a later stage in the procedure;
- No 31, tabled by Mr Langes and others on behalf of the Group of the European People's Party (C-D Group) and inserting the following heading and the following new paragraphs:

V. ASSESSMENT OF THE PRELIMINARY DRAFT AND DRAFT BUDGET

Preliminary draft budget

- 32a. Points out that the Commission's budgetary proposals do not show sufficient determination to deal with current constraints, difficulties and uncertainties;
- 32b. Feels that the Commission should have used the preliminary draft 1981 budget as an opportunity to introduce an initial series of measures designed to direct Community activities more effectively and give them greater impetus;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, we are obviously in favour of Amendment No 27/rev., which was adopted in its new form by the committee, but on Amendment No 31 the vote resulted in a tie and so the committee's opinion is negative.

(Parliament adopted Amendment No 27/rev. and rejected Amendment No 31. It then adopted paragraphs 33 to 36)

¹ By means of the electronic system

President. — On paragraph 37, I have Amendment No 7, tabled by the European Democratic Group and rewording the second part of this paragraph as follows:

...; considers, nevertheless, that the implementation of the programmes directly linked to the aim of increasing the Community's energy capacity and strengthening the Community's textile and ceramics industries must be speeded up;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, the opinion is negative.

(Parliament adopted Amendment No 7 and paragraph 37, thus modified)

President. — On paragraph 38, I have Amendment No 2, tabled by the Socialist Group and replacing this paragraph with the following new text:

38. Notes that the total amount of the appropriations entered in Title 9 of the 1981 draft budget is so small — less even than in the 1980 budget — that it will be impossible for the Community to honour its express commitments to the Third World or to assume the level of responsibility which Parliament considers indispensable to the solution of the problems of hunger, poverty and under-development in the world;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) The committee's opinion is negative, Mr President.

(Parliament adopted Amendment No 2)

President. — On paragraph 39, I have two amendments:

— No 37, tabled by Mr Adonnino on behalf of the Committee on Budgets and replacing this paragraph with the following new text:

39. Affirms that acceptance by the Council of the amendments tabled by Parliament on a proposal from its Committee on Development and Cooperation to the following items:

- food aid (cereals, butter-oil, sugar, other products),
- non-associated developing countries,
- non-governmental organizations,
- emergency aid for disaster relief,
- boosting in the IADF

is a *sine qua non* if the European Parliament's undertakings are to be honoured.

— No 3, tabled by the Socialist Group and replacing this paragraph with the following new text:

39. Affirms that acceptance by the Council of the amendments tabled by Parliament on a proposal from its Committee on Development and Cooperation on the following items:

- food aid (cereals, butter-oil, sugar, other products),
- non-associated developing countries,
- non-governmental organizations,
- emergency aid for disaster relief,
- boosting the IADF

is a *sine qua non* if its commitments are to be honoured;

(Parliament adopted Amendment No 37, as a result of which Amendment No 3 fell. It then adopted paragraphs 40 to 52)

After paragraph 52, I have Amendment No 4, tabled by Mr Herman on behalf of the Group of the European People's Party (C-D Group) and adding the following new heading and new paragraph:

IX. Institutional matters

52a. To improve the effectiveness of Community action, calls for the decisions taken by the Councils of Ministers responsible for the different sectors to be coordinated;

What is the rapporteur's position?

Mr Adonnino, rapporteur. — (I) Mr President, Amendment No 4 received a negative assessment from the Committee.

(Parliament rejected Amendment No 4)

President. — The vote on the motion for a resolution as a whole will be taken after the explanations of vote.

I call Mr Aigner on a point of order.

Mr Aigner. — (D) Mr President, this House is sovereign, and I ask you to put to the vote the question which procedure this House wishes to adopt.

President. — The House has no sovereignty. The House has laid down its own rules, and the rule is that explana-

President

tions of vote are taken before the final vote on the resolution. That is the stage we have now reached, and I have to allow everybody who wants to explain his vote to do so before there is a vote on the resolutions.

I call Sir Fred Catherwood for an explanation of vote, with a maximum of three minutes, and preferably less.

Sir Fred Catherwood. — I would like to say, Mr President, that we have passed the most tremendous number of increases in our budget, but we have turned down a resolution for 27 people to protect this Community against imports. At a time of enormous unemployment, with 6 million people unemployed and the figure rising, we are utterly vulnerable to dumping from every country in the world. We have the greatest difficulty in preventing it. We have to have these people if we are not to be open to dumping from foreign countries. I think it quite absurd that this House should have turned down this request for 27 people.

I am told that some global sum has been agreed in some backroom deal between the Commission and somebody else which will be privately allocated as the Commission decides. All I can say is that if the Commission does not allocate these 27 people to anti-dumping to protect us during this time of high unemployment and trade recession, I will table a motion of censure.

(Applause)

President. — I call Mrs Le Roux.

Mrs Le Roux. — *(F)* Mr President, I should like to explain the motives of the French members of the Communist and Allies Group in the votes in which they will be taking part.

This budget, which has been proposed by the governments, is a budget of enlargement, of agricultural and industrial restructuring. It combines all the harmful aspects of European integration, at the expense of the independence of our countries, their farming communities, their industry and their regions, and the European Assembly — the large majority of whom support these trends — regrets that European integration is not being achieved with sufficient zeal! That is why it proposes going further: That is the purpose of hundreds of the amendments that have been tabled.

But it is not easy to get the people to accept such trends. Supranationality, the dismantling of the common agricultural policy and of whole sectors of industry were championed with particular vigour during last year's budgetary debate. Since then, the struggles of the farming community in particular have resulted in greater moderation, greater caution. With the aim of achieving the same result, the wrapping has been improved and demagogy has flowed like water.

From both right and left, we have desultory proposals for a few units of account for the workers who have lost their jobs and are leaving their home regions, for the farmers who are forced to leave their land because of your policy, for young people so that they can pack their bags and go.

The Communists' proposals are positive and constructive, because they are motivated by the desire to defend workers' interests and national interests. We are motivated by our solidarity with those who are hungry, our refusal to play off the farmers of the European countries against those who are hungry, as you have tried to do.

You have rejected all the Communists' proposals. You have rejected the principle that appropriations for restructuring the fishing industry should be allocated to support for fishermen's incomes. You have refused to allow the present made to Mrs Thatcher to benefit our farmers. You refused to allow the agricultural produce now being destroyed in the EEC to be given to the millions of people who are hungry, even though, in this very Chamber three weeks ago, before the representatives of the ACP countries, you adopted various favourable positions on our proposal. Today, in their absence, you revert to nature and reject what you accepted yesterday. One example of this is the cocoa agreement.

For all these reasons, the Communist Members will therefore be abstaining from the vote on the resolution, which endorses a policy that is contrary to the interests of the peoples of Europe and of the developing countries.

President. — I call Mr De la Malène.

Mr De la Malène. — *(F)* Mr President, ladies and gentleman, we said earlier during the debate that we should probably approve this budget. We confirm our approval today. We did not voice indignant protests some time ago simply to yield today. We said we would vote for this budget.

As you know, we feel very concerned about two issues, the common agricultural policy and the regional policy. We are pleased about the way the voting has gone on the regional policy. As regards the agricultural policy, we are afraid that excessive spending will not leave sufficient funds for agricultural prices and the agricultural policy in the year to come. We note that some effort has been made to limit the increases in expenditure and thus to leave some room for manoeuvre on agricultural prices in the coming year, since expenditure is somewhat less than that originally envisaged by the Committee on Budgets.

We regret of course, once again, that no effort has been made with respect to policy on oils and fats and imported oils and fats. Everyone knows that there will be no solution to this problem of agricultural surpluses until a courageous effort is made to tackle the problem of vegetable oils and fats.

de la Malène

The motion for a resolution, however, is not acceptable to us. It has undoubtedly undergone some amendment, but we cannot accept the general tenor, particularly where agriculture is concerned. We feel it is hypocritical to express support for the common agricultural policy and then to deprive it of funds. In these circumstances, we shall not be voting in favour of the resolution which has been tabled.

(Applause from the right)

President. — I call Mr Pannella.

Mr Pannella. — *(I)* Mr President, we shall not support this motion, for we are firmly opposed to proposals which are in complete contradiction with those supported by the majority, indeed the near unanimity, of the parliamentary groups.

When we speak of death in the world from hunger or from war, we are speaking of definite facts. We told you that you were half-hearted, hypocritical or worse in approving the Ferrero report, and today you have given ample proof of it. We said that the excellent Focke report corresponded neither to your political capabilities nor to your political will, and you have given proof of that also. By approving a budget in which you must include a supplementary post for a Greek director, you put sign and seal to the under-world machinations of some "boss" whose word is law in this Parliament: not only the law of force, but also the law of profit, which is more disgraceful and intolerable in the life of a parliament.

This budget contains symptoms of practices and malpractices — those, in point of fact, of the groups, whose behaviour becomes every day less parliamentary and more shameful. We read today that the staff protests in disgust, but the fact remains that this staff — for the most part assigned to the groups — must nevertheless yield to the practices that are current.

With regard to the great ideological problems, Mr President, there is a desire for a "European" Europe, but only on the condition that it should also be a nuclear Europe. The legitimate attitude of Mr Spinelli — which we approved — and the just criticisms addressed to the Commission would make sense only if they were directed also at the Parliament, which has an equally subordinate position. Even if the principles put forward by Mr Spinelli are occasionally given recognitions, the Parliament, in the course of its daily activities, shows itself to be a part of the 'gang of three' which serves the majority of the Nine against Europe!

Certainly, those who, like you, favour a Europe armed to the teeth with plutonium, though lacking in justice, in new structures, and in prospects of world prestige, will have some reason to be satisfied. But in this case, as in the time of the European Defense Community, Mr Spinelli, the crocodile will be able only to cry crocodile tears, and will

perhaps be devoured by the Christian or Christian-Democratic lamb, as in 1953, and not by the Communist wolf.

Mr President, I believe that the continued approval of budgets of this nature is detrimental to this Parliament, for Mr Adonnino and the others are fundamentally aware that they are only lying to themselves. It is not true that they are voting today so that they may afterwards go to the Council to negotiate: they are only seeking excuses to yield later to the Council and to those who pursue — in Paris, Bonn, or somewhere else — a damaging, anti-European policy.

President. — I call Mr Seal.

Mr Seal. — Mr President, I would like to start off by saying that this budget we have been looking at today does absolutely nothing for the employed young people in my constituency, where unemployment amongst school leavers is the highest in the UK and probably the highest in the Community. It does nothing at all for the young coloured children in my constituency who cannot find jobs. It does nothing at all for the rest of the unemployed people in West Yorkshire. It does nothing at all for the 2000 textile workers who every month lose jobs in my constituency, and it does nothing for the thousands of workers in the UK who are on short-time working and are likely at any time to lose their jobs. In fact, Mr President, the amounts involved in this budget do nothing to help the ordinary people, the people who are my electors, and until there is a massive switch of resources from agriculture, we shall only be tinkering with this problem. We are doing nothing to ease the real problems in the Community.

Already in the UK, the farmers are receiving subsidies of £ 10 000 per year per head. A lot of this money is coming from budgets which have been approved by the Parliament. If this kind of subsidy were given or transferred to workers in industry, thousands of jobs would be saved.

I cannot agree to take part in such tinkering. It is really a futile exercise. We should be using our money to really tackle some of the immediate problems. This report that we have been presented with by Mr Adonnino does nothing at all to divert money from agriculture to where it is really needed. I cannot support this report, Mr President.

President. — I call Mr Romualdi.

Mr Romualdi — *(I)* Mr President, I rise to speak, a little less dramatically than our colleague Mr Panella, on behalf of the non-attached Italians. By voting on the amendments, whatever their source, we have sought to improve the budget that has been presented to us. We have supported all the amendments to restore or even increase the appropriations proposed by the Commission as against the absurd and unjustified cuts made by the Council, which is obviously incapable of realizing the great political, as well

Romualdi

as economic, responsibilities which the Community must assume, especially at the present time. Among these responsibilities is the paramount need to develop regional and social policies, which have been sacrificed without motive and in a manner most injurious to many especially poor regions — for there are hundreds of thousands of poor that are no interest to Mr Pannella, even in Europe. These responsibilities include the fight against runaway unemployment and improvements in the policy of convergence, without which it is totally useless to talk about the balanced development of our Community.

Another object was and remains the improvement of conditions for all types of research, in order to renew, modernize, restructure and convert — by means of more efficient, improved technology — our production in agriculture, industry and commerce, so that it may compete with the aggressive American and Japanese economies.

By voting in this way, we believe we have represented the interests, feelings and hopes of our constituents. For these reasons we will vote for the Ansquer and Adonnino resolutions, and we hope that the Council will not ignore our requests and the underlying motives which prompted them.

President. — I call Sir Basil de Ferranti.

Sir Basil de Ferranti. — Mr President, ladies and gentlemen, I feel that I should give an explanation of my reason for abstaining on the question, raised at the beginning of today's sitting, of the addition of an A 2 post in the Parliament for the Greeks. My reason for so doing was that I object, not, of course, to the Greeks' having their proper share of the posts in the Parliament's Secretariat, but to the fact that when we made our decisions in the Bureau on Monday night we made them on the basis of gerrymandering by the political groups. I do not think it is possible to run a Parliament on the basis of gerrymandering by the political groups.

If we are going to have an effective parliamentary staff and if this Parliament is going to be a success, the Secretary-General of our Parliament must be in a position to have adequate say in the appointments of Secretariat staff, and this power cannot be vested instead in the bosses of the political groups who make political deals one with the other. It is as a consequence of that system, Mr President, that we ended up with the difficulty over the Greek posts as well as with a number of other difficulties which will come home to roost in the months ahead. By abstaining, Mr President, I wish to protest against that system.

President. — I call Mr Gouthier.

Mr Gouthier. — (I) Mr President, I take a severely critical attitude to the original motion for a resolution, but the adoption of our amendment modifies it substantially by introducing certain political commitments for Parliament,

Council and Commission which, in our view, are important.

At this stage in the procedure, with the adoption of this amendment, we are in a position to vote for the resolution. This, of course, in no way commits us with regard to the final vote on the budget, which is to take place in the month of December.

President. — I call Mr Boyes.

Mr Boyes. — Mr President, I just want to give a message to the Council and the Commission about the problems in the steel industry and to regret very much that the amendment calling for 300 million units of account for that industry was not carried by this Parliament.

It appears to me that neither the Commission nor the Council will recognize that there is a serious crisis in that particular industry and those who are beginning to recognize it are recognizing it far too late. It does not surprise me that the working people of the UK and of other countries have no faith in either this Community or this Parliament when they see the way it tinkers about with trivial amounts of money at the margin of the budget of this Community when thousands and millions of workers throughout this Community are becoming chronically unemployed. For the first time we have 7 million people unemployed in this Community, and what we have done today has no connection with even one person among those 7 million. It particularly has no relevance to the steel-workers of this Community, who daily see their jobs taken away from them, whether in the UK, France, Belgium or any other country in this Community.

It is time the Commission came forward with a policy to help the steel-workers. We want an industrial policy. We want a social policy. We want a fast-working job-creation policy, and as long as we have problems like those we have in this Community, as long as we have solutions, as long as we pour all our cash into the agricultural sector and piddling small amounts into the industrial sector, and particularly into the steel sector, the working class of Britain will continue to say no to the EEC. The great conferences of workers in Britain will go on saying, 'Get Britain out of the EEC!' It is time the people in this forum realized that people are unemployed, and this institution, this Community is not doing one iota for them. It is time you woke up, time you realized that the working people have no faith in, and no wish to be part of, an institution that treats them the way this place is treating them.

President. — I call Mr Balfe.

Mr Balfe. — Mr President, I rise to put on record my disquiet at the fact that this Parliament saw fit to reject the one amendment before it that would substantially have put its own house in order. That is the one which I proposed

Balfe

whereby Members who attended for less than 50% of the time would have had their secretarial and office allowances cut. We have been told that the compromise put forward to the effect that people who attend less than half the meetings would have their allowances reduced is an adequate compromise. I don't believe it is. I believe that we have to take a much firmer line, because unless we can manage to get our own people to come here to earn their money, we can hardly go around preaching to any one else. It is my hope that those people who said that they agreed with the resolution, and then failed to vote for it, will think again.

The second point I would like to make is to underline the disquiet that has been expressed at the non-agreement on the amendment to provide staff to implement effective import-control regulations in the Community. It is useless going round the Community complaining about import penetration, complaining about trading difficulties, if we cannot even manage to employ the staff to look after the division in the Commission that deals with import controls. Agriculture is not the whole of this Community: we have also got to look to its industrial base.

President. — I call Mr Van Minnen.

Mr Van Minnen. — *(NL)* Mr President, as draftsman of the opinion of the Committee on Social Affairs and Employment, I must say how disappointed we are about the course of events and the cuts that have been made, not by the Council this time, but by Parliament itself. This is the result of the action of groups which have today been very successful in their ability to form a blocking minority. This minority tells us that it is all in favour of a European Community, but at the same time it clamps down on social security. This is therefore a black day for anyone who still takes that minor aspect of our Community known as social affairs seriously. Furthermore, it is pointless to pretend that we can hope for a second reading in this respect. What Parliament has today removed from the social chapters of the budget is irretrievably lost to this financial year, and the Council now no longer needs to look for an excuse to make an even greater reduction in what is left. Where the defence of the social sector is concerned, we are this year really manning the last barricades.

President. — I call Mr Lomas.

Mr Lomas. — I shall be very brief, Mr President. It is obvious already that, whatever has happened today and whatever happens next month, we are going to end up with a budget which, fundamentally, will be no different from the one last year or the year before. We shall still spend by far the largest part of the budget on an agricultural policy which has been variously described as criminal, obscene or lunatic in that it creates huge surpluses of food in a world where millions of people are starving. We shall still neglect the poorer regions in the EEC. Even worse, we shall neglect the Third World.

I object to the wording in Mr Adonnino's motion where he refers to the 'British problem'. I object to the word 'problem'. I object to his description of this problem as giving us some 'assistance'. We are not asking for assistance. We are demanding some of the money back that has been pumped into this Community year after year.

Finally, Mr President, I want to refer to the amendment in my name on the money which is going to be given again next year to the so-called European Movements, which was defeated. I say 'so-called' because they are not European but are propaganda organizations for the Common Market of which the majority of European countries are not members. They are certainly not movements, in the sense that in the UK they have virtually no following whatsoever. I cannot speak for the movements in other countries, Mr President, but I end on this note. The movement in the United Kingdom is a dishonest one, because, although it has received huge sums of money from this Community, it claims that it receives no public money. I suggest that for this Parliament now to vote further huge sums of money for organizations that deliberately lie to the public, is a disgrace!

President. — I call Mrs Clwyd.

Mrs Clwyd. — Mr President, there is not much time, but I should like to explain why I abstained on most of the amendments here today, apart from the ones to which my own name was appended. I object to being drawn into playing this charade again this year. I had thought that last year the Council of Ministers would listen to the words spoken in this Parliament. It appears that not only did they not listen but they have turned two deaf ears to what was said here last year about the disgusting way in which we use the money we have for this Community. Last year we said that money spent on agriculture must be cut and that we must spend money on regional, social and energy projects. This year we have seen what the Council of Ministers thinks of this Parliament. Anyone who has any self-respect should stand back and look at the charades that we have been asked to play here today, and object to playing it year after year.

I do not very often agree with Mr Scott-Hopkins, and I am sorry that he is not able to make his actions conform to his words. He said a few weeks ago in my constituency that he would fight a major battle in the EEC over plans to cut the regional and other budgets. He described the savage slashing of Regional and Social Funds as an obscenity. We have seen today how the Conservatives voted on measures for the Social and the Regional Funds.

(Applause from the left)

They have not put their money where their mouths are, and I am sorry that Mr Scott-Hopkins has the audacity to come to my constituency and say things like that, raise

Clwyd

peoples' hopes and then vote the other way. However, I think that demonstrates once more how the Conservatives can speak with one voice in Britain and vote with another voice in Europe.

President. — I call Mr Motchane.

Mr Motchane. — (F) Mr President, the French Socialists will not be voting for the motion for a resolution. They will vote against it, not with pleasure, but because they can only conclude that this Assembly has not learned the lessons of the crisis or of the 1980 budget.

In agriculture there are rich people, poor people; but in agriculture the poor easily outnumber the rich, and the European Assembly is being strangely inconsistent and strangely blind in seemingly concentrating its efforts on cutting off the only Community branch, the only common policy we have.

I should like to recall, as others have done before me, the tremendous inconsistencies between the policy that emerges from this draft budget and the economic situation, unemployment, the exploitation of the workers and the commitments we have entered into with respect to...

President. — Mr Motchane, you were entitled to one minute and you have already had a minute and thirty seconds. You no longer have the floor.

I call Mr Patterson.

Mr Patterson. — Mr President, I do not want to make any party points, but I do, as spokesman for the Committee on Youth, Culture, Education, Information and Sport, wish to register my disgust at the way this Parliament has treated the educational and cultural policies of this Community. The sums involved were very small indeed, yet by our votes and in some cases by our absenteeism, we have ensured that the education and cultural policies of this Community are stultified for another year. We have eliminated entirely its policy on the architectural heritage, and we have probably done irreparable damage to the University Institute in Florence. My group is as guilty as others — perhaps more guilty. All I can do now is to appeal to the Council of Ministers to see what it did in its draft budget and to repair the folly of this Parliament.

(Applause)

President. — I call Mr Bangemann.

Mr Bangemann. — (D) Mr President, I should like to explain why many of the members of my group cannot support this resolution, and in so doing, I follow on from what

the previous speaker has said. The resolution does not correspond to what we previously decided. In paragraph 46, for example, we express a support for the cultural policy which does not correspond to the decisions we have taken. This is partly due to the differences in voting methods: We need different types of majority. It is also partly due to the fact that we do not wait until the end and then adapt the resolution to our decisions. That, I feel, is something we must consider in the future.

Secondly, my group will not be voting in favour of this resolution because the attempt is again being made in paragraphs 11 and 12 to use budgetary funds to change the agricultural policy. We have said on many occasions in the past that we must change the agricultural policy in order to put a different face on the budgetary policy, and not *vice versa*. But now, in paragraphs 11 and 12, we are calling for appropriations which will not change this agricultural policy. That is why my group is opposed to this resolution.

President. — I inform the House that after the final vote on the Adonnino resolution the Council wishes to make a brief announcement.

I put to the vote, as a whole, the motion for a resolution contained in the Adonnino report.

The resolution is adopted¹.

I call Mr Muhlen.

Mr Muhlen, President-in-Office of the Council. — (F) Mr President, I have asked for the floor to inform the Assembly that the Council has just adopted the draft budget supplementing and amending the 1980 general budget. The draft will be forwarded to Parliament today. The Council would welcome it if this draft budget could be adopted before the end of November.

President. — Mr Muhlen, I doubt very much whether the procedure will allow us to make such rapid progress, but we shall do our best.

I put to the vote the motion for a resolution contained in the Ansquer report (Doc. 1-546/80): Section I (Parliament).

The resolution is adopted¹.

I put to the vote the motion for a resolution contained in the Ansquer report (Doc. 1-541/80): Section II (Council).

The resolution is adopted¹.

I put to the vote the motion for a resolution contained in the Ansquer report (Doc. 1-542/80): Section II (Council), Annex I: Economic and Social Committee.

¹ OJ No C 313 of 1. 12. 1980.

President

The resolution is adopted¹.

I put to the vote the motion for a resolution contained in the Ansquer report (Doc. 1-543/80): Section IV (Court of Justice).

The resolution is adopted¹.

I put to the vote the motion for a resolution contained in the Ansquer report (Doc 1-544/80): Section V (Court of Auditors).

The resolution is adopted¹.

I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — I am not sure whether this is the appropriate time, Mr President, but I should like, on behalf of my group, to thank you very much for the way you have presided.

(Loud and prolonged applause)

I am sure that it will go down in the history of this House as one of our most efficient and well-run-part-sessions. Thank you very much, Mr President.

(Applause)

President. — Thank you, Mr Scott-Hopkins. I, in my turn, want to thank the two rapporteurs, first for the way in which they prepared this debate, and secondly for the way they helped me to fulfil my task. So, Mr Adonnino and Mr Ansquer, thank you also very much.

(Applause)

Further, I wish to thank the staff, who, despite a very short break, have helped us to complete our work sooner than

had been expected. Finally, the efficient operation of the electronic voting-system has also made a valuable contribution.

3. *Dates of the next part-session*

President. — There are no other items on the agenda. I thank the representatives of both Council and Commission for their contributions to our work.

The enlarged Bureau proposes that our next sittings be held at Strasbourg during the week from 17 to 21 November 1980.

Are there any objections?

That is agreed.

4. *Approval of the minutes*

President. — Rule 17 (2) of the Rules of Procedure requires me to lay before Parliament, for its approval, the minutes of proceedings of this sitting, which were written during the debates.

Are there any comments?

The minutes of proceedings are approved.

5. *Adjournment of the session.*

President. — I declare the session of the European Parliament adjourned.

The sitting is closed.

(The sitting closed at 6.05 p. m.)

¹ OJ No C 313 of 1. 12. 1980.



ANNEX

PROPOSED MODIFICATIONS
and DRAFT AMENDMENTS

relating to the draft general budget of the European
Communities for the 1981 financial year¹

¹ These proposed modifications and draft amendments are reproduced in numerical order. Numbers missing belong to texts that were withdrawn before the vote.

ANNEX

Opinion of the Committee on Budgets

The opinion of the Committee on Budgets on the draft amendments and proposed modifications (in order of voting) was as follows:

Favourable: Nos 64, 299, 544, 595, 465, 474, 423, 425, 592, 100, 591, 298, 476, 479, 590, 230, 483, 3, 484, 485, 5, 6, 449, 450, 8, 102, 99, 282, 103, 104, 451, 416, 105, 12, 43, 496/rev., 46, 47, 48, 418, 467, 42, 152, 153, 70, 71, 66, 72, 452, 74, 75, 432, 77, 79, 80, 81, 82, 83, 22, 23, 500, 501, 487, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 462, 38, 39, 40, 41, 49, 453, 85, 86, 87, 88, 91, 92, 435, 90, 93, 284, 65, 94, 547, 95, 96, 285, 67, 68, 69, 13, 14, 15, 454, 17, 51, 19, 52, 20, 53, 204, 54, 56, 57, 58, 59, 60, 61, 288, 62, 136, 137, 445, 289, 149, 419, 509, 107, 417, 594, 456/rev., 156, 585, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 168, 167, 608, 170, 171, 1/rev., 457, 172, 116, 108, 112, 113, 114, 185, 306, 115, 121, 120, 119, 118, 117, 125, 123, 122, 126, 134, 556, 135/rev., 493, 446, 142/rev., 447, 141, 143, 144, 145, 146, 147, 130, 133, 132, 131, 109, 111/rev., 128, 110, 129, 574, 568, 291/rev.

Unfavourable: Nos 317, 265, 468, 266, 319, 267, 175, 268, 269, 426, 178, 270, 271, 326, 272, 180, 273, 328, 182, 275, 329, 276, 277, 332, 278, 333, 422, 279, 183, 566/rev., 335, 346/rev., 351, 355, 359, 361, 362, 420, 150, 573, 561, 421, 600, 430, 431, 507, 576, 506, 101, 2, 21, 139, 140, 148/rev., 415, 374/rev., 239, 475, 208, 209, 212, 213, 379, 214, 215, 216, 218, 219, 480, 220, 477, 198, 199, 478, 221, 223, 281, 194, 224, 226, 227, 395, 396, 228, 229, 231, 400, 232, 401, 233, 486, 297, 312, 311, 310, 309, 262, 308, 316, 196, 11, 195, 557, 151, 599, 469, 403, 404, 405, 406, 407, 408, 470, 410, 471, 472, 412, 413, 473, 414, 89, 579, 546, 439, 297, 18, 550, 466/rev., 580, 154, 571, 155, 572, 581, 203, 598, 241, 249, 248, 242, 603, 582, 442, 549, 569, 583, 584, 587, 548, 192, 260, 240, 602, 586, 261, 588, 533, 554, 55, 173, 236, 124, 605, 244, 174.

**DRAFT
GENERAL BUDGET
OF THE EUROPEAN COMMUNITIES
FOR THE FINANCIAL YEAR 1981**

(Doc. 1-465/80)

Draft amendment No 1/rev.
tabled by Mr Van der Gun, Mr Kavanagh, Mr Albers, Mr Berkhouwer, Mrs Majj-Weggen, Mr Tolman,
Mr Vandewiele and Mr Nord

Section III — Commission

PAYMENTS

Article 8.7.6: Grant towards medical assistance and safety at sea

A) *Expenditure*

Enter an appropriation of 200 000 EUA (reinstatement of the appropriation shown in the 1980 preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

unchanged

JUSTIFICATION

Following its resolution of 11 May 1979 on these activities, at the first reading of the 1980 budget, the European Parliament was in favour of reinstating the appropriation of 200 000 EUA proposed in the preliminary draft budget. At the second reading a token entry was considered sufficient since part of the budgetary year had elapsed by then.

Now that preparations for this action have been completed in the Community's Consultative Committee on fisheries and the prospects for the introduction of a common fisheries policy are promising, a start must be made on the social aspect of this policy, i. e. coordination of medical aid and measures to improve the safety of fishermen on the high seas.

This activity is intrinsically important and also interesting in that the actual implementation of a Community action can be delegated to existing agencies in the Member States.

Draft amendment No 2
 tabled by Mrs Roudy, Mrs Lizin, Mr Glinne, Mrs Fullet, Mrs Hoff, Mrs Salisch, Mrs Weber and Mr Oehler

Section III — Commission

List of posts

Amend the list of posts as follows:

Add: 3 category A officials at grade A 7/6
 3 category B officials at grade B 3/2
 3 category C officials at grade C 3/2

A) *Expenditure*

Increase expenditure by 853 350 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 700 587 EUA¹

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

On 26 October 1979 the European Parliament decided to set up the 'ad hoc' committee on women's rights.

The work of this committee has highlighted the difficulties encountered by women in today's society and in particular in their working lives.

A *Bureau* for questions affecting women's employment is at present operating within *Directorate-General V*.

This Bureau is seriously under-staffed and its powers are limited.

It is essential therefore that:

- its staff complement be increased to allow it to deal more effectively with its existing duties relating to employment and vocational training;
- its role and terms of reference be extended to enable it to deal with and take responsibility for all aspects of policy concerning women.

The Women's Bureau should be in a position to monitor the progress in each of the Member States and in the Community in general towards the implementation of the directive on equal pay for equal work (75/117/EEC), the directive on equal opportunity (76/207/EEC) and the directive on social security (79/7/EEC).

It should also be in a position to deal with other aspects of the policy relating to women, including questions concerning education and the Social Fund.

The Bureau should also be able to maintain close regular contact with the various Commissions on Equality and the social partners in the Member States with a view to ensuring an efficient mutual exchange of information and ideas and facilitating its monitoring function.

¹ + 152 763 EUA from taxation on salaries.

The main cause of the difficulties encountered by women is lack of information. To remedy that shortcoming, the Commission must make its information service for women more efficient. It is therefore essential to substantially strengthen the staff complement of the service which, within DG X, is responsible for information intended for women in general (particularly women's associations and press bodies) in order to step up its activities, broaden its audience and initiate specific information campaigns.

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Draft amendment No 3

tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section II — Commission

PAYMENTS

Article 254: Youth Forum of the European Communities

A) *Expenditure*

Increase the payment appropriation by 99 500 EUA (from 380 500 EUA to 480 000 EUA — reinstatement of appropriations shown in Preliminary Draft Budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The Youth Forum, which held its Second Annual General Meeting in December 1979 — its first working AGM — has already made significant progress in its work in the two years of its existence, justifying the Parliament's continued support for the establishment of this Forum. Through its three working parties, its Permanent Commissions, it has made submissions to the Commission on various issues relevant to youth policies, all of which have also been communicated to the Parliament's Committee on Youth, Culture, Education, Information and Sport. In addition, representatives of the Forum have a standing invitation to be present at the Committee's meeting, where they contribute effectively to its work. The European Parliament believes that the amount requested by the Commission is hardly adequate to cover the needs of the Youth Forum, which is facing an ever-increasing work-load, particularly in terms of organization and representation, and needs a much increased Budget if it is to continue to fulfil its tasks as effectively as it has begun. In view of the current atmosphere of Budgetary restrictions, Parliament will confine itself to reinstating the amount requested by the Commission in the preliminary draft budget: allowing for inflation, the Council's decision would have amounted to a reduction of 10% in real terms as against the 1980 budget.

The management accounts for 1979 showed that the appropriations have been used in full.

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Draft amendment No 4
 tabled by Mr G. B. Patterson, on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Article 270: Official Journal

A) *Expenditure*

Reduce the payment appropriation by 4 000 000 EUA (from 19 000 000 to 15 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The explanations given for the 90% proposed increase over the 1980 figure appear insufficient. Parliament should not be prepared to endorse such an increase — since the additional expenditure on Greek accounts for only 37.5% — until its responsible Committee has investigated the situation, including the possibility of contracting out some Official Journal work on the basis of competitive commercial contracts.

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Draft amendment No 5
 tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 2720: Expenditure on information, publicity and participation in public events

A) *Expenditure*

Increase the payment appropriation by 2 800 000 EUA (from 7 200 000 to 10 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The appropriation of 7 200 000 EUA proposed by the Council not only constitutes a reduction of 14% in real terms but also a reduction in absolute terms compared to the 1980 appropriation, which was already in itself inadequate.

The European Parliament cannot sanction this unacceptable reduction, for which the Council has not even put forward any justification, in a sector of vital importance to the Community.

It would seem that the Council has taken no account either of the rate of inflation or of the accession of Greece, which will make it imperative to produce new information material adapted to a Community of ten.

Furthermore, the Council decision would have serious effects in particular on the national and regional offices which would be in a situation where they had staff available but insufficient funds to operate.

It should be stressed that the Commission's ability to spend the funds on this budgetary line is particularly high. For the 1979 financial year:

— 99.8% of appropriations were committed by 31. 12. 1979,

— at the present time payments have been effected in respect of 94.6% of the above appropriations.

* * *

Draft amendment No 6

tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 2721: Participation of the Community in international exhibitions

A) *Expenditure*

— *Delete* the payment appropriation of 350 000 EUA

— *Enter* a token entry

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The appropriation decided on by the Council is intended to finance the attendance and participation of the Community in its own right at the international exhibition in Knoxville Tennessee (USA), which will be devoted to energy problems. It is felt that this participation should not be financed through the Community budget, but through contributions from the Member States determined on the basis of inter-governmental agreements.

* * *

Draft amendment No 7
tabled by G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 2722: Current affairs films for developing countries

A) *Expenditure*

Increase the payment appropriation by 498 000 EUA (from 692 000 to 1 190 000 EUA) (reinstatement of the appropriation in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

Particularly in view of the rate of inflation, the appropriation decided on by the Council represents a 30% cut over 1980. This would lead to very serious restrictions on the activities involved in the programme of weekly filmed news on the EEC designed for the developing countries which has met with great success in those countries.

Parliament must absolutely oppose the Council's decision which is a further attack on the Commission's overall information facilities.

It should be stressed that the Commission's ability to spend the funds in the budgetary line in question is particularly good.

For the 1979 financial year:

— 99.9% of appropriations were committed by 31. 12. 1979,

— at the present time payments covering 99.7% of the above appropriations have been made.

* * *

Draft amendment No 8
tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Article 273: Dissemination of information to young people

A) *Expenditure*

Increase the payment appropriation by 570 000 EUA (from 1 430 000 to 2 000 000 EUA) (reinstatement of appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The appropriation under Article 273 constitutes the 'Kreyssig Fund' which was created on the initiative of the European Parliament and is aimed at arousing interest in the Community among young people. This very serious attempt to undermine the Commission's information policy should certainly be rejected. It should be stressed that the Commission's ability to spend the funds in the budgetary line in question is particularly good.

For the 1979 financial year:

- 99.9% of appropriations were committed by 31. 12. 1979,
- at the present time payments covering 99.4% of the above appropriations have been made.

* * *

Draft amendment No 9
tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Article 290: Subsidies to institutions of higher education

A) *Expenditure*

Increase the payment appropriation by 370 000 EUA (from 180 000 to 550 000 EUA) (reinstatement of appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue**Increase* the revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Amend the remarks as follows:

'Appropriation to enable aid to be granted to higher education institutions *and residential education centres for adults* setting up a programme of value to European integration.'

JUSTIFICATION

The increase proposed by the Commission against this article is a direct response to the amendment tabled by Parliament to the 1980 budget requesting the entry of an appropriation for aid to residential adult education centres in conformity with three resolutions adopted by Parliament: Albers report (Doc. 676/78), Kellett-Bowman report (Doc. 158/78) and Van der Gun report (Doc. 149/79). In accordance with its earlier decisions, Parliament therefore proposes to reinstate the amount cut by the Council.

* * *

Draft amendment No 10

tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Article 291: Subsidies to European movements

A) *Expenditure**Reduce* the payment appropriation by 7000 EUA (from 207 000 to 200 000 EUA)B) *Compensation*

—

C) *Revenue**Reduce* revenue by a corresponding amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The proposed reduction of 7000 EUA in the appropriation of 207000 EUA proposed by the Commission and confirmed by the Council is designed to limit finance for those European movements which are closely linked to political parties represented in the European Parliament. In view of the current increases in the funds available to political groups in the European Parliament, it is felt that this financing is the responsibility of the groups themselves.

* * *

Draft amendment No 11
tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 2940: Research and study grants

A) *Expenditure*

Increase the payment appropriation by 27000 EUA (from 313000 to 340000 EUA) (reinstatement of appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase the revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Amend the remarks as follows:

'Appropriation to enable research grants and endowments to be allocated for research work on the various aspects of European integration, including 250000 EUA for the European University Institute, Florence.'
(Reinstatement of the remarks shown in the preliminary draft budget.)

JUSTIFICATION

It is essential to reinstate the appropriation in the preliminary draft budget particularly in view of the fact that the largest portion (250000 EUA) of the endowment of this budgetary line is to finance research work at the European University Institute in Florence. Lack of sufficient funds could further aggravate the difficulties which the Institute is already experiencing in attracting highly qualified young research workers.

* * *

Draft amendment No 12
tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Article 302: Tasks entrusted to the Institution to promote exchanges of young workers

A) *Expenditure*

Increase the payment appropriation by 600 000 EUA (from 1 500 000 to 2 100 000 EUA) (reinstatement of appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The increase requested by the Commission is essential for it to continue to implement the second joint programme of exchanges of young workers (Council decision 76/642/EEC of 16 July 1979).

Article 50 of the EEC Treaty provides the legal basis for this programme. The European Parliament has constantly requested the full implementation of this particular article; through questions and other initiatives it has in the past criticized the shortcomings of action in the sector of exchanges of young people. It greatly welcomed the second programme (see Cassanmagnago report Doc. 91/79) and considers that adequate funds should be made available for its financing.

* * *

Draft amendment No 13

tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 3920: Implementation of the education programme

A) *Expenditure*

Increase the payment appropriation by 2 085 000 EUA (from 2 300 000 to 4 385 000 EUA) (reinstatement of appropriations shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Amend the remarks adding the following two indents after the last indent:

- *Parliament resolution of 16 November 1978 on problems of education in the European Community, (OJ No C 296, 11. 12. 1978, page 49).*
- *The general report by the Education Committee (EDUC 30 (8137/80) on which an agreement was reached on 27 June 1980 at the 648th meeting of the Council and of the Ministers of Education meeting in the Council.*

The last sentence of the remarks remains unchanged.

JUSTIFICATION

On 27 June 1980 the Council and the Ministers of Education meeting in the Council reached agreement to implement the new measures proposed by the Commission in the following sectors:

- (a) encouragement of teaching of foreign languages;
- (b) equality of opportunity for girls in education;
- (c) teaching on the European Community and on Europe in schools;
- (d) admission of students from other Member States to higher education institutions.

This agreement is in line with the wishes frequently expressed by the European Parliament on this matter. The Council's decision to reduce the appropriations proposed by the Commission in the preliminary draft budget makes it impossible to give practical effect to the above measures.

Parliament cannot remain indifferent to these contradictory attitudes in the Council which are likely to paralyse increasingly the Community's measures in this field and considers it its duty to oppose the cut in funds available for implementation of the education programme.

It should be stressed that the Commission's ability to spend the funds on this budgetary line is particularly good.

For the 1979 financial year:

- 99.8% of appropriations had been committed by 31. 12. 1979,
- at the present time payments have been carried out in respect of 86.01% of the above appropriations.

* * *

Draft amendment No 14

tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 3921: Preparation of young people for their working career

A) *Expenditure*

Increase the payment appropriation by 100 000 EUA (from 4 600 000 to 4 700 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

¹ See most recently the Resolution of 20 June 1980: OJ No C 175, 14 July 1980, p. 82.

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Amend the remarks adding the following sentence at the end of the existing text:

'In view of the fact that 1981 has been designated International Year of Disabled People, this item is intended also to finance projects designed to investigate and solve the specific problems facing disabled school-leavers.'

JUSTIFICATION

The European Parliament cannot accept even the very small cut made by the Council in this sector which is of vital importance particularly in the present crisis which is marked by a high rate of unemployment among young people.

In view of the fact that 1981 has been declared International Year of Disabled People the Community has a political, social and human duty to take measures to study and solve the specific problems facing disabled school-leavers.

It should be stressed that the Commission's ability to spend the funds in this budgetary line is particularly good. For the 1979 financial year:

— 99.73% of appropriations had been committed by 31. 12. 1979,

— at the present time payments have been carried out in respect of 90.3% of the above appropriations.

* * *

Draft amendment No 15

tabled by Mr G. B. Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 3930: Expenditure on cultural action

A) *Expenditure*

Increase the payment appropriation by 70 000 EUA (from 330 000 to 400 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

unchanged

JUSTIFICATION

In deploring once more the fact that appropriations for the cultural sector are totally inadequate to finance effective Community measures, the European Parliament should at the very least firmly oppose the cuts made by the Council, which in real terms represent a reduction in the endowment provided in the 1980 budget.

This is particularly necessary in the light of the fact that in particular finance will be given to an important project highlighting the cultural links between Greece and the other Community countries in the various artistic sectors. It should be stressed that the Commission's ability to spend sums on this budgetary line is particularly good.

For the 1979 financial year:

- 100% of appropriations had been committed by 31. 12. 1979,
- at the present time payments have been carried out in respect of approximately 90% of these appropriations.

* * *

Draft amendment No 16

tabled by Mr Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 3931: Financial contributions to cultural events of European importance

A) *Expenditure*

Increase the payment appropriation by 340 000 ECU (from 140 000 to 480 000 ECU)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

1. Where the Commission had requested 280 000 ECU, the Council has merely entered the same appropriation as for 1980, namely 140 000 ECU.

In view of the depreciation of money, this would mean a reduction in the appropriation in real terms. Parliament cannot accept such a development, which would make it impossible to carry through properly cultural events which are fully in line with its own policies and whose importance for Europe is undeniable, especially as the cost involved is very modest.

With an increase of 140 000 ECU Parliament therefore reinstates in full the appropriation of 280 000 ECU entered in the preliminary draft budget.

2. Furthermore, Parliament increases the above mentioned appropriation of 280 000 EUA by 200 000 EUA in order to bring it up to 480 000 EUA.

In its view the appropriation requested by the Commission is inadequate.

The appropriation requested would not permit four of the events proposed — quite rightly — under Item 3931 to receive a financial contribution enabling these events to be fully effective.

The breakdown of the 200 000 EUA will be as follows:

- 10 000 EUA for the Choirs of the Community (65 000 EUA instead of 55 000 EUA);
- 15 000 EUA for the European Youth Orchestra (75 000 EUA instead of 60 000 EUA);
- 25 000 EUA for the European Festival at Wiltz (40 000 EUA instead of 15 000 EUA);
- 150 000 EUA for the travelling exhibition, '100 Young Community Painters' (200 000 EUA instead of 50 000 EUA).

* * *

Draft amendment No 17

tabled by Mr Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 3932: Contribution towards financing the conservation of the architectural heritage

A) Expenditure

Enter a payment appropriation of 100 000 EUA (instead of a token entry)

B) Compensation

—

C) Revenue

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Amend the remarks as follows:

'Appropriation to cover a Community contribution towards financing the conservation of the architectural heritage through direct contributions and the granting of subsidies on loans from the European Investment Bank.'

JUSTIFICATION

This item was included in the 1980 budget on the insistence of the European Parliament. We must firmly reject the Council's attempt to render ineffectual this proposal which is aimed at drawing the attention of the national and Community authorities to the constant deterioration of the architectural heritage in Europe and to finance projects aimed at remedying the situation particularly in the less-favoured regions.

In proposing the same appropriation put forward in the 1980 budget, which nevertheless represents a reduction in real terms, the European Parliament wishes to take into account the possibility that some of the 1980 appropriations will be carried over to the 1981 financial year, since the Commission was not able to begin using them until July of this year.

It should nevertheless be pointed out that as a result of the efforts which the Commission is making, the carry-overs should represent only a very limited portion of the total available funds.

* * *

Draft amendment No 18
tabled by Mr Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Article 396: European Foundation

A) *Expenditure*

Enter a payment appropriation of 200 000 EUA (instead of a token entry)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Amend the remarks as follows:

'Financial contribution by the Community to the operation of the European Foundation.'

(Reinstatement of the remarks shown in the preliminary draft budget.)

JUSTIFICATION

A decision was taken by the European Council on 5–6 December 1977 to set up the European Foundation and that decision was supported by the European Parliament; however, the Foundation has still not been established because of the deplorable failure of the Council of Ministers to comply with the wishes expressed by the Heads of State or Government of the Community.

By its decision to delete the appropriation proposed by the Commission and to enter a mere token entry, the Council of Ministers has now clearly shown that it has no intention whatever to act in this matter.

Parliament cannot possibly accept this attitude and must enter at least a sufficient appropriation to enable the Foundation to commence its activities.

* * *

Draft amendment No 19

tabled by Mr Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 5010: Aid in the field of vocational training and mobility

A) *Expenditure*

Increase the payment appropriation by 47 000 000 EUA (from 150 000 000 to 197 000 000 EUA) (reinstatement of Commission appropriation)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 4 000 000 EUA (from 260 000 000 to 264 000 000 EUA — reinstatement of Commission appropriation)

Schedule

Amend the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 264 000 000 EUA.¹

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	338 920 000	20 839 000	65 671 000	115 286 000	115 286 000	21 838 000
Appropriation outstanding from 1979	13 870 000	4 161 000	3 329 000	3 190 000	3 190 000	—
Appropriation for 1980	250 000 000	75 000 000	44 000 000	57 500 000	57 500 000	16 000 000
Appropriation for 1981	264 000 000		84 000 000	75 000 000	60 000 000	45 000 000
Total	866 790 000	100 000 000	197 000 000	250 976 000	235 976 000	82 838 000

REMARKS

unchanged

JUSTIFICATION

The number of unemployed persons under 25 has increased in all the member states representing 41.7% of all unemployed in the Community. The amounts available to the Commission to enable it to carry out the necessary actions pursuant to various Council decisions are insignificant in comparison to the size of the problem. The European Parliament has continually called for increases in the resources available for combating youth unemployment. In view of the present extremely grave situation, any cuts in funds designed to alleviate the situation are unacceptable.

* * *

Draft amendment No 20

tabled by Mr Patterson on behalf of the Committee on Youth, Culture, Education, Information and Sport

Section III — Commission

PAYMENTS

Item 5011: Aid to promote employment

A) *Expenditure*

Increase the payment appropriation by 20 000 000 EUA (from 60 000 000 to 80 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

B) *Compensation*C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

unchanged

Schedule

Amend the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 108 000 000 EUA.¹

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	45 560 000	4 400 000	12 160 000	11 600 000	10 600 000	6 800 000
Appropriation outstanding from 1979	1 440 000	500 000	340 000	300 000	300 000	—
Appropriation for 1980	108 000 000	30 800 000	23 300 000	26 950 000	26 950 000	—
Appropriation for 1981	108 000 000		44 200 000	28 750 000	23 000 000	12 050 000
Total	263 000 000	35 700 000	80 000 000	67 600 000	60 850 000	18 850 000

REMARKS

unchanged

JUSTIFICATION

In view of the grave situation of the labour market, particularly for young people under 25, who now represent 41% of the Community's unemployed, the Commission must pursue vigorously the policies already agreed by Council and approved by the Parliament to combat youth unemployment and must have the financial means necessary to do so. The Council's reduction, in an already inadequate sum, is not acceptable.

* * *

Draft amendment No 21

tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

List of posts

Add the following to the list of posts

6 permanent posts in category A: 1 A 2, 2 A 5, 3 A 7;

1 permanent post in category B: 1 B 5;

6 permanent posts in category C: 4 C 5, 2 C 3

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

A) *Expenditure*

Increase expenditure by 245 000 EUA

B) *Compensation*

—

C) *Revenue*¹

Increase revenue by 214 000 EUA

COMMITMENTS

—

Environmental protection:	1 A 2	2 A 5	3 C 5
Consumer affairs:	1 A 7		1 C 5
Public Health:	1 A 7		1 C 3
Implementation of the action programme on safety at work:	1 A 7	1 B 5	1 C 3

* * *

Draft amendment No 22

tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Article 3.5.1: Community aid relating to the Environment

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following remarks:

Legal basis:

- Article 235 of the Treaty.
- Council declaration (first programme) of 22 November 1973
- Council resolution (second programme) of 17 May 1977
- Summary of the conclusions of the Council meetings of 9 April and 18 December 1979.

¹ +31 000 EUA from taxation on salaries.

It should be pointed out, that in the absence of available zero levels for aquatic organisms, the reference point used is the minimum concentrations which may have (sub) lethal effects. These threshold values are provisionally valid until detailed ecological information is available.

The Commission will submit the action programmes by 30 June 1981.

JUSTIFICATION

The budgetary authority decided to enter this line in the budget during the deliberations on the financial year 1980. Parliament has called on the Commission to propose Community policies for the sectors concerned. The Commission is making the appropriate preparations.

* * *

Draft amendment No 23

tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.1.0: Expenditure on pollution control

A) *Expenditure*

Reinstate the token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following remarks:

New item

These appropriations are intended to finance measures in the following fields:

- setting up and operation of water-treatment plants;
- quality of drinking water and bathing water, particularly in less-favoured tourist areas;
- urban and industrial waste water.

JUSTIFICATION

The budgetary authority decided to enter this line in the budget during the deliberations on the financial year 1980. Parliament has called on the Commission to propose Community policies for the sectors concerned. The Commission is making the appropriate preparations.

* * *

Draft amendment No 24

tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.1.1: Aids for the development of technology causing less pollution and using fewer natural resources and for the development of new monitoring techniques

A) *Expenditure*

Reinstate a token entry.

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following remarks:

New item

These appropriations are intended to cover:

- development and improvement of technologies causing less pollution,
- improvement of recycling processes,
- implementation of pilot projects.

JUSTIFICATION

The budgetary authorities decided to enter this line in the budget during the deliberations on the financial year 1980. Parliament has called on the Commission to propose Community policies for the sectors concerned.

The Commission is making the appropriate preparations.

* * *

Draft amendment No 25
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.1.2: Measures to protect the environment and nature

A) *Expenditure*

Reinstate a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following remarks:

New Item

These appropriations are intended to finance a contribution to the protection of nature and the maintenance of the ecological balance, in particular by:

- the creation of a coherent system of bird habitats at Community level,
- a survey of the areas in the Community important for migratory birds.

JUSTIFICATION

The budgetary authorities decided to enter this line in the budget during the deliberations on the financial year 1980. Parliament has called on the Commission to propose Community policies for the sectors concerned.

The Commission is making the appropriate preparations.

* * *

Draft amendment No 26
tabled by Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.1.3: Measures to protect the environment in the context of changes in economic activities

A) *Expenditure*

Reinstate a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following remarks:

New Item

Owing to the implications for the environment of economic activity, measures of the following type are to be undertaken:

- evaluation of the effects and the prevention of natural disasters,
- preliminary studies of the effects of large-scale agricultural development projects.

JUSTIFICATION

The budgetary authorities decided to enter this line in the budget during the deliberations on the financial year 1980. Parliament has called on the Commission to propose Community policies for the sectors concerned.

The Commission is making the appropriate preparations.

* * *

Draft amendment No 27
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.2.0: Health protection, hygiene and safety at work

A) *Expenditure*

Increase the payment appropriation by 240 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 240 000 EUA

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that can be accepted if the Community policy in this sector is not to suffer.

* * *

Draft amendment No 28
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.2.1: Grants to international organizations for measures relating to health protection, hygiene and safety at work

A) *Expenditure*

Increase the payment appropriation by 47 000 EUA (reinstatement of the appropriations shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 47 000 EUA

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that can be accepted if the Community policy in this sector is not to suffer.

* * *

Draft amendment No 29
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.2.2: Measures needed to implement the directives and decisions concerning the health and
(*new*) safety of workers at work (reinstatement of the item shown in the preliminary draft
 budget)

A) *Expenditure*

Enter a payment appropriations of 100 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 100 000 EUA

COMMITMENTS

—

REMARKS

New Item

The aim of these measures is to enable the Commission to call on the services of outside bodies to help ensure the sound management and implementation of the directives concerned with the health and safety of workers at work (77/576/EEC, 77/312/EEC and 78/312/EEC).

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that can be accepted if the Community policy in this sector is not to suffer.

* * *

Draft amendment No 30
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Article 3.5.3: Public health studies and measures

A) *Expenditure*

Increase the payment appropriation by 50 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue**Increase revenue by 50000 EUA*

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that can be accepted if the Community policy in this sector is not to suffer.

* * *

Draft amendment No. 31

tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.4.0: Environmental studies

A) *Expenditure*

Increase the payment appropriation by 184000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue**Increase revenue by 184000 EUA*

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that can be accepted if the Community policy in this sector is not to suffer.

* * *

Draft amendment No 32
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.4.1: Environmental projects

A) *Expenditure*

Increase payment appropriations by 100 000 ECU (reinstatement of the appropriations entered in the preliminary draft by the Commission)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 100 000 ECU

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that could be accepted if the Community policy in this sector was not to suffer.

* * *

Draft amendment No 33
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.4.2: Pollution measurement and assessment of the environmental hazards due to chemical substances

A) *Expenditure*

Increase payment appropriations by 30 000 ECU (reinstatement of the appropriations entered in the preliminary draft by the Commission)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 30 000 ECU

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that could be accepted if the Community policy in this sector was not to suffer.

* * *

Draft amendment No 34

tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.4.3: Measures required to implement the directives and decisions on the environment

A) *Expenditure*

Increase payment appropriations by 55 000 EUA (reinstatement of the appropriations entered in the preliminary draft by the Commission)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 55 000 EUA

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft was the minimum amount that could be accepted if the Community policy in this sector was not to suffer.

* * *

Draft amendment No 35

tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.4.4: Permanent inventory of sources of information on the environment in the Community

A) *Expenditure*

Increase payment appropriations by 100 000 EUA (reinstatement of the appropriations entered in the preliminary draft by the Commission)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 100 000 EUA

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that could be accepted if the Community's policy in this sector was not to suffer.

* * *

Draft amendment No 36

tabled by the Committee on the Environment, Public Health and Consumer Protection

PAYMENTS

Item 3.5.4.5: Protection of the marine environment

A) *Expenditure*

Enter an appropriation of 1 200 000 EUA instead of the token entry

B) *Compensation*

—

C) *Revenue*

Increase revenue by 1 200 000 EUA

COMMITMENTS

—

REMARKS

The Council resolution of 26 June 1978 provides for an action programme on the prevention of marine pollution by hydrocarbons. To this end the Commission has submitted proposals having financial implications.

JUSTIFICATION

Since the Commission has submitted an action programme to the Council following the Council resolution of 26 June 1980, the necessary appropriations must be entered on the appropriate budgetary line instead of the token entry.

* * *

Draft amendment No 37
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.4.6: Aid for European associations for the protection of the environment (*new*)

A) *Expenditure*

Create a new budgetary line and enter a payment appropriation of 100 000 EUA

B) *Compensation*

Appropriations to be taken from Article 359 (European Foundation, Dublin)

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Council resolution of 17 May 1977 (Second Environmental Protection Programme). The Community's contribution is intended to support European associations for the protection of the environment in their efforts to promote an awareness of the environment in European public opinion.

JUSTIFICATION

The measures to promote awareness of the environment provided for in the Second Environmental Action Programme presuppose the existence of associations for the protection of the environment which require support, in particular in the form of financial aid. Present European associations for the protection of the environment play an important role in the education and instruction of the public in matters concerning environmental protection.

* * *

Draft amendment No 38
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.5.0: Consumer protection studies

A) *Expenditure*

Increase payment appropriations by 64 000 EUA (from 380 000 EUA to 444 000 EUA — reinstatement of the appropriations entered by the Commission in the preliminary draft)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 64 000 EUA

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that could be accepted if the Community's policy in this field was not to suffer.

* * *

Draft amendment No 39
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.5.1: Grant to European consumer organizations

A) *Expenditure*

Increase payment appropriations by 30 000 EUA (reinstatement of the appropriations entered in the preliminary draft by the Commission)

B) *Compensation*

—

C) *Revenue*

Increase revenue by 30 000 EUA

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that could be accepted if the Community's policy in this field was not to suffer.

* * *

Draft amendment No 40
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Item 3.5.5.2: Consumer protection and information measures

A) *Expenditure*

Increase payment appropriations by 20 000 EUA (reinstatement of the appropriations entered in the preliminary draft by the Commission)

B) *Compensation*

—

C) *Revenue**Increase revenue by 20000 EUA*

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that could be accepted if the Community's policy in this field was not to suffer.

* * *

Draft amendment No 41
tabled by the Committee on the Environment, Public Health and Consumer Protection

Section III — Commission

PAYMENTS

Article 3.5.6: Work organization and job enrichment

A) *Expenditure**Increase payment appropriations by 20000 EUA (reinstatement of the appropriations entered in the preliminary draft by the Commission)*B) *Compensation*

—

C) *Revenue**Increase revenue by 20000 EUA*

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Committee took the view that the appropriation entered by the Commission in the preliminary draft budget was the minimum amount that could be accepted if the Community's policy in this field was not to suffer.

* * *

Draft amendment No 42
tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 3.0.9: Community aid to workers made redundant in the Italian sulphur mines
(*new*)

A) *Expenditure*

- Create a new Article 3.0.9: 'Community aid to workers made redundant in the Italian sulphur mines'
- *Make a token entry*

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

—

REMARKS

Enter the following new remarks:

'Article 1 of Council Decision 66/740/EEC of 22 December 1966 (OJ No 246, 31. 12. 1966, p. 4168/66) makes the following provisions:

1. The Italian Republic shall be granted Community aid equal to 50% of the expenditure actually borne in granting appropriate assistance to the workers dismissed as a result of reorganization measures in the Italian sulphur mines, and scholarships for the vocational training of the children of such workers.
2. Community aid shall not exceed 4 200 000 EUA.
3. Only workers appearing on the payrolls of Italian sulphur mining undertakings on 30 June 1963 who were dismissed after that date may benefit from such aid.'

JUSTIFICATION

This budget line, classified as *compulsory expenditure* and included up until the 1980 budget, was deleted without comment or explanation in the Commission's preliminary draft and in the Council's draft budget for 1981.

Since the Italian Republic can still submit applications for Community aid in respect of 84 workers who are covered by the provisions of Article 1 of Council Decision 66/740/EEC of 22 December 1966¹, quoted in full in the 'remarks' in this proposed modification, Parliament feels that it must ask for the creation of this budgetary line and the inclusion of a token entry.

This entry will make it possible when the time comes to transfer the necessary funds to Article 309 in order to carry out the last payments under Article 1 of the above Council Decision.

* * *

Draft amendment No 43
tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

¹ OJ No 246, 31. 12. 1966.

PAYMENTS

Article 3.0.2: Tasks entrusted to the institution to promote exchanges of young workers

A) *Expenditure*

Increase the payment appropriations by 600 000 EUA (from 1 500 000 to 2 100 000 EUA) (reinstatement of the appropriation entered in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by a corresponding amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The second Community programme to promote exchanges of young workers based on Article 50 of the EEC Treaty and currently being implemented, was given the full support of the European Parliament¹ which did, however, draw attention to the inadequacy of the financial endowment.

The Commission justifies its request for appropriations by referring to the gradual extension of the programme to young workers in various sectors of activity and by reference to the general increase in the number of apprentices participating in the exchange scheme.

If the success of this measure designed to offer young workers the possibility of improving their practical and professional experience in a Community country other than their own in order to develop their European awareness is to be successful, strong support must be given to the appropriation requested by the Commission.

It should also be noted that the available appropriations were used in an amount of 99% during the 1979 financial year.

* * *

Draft amendment No 44

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 3.0.3.0 Contribution to pilot projects on better housing for handicapped workers

A) *Expenditure*

Increase the payment appropriation by 830 000 EUA (from 670 000 to 1 500 000 EUA)

B) *Compensation*

—

¹ See report by Mrs Cassanmagnago Cerretu (Doc. 91/79) and the resolution of Parliament: OJ No C 127, 21. 5. 1979, page 19.

C) Revenue

Increase revenue by a corresponding amount

COMMITMENTS

Increase the commitment appropriation by 1 300 000 EUA (from 700 000 to 2 000 000 EUA)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 amounts to 2 000 000 EUA¹.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	600 000	400 000	200 000	—	—	—
Appropriation outstanding from 1979	40 000	20 000	20 000	—	—	—
Appropriation for 1980	700 000	155 000	400 000	100 000	45 000	—
Appropriation for 1981	2 000 000	—	880 000	700 000	420 000	—
Total	3 340 000	575 000	1 500 000	800 000	465 000	—

REMARKS

Amend the text as follows:

'The Community proposes to obtain an increase in available housing to meet the needs of minorities (ease of access and use, links with public services and centres of activity); to this end, it supports pilot projects arranged in the Member States.

The appropriation is intended to finance the following measures:

- the construction and adaptation of accommodation specially designed for handicapped workers and infrastructures to supplement housing;
- preparation of these operations, assessment of the results and publication of the latter through studies, seminars, courses and ad-hoc documents

These measures will be adopted to implement the objective defined in Article 117 of the EEC Treaty¹.

JUSTIFICATION

In the context of the International Year of the Handicapped, Parliament considers it imperative to step up Community action in this sector, which is of highly significant human and social interest.

It further considers that this action, instead of being confined to the specific characteristics of housing, should take account of all the problems of 'habitats' and their influence on the creation and maintenance of optimal socio-professional integration.

In this connection it will be noted that in the communication from the Commission to the Council on the subject of 'information on pilot projects in the housing sector to promote social integration of the handicapped and of migrant workers' (COM (80) 491 fin), the Commission stressed the need to:

- adapt infrastructures and services
- give attention to the living conditions provided for the mentally handicapped.

Parliament shares the view and considers that the Community should contribute to a larger number of projects and also to projects with a wider scope.

Moreover, if the pilot projects financed by the Community are to prove effective and have a real impact, the Community contribution must not be confined to the construction and conversion of existing housing: preparatory studies, evaluatory seminars and in general measures to make the results more widely known, should be stepped up.

In the context of those objectives, the appropriations requested must be viewed as the essential minimum.

* * *

¹ See Article 1, paragraph 3, of the financial regulation of 21 December 1977.

Draft amendment No 45
tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 3.0.3.1: Contribution to pilot projects on better housing for migrant workers

A) Expenditure

Increase the payment appropriation by 140 000 EUA (from 650 000 to 790 000 EUA) (reinstatement of the appropriations shown in the preliminary draft budget)

B) Compensation

—

C) Revenue

Increase revenue by a corresponding amount

COMMITMENTS

Increase the commitment appropriation by 100 000 EUA (from 650 000 to 750 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payment as follows:

The commitment appropriation authorized for 1981 is 750 000 EUA¹

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	680 000	330 000	350 000	—	—	—
Appropriation outstanding from 1979	40 000	20 000	20 000	—	—	—
Appropriation for 1980	635 000	160 000	230 000	245 000	—	—
Appropriation for 1981	750 000	—	190 000	560 000	—	—
Total	2 105 000	510 000	790 000	805 000	— —	

REMARKS

unchanged

JUSTIFICATION

The action covered by this budget line was initiated in 1977 on the basis of the Council's resolution of 9 February 1976 on an action programme in favour of migrant workers and their families.

The contributions are granted either in the form of loans for housing improvement programmes or in the form of subsidies for pilot projects.

Given the very small financial endowment, the impact of this action is certainly not large, but the action in itself is of great human and social significance, in that it reflects an effort to solve, at least in part, a problem which affects some 12 million migrant workers and their families who are living in the Community and constitute one of the least-favoured social categories.

¹ See article 1 (3) of the financial regulation of 21 December 1977

Decent housing is also an important measure if the integration of migrant workers into society and their general social promotion are to be encouraged.

The European Parliament which has always given special attention to the problems of migrant workers and has always taken steps to promote the improvement of their living and working conditions, therefore considers that the appropriations requested in the preliminary draft budget should be viewed as the absolute minimum.

* * *

Draft amendment No 46

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 3.0.4: Measures in support, and with the participation, of movements which could increase the effectiveness of the social policy of the Community

A) Expenditure

Increase the payment appropriation by 400 000 EUA (from 450 000 to 850 000 EUA)

B) Compensation

—

C) Revenue

Increase revenue by corresponding amount

COMMITMENTS

—

Schedule

—

REMARKS

Amend the remarks by entering the following new text in the second paragraph of (b) Handicapped Persons: *'Implementation of this programme is characterized at present by two sectors of activity:*

- *extension of work on the employment environment in conformity with the guidelines proposed by the Commission to the Council in its report of 30 October 1979 covering the period 1974–1979 (COM (79) 572 fin) accepted by the Council in its conclusions reached at the meeting of 9 June 1980;*
- *information campaigns aimed at the general public with a view to the social integration of handicapped persons provided for in section III 2 of the programme. In these campaigns the Commission seeks in particular the assistance of associations for handicapped persons.*

Having regard to the fact that 1981 has been designated as the International Year of the Handicapped, in the context of the overall endowment for this budget line, an appropriation of 500 000 EUA is earmarked for the actions referred to above.'

JUSTIFICATION

The increasingly difficult situation of the employment market and the priority accorded to other categories in the context of measures to control unemployment, greatly diminish the possibilities available to the handicapped, and in particular to those suffering from severe handicaps, to find employment.

The action taken by the Community in this sector must be rendered more effective by making use of all the instruments provided for in the action programme for the occupational retraining of the handicapped adopted by Council Resolution 27 June 1974.

The Parliament shares the opinion of the Commission and Council on the strategy to be followed to promote the employment of the handicapped, and hopes that the indications given in the report of 30 October 1979 (COM (79) 572 fin) and the Council's conclusions of 9 June 1980 will be effectively implemented with particular reference:

- to activities of the European network for cooperation, research and education,
- information measures aimed at increasing public awareness of the need for efforts to achieve better social and professional integration of the handicapped.

In justification of the request for an increase in the appropriation for the handicapped, it should be stressed that:

- in 1980, the available appropriations were fully used in this particular sector,
- an effective commitment by the Community in the specific sector of research and information is not possible without an adequate financial effort.

Moreover sufficient resources must also be provided for all actions in favour of migrant workers and women: for these categories, reinstatement of the appropriations proposed in the Commission's preliminary draft budget is therefore requested.

In view of these considerations, the overall appropriation as requested constitutes an indispensable minimum.

* * *

Draft amendment No 47

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 3.0.6: Pilot research projects on action to combat poverty

A) *Expenditure*

Increase payment appropriation by 1 146 000 EUA (from 1 670 000 to 2 816 000 EUA) (reinstatement of the appropriation entered in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by a corresponding amount

COMMITMENTS

- *Delete* for footnote indicating that the commitment appropriation of 500 000 EUA is entered in Chapter 10.0
- *Transfer* this appropriation of 500 000 EUA from Chapter 10.0 to this budget line
- *Increase* the commitment appropriation by 3 500 000 EUA (from 500 000 to 4 000 000 EUA) (reinstatement of the appropriation entered in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 4 000 000 EUA¹

The likely schedule of payments against commitments is as follows:

¹ See Article 1 (3) of the financial regulation of 21 December 1977.

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	5 700 000	4 530 000	1 170 000	—	—	—
Appropriation outstanding from 1979	1 170 000	670 000	500 000	—	—	—
Appropriation for 1980 p.m.	—	—	—	—	—	—
Appropriation for 1981	4 000 000	—	1 146 000	1 370 000	1 484 000	—
Total	10 870 000	5 200 000	2 816 000	1 370 000	1 484 000	—

REMARKS

unchanged

JUSTIFICATION

The first European programme of pilot projects and studies to combat poverty was adopted by the Council in 1975, extended for three years in 1977 and is now due to expire on 1 December 1980.

By 30 June 1981, the Commission is to submit a report assessing the results of this programme to the Council.

It is unlikely that the Council will be able to draw its own conclusions, on the most favourable assumption, before 1982; in order to cover the period intervening between the expiry date of 1 December 1980 and the application of the Council's conclusions, the Commission has submitted a proposal for provisional action in the poverty control sector (COM (79) 657 fin of 23 November 1979) which the Parliament approved without reservation¹.

The appropriations requested by the Commission in the preliminary draft budget are intended specifically to finance this provisional measure which the Council has not yet approved.

It is appropriate to note here:

- (a) that measures to control poverty are directed at persons and families whose means of subsistence are so limited as to rule out minimum decent living conditions in the country of residence;
- (b) in that sense it is true to say that as a result of the economic crisis the area of poverty (the 'fourth world') in the Community has not been reduced and in all probability has actually increased;
- (c) the Community must make a real effort of solidarity for the benefit of the marginal sectors of society.

For these reasons the European Parliament:

- i — requests the Council of Ministers to approve the provisional poverty control programme without further delay;
- ii — considers that the appropriations requested in the preliminary draft budget constitutes an indispensable minimum.

* * *

Draft amendment No 48

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 3.0.7.0: European Trade Union Institute

A) Expenditure

Increase the payment appropriation by 100 000 EUA (from 750 000 to 850 000 EUA) (reinstatement of appropriations shown in preliminary draft budget)

¹ See report by Mr Boyes (Doc. 1-75/80) and Resolution of 22. 5. 1980 (OJ No C 147, 16. 6. 1980, page 65).

B) *Compensation*

—

C) *Revenue**Increase* revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The European Parliament has always supported the establishment of the European Trade Union Institute, which was one of the proposals in the Social Action Programme. This continued support has been full justified by the quality of the work carried out by the Institute since its foundation. The amount requested by the Commission corresponds to the needs of the Institute, and therefore the amount cut by the Council must be restored.

* * *

Draft amendment No 49

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 359: Subsidy towards the operation of the European Foundation for the Improvement of Living and Working Conditions

A) *Expenditure**Reduce* the payment appropriation by 1 000 000 EUA (from 2 850 000 to 1 850 000 EUA)B) *Compensation*

—

C) *Revenue**Reduce* revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

This amendment is in line with the reports of the Court of Auditors and of the Budgets Control Committee, adopted by the European Parliament in September 1980.

At a time of economic stringency, when priority must be given to creating employment, it is not appropriate for the Parliament to endorse any increase in appropriations for a body which,

- (a) is 'slow in getting results in vital sectors' (Ryan report Doc. 1-344/80, paragraph 21 of Explanatory Statement)
- (b) has no positive impact upon the creation of job opportunities
- (c) therefore deprives other job creating sectors of the budget of much-needed revenue.

* * *

Draft amendment No 50

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 3.7.5.0: Aid for certain crisis-hit industrial sectors

A) *Expenditure*

Make a token entry (instead of the dash)

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Make a token entry (instead of the dash)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is a token entry¹.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriations outstanding from 1979	15 000 000	7 500 000 ¹	p.m.	7 500 000	—
Appropriation for 1980	p.m.	p.m.	p.m.	—	—
Appropriation for 1981	p.m.	—	p.m.	—	—
Total	15 000 000	7 500 000	p.m.	7 500 000	—

¹ carried over from 1979

¹ See Article 1 (3) of the financial regulation of 21 December 1977.

REMARKS

Modify the remarks by adding the following paragraph:

'As part of the sectoral policies laid down at Community level, this appropriation is intended to stimulate restructuring and conversion operations in certain crisis-hit industrial sectors and also to assist investments in firms likely to create alternative employment.'

JUSTIFICATION

The crisis in the textile, shipbuilding and other sectors of industry is deteriorating and serious difficulties are now being experienced in other sectors such as the motor vehicle and building industries; this deterioration is having an adverse effect on employment levels.

Faced with this crisis which is not confined to individual countries but exists on a European scale, the more responsible public authorities recognize that the only possible remedy lies in restructuring and reconversion measures implemented at Community level and in a spirit of Community solidarity.

The European Parliament therefore makes a pressing appeal to the Council to adopt at the earliest possible opportunity:

- (a) the proposal for a regulation relating to Community aid for industrial restructuring and reconversion (OJ No C 272, 16 November 1978),
- and
- (b) the proposal for a Council decision concerning Community action in support of investments for restructuring and reconversion of the shipbuilding industry and the textile industry, with particular reference to the synthetic fibres sector (COM (78) 769 of 11 January 1979),

on which it has already delivered a favourable opinion, and also on all further measures which may prove necessary.

The Parliament is therefore unable to accept the Council decision to leave this budget line blank, thus ruling out all possibility of financing the desired action in 1981.

* * *

Draft amendment No 51

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 5.0.0.0: Aid to the agricultural sector

A) *Expenditure*

Increase the payment appropriation by 1 000 000 EUA (from 5 000 000 to 6 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 2 000 000 EUA (from 5 000 000 to 7 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 7 000 000 EUA¹.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	46 030 000	1 300 000	2 240 000	8 000 000	12 000 000	22 490 000
Appropriation outstanding from 1979	2 260 000	800 000	560 000	500 000	400 000	
Appropriation for 1980	9 300 000	2 700 000	1 200 000	2 200 000	2 200 000	1 000 000
Appropriation for 1981	7 000 000		2 000 000	2 500 000	2 000 000	500 000
Total	64 590 000	4 800 000	6 000 000	13 200 000	16 600 000	23 990 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — General Considerations

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the number of unemployed exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980²;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications³;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%⁴,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁵;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the 'absolute minimum' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

² See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

³ See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

⁴ Ibid., p. 73.

⁵ Ibid., p. 74.

- (h) in the light of these facts the arguments put forward by the Council¹ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) Both the commitment and the payment appropriations in the preliminary draft budget are particularly modest and take account of the slowdown in the rural exodus;
- (b) these appropriations should be considered as an irreducible minimum: it should be borne in mind that in the 1979 financial year there were still applications in the agricultural sector classified as first priority for aid totalling approximately 12 000 000 EUA².

* * *

Draft amendment No 52

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 5.0.1.0: Aid in the fields of vocational training and geographical mobility

A) *Expenditure*

Increase the payment appropriation by 47 000 000 EUA (from 150 000 000 to 197 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 4 000 000 EUA (from 260 000 000 to 264 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 264 000 000 EUA³.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	338 920 000	20 839 000	65 671 000	115 286 000	115 286 000	21 838 000
Appropriation outstanding from 1979	13 870 000	4 161 000	-3 329 000	3 190 000	3 190 000	—
Appropriation for 1980	250 000 000	75 000 000	44 000 000	57 500 000	57 500 000	16 000 000
Appropriation for 1981	264 000 000		84 000 000	75 000 000	60 000 000	45 000 000
Total	866 790 000	100 000 000	197 000 000	250 976 000	235 976 000	82 838 000

¹ See Volume 7 of the Council's draft budget, p. 49.

² See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 13.

³ See Article 1 (3) of the Financial Regulation of 21 December 1977.

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the *number of unemployed* exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980¹;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications²;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%³,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁴;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the '*absolute minimum*' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an '*absolute minimum*', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council⁵ to '*justify*' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) Last July the percentage of unemployed under 25 as a proportion of all unemployed was estimated at 41.7%:⁶ this represents almost 2 800 000 young people and constitutes an extremely serious human, social and political problem for the whole Community;
- (b) it has been ascertained that the main causes of unemployment among young people are the absence, inadequacy or unsuitability of the professional qualifications required on the labour market;
- (c) in 1979 the rate of utilization of appropriations on this item was particularly high (commitments 94.3%; payments 81.5%) and has further increased recently;
- (d) in 1979 the volume of applications increased to 393 000 000 EUA: this demonstrates the interest shown by Member States and the various organizations concerned in these measures;
- (e) for these reasons the appropriations requested in the preliminary draft budget must be considered an absolute minimum.

* * *

Draft amendment No 53

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

¹ See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

² See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

³ *Ibid.*, p. 73.

⁴ *Ibid.*, p. 74.

⁵ See Volume 7 of the Council's draft budget, p. 49.

⁶ See Statistical Telegram 'Unemployment' No 7-1980 — Eurostat.

PAYMENTS

Item 5011: Aid to promote employment

A) *Expenditure*

Increase the payment appropriation by 20 000 000 EUA (from 60 000 000 to 80 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

unchanged

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 108 000 000 EUA¹.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	45 560 000	4 400 000	12 160 000	11 600 000	10 600 000	6 800 000
Appropriation outstanding from 1979	1 440 000	500 000	340 000	300 000	300 000	—
Appropriation for 1980	108 000 000	30 800 000	23 300 000	26 950 000	26 950 000	—
Appropriation for 1981	108 000 000		44 200 000	28 750 000	23 000 000	12 050 000
Total	263 000 000	35 700 000	80 000 000	67 600 000	60 850 000	18 850 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that in August there were more than 6 800 000 unemployed representing 6.3% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%; this gap is likely to rise to 82% for 1980²;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications³;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%⁴,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁵;

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

² See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

³ See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

⁴ Ibid., p. 73.

⁵ Ibid., p. 74.

- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the 'absolute minimum' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council¹ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — Specific Considerations

- (a) Last July the percentage of unemployed under 25 as a proportion of all unemployed was estimated at 41.7%:² this represents almost 2 800 000 young people and constitutes an extremely serious human, social and political problem for the whole Community;
- (b) Aid under this item, introduced in Regulation EEC No 3039/78 of 18. 12. 1978 is the only *direct* Community measure aimed at solving this problem.
- (c) In 1979, the first year of implementation of this regulation, 98% of available appropriations were committed and the volume of applications for aid exceeded 113 million EUA.
- (d) For these reasons the appropriations requested in the preliminary draft budget must be considered an absolute minimum.

* * *

Draft amendment No 54

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 5.0.3: Measures for migrant workers

A) Expenditure

Increase the payment appropriation by 11 000 000 EUA (from 21 000 000 to 32 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) Compensation

—

C) Revenue

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 16 000 000 EUA (from 30 000 000 to 46 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 46 000 000 EUA³.

The likely schedule of payments against commitments is as follows:

¹ See Volume 7 of the Council's draft budget, p. 49.

² See Statistical Telegram 'Unemployment' No 7-1980 — Eurostar.

³ See Article 1 (3) of the Financial Regulation of 21 December 1977.

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	64 180 000	14 000 000	12 500 000	14 540 000	13 540 000	9 600 000
Appropriation outstanding from 1979	—	—	—	—	—	—
Appropriation for 1980	30 000 000	8 100 000	8 400 000	6 750 000	6 750 000	—
Appropriation for 1981	46 000 000	—	11 100 000	13 750 000	11 000 000	10 150 000
Total	140 180 000	22 100 000	32 000 000	35 040 000	31 290 000	19 750 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the number of unemployed exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980¹;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications²;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%³,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁴;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the 'absolute minimum' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council⁵ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) In the Community the migrant population constitutes almost 12 million people approximately half of whom belong to the working population and a quarter of whom are under 15;
- (b) most of the migrants come from third countries and in particular from developing countries;
- (c) there are enormous social, linguistic and professional problems facing migrant workers and their families and these should be resolved by facilitating the integration of these people into the socio-professional environment of the host country: the appropriations in this article are intended to finance such measures;

¹ See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

² See Eighth Report on the activities of the ESF for 1979: COM.(80) 365 final, p. 15.

³ Ibid., p. 73.

⁴ Ibid., p. 74.

⁵ See Volume 7 of the Council's draft budget, p. 49.

- (d) the rate of utilization of these appropriations is very high (the figure for commitments in 1979 was already 100%);
- (e) still for 1979, compared with an initial budget of 23 million EUA subsequently increased by transfers to 32 million EUA, the volume of applications for aid reached 101 million EUA: the 32 m EUA mentioned could not even have met the volume of priority applications, which totalled 38 m EUA;
- (f) for these reasons the appropriations requested in the preliminary draft budget must be considered an absolute minimum.

* * *

Draft amendment No 55
tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 5.0.5: Measures for women

A) *Expenditure*

Increase the payment appropriation by 8 000 000 EUA (from 12 000 000 to 20 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 12 000 000 EUA (from 22 000 000 to 34 000 000 EUA)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 34 000 000 EUA¹.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	14 020 000	1 000 000	2 985 000	4 500 000	3 435 000	2 100 000
Appropriation outstanding from 1979	60 000	20 000	15 000	13 000	12 000	—
Appropriation for 1980	20 000 000	3 980 000	4 800 000	5 110 000	6 110 000	—
Appropriation for 1981	34 000 000		12 200 000	8 250 000	7 100 000	54 500 000
Total	68 080 000	5 000 000	20 000 000	17 873 000	16 657 000	7 550 000

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the *number of unemployed* exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980¹;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications²;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%³,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁴;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the '*absolute minimum*' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an '*absolute minimum*', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council⁵ to '*justify*' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) Last August the percentage of women as a proportion of all unemployed was estimated at 45.2%: there are therefore officially 3 100 000 women in the Community looking for work⁶;
- (b) unemployment affects women more than men: the rate of unemployment for men (as a proportion of the working population) is 5.5%, while the rate for women is 7.6%;
- (c) of particular significance among the reasons for unemployment are the inadequacy and unsuitability of professional qualifications not only in the transition from school to work but also when attempting to return to work after a period of absence from outside work due to family commitments;
- (d) this situation demands, particularly in the light of the results of the recent Copenhagen Conference, that every effort be made to achieve equal treatment and conditions for men and women in practice;
- (e) after a rather slow start, the flow of applications for aid gradually increased during 1979 to reach 31 million EUA and 99.6% of commitment appropriations were utilized;
- (f) for these reasons the European Parliament considers it essential and fully justified to call for an increase in the appropriations over and above those entered in the preliminary draft budget.

* * *

¹ See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

² See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

³ Ibid., p. 73.

⁴ Ibid., p. 74.

⁵ See Volume 7 of the Council's draft budget, p. 49.

⁶ See Statistical Telegram 'Unemployment' No 7-1980 — Eurostat.

Draft amendment No 56
tabled by Mr van Minnen

Section III — Commission

PAYMENTS

Item 5.1.0.0 Aids to improve the employment situation in certain regions

A) *Expenditure*

Increase the payment appropriation by 40 000 000 EUA (from 250 000 000 to 290 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 27 000 000 EUA (from 368 000 000 to 395 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 395 000 000 EUA¹.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	462 410 000	40 300 000	67 300 000	142 000 000	142 000 000	70 810 000
Appropriation outstanding from 1979	19 200 000	5 700 000	4 700 000	4 400 000	4 400 000	—
Appropriation for 1980	368 000 000	110 000 000	82 000 000	88 000 000	88 000 000	—
Appropriation for 1981	395 000 000	—	136 000 000	125 000 000	100 000 000	34 000 000
Total	1 244 610 000	156 000 000	290 000 000	359 400 000	334 400 000	104 810 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the number of unemployed exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980¹;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications²;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%³,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁴;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the 'absolute minimum' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council⁵ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — Specific Considerations

- (a) The Community has not yet managed to bridge the gap between prosperous and poor regions: in fact as far as employment is concerned the Commission itself admits (Volume 7/A) that there is reason to fear that the gap further increased in 1979. The current economic and social crisis is also likely to make the situation even worse, if possible;
- (b) the volume of applications submitted to improve the employment situation of workers threatened by unemployment in the less developed or declining regions totalled 531 000 million EUA in 1979 compared with an overall appropriation (covering also groups of undertakings and economic sectors adapting to technical progress now covered respectively by items 5101 and 5102) of 326 million EUA. The flow of applications is constantly increasing;
- (c) most of the measures have been carried out in the five regions of absolute priority (Greenland, French Overseas Departments, Ireland, Northern Ireland and the Mezzogiorno) for which contributions from the Fund are granted with a 10% increase;
- (d) in 1979, the rate of utilization of appropriations was high (commitments 94.1%; payments 76.5%);
- (e) for these reasons the appropriations requested in the preliminary draft budget should be considered an absolute minimum.

* * *

Draft amendment No 57

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 5.1.0.1: Aids to improve the employment situation in certain groups of undertakings

A) Expenditure

Increase the payment appropriation by 4 500 000 EUA (from 3 000 000 to 7 500 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

¹ See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

² See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

³ Ibid., p. 73.

⁴ Ibid., p. 74.

⁵ See Volume 7 of the Council's draft budget, p. 49.

B) *Compensation*

—

C) *Revenue**Increase revenue by the same amount*

COMMITMENTS

*Increase the commitment appropriation by 7 000 000 EUA (from 8 000 000 to 15 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)**Schedule**Amend the schedule of payments as follows:**The commitment appropriation authorized for 1981 is 15 000 000 EUA¹.**The likely schedule of payments against commitments is as follows:**(in EUA)*

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	270 000	50 000	50 000	70 000	70 000	30 000
Appropriation outstanding from 1979	500 000	250 000	150 000	50 000	50 000	—
Appropriation for 1980	8 000 000	2 700 000	1 300 000	2 000 000	2 000 000	—
Appropriation for 1981	15 000 000		6 000 000	5 000 000	4 000 000	
Total	23 770 000	3 000 000	7 500 000	7 120 000	6 120 000	30 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the number of unemployed exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980²;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications³;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%⁴,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁵;

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977

² See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

³ See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

⁴ Ibid., p. 73.

⁵ Ibid., p. 74.

- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the 'absolute minimum' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council¹ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) The constantly changing production and marketing conditions of products can oblige certain undertakings to cease, reduce or definitively transform their activities;
- (b) there is therefore a need to retrain staff for other work;
- (c) in view of the increasing frequency of the events described under (a) increasing importance attaches to measures made possible with this budgetary line which in previous financial years was not a separate heading but was included under Article 510 (together with the other two items 5100 and 5102);
- (d) taking this article as a whole, it is clear that the rates of use of appropriations are constantly increasing;
- (e) for these reasons, the appropriations requested in the preliminary draft budget must be considered as an absolute minimum.

* * *

Draft amendment No 58

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Item 5.1.0.2: Aids to improve the employment situation in certain economic sectors adapting to technical progress

A) *Expenditure*

Increase the payment appropriation by 9 500 000 EUA (from 10 000 000 to 19 500 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 4 000 000 EUA (from 21 000 000 to 25 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 25 000 000 EUA².

The likely schedule of payments against commitments is as follows:

¹ See Volume 7 of the Council's draft budget, p. 49.

² See Article 1 (3) of the Financial Regulation of 21 December 1977.

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	34 560 000	2 400 000	4 320 000	11 620 000	11 620 000	4 600 000
Appropriation outstanding from 1979	1 080 000	300 000	280 000	250 000	250 000	
Appropriation for 1980	19 500 000	5 800 000	4 000 000	5 450 000	4 250 000	
Appropriation for 1981	25 000 000		10 900 000	7 750 000	6 200 000	150 000
Total	80 140 000	8 500 000	19 500 000	25 070 000	22 320 000	4 750 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — General Considerations

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the number of unemployed exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980¹;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications²;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%³,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁴;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the 'absolute minimum' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council⁵ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — Specific Considerations

- (a) The measures financed with this budgetary line are particularly important since they provide for training for new jobs or jobs which are needed for the development of new technology (e. g. solar energy, acoustic equipment and fishing, etc.);
- (b) in the previous financial years this item was included in Article 510, together with items 5100 and 5101: taking this article as a whole it is clear that the rates of utilization of appropriations have been constantly increasing;
- (c) for these reasons, the appropriations requested in the preliminary draft budget must be considered as an absolute minimum.

* * *

¹ See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

² See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

³ Ibid., p. 73.

⁴ Ibid., p. 74.

⁵ See Volume 7 of the Council's draft budget, p. 49.

Draft amendment No 59
tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 5.1.1: Measures for handicapped persons

A) *Expenditure*

Increase the payment appropriation by 10 000 000 EUA (from 40 000 000 to 50 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 5 000 000 EUA (from 85 000 000 to 90 000 000 EUA)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 90 000 000 EUA¹.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments	Payments					1984 and subs. years
	1980	1981	1982	1983		
Commitments entered into before 1980 to be covered by new appropriations for payment	73 810 000	3 200 000	11 790 000	26 360 000	21 360 000	11 100 000
Appropriation outstanding from 1979	890 000	300 000	210 000	190 000	190 000	—
Appropriation for 1980	74 000 000	21 500 000	9 000 000	17 250 000	17 250 000	9 000 000
Appropriation for 1981	90 000 000	—	29 000 000	26 000 000	20 000 000	15 000 000
Total	238 700 000	25 000 000	50 000 000	69 800 000	58 800 000	35 100 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the *number of unemployed exceeded 7 million (7 092 000)* for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980¹;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications²;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%³,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁴;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the '*absolute minimum*' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an '*absolute minimum*', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council⁵ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) This sector of the Social Fund is particularly important not only from a human and social point of view but also in view of the fact that 1981 has been designated International Year of Disabled People;
- (b) this provides a further reason for taking the widest and most effective measures possible to help the handicapped and makes the Council's attitude to the funds to be made available for these measures all the more deplorable;
- (c) to demonstrate the extent of the need for funds for retraining, training and further instruction for teaching staff and for the adaptation of equipment for the handicapped, it should be pointed out that in 1979 the total volume of applications to help these people adapt to working life totalled 105 million EUA compared with budgetary resources of only 61 million EUA;
- (d) in 1979 the rate of utilization of appropriations was particularly note-worthy (commitments 98.5%; payments 77.8%) and are constantly increasing.

For these reasons the European Parliament considers it vital and fully justified to call for the reinstatement of the appropriations entered in the preliminary draft budget and also for a 'symbolic' increase in the commitment appropriations.

* * *

Draft amendment No 60

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 5.1.2: Consequences of industrial conversion

A) *Expenditure*

Enter a payment appropriation of 3 000 000 EUA (instead of the token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

¹ See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

² See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

³ *Ibid.*, p. 73.

⁴ *Ibid.*, p. 74.

⁵ See Volume 7 of the Council's draft budget, p. 49.

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 6 000 000 EUA (instead of the token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Set out the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 6 000 000 EUA¹.

The likely schedule of payments against commitments is as follows:

(m EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment						
Appropriation outstanding from 1979 ¹						
Appropriation for 1980	p.m.	p.m.				
Appropriation for 1981	6 000 000	—	3 000 000	2 000 000	1 000 000	
Total	6 000 000	p.m.	3 000 000	2 000 000	1 000 000	

¹ 5 000 000 EUA, the commitment of which is open to doubt.

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the *number of unemployed* exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980²;
- in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications³;
- as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%⁴,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁵;
- this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the '*absolute minimum*' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- to illustrate the fact that the appropriations requested by the Commission for 1981 really are an '*absolute minimum*', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%)

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

² See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

³ See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

⁴ *Ibid.*, p. 73.

⁵ *Ibid.*, p. 74.

scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;

- (h) in the light of these facts the arguments put forward by the Council¹ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) The appropriations on this budgetary line are intended to finance the measures proposed by the Commission (COM (80) 410 final — OJ C 218, 26. 8. 1980) to contribute to financing the creation of a new measure to maintain the incomes of workers in the civilian shipbuilding industry over 55 years old who are losing their jobs as a result of restructuring measures taken pursuant to the objectives laid down for this sector at Community level and who are no longer able to find jobs;
- (b) the limited scope of the appropriations requested by the Commission for this purpose is due to the fact that this new measure under the Fund is experimental in nature and will cover 2 000 to 3 000 people who will leave the shipyards during 1980 and 1981;
- (c) in line with the policy it has always followed, Parliament can only support this provision while regretting its limitations: it calls firmly upon the Council not only to approve the Commission's proposal but also asks that similar measures be adopted and implemented to help workers in other industries in difficulty;
- (d) for these reasons the token entry made by the Council for this article is unacceptable and the appropriations requested in the preliminary draft budget must be considered an absolute minimum.

* * *

Draft amendment No 61

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 5.2.0: Social Fund — pilot schemes and preparatory studies

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Increase the commitment appropriation by 1 000 000 EUA (from 3 000 000 to 4 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 4 000 000 EUA².

The likely schedule of payments against commitments is as follows:

¹ See Volume 7 of the Council's draft budget, p. 49.

² See Article 1 (3) of the Financial Regulation of 21 December 1977

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	820 000	180 000	490 000	100 000	50 000	—
Appropriation outstanding from 1979	50 000	20 000	10 000	10 000	10 000	—
Appropriation for 1980	3 000 000	800 000	500 000	850 000	850 000	—
Appropriation for 1981	4 000 000	—	1 000 000	1 000 000	1 000 000	1 000 000
Total	7 870 000	1 000 000	2 000 000	1 960 000	1 910 000	1 000 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- (a) The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the number of unemployed exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- (b) to deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- (c) furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980¹;
- (d) in 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications²;
- (e) as regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
 - in the 1979 financial year, the average rate of utilization of commitments was 94%³,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%⁴;
- (f) this rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the 'absolute minimum' are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) to illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) in the light of these facts the arguments put forward by the Council⁵ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) The importance of the pilot experiments and preparatory studies in providing, on the basis of the experience acquired, guidance for the planning of large-scale programmes and helping to increase the efficiency of measures under the Fund is demonstrated by the fact that in 1979 as many as 64 projects were submitted, of which 41 were financed;
- (b) these projects were submitted in the following sectors: migrant workers, young people, women, regions, technical progress, handicapped and training of instructors. It is clear that support for these mea-

¹ See Volume 7/A, p. 48, point 2.2, 3rd paragraph, of the preliminary draft budget for 1981.

² See Eighth Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

³ Ibid., p. 73.

⁴ Ibid., p. 74.

⁵ See Volume 7 of the Council's draft budget, p. 49.

asures provides further help for the categories mentioned, which have already been considered under the specific budgetary headings concerned;

- (c) for these reasons, and also in view of the fact that in 1979 the rate of utilization of commitments was very high (98.4%), the commitment appropriations requested in the preliminary draft budget must be considered an absolute minimum.

* * *

Draft amendment No 62
tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Article 5.3.0: Measures for frontier workers

A) *Expenditure*

Make a token entry (instead of the dash)

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following new remarks:

'Appropriations to cover:

- Measures to facilitate employment and worker mobility in frontier regions within the Community
- Measures to reduce the material and social disadvantages of cross-frontier working.'

JUSTIFICATION

On the Community's internal and external frontiers approximately 250 000 people can be classed as frontier workers: in some frontier regions such workers represent 30, 40 and even 50% of the working population¹.

The social and material problems of workers who have to cross a frontier daily to get to work are matters of urgent concern particularly in view of the persistent employment and inflation crisis.

Frontier workers, residing in one country and working in another, are subject to two legal, economic and political orders and are therefore exposed to very special economic and social risks.

Their problems concern particularly job security, social security and welfare, the purchasing power of their incomes, taxation and transport.

The European Parliament is convinced of the need for urgent Community measures to help this class of worker and will be expressing its view in the near future in a report on a motion for a resolution tabled by Mr Oehler and others (Doc. 1-494/79/rev.), which calls for a Community economic and social policy for this class of worker.

¹ See PE 64.954/Ann. II, p. 1: 'Working document' by Mr J. Oehler.

The Commission is therefore asked to propose, and the Council to adopt measures as soon as possible to facilitate employment and worker mobility in frontier regions and measures to reduce the material and social disadvantages of cross-frontier working.

For these reasons, Parliament cannot accept the Council's decision to enter only a dash in this budgetary line, thus making it impossible to finance in 1981 the measures and projects called for.

* * *

Draft amendment No 63

tabled by Mr van Minnen on behalf of the Committee on Social Affairs and Employment

Section III — Commission

PAYMENTS

Chapter 54: Contribution to the ECSC for social measures in connection with the restructuring of the steel industry
(*partially new*)

Article 540: Contribution to the ECSC for social measures in connection with the restructuring of the steel industry
(*partially new*)

A) Expenditure

Amend the heading of Chapter 54 to read: 'Contribution to the ECSC for (*two words deleted*) social measures in connection with the restructuring of the steel industry'

Amend the heading of Article 540 to read: 'Contribution to the ECSC for (*two words deleted*) social measures in connection with the restructuring of the steel industry'

Enter a payment appropriation of 150000000 EUA

B) Compensation

—

C) Revenue

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following new remarks:

'*This appropriation is intended to finance social measures in connection with the restructuring of the steel industry (see Article 56 (2) (b) of the ECSC Treaty and COM (79) 199 (fin.) and COM (79) 436 (fin.).*'

JUSTIFICATION

The situation of the steel industry is constantly deteriorating because of the downturn in domestic demand and difficulties in exporting as well as the financial weakness of the production undertakings, many of which are making steel at a loss (\$30–\$50 per ton): this is resulting in a great deal of spare capacity in the works (in many cases only 60% of the available production capacity is being utilized).

Regardless of whether a state of 'manifest crisis' is declared in accordance with ECSC Article 58, such a crisis definitely does exist. Community measures for restructuring are therefore imperative.

Moreover, the employment situation is deteriorating dramatically especially in regions dependent on a single industry; this is making the adoption of Community social measures vital in order to help alleviate the effects of the industrial crisis and of the necessary restructuring.

The traditional measures under Article 56 (2) (b) of the ECSC are proving increasingly inadequate given the scale of the employment problem today.

Parliament therefore calls upon the Council with the utmost insistence to adopt forth with the new temporary social measures proposed by the Commission¹ or, at the very least, those measures which are the most urgent, e. g. contributions to early retirement and supplements for partial unemployment on which the EP has already delivered a favourable opinion; a total appropriation of 100 m EUA should be entered for their financing².

The ECSC budget is not only unable to finance these new measures but, in the 1980 financial year, has available only 67 m EUA to meet an anticipated volume of requests for conventional aid totalling some 82 m EUA.

Furthermore, additional requests for aid towards reconversion have been received from France and the UK: these requests relate to some 58 000 workers and correspond to contributions expected to total 300 m EUA and 140 m EUA respectively.

The expenditure to be borne by the Commission in meeting these requests is likely to be in the order of 120–160 m EUA³.

Moreover, other requests for support are expected to be submitted by other countries including Belgium. In order to solve the problem of financing these conventional and new social measures, it is imperative for a contribution of 150 m EUA to be transferred from the general EEC budget to the ECSC budget.

The European Parliament views this contribution as imperative and calls upon the states represented in the Council to consider the underlying paradox of a possible refusal to make this contribution available: by doing so the Council would be in essence refusing to finance aid which it had itself requested.

Parliament further considers that the amount of this particular appropriation must not encroach upon its margin for manoeuvre in respect of the other non-compulsory expenditure: there is a need to provide, in response to the request of the Member States themselves, a solution to a new and exceptionally serious problem which necessitates a corresponding increase in the margin for manoeuvre. It is unacceptable for responsibilities towards workers in the steel industry arising from restructuring to be allowed to result in a further compression of structural policies and, in particular, of the Community's social policy.

* * *

Draft amendment No 64
tabled by Mr Rumor, Mr Estier, Mr Scott-Hopkins, Mr Segre, Mr Haagerup, Mr Klepsch, Mr Friedrich
on behalf of the Political Affairs Committee

Section I — European Parliament

List of posts

Increase the establishment plan as follows:

Add the following new permanent post:

1 A 7/6

A) *Expenditure*

Increase the payment appropriation by 20155 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 17725 EUA⁴

COMMITMENTS

—

¹ See COM (79) 199 fin. and COM (79) 436 fin.

² See Peters report (1-215/80) and OJ C 197, 4. 8. 1980.

³ See COM (80) 587 fin. of 6. 10. 1980.

⁴ In addition, a sum of 2430 EUA should be entered in respect of deductions from remunerations.

Schedule

REMARKS

JUSTIFICATION

The responsibilities of the Political Affairs Committee have been extended considerably in the last few years, and this has been reflected in its workload. Moreover, two subcommittees and a working party have been set up recently.

It is therefore essential to strengthen the secretariat of this Committee, whose staff is smaller than that of most other Committees.

* * *

Draft amendment No 65
tabled by the Committee on Transport

Section III — Commission

PAYMENTS

Item 3.7.4.0: Safety of car occupants

A) *Expenditure*

Enter a payment appropriation of 1 500 000 ECU (instead of a token entry) (reinstatement of the appropriations shown in the preliminary draft budget)

B) *Compensation*

Delete the appropriation of 1 000 000 ECU entered under Chapter 100 (provisional appropriations earmarked for Item 3.7.4.0 — Safety of car occupants)

C) *Revenue*

Increase revenue by 500 000 ECU

COMMITMENTS

REMARKS

Delete the fourth paragraph of the remarks

JUSTIFICATION

1. The European Automobile Symposium in December 1975 identified priority areas for improvement of Community rules in regard to *vehicle safety*, namely accident analysis, structure of vehicles and biomechanics.

The Commission has chosen to take action in the sphere of *biomechanics* at this first stage.

2. A joint programme compatible with the research under way was formulated and launched in 1978. The programme covers several years and the work undertaken in the first stage (1978 budget) as well as the interim results of the second stage have essentially come up to expectations, which justifies the continuation of the programme. The first series of studies is being carried out with the financial assistance of the Commission, the Member States and the private sector. Community participation varies according to the subject and the nature of the action and is on average 35% of the total cost.

The initial studies and research relate to the assessment of injuries to road users (vehicle occupants and pedestrians) in accidents (vehicle/vehicle or vehicle/pedestrian collisions).

3. The appropriations requested for 1981 are slightly higher than those for the previous financial year, because *research has been intensified* in certain areas (human tolerances, criteria applying to injuries to the head, thorax and legs) and the effects of inflation. There is also provision for *new measures* relating in particular to the establishment of a mathematical model to predict injuries to car occupants in the event of an accident and to the evaluation of the behaviour of car occupants in the case of collisions.

4. The Commission proposed for 1981 an appropriation of 1 500 000 EUA. The Council has reduced this sum to 1 000 000 EUA (entered under Chapter 100).

The European Parliament, aware of the economic, social and human *cost of road accidents*, must support the Commission's programme for improving *vehicle safety*. Since research has been intensified and provision made for new measures, the Committee on Transport proposes that the appropriation of 1 500 000 EUA requested by the Commission for Item 3.7.4.0 be reinstated.

* * *

Draft amendment No 66
tabled by the Committee on Transport

Section III — Commission

PAYMENTS

Article 3.2.2: Transport of radioactive materials

A) *Expenditure*

Enter a payment appropriation of 500 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Commission proposed a small appropriation of 500 000 EUA for studies and surveys on the *transport of radioactive materials*.

The Council has deleted this appropriation which, given the importance of the field in question for the *safety* of intra-Community transport, must be reinstated by the European Parliament.

* * *

Draft amendment No 67
tabled by the Committee on Transport

Section III — Commission

PAYMENTS

Item 3.7.8.0: Studies preliminary to financial aid in respect of transport infrastructure

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA (increase of 200 000 EUA in relation to the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The European Parliament's Committee on Transport feels that the appropriation proposed by the Commission for the financing of '*studies preliminary to financial aid in respect of transport infrastructure*' is too small (800 000 EUA).

These studies are essential for the proper functioning of the '*infrastructure committee*' set up by Council decision of 20 February 1978 establishing a consultation procedure.

Since the Council has replaced this appropriation by a dash, whereas expenditure last year totalled 800 000 EUA, the European Parliament must reinstate the appropriation proposed by the Commission last year (1 m EUA) as an absolute minimum.

* * *

Draft amendment No 68
tabled by the Committee on Transport

Section III — Commission

PAYMENTS

Item 3.7.8.1: Financial support for transport infrastructure projects

A) *Expenditure*

Make a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

— Enter a commitment appropriation of 15 000 000 EUA with the following footnote:
'This appropriation is entered in Chapter 100'

— Enter this commitment appropriation of 15 000 000 EUA in Chapter 100 on the corresponding line

Schedule

Enter the following schedule:

The commitment appropriation authorized for 1981 amounts to 15 000 000 EUA^{1/2}.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1981	1982	1983	1984 and subs. years
Appropriation 1981	15 000 000	1 000 000	6 000 000	6 000 000	2 000 000

REMARKS

Enter the following remarks:

Proposal for a regulation on support for projects of Community interest in transport infrastructure (OJ C 207 of 2. 9. 1976, p. 7).

This financial support is to consist of subsidies or interest rebates for infrastructure projects of Community interest.

JUSTIFICATION

1. With the growing importance of international transport, transport problems are becoming one of the Community's priorities. Every single Member State is being increasingly affected by the inadequacies in the transport infrastructures of other Member States, and indeed of third countries, since the progressive consolidation of the Common Market is leading to a general increase in the level of international traffic.

The Committee on Transport emphasizes that four projects have already been examined by Parliament. They are:

- the Channel Tunnel,
- the bridge over the Straits of Messina,
- the plan for a high-speed link between Brussels and Strasbourg extending into Switzerland (a project studied by the Council of Europe under the title of 'Europole'),
- improvement works on Alpine passes (see Bangemann report on the 1979 draft budget of 23. 10. 1978 (Doc. 400/78)).

There are also projects for which the planning stage has been completed and which involve areas outside the present frontiers of the Community of the Nine:

- improvement of the road links via Yugoslavia to Greece,
- improvement of the road network over the Alps to Italy,
- traffic links between the Iberian peninsula and the Community.

2. On 20 February 1978 the Council of Ministers took a *decision* 'instituting a *consultation* procedure and setting up a *Committee* in the field of transport infrastructure' (OJ L 54 of 25. 2. 1978, p. 16).

However, the Council has still not adopted the regulation of July 1976 which would make it possible, under certain conditions, for the Community to help *finance* projects of Community interest in transport infrastructure and would constitute a useful instrument for the development of the common transport policy.

However, at its meeting of 24 June 1980 the Council of Transport Ministers instructed the Permanent Representative Committee to continue its work on all the proposals and to submit to it as soon as possible the information needed to take a decision at one of its forthcoming meetings.

3. The Council has nevertheless deleted in the *draft budget* the token entry requested by the Commission. The European Parliament therefore requests an appropriation of 15 m EUA to demonstrate its interest in the financing of infrastructure projects of Community interest.

The participation of the Community in these projects of Community interest justifies the immediate entry in the 1981 budget (in Chapter 100, provisional appropriations) of a commitment appropriation of 15 m EUA.

* * *

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

² This appropriation is entered in Chapter 100.

Draft amendment No 69
tabled by the Committee on Transport

Section III — Commission

PAYMENTS

Article 3.7.9: Observation of freight markets

A) *Expenditure*

Increase the payment appropriation by 205 000 EUA (from 425 000 to 630 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The Commission proposed an appropriation of 630 000 EUA for the observation of freight markets. The Council has reduced this appropriation to 425 000 EUA. 1980 was only the second year of the programme's implementation. The Committee on Transport therefore proposes the reinstatement of the 630 000 EUA requested by the Commission.

This increase in expenditure is justified in order to cover the cost of the following operations:

- collection of data by surveys among transport operators,
- assessment of intra-Community transport costs and price indexes,
- short and medium-term forecasting of intra-Community traffic.

It should be pointed out that the sum of 1 230 000 EUA now provided for (300 000 + 300 000 + 630 000 EUA) for the three years of the experimental period (1979/81) is still below the ceiling originally envisaged (1 290 000 EUA), despite a rate of inflation higher than that originally allowed for.

* * *

Draft amendment No 70
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.2.0.0: Community technological development projects

A) *Expenditure*

—

B) *Compensation*

—

C) Revenue

COMMITMENTS

Increase the commitment appropriation by 7 000 000 EUA (from 18 000 000 to 25 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 amounts to 25 000 000 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	39 450 000	16 000 000	p.m.	2 000 000	6 450 000	15 000 000
Appropriation outstanding from 1979	9 500 000	3 000 000	p.m.	2 000 000	2 000 000	2 500 000
Appropriation for 1980	15 000 000	5 000 000	p.m.	3 500 000	3 500 000	3 000 000
Appropriation for 1981	25 000 000	—	p.m.	7 500 000	7 500 000	10 000 000
Total	88 950 000	24 000 000	p.m.	15 000 000	19 450 000	30 500 000

REMARKS

JUSTIFICATION

Given the importance of encouraging the development of refinery techniques for oil production, the Committee on Energy and Research believes that the appropriations shown in the preliminary draft budget should be reinstated for this item.

* * *

Draft amendment No 71
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.2.1.0: Prospecting for uranium in the Community

A) Expenditure

Increase the payment appropriation by 5 000 000 EUA (from 2 200 000 to 7 200 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) Compensation

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 20 000 000 EUA (instead of a p. m.) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 amounts to 20 000 000 EUA¹.

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	4 000 000	4 000 000	—	—	—
Appropriation outstanding from 1979	630 000	630 000	—	—	—
Appropriation for 1980	9 000 000	5 370 000	2 200 000	1 430 000	—
Appropriation for 1981	20 000 000	—	5 000 000	8 000 000	7 000 000
Total	33 630 000	10 000 000	7 200 000	9 430 000	7 000 000

REMARKS

JUSTIFICATION

If the Community is to reduce dependence on imported hydrocarbons, all indigenous energy sources must be exploited. Some reserves of uranium are known to exist in the territory of the Community, and this programme has already financed exploration which gives rise to hopes of larger deposits. This action is particularly necessary as supplies of nuclear fuels from third countries are not always dependable.

* * *

Draft amendment No 72

tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Article 3.2.2: Transport of radioactive materials

A) *Expenditure*

Enter a payment appropriation of 500 000 EUA (instead of a p. m.) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

Work on the transport of radioactive materials started in 1980. If this useful work is to continue, adequate appropriations must be provided.

* * *

Draft amendment No 73
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.2.3.0: Use of coal in power-stations

A) *Expenditure*

Enter a payment appropriation of 50 000 000 EUA against this article

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 100 000 000 EUA

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 amounts to 100 000 000 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—
Appropriation for 1980	p.m.	p.m.	—	—
Appropriation for 1981	100 000 000	—	50 000 000	50 000 000
Total	100 000 000	p.m.	50 000 000	50 000 000

REMARKS

Enter the following remarks

Proposal for a Regulation submitted to the Council on 31 December 1976 under Article 235 of the EEC Treaty (OJ C 22 of 29. 1. 1977, p. 4).

Opinion of the European Parliament of 10 May 1977 (OJ C 133 of 6. 6. 1977).

This item is to cover expenditure arising from the grant of support to operators of power-stations with a view to encouraging the construction, conversion or modernization of their plants for the use of coal instead of liquid fuels.

Support is limited to the extra costs due to these operations.

The appropriation for commitment authorized for 1981: 100 000 000 EUA¹.

JUSTIFICATION

The Committee on Energy and Research believes that the coal sector should be a political and technical priority. If any policy in this sector is to be effective, large sums must be made available. If dependence on imported hydrocarbons is to be reduced, it will be necessary to develop the use of coal, and in particular encourage the utilization of coal for electricity generation, by providing Community financial support to increase coal burning capacity in the Member States.

* * *

Draft amendment No 74

tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.2.3.1: Aid for coal stockpiling

A) *Expenditure*

Enter a p. m. against this item (reinstatement of the entry shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

—

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following remarks:

'Council resolution of 17 December 1974 concerning a Community action programme on the rational use of energy (OJ C 153 of 9. 7. 1975, p. 5).

Council resolution of 13 February 1975 concerning measures to be implemented to achieve the Community energy policy objectives adopted by the Council on 17 December 1974 (OJ C 153 of 9. 7. 1975; p. 6).

Proposal for a Council Regulation on a system of Community financial aids to finance cyclical stocks of hard coal, coke and patent fuel under Article 235 of the EEC Treaty (OJ C 87 of 7. 4. 1977, p. 6).

Opinion of the European Parliament of 12 September 1977.

This item is intended to cover expenditure on Community financial aid for stocking coal so as to alleviate the excessive burden on producers. It takes the form of non-repayable subsidies.'

JUSTIFICATION

The Committee on Energy and Research believes that the coal sector should be given high priority. This would involve the provision of assistance for cyclical stocks of coal when these build up. The entry of a p. m. indicates the Committee's political will to provide assistance, without using funds which are not really necessary at this time.

* * *

Draft amendment No 75

tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.2.3.2: Aid for intra-Community trade in power-station coal

A) *Expenditure*

Enter a p. m. against this item (reinstatement of the entry shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following remarks:

'Council resolution of 17 December 1974 concerning Community energy policy objectives for 1985 (OJ C 153 of 9. 7. 1975, p. 2).

Council resolution of 13 February 1975 concerning measures to be implemented to achieve the Community energy policy objectives adopted by the Council on 17 December 1974 (OJ C 153 of 9. 7. 1975, p. 6).
Proposal for a Council Regulation on the implementation of a system of aids to intra-Community trade in coal for power-stations on the basis of Article 235 of the EEC Treaty (OJ C 243 of 13. 10. 1978, p. 3).'

JUSTIFICATION

The Community coal industry is faced with serious competition from third country coal. This Article would provide assistance for Community coal procedures by encouraging intra-Community trade in power-station coal.

* * *

Draft amendment No 76
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.2.4.0: Community energy-saving programme

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Increase the commitment appropriation by 18 000 000 EUA (from 10 000 000 to 28 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payment as follows:

The commitment appropriation authorized for 1981 amounts to 28 000 000 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriations outstanding from 1979	14 300 000	6 140 000 ¹	3 000 000	2 000 000	3 160 000
Appropriation for 1980	25 000 000	10 000 000	p.m.	8 000 000	7 000 000
Appropriation for 1981	28 000 000	—	p.m.	8 000 000	20 000 000
Total	67 300 000	16 140 000	3 000 000	18 000 000	30 160 000

¹ Of which 140 000 EUA carried over from 1979 to 1980.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

REMARKS

unchanged

JUSTIFICATION

In view of the great importance of energy saving at this time the Committee on Energy and Research believes that appropriations for this item must be increased.

* * *

Draft amendment No 77
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.2.4.1: Programme for the development of new sources of energy

A) *Expenditure*

Increase the payment appropriation by 9 500 000 EUA (from 17 000 000 to 26 500 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Create in Chapter 100 a new Item 3241 — Programme for the development of new sources of energy
Enter a p.m. against this item (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 45 500 000 EUA (from 16 000 000 to 61 500 000 EUA)

Enter in Chapter 100 'Provisional appropriations' a commitment appropriation of 5 000 000 EUA against this item

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 66 500 000 EUA, of which 5 000 000 EUA is entered in Chapter 100¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments	Payments				1983 and subs. years
	1980	1981	1982		
Commitments entered into before 1980 to be covered by new appropriations for payment	7 380 000	7 380 000			
Appropriation outstanding from 1979	8 470 000	1 500 000	4 000 000	2 970 000	
Appropriation for 1980	47 000 000	15 120 000	12 000 000	11 180 000	8 700 000
Appropriation for 1981	66 500 000 ¹	—	10 500 000	17 750 000	38 250 000
Total	129 350 000¹	24 000 000	26 500 000	31 900 000	46 950 000

¹ Of which 5 000 000 EUA is entered in Chapter 100.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

REMARKS

unchanged

JUSTIFICATION

In view of the importance of developing new energy sources, in particular solar energy, geothermal energy, wind energy and the gasification and liquefaction of coal, the Committee on Energy and Research feels strongly that the appropriations requested by the Commission should be reinstated.

* * *

Draft amendment No 78
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Article 3.2.6: New energy initiative
(*new*)

A) *Expenditure*

Create a new Article 3.2.6: 'New energy initiative' and enter a *p. m.* against it (reinstatement of the entry shown in the preliminary draft budget)

Create in Chapter 100 a new Article 3.2.6 'New energy initiative' and enter against it a *p. m.*

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter in Chapter 100 'provisional appropriations' a commitment appropriation of 200 000 000 EUA against this article

Schedule

Enter a schedule of payments as follows:

The commitment appropriation authorized for 1981 is 200 000 000 EUA^{1,2}.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—
Appropriation for 1980	—	—	—	—
Appropriation for 1981	200 000 000	—	<i>p.m.</i>	200 000 000
Total	200 000 000	—	<i>p.m.</i>	200 000 000

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

² This appropriation is entered in Chapter 100.

REMARKS

Enter the following remarks:

New Article:

'Communication by the Commission to the European Commission of the European Council (COM (80) 130 final).

Conclusions of the European Council of 28 April 1980.

This article is intended to cover the expenditure on new actions in the coal sector, a Community contribution to national investments to reduce the Community's energy dependence and other new initiatives.'

A commitment appropriation of 200 000 000 EUA (1) is entered in Chapter 100.

JUSTIFICATION

The appropriations entered under this article would be used to assist new initiatives in the energy sector following the Venice Declaration, as well as to enable the Community to initiate other actions leading to the development of a Community energy policy. A considerable appropriation is necessary if this is to be effective.

This appropriation is entered in Chapter 100 as the Commission has not yet finalized its proposals.

* * *

Draft amendment No 79

tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Article 3.2.7: Energy balance sheets

A) *Expenditure*

Increase the payment appropriation by 1 300 000 EUA (from 700 000 to 2 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The Committee on Energy and Research takes the view that energy resources and utilization must be viewed on a world scale and strongly supports the principle of assisting developing countries in the drawing up of inventories of energy resources and energy utilization programmes.

* * *

Draft amendment No 80
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Article 3.2.8: Studies in the energy sector

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following remarks:

'Council resolution of 17 December 1974 concerning Community energy policy objectives (OJ C 153 of 9. 7. 1975).

Council resolution of 13 February 1975 concerning measures to be implemented to achieve Community energy policy objectives (OJ C 153 of 9. 7. 1975).

This appropriation is intended to cover expenditure relating to studies and research (a) to select projects qualifying for Community aid and (b) in order to prepare Commission proposals on the following subjects:

- energy cooperation,
- rational utilization of energy,
- the attitude of the general public towards energy problems,
- prices policy,
- the hydrocarbons sector,
- the development of alternative energy sources.'

JUSTIFICATION

These studies are of considerable interest as they concern petroleum product prices and a general investigation of energy prices' policy as well as specific studies on energy cooperation, energy conservation, new energy sources and public attitudes towards energy use.

* * *

Draft amendment No 81
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.3.4.2: Participation in the JET joint undertaking

A) *Expenditure*

Increase the payment appropriation by 10 000 000 EUA (from 39 600 000 to 49 600 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

(Amend accordingly the table of equivalence set out in Annex II)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 10 000 000 EUA (from 12 199 000 to 22 199 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget) (Amend accordingly the table of equivalence set out in Annex II)

Schedule

Amend the schedule of payments to read as follows:

The commitment appropriation authorized for 1981 amounts to 22 199 999 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	28 847 384	20 000 000	8 847 384	
Appropriation outstanding from 1979	22 711 616			
Appropriation for 1980	19 646 000	23 804 000	18 553 616	
Appropriation for 1981	22 199 000		22 199 000	
Total	93 404 000	43 804 000	49 600 000	

REMARKS

Amend the remarks to read as follows:

'The illustrative breakdown of appropriations over these expenditure groups is derived from the table of equivalence set out in Annex II to this section of the budget.

Former Item 3351 — Section on the JET project.

Council Decision of 30 May 1978 (OJ L 151 of 7. 6. 1978) on the establishment of the Joint European Torus (JET) joint undertaking.

Council Decision of 13 March 1980 (OJ L 72 of 18. 3. 1980) adopting a five-year (1979 to 1983) programme on controlled thermonuclear fusion.

The aim of the JET project is to construct, operate and exploit, as part of the Fusion programme and for the benefit of the participants therein, a large facility of the Tokamak type and its auxiliary facilities in order to extend the parameter range applicable to controlled thermonuclear fusion experiments up to conditions close to those needed in a thermonuclear reactor.

The Joint European Torus (JET) joint undertaking has been set up pursuant to Chapter V of the Euratom Treaty in order to carry out this project.

The Community's contribution amounts to 80% of the costs incurred by the JET joint undertaking pursuant to Article 9 of the latter's statutes, which are annexed to the Council Decision of 30 May 1978.

Part of this Community contribution is covered by two non-member countries (Sweden and Switzerland), under the Cooperation Agreements signed with Euratom. The appropriations for commitment and the ap-

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

proportions for payment include a figure of 3 900 000 EUA covered by revenue entered under Items 9210 and 9211 and derived from the Cooperation Agreement concluded with Sweden (2 100 000 EUA) and Switzerland (1 800 000 EUA); this sum is deducted from the Community's contribution to the financing of the JET project.

The expenses of the JET joint undertaking for the financial year 1981 amount to 27 750 000 EUA in appropriations for commitment and 62 000 000 EUA in appropriations for payment and include staff expenditure in respect of the 150 temporary staff (A (89), B (55) and C (6)) proposed for 1981 in the Commission's establishment plan relating to research and development activities (Part II, indirect action). These staff are assigned to the JET project at Culham.'

JUSTIFICATION

The Community must do everything possible to encourage research into thermonuclear fusion which offers a possible solution to Europe's energy problems in the 21st century.

* * *

Draft amendment No 82
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.3.6.0: Environment

A) *Expenditure*

Increase the payment appropriation by 1 522 000 EUA (from 1 612 000 to 3 134 000 EUA) (*Amend* accordingly the table of equivalence set out in Annex II)

B) *Compensation*

Reduce by 700 000 EUA the payment appropriation in Chapter 100 'provisional appropriations', earmarked for Articles 334–338

Reduce by 518 000 EUA the payment appropriation for Item 3391 — 'Staff awaiting assignment to a post' (*Amend* accordingly the table of equivalence set out in Annex II)

C) *Revenue*

Increase revenue by 304 000 EUA

COMMITMENTS

Enter a commitment appropriation of 5 322 000 EUA

Reduce by 2 500 000 EUA the commitment appropriation entered in Chapter 100 'provisional appropriations', earmarked for Articles 334–338

Reduce by 518 000 EUA the commitment appropriation entered in Item 3391 — 'Staff awaiting assignment to a post'

(*Amend* accordingly the table of equivalence set out in Annex II)

Schedule

Amend the schedule of payments to read as follows:

The commitment appropriation authorized for 1981 amounts to 5 322 000 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	4 999 659 ¹		
Appropriation outstanding from 1979	6 611 421		1 611 762	
Appropriation for 1980	618 000	618 000		
Appropriation for 1981	5 322 000	—	1 522 238	3 799 762
Total	12 551 421	5 617 659	3 134 000	3 799 762

¹ Of which 240 659 EUA is a surplus appropriation for payment carried over from 1979 in relation to the commitments still to be settled on 1. 1. 1980.

REMARKS

Amend the remarks to read as follows:

(Paragraphs 1–3 unchanged)

... The appropriations cover:

- (a) staff expenditure in respect of 16 officials of categories A (10), B (1) and C (5);
- (b) recurring administrative expenditure (in particular, meetings, missions and staff remunerated on the basis of services rendered);
- (c) the Commission's financial obligations arising out of contracts concluded with specialist bodies or companies in the Member States.

The illustrative breakdown of appropriations over these expenditure groups is derived from the table of equivalence set out in Annex II to this section of the budget.

The appropriation for commitment authorized for 1981 amounts to 5 322 000 EUA¹.

JUSTIFICATION

The proposal for a third environment programme 1981–85 has been transmitted to the Council, the European Parliament and the Economic and Social Committee. CREST gave a favourable opinion on 29. 9. 1980. It is hoped that a positive decision will be taken by the Council in the near future.

* * *

Draft amendment No 83

tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.3.7.0: Biomolecular engineering

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA (instead of a p. m.)

Amend accordingly the table of equivalence set out in Annex II

B) *Compensation*

Reduce by 700 000 EUA the payment appropriation entered in Chapter 100 'provisional appropriations', earmarked for Articles 334–338

¹ See Article 1(3) of the Financial Regulation of 21 December 1977.

C) Revenue

Increase revenue by 300 000 EUA

COMMITMENTS

Enter a commitment appropriation of 4 000 000 EUA

Reduce by 3 400 000 EUA the commitment appropriation entered in Chapter 100 'provisional appropriations' earmarked for Articles 334-338

Amend accordingly the table of equivalence set out in Annex II

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 4 000 000 EUA¹.

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—
Appropriation for 1980	p.m.	p.m.	—	—
Appropriation for 1981	4 000 000	—	1 000 000	3 000 000
Total	4 000 000	p.m.	1 000 000	3 000 000

REMARKS

Amend the remarks to read as follows:

'Proposal for a five-year (1981 to 1985 programme on biomolecular engineering submitted to the Council on 11 January 1980 (COM (79) 793 final).

This indirect-action programme concerns the development of, on the one hand, second-generation enzyme reactors for synthesizing new products which are important for Community industries, and, on the other hand, genetic engineering methods liable to enable the productivity of microorganisms and cultivated plants to be improved.

The appropriations cover:

- staff expenditure in respect of six officials of categories A (3), B (1) and C (2);
- recurring administrative operating expenditure (in particular, formal meetings, missions and consultancy fees);
- the Community's share of expenditure under contracts of association to be concluded with national bodies in the Member States for the purposes of implementing this programme (approximately 50%).

The illustrative breakdown of appropriations over these expenditure groups is derived from the table of equivalence set out in Annex II to this section of the budget.

JUSTIFICATION

The Committee on Energy and Research believes that this programme is of considerable scientific importance and consequently wishes it to get under way during the course of 1981.

* * *

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

Draft amendment No 84
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.3.8.1: Education and Training

A) *Expenditure*

Increase the payment appropriation by 534 000 EUA (from 442 000 to 976 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Amend accordingly the table of equivalence set out in Annex II

B) *Compensation*

Reduce by 264 000 EUA the appropriation entered in Chapter 100 'provisional appropriations' earmarked for Articles 334–338

Reduce by 270 000 EUA the appropriation entered in Item 3391 — 'Staff awaiting assignment to a post'

Amend accordingly the table of equivalence set out in Annex II

C) *Revenue*

unchanged

COMMITMENTS

Enter a commitment appropriation of 2 898 000 EUA (instead of a p. m.) (reinstatement of the appropriation shown in the preliminary draft budget)

Reduce by 1 000 000 EUA the commitment appropriation in Chapter 100 'provisional appropriations' earmarked for Articles 334–338

Reduce by 270 000 EUA the commitment appropriations entered in Item 3391 — 'Staff awaiting assignment to a post'

Amend accordingly the table of equivalence set out in Annex II

Schedule

Amend the schedule of payments to read as follows:

The commitment appropriations authorized for 1981 is 2 898 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	468 268	468 268	—	—
Appropriation outstanding from 1979	179 204			
Appropriation for 1980	780 000	531 732	427 472	
Appropriation for 1981	2 898 000	—	548 528	2 349 472
Total	4 325 472	1 000 000	976 000	2 349 472

REMARKS

Amend the remarks to read as follows

'Former Item 3350

Decision of 21 December 1976 (OJ No L 10, 13. 1. 1977, p. 32) adopting a four-year (1977 to 1980) programme on scientific and technical education and training.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

Proposal for a new four-year (1981 to 1984) programme on the same topic, sent to the Council on 13 May 1980 (COM (80) 245 final).

The programme comprises the following basic measures:

- award of grants for scientific research at all levels of training (post-graduate dissertations, Ph. D theses, post-doctorate research),
- financing of advanced further training courses in areas of particular importance under the Community's research and development policy.

The grants are awarded for research work which has to be carried out in a country other than the applicant's country of origin or country of permanent residence. Those eligible for such grants are students, holders of higher education qualifications or doctorates in the various branches of science and engineers — including working in industry — from, in principle, the Member States of the Community.

The appropriations cover:

- (a) staff expenditure in respect of six officials of categories A (2), B (2) and C (2);
- (b) recurring administrative operating expenditure (in particular, formal meetings and missions);
- (c) expenditure covering the awarding of grants and the financing of further training courses.

The illustrative breakdown of appropriations over these expenditure groups is derived from the equivalence set out in Annex II to this section of the budget.'

JUSTIFICATION

The Committee on Energy and Research believes that it is important for scientists to study in countries other than their country of origin and feels that the Community has a role to play in this respect. The sums involved are relatively small and the results could be worthwhile.

* * *

Draft amendment No 85
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.6.1.0: Dissemination and circulation of scientific and technical knowledge

A) *Expenditure*

Increase the payment appropriation by 200 000 EUA (from 700 000 to 900 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

This increase is necessary if the Commission is to be enabled to circulate all its scientific reports and publications.

* * *

Draft amendment No 86
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.6.1.1: Assessment and utilization of research results

A) *Expenditure*

Enter a payment appropriation of 400 000 EUA (instead of a p. m.) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

Reduce by 200 000 EUA the appropriations entered in Chapter 100 'provisional appropriations' earmarked for Item 3611

C) *Revenue*

Increase revenue by 200 000 EUA

COMMITMENTS

—

Schedule

—

REMARKS

Delete the following remarks:

'An appropriation of 200 000 EUA is entered in Chapter 100.'

JUSTIFICATION

Because of the industrial importance of this item, particularly the definition of a policy on industrial innovation, the Committee on Energy and Research believes that the appropriations entered in the preliminary draft budget should be reinstated.

* * *

Draft amendment No 87
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.6.2.0: Three-year plans

A) *Expenditure*

Create in Chapter 100 a new Item 3.6.2.0 'Three-year plans' and *enter* against it a p. m. (reinstatement of the entry shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter in Chapter 100 'provisional appropriations' a commitment appropriation of 2 000 000 EUA earmarked for Item 3620 (reinstatement of the appropriation shown in the preliminary draft budget).

Schedule

Amend the schedule of payment as follows:

The commitment appropriation authorized for 1981 amounts to 2 000 000 EUA¹ and is entered in Chapter 100.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	133 000	133 000	—	—	—
Appropriation outstanding from 1979	2 687 000	1 867 000	687 000	133 000	—
Appropriation for 1980	1 900 000	400 000	900 000	600 000	—
Appropriation for 1981	2 000 000 ¹	—	p.m.	1 000 000	1 000 000
Total	6 720 000²	2 400 000	1 587 000	1 733 000	1 000 000

¹ Entered under Chapter 100.

² Of which 2 000 000 EUA is entered in Chapter 100.

REMARKS

unchanged

JUSTIFICATION

In view of the importance of Euronet and the development of the European Data market the Committee on Energy and Research believes that appropriations for the third triennial action programme 1981–1983 should be made available.

* * *

Draft amendment No 88

tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.6.2.3: Eurotra-modular machine-translation system

A) Expenditure

Create in Chapter 100 'provisional appropriations' a new Item 3.6.2.3 and enter against it a payment appropriation of 500 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

B) Compensation

—

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter in Chapter 100 'provisional appropriations' a commitment appropriation of 1 754 000 EUA earmarked for Item 3623 (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 1 754 000 EUA and is entered in Chapter 100¹

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs years
Appropriation for 1980	p.m.	p.m.			
Appropriation for 1981	1 754 000 ¹		500 000 ¹	854 000	400 000
Total	1 754 000 ¹	p.m.	500 000 ¹	854 000	400 000

¹ Entered under Chapter 100.

REMARKS

unchanged

JUSTIFICATION

The Committee on Energy and Research believes that all possible steps should be taken to reduce the language barriers separating the peoples of the European Community, and consequently favours the reinstatement of the appropriations for this item requested by the Commission.

* * *

Draft amendment No 89

tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3712: European transonic wind tunnel
(*new*)

A) *Expenditure*

Create a new item 3712: 'European transonic wind tunnel'

Enter a p.m. against this item

B) *Compensation*

—

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

C) *Revenue*

—

COMMITMENTS

Enter a p. m. against this item*Schedule*

—

REMARKS

—

JUSTIFICATION

The development of future generations of European aircraft which are capable of competing in world markets is affected directly by the success of Community firms in achieving significant economies in fuel consumption. Parliament believes that the current state of the art in aerodynamic design offers potential for design improvement leading to more fuel efficient designs of aircraft. Four Member States, the Netherlands, France, the Federal Republic of Germany and the United Kingdom have signed a Memorandum of Understanding for preliminary design and costing studies of a European Transonic Wind Tunnel. In order to sustain the development of European aircraft, such as the Airbus and the VFW-Fokker families of aircraft, in face of US competition, it is essential for the Community to give this vital high technology industry the benefit of support and coordination of a Community centre for transonic wind tunnel studies of aircraft. The US National Transonic Facility will be operational in 1982. Parliament insists on a Commission initiative in this area during the implementation of the 1981 budget, which was signalled with Parliament's approval of the Commission's proposal for a first multiannual research programme in the aeronautical sector.

* * *

Draft amendment No 90
tabled by Mr Galland on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Item 3.7.2.2: Textile industry technology

A) *Expenditure*

Enter a payment appropriation of 600 000 EUA (instead of a p. m.) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 3 200 000 EUA (instead of a p. m.) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 amounts to 3 200 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

(m EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriation for 1980	1 000 000	p.m.	400 000	400 000	200 000
Appropriation for 1981	3 200 000		200 000	1 250 000	1 750 000
Total	4 200 000	p.m.	600 000	1 650 000	1 950 000

REMARKS

unchanged

JUSTIFICATION

At a time when there have been massive job losses in this key sector owing to intense competition, it is vital that the industry be given all possible assistance to adapt to modern market conditions through the development of new and improved products. A Commission proposal (OJ No C 111 of 4. 5. 1979) was approved by the European Parliament and is awaiting adoption by the Council.

* * *

Draft amendment No 91
tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Item 3.7.0.2: Community operations for the development of data processing

A) *Expenditure**Increase the payment appropriation by 1 478 000 EUA*B) *Compensation*

—

C) *Revenue**Increase revenue by same amount*

COMMITMENTS

Increase commitment appropriation by 978 000 EUA

REMARKS

Article 235 of the EEC Treaty.

Regulation (EEC) No 1996/79 of 11 September 1979 on a Community support mechanism in the field of data processing (OJ No L 231, 13. 9. 1979, p. 1).

Council Decision 79/783/EEC of 11 September 1979 adopting an energy research and development programme, 1979 to 1983 (OJ No L 231, 13. 9. 1979, p. 23).

Appropriation to cover expenditure on the programme for improving the competitiveness and promoting the development of the data-processing industry, by means of the following measures:

- standardization,
- coordination in the field of public procurement,
- collaboration between research centres,
- studies on the state of the sector, employment problems, software protection,

- studies in the field of peri-informatics and microelectronics technology,
- Community premiums for industry or users for the development of products in this field.

It also covers the payment of experts and related miscellaneous or secretarial services, and expenses relating to the organization of symposia concerning the knowledge acquired as a result of carrying out the planned operations.

Schedule

Amend schedule as follows:

The appropriation for commitment authorized for 1981 amounts to 8 978 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriations outstanding from 1979	1 972 523	1 972 523 ¹			
Appropriation for 1980	8 000 000	3 000 000	3 000 000	2 000 000	
Appropriation for 1981	9 978 000 ²		3 478 000 ²	4 000 000	1 500 000
Total	18 950 523	4 972 523¹	6 498 000	6 000 000	1 500 000

¹ Including 972 523 EUA carried forward from 1979.
² In addition 522 000 EUA are to be shown under the establishment plan to cover the remuneration of specialized temporary staff required for implementation of the programme.

JUSTIFICATION

The importance of the data-processing sector involving high technology in which the Community has difficulty in competing with the United States, requires no further emphasis. To set up a viable industry, Community measures will be necessary on a much larger scale than hitherto. Since the 4-year programme is already limited to a minimum, any further delay in implementation of the programme due to a reduction in appropriations is unacceptable.

The necessary expert staff for implementation of the programme must also be paid from appropriations entered in this budget item. The recruitment of external experts is, however, extremely difficult and costs a great deal more than the employment of temporary specialized staff under the Staff Regulations. Because of these considerations, the Economic and Monetary Affairs Committee is not asking for complete reinstatement of the appropriations shown in the preliminary draft budget but has tabled in parallel with this amendment, a second amendment under Title 1 to make temporary staff available. The present amendment added to the provision in the amendment to Title 1 results in reinstatement of the appropriations against Item 3.7.0.2 in the preliminary draft.

* * *

Draft amendment No 92
 tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Item 3704: Studies in the field of telematics

A) Expenditure

Enter a payment appropriation of 1 000 000 EUA (reinstatement of the appropriations shown in the preliminary draft budget)

¹ See Article 1 (3) of Financial Regulation of 21 December 1977.

B) *Compensation*

—

C) *Revenue**Increase revenue by the same amount*

COMMITMENTS

—

REMARKS

3704 New Item

Commission communication to the European Council 'European society faced with the challenge of new information technologies: a Community response' (COM (79) 650 final, 23. 11. 1979)

Council Resolution of 11 September 1979 on a Community action promoting microelectronics technology (OJ No C 231 of 13. 9. 1979, p. 1)

This appropriation is intended to finance studies relating in particular to:

- the impact of information technologies on educational and training technologies,
- the implications of the new information technologies for teacher training and the structure of teaching,
- the definition of standards,
- the development of the European air traffic control system,
- the new legal problems created by communication satellites,
- remote observation of the earth,
- the promotion of new areas of this technology.

It is also to cover contract administration costs.

JUSTIFICATION

Studies in the telematics sector correspond to the request put forward by the Dublin meeting of the European Council which instructed the Commission to prepare a strategy in this sector. This whole area is vitally important to the Community, from the angle both of the industry directly concerned and from that of employment in the many sectors affected by the development of telematics.

* * *

Draft amendment No 93

tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Item 3722: Textile industry technology

A) *Expenditure*

Enter a payment appropriation of 600 000 EUA (reinstatement of the appropriations shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 3 200 000 EUA (reinstatement of the appropriations shown in the preliminary draft budget)

REMARKS

3722 Proposal for a Council Decision adopting a second research and development programme in the field of textiles and clothing (OJ No C 111, 4. 5. 1979, p. 2)

Appropriation to cover expenditure on a second research programme containing five topics each of which concerns a sub-sector of the textile and clothing industry — i. e.

1. textile and clothing industries: garment physiology and construction;
2. knitwear industry: quality of knitted fabrics and knitwear articles;
3. wool industry: application of new spinning technologies in the wool industry;
4. linen industry: upgrading of linen;
5. finishing industry: pollution treatment and water recycling in textile finishing factories.

The incidental expenses relating to experts as a result of the research programme, and related miscellaneous or secretarial services, are also covered by this appropriation.

Schedule

Amend the schedule as follows:

The commitment appropriation authorized for 1981 is 3 200 000 EUA¹

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriation for 1980	1 000 000	token entry	400 000	400 000	200 000
Appropriation for 1981	3 200 000		200 000	1 250 000	1 750 000
Total	4 200 000	token entry	600 000	1 650 000	1 950 000

JUSTIFICATION

The crisis in the textile sector explains the vital importance of the development of new technologies for this sector. Restructuring, based on the new technologies, provides the only chance of survival for this sector. Given the importance of this programme, everything possible must be done to ensure that it is started as soon as possible and the necessary appropriations must be entered in the budget.

* * *

Draft amendment No 94

tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Item 3750: Aid for certain crisis-hit industrial sectors

A) *Expenditure*

Make a token entry

B) *Compensation*

—

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

C) *Revenue*

COMMITMENTS

Make a token entry

REMARKS

3750 Proposal for a Council Regulation on Community aid for industrial restructuring and conversion operations (OJ No C 272, 16. 11. 1978, p. 3)

Proposal for a Council Decision on Community aid for restructuring or conversion investments in the ship-building industry (COM (78) 769 final of 11. 1. 1979)

Proposal for a Council Decision on Community aid for restructuring or conversion investments in the textile industry, particularly in the man-made fibres industry (COM (78) 769 final, 11. 1. 1979)

Schedule

Amend the schedule as follows:

The commitment appropriation authorized for 1981 is a token entry¹

The likely schedule of payments against commitments for 1981 is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriation outstanding for 1979	15 000 000	7 500 000	token entry	7 500 000	—
Appropriation for 1980	token entry	token entry	token entry	—	—
Appropriation for 1981	token entry	token entry	token entry	—	—
Total	15 000 000	7 500 000¹	token entry	7 500 000	

¹ Appropriation carried over from 1979.

JUSTIFICATION

In the present economic crisis, action in favour of certain hard-hit industrial sectors is essential. Moreover, intervention by the Community is more effective than measures taken nationally. However, the lack of a decision by the Council is holding up the action envisaged under this budget item. Faced with this block on action in this particular area, the Committee on Economic and Monetary Affairs has decided to prepare an own-initiative report on industrial cooperation between the Member States. Mr Delorozoy is the rapporteur for this document which will look into the resources available to the Community to break out of the present deadlock in the common industrial policy; his report is now under consideration in the Committee on Economic and Monetary Affairs. Pending its finalization, the possibility of Community action with certain financial implications must be kept open.

* * *

Draft amendment No 95

tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Item 3760: Industrial guidelines

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

A) *Expenditure*

Increase the payment appropriation by 200 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

This appropriation is to enable the Commission to undertake or contribute towards studies and surveys in certain industrial sectors most hit by the crisis, or likely to require a thorough structural change fairly soon. The administrative expenses in respect of the contracts are also covered by this appropriation.

JUSTIFICATION

The restructuring which is necessary in a number of industrial sectors must be based on detailed studies enabling a strategy to be defined for the future.

The desirability of such studies is evident in the present economic crisis.

A reduction by one-third of the appropriations proposed in the preliminary draft budget is unacceptable and the appropriations shown by the Commission must be reinstated.

* * *

Draft amendment No 96

tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Item 3761: Ceramics

A) *Expenditure*

Enter an appropriation of 500 000 EUA (reinstatement of the appropriations shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

Former Item 3720

Appropriation to participate in studies to improve the technology of using clay minerals and to increase the importance of industrial ceramics.

The appropriation also covers the cost of managing the contracts (in 1980 a commitment appropriation of 500 000 EUA was set aside for this heading).

JUSTIFICATION

The proposed studies are important not only for the technological development of the ceramics sector but also useful for other sectors such as electronics. The Community only covers 50% of the cost of the work involved.

* * *

Draft amendment No 97
tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Item 3762: Increasing productivity in the clothing industry
(*new*)

A) *Expenditure*

Create a new Item 3762 'Increasing productivity in the clothing industry' and enter a payment appropriation of 500 000 EUA (reinstatement of the appropriations shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

—

JUSTIFICATION

The appropriation requested is intended to lay the basis for a broad action to convert and adapt the production facilities in the textile industry, based on a reduction of the time required at present by certain operations, in particular the handling of semi-finished products.

Given the present crisis in the Community textile industry, which is being forced to adapt under the pressure of competition from low-wage rate third countries, the deletion of this line is incomprehensible. Restoration of this line and of the corresponding appropriations is therefore essential.

* * *

Draft amendment No 98/rev.
tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Article 540: Special contribution to the ECSC for the temporary social measures in connection with the restructuring of the steel industry

A) *Expenditure*

Enter a payment appropriation of 30 000 000 ECU

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 150 000 000 ECU

Schedule

Missing

REMARKS

The entry of this appropriation authorizes the Commission to transfer an amount of 30 000 000 ECU to the ECSC budget. This appropriation is intended to finance temporary social measures in connection with restructuring of the steel industry having regard to the proposals from the Commission (COM (79) 199 fin.) (and COM (79) 436 fin.) and in the context of implementation of measures under Article 56 ECSC.

JUSTIFICATION

Restructuring of the steel industry is impossible unless it is accompanied by appropriate social measures to alleviate the grave social problems resulting from this process; action must be taken in the context of a harmonious Community policy and without regional or territorial imbalances. Social measures are an essential back-up to short-term Community measures and structural action, and the appropriations required for this purpose must be entered in the budget. The Committee considers that the funds available may be insufficient given the present situation in this sector and hopes that increases will be made.

* * *

Draft amendment No 99

tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

Article 2.8.1: Subsidy for the operation of the Community Business Cooperation Centre

A) *Expenditure*

Increase the payment appropriation by 23 000 ECU (from 115 000 to 138 000 ECU) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

The sum proposed by the Council fails to take into account:

- (a) the increase in costs due to inflation,
- (b) the additional measures necessary in view of the exceptional plight of many sectors of the economy.

* * *

Draft amendment No 100
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Statement of revenue

Title 1 — Own resources

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following remark under Title 1 'Own resources' of the statement of revenue:

'The budgetary authority will take the necessary steps to ensure that the Commission has at its disposal the means essential to the discharge of its responsibilities in regard to the control of own resources and that it will be in a position to guarantee that the Community's revenue is collected in a regular, fair and uniform manner in all the Member States.

The Council, after conciliation with Parliament, will accordingly adopt measures enabling the Commission to be rapidly and fully informed on irregular practices uncovered in the Member States, to arrange, in liaison with the national administrations, the exact collection of revenue, to prevent and investigate infringements of Community legislation in this area and to organize repressive measures.'

JUSTIFICATION

A number of recent judgments of the Court of Justice — the last being in connection with the 'Como butter' affair — have emphasized the discrepancy that exists between the responsibilities vested in the Commission in regard to control and the collection of own resources on the one hand and the means available to it for the discharge of these responsibilities on the other.

Several proposed regulations, which have now been before the Council for a number of years, would make a substantial contribution to the strengthening of the means at the Commission's disposal.

The Committee on Budgetary Control considers it imperative that the Council be placed under an obligation to take a decision on these proposals by the incorporation of appropriate remarks in the budget.

* * *

Draft amendment No 101
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Statement of revenue

Article 9.5.3: Sums recovered in pursuance of Article 8 of Regulation (EEC) No 729/70

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

Modify the heading of Article 9.5.3 to read as follows:

'Sums recovered which have been lost as a result of irregularities or negligence.'

COMMITMENTS

—

REMARKS

Modify the remarks against Art. 9.5.3 as follows:

'Sums recovered which have been lost as a result of irregularities or negligence in connection with the collection of the Community's own resources are booked to this article.'

JUSTIFICATION

The Committee on Budgetary Control attached special importance to the recovery of revenue lost as a result of irregularities or negligence and to the upholding of the Community's rights. To enable Parliament to keep a check on recovery the sums in question should appear in the budget in their totality.

* * *

Draft amendment No 102
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 2.8.0: Euratom subsidy for operation of the Supply Agency

A) *Expenditure*

Introduce the following new nomenclature and enter the appropriations shown below

Article 2.8.0	Euratom subsidy for operation of the Supply Agency	
Item 2.8.0.0	Staff expenditure	840 000 EUA
Item 2.8.0.1	Administrative expenditure	150 000 EUA
Item 2.8.0.2	Other expenditure	20 000 EUA
Item 2.8.0.9	Provisional appropriation to cover any adjustments to remunerations	40 000 EUA

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Add the following to the remarks:

The staff complement of the Agency is as follows:

A 3	— 2
A 5	— 4
A 6	— 1
B 1	— 2
B 2	— 1
B 3	— 2
B 5	— 1
C 1	— 3
C 2	— 4
C 3	— 2
Total	22

JUSTIFICATION

This change in the nomenclature should permit Parliament to assess more precisely the nature of the activities financed by the subsidy from the budget.

The budget should be a single and comprehensive document. It is therefore necessary that the establishment of the Agency should *also* appear in the remarks.

Before the end of the budgetary procedure the Commission will provide a breakdown of the appropriations in accordance with this new nomenclature.

* * *

Draft amendment No 103
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 2.8.9: European schools

A) *Expenditure*

Subdivide each of the items under this article between

- (a) staff expenditure
- (b) administrative expenditure

and allocate the appropriations accordingly

example:

item 2.8.9.0	Brussels
sub-item 2.8.9.0.0	staff
sub-item 2.8.9.0.1	administrative operation

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

—

JUSTIFICATION

This clearer and more precise presentation of the appropriations against this article will increase budgetary transparency and enable Parliament to form a better assessment of requests for appropriations.

Before the end of the budgetary procedure the Commission will supply a breakdown of the appropriations according to this new nomenclature.

* * *

Draft amendment No 104
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 2.8.9: European schools

A) *Expenditure*

Increase by 10 000 000 EUA the appropriations shown in Chapter 100 against 'Article 2.8.9: European schools' (from 500 000 to 10 500 000 EUA)

B) *Compensation*

Decrease by 10 000 000 EUA the appropriations under Article 2.8.9 'European schools'

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Add the following remarks against Chapter 100 — Article 2.8.9:

'10 000 000 EUA of the subsidy for the European schools will be transferred to the line after adoption of the report to be presented by the Committee on Budgetary Control on the management of the appropriations under this article.'

JUSTIFICATION

In the comments accompanying the discharge in respect of the 1978 financial year Parliament expressed reservations as regards the utilization of the appropriations entered under this article. The Committee on Budgetary Control is at present drawing up a report on the utilization of these appropriations, the control over them and the relevant accounting. Pending consideration of this report, 10 000 000 EUA is frozen in Chapter 100.

* * *

Draft amendment No 105
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 3.0.1: Community measures in the field of vocational training and guidance
European Centre for the Development of Vocational Training

A) *Expenditure*

Create the following new sub-division:

Article 3.0.1: Community measures in the field of vocational training and guidance
European Centre for the Development of Vocational Training

Item 3.0.1.0:	staff	1920 000 EUA
Item 3.0.1.1:	administrative expenditure	363 000 EUA
Item 3.0.1.2:	operational expenditure	1 447 000 EUA
	Total	<u>3 730 000 EUA</u>

Former Item 3.0.1.1 becomes Item 3.0.1.9

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

A more precise and clearer nomenclature should place Parliament in a position to assess the activities of this Centre.

The establishment plan of the Centre is as follows:

	A	15
	LA	6
	B	6
	C	12
	D	—
Local staff		5

JUSTIFICATION

The comments accompanying the discharge given to the Centre in respect of 1975, 1976, 1977 and 1978 emphasize that such a nomenclature is essential for Parliamentary control.

The budget should be a single and comprehensive document. The establishment plan should therefore also be shown in it.

* * *

Draft amendment No 106
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 359: Subsidy towards the operation of the European Foundation for the Improvement of Living and Working Conditions

A) *Expenditure*

Create the following new items with the appropriations shown below:

3.5.9.0:	staff	1 220 000 EUA
3.5.9.1:	administrative expenditure	304 000 EUA
3.5.9.2:	operational expenditure	<u>1 326 000 EUA</u>
	Total	2 850 000 EUA

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Add the following remarks:

'A clearer and more precise presentation of the appropriations earmarked for the Foundation will enable Parliament to assess its activities.'

The establishment plan of this Foundation is as follows:

Grade	A	11
Grade	LA	6
Grade	B	6
Grade	C	10
Grade	D	1
Local staff		7

JUSTIFICATION

In the interests of greater budgetary transparency and having regard to the comments accompanying the decision giving the Foundation a discharge in respect of the 1976, 1977 and 1978 financial years, this presentation is necessary for more effective Parliamentary control.

The establishment plan should also appear in the budget, which must be a single and comprehensive document.

* * *

Draft amendment No 107

tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Title 6 — EAGGF 'Guarantee Section'

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Add the following remarks to Title 6:

'Transfers between and within chapters must be notified in advance to the Committee on Budgetary Control when the sums involved are significant.

The provisions of Article 101 of the Financial Regulation at present being revised should permit more effective control of expenditure in this sector.'

JUSTIFICATION

In the comments accompanying the discharge in respect of 1977 and 1978 Parliament noted that transfers of appropriations between and within chapters appreciably alter the budgetary authorization and are characteristic of the budgetary management of this sector.

The work done by the Committee on Budgetary Control has highlighted the need for strict control by Parliament over the management of these appropriations.

* * *

Draft amendment No 108
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Chapter 9.2: Food aid

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following remarks against Chapter 9.2:

'The Commission will endeavour to accelerate the implementation of food aid, and to make up for the delays accumulated in preceding years as regards the utilization of appropriations and delivery of aid.

It will submit to Parliament a detailed quarterly report on the utilization of the appropriations and on quantities, as well as on the difficulties encountered, to enable Parliament to satisfy itself as to the transparency of budgetary management and the effectiveness of the aid.'

JUSTIFICATION

It is vital for the Community's credibility that aid actually delivered should correspond to the decisions taken in the context of the budgetary procedure.

* * *

Draft amendment No 109
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 9.9.0: EEC subsidy for the operation of the European Association for Cooperation

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following new remarks:

'The appropriations under Article 9.9.0 break down as follows:

Staff expenditure	2 547 800 EUA
Administrative expenditure	400 000 EUA
Provisional appropriations for adjustments to remunerations	152 000 EUA'

JUSTIFICATION

A clearer and more precise nomenclature should permit the European Parliament to assess the activity of the EAC and the delegations.

Before the end of the budgetary procedure the Commission will provide a breakdown of the appropriations in accordance with this nomenclature.

* * *

Draft amendment No 110/rev.
tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 9.9.2: Commission delegations in the ACP countries and OCT

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following new remarks:

'The appropriations under Article 9.9.2 break down as follows:

Staff expenditure	30 000 000 EUA
Administrative expenditure	<u>10 900 000 EUA'</u>
	40 900 000 EUA

JUSTIFICATION

A clearer and more precise nomenclature should permit Parliament to assess the activity of the EAC and the delegations. Before the end of the budgetary procedure the Commission will provide a breakdown of the appropriations in accordance with this nomenclature.

* * *

Draft amendment No 111/rev.

tabled by Mr Aigner on behalf of the Committee on Budgetary Control

Section III — Commission

PAYMENTS

Article 9.9.1: Commission delegations in the southern Mediterranean countries

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Enter the following new remarks:

'The appropriations under Article 9.9.1 break down as follows:

Staff expenditure	1 365 000 EUA
Administrative expenditure	<u>1 480 000 EUA'</u>
	2 845 000 EUA

JUSTIFICATION

A clearer and more precise nomenclature should permit Parliament to assess the activity of the EAC and the delegations. Before the end of the budgetary procedure the Commission will provide a breakdown of the appropriations in accordance with this nomenclature.

* * *

Draft amendment No 112
tabled by Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9201: Programme for the year for cereals other than rice

A) *Expenditure*

Increase the payment appropriation by 32 500 000 EUA (from 103 781 000 to 136 281 000 EUA) and consequently also increase appropriations for the payment of refunds on extra quantities of cereals exported in this way as aid:

Item 6001: Refunds in connection with Community food aid for the current financial year
Increase the payment appropriation by 12 700 000 EUA (from 41 000 000 to 53 700 000 EUA)

B) *Compensation*

Item 6000: Refunds
Reduce the payment appropriation by 21 400 000 EUA (from 1 574 000 000 to 1 552 600 000 EUA)

C) *Revenue*

Increase revenue by 23 800 000 EUA

Schedule

REMARKS

Enter the following remarks:

This appropriation is to cover the supply in 1981 of 955 663 tonnes of cereals other than rice under the 1980 food aid convention, including

- 727 663 tonnes under existing commitments; and
- 228 000 tonnes as an additional commitment by the Community (see EP resolution of 18 September 1980 — OJ No C 265 of 13. 10. 1980)

JUSTIFICATION

This amendment implements the commitments given in the Ferrero resolution adopted by the EP in September 1980. The resolution refers to a situation to be attained in the 1982 financial year. The Commission estimates world food aid requirements in cereals as 12 500 000 tonnes. Parliament has always supported the Commission's view that the Nine should assume responsibility for more than the 16.5% for which a formal commitment was given in the 1980 food aid convention. A 20% share should be achieved in 1982.

Finally, in the Ferrero resolution, Parliament reaffirmed the principle supported by most Member States that the relationship between the share covered by the Community budget and that of the Member States should progress. In Parliament's view a ratio of 65 : 35 should be reached in 1982. Parliament has estimated the implications of the Ferrero resolution for 1982 on this basis. In order to arrive at a realistic figure for 1981, Parliament has taken, for each of the parameters (world needs, EEC share, EEC/Member States coefficient) a half-way point between the figures used for calculation of the appropriations shown in the 1981 budget and those resulting from the Ferrero resolution.

This calculation is as follows:

	1981 prelim. & draft budg.	Implications of Ferrero (1982)	Half-way position
Estimated world need in t	10 000 000	12 500 000	11 250 000
% responsibility of EEC	16.5	16.5 — 20	18
EEC share in t	1 650 000	2 500 000	2 025 000
% share of EEC and Member States	56/44	56/44 — 65	60
Community share in t ¹	927 000	1 625 000	1 215 000
Increase in t over 1981 draft		698 000	288 000 ²
Increase in m EUA over 1981 draft		108 000	40 000

¹ The overall figure includes both wheat and rice (100 000 tonnes of rice are treated as equivalent to 200 000 tonnes of wheat).

² 228 000 tonnes of cereals other than rice and 30 000 tonnes of rice (equivalent to 60 000 tonnes of cereals other than rice expressed in terms of cereals other than rice, this gives 228 000 + 60 000 = 288 000 t.

Draft amendment No 113
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9203: Rice programme for the year

A) *Expenditure*

Increase the payment appropriation by 9 300 000 *EUA* (from 30 880 000 to 40 180 000 *EUA*) and therefore also increase appropriation for the payment of refunds on the extra quantities of rice exported in this way as aid:

Item 6101: Refunds in connection with Community food aid for the current financial year
Increase the payment appropriation by 5 300 000 *EUA* (from 18 000 000 to 23 300 000 *EUA*)

B) *Compensation*

Item 6100: Refunds
Reduce the payment appropriation by 5 300 000 *EUA* (from 34 000 000 to 28 700 000 *EUA*)

C) *Revenue*

Increase revenue by 9 300 000 *EUA*

Schedule

REMARKS

Enter the following remarks:

This item is to cover the supply in 1981 of 130 000 tonnes of rice under the 1980 food aid convention:

- 100 000 tonnes under existing undertakings, and
- 30 000 tonnes as an additional commitment by the Community (see EP resolution, 18. 9. 1980 OJ No C 265 of 13. 10. 1980).

JUSTIFICATION

On the basis of the report on world hunger (resolution of 18. 9. 1980) the Committee on Development and Cooperation is asking for Community aid in cereals to be increased by 288 000 tonnes as follows:

- 228 000 tonnes of cereals other than rice, and
- 30 000 tonnes of rice, equivalent to 60 000 tonnes of cereals other than rice (see amendment to Item 9201).

* * *

Draft amendment No 114
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 920: Food aid in cereals
Create the following new item:

Item 9204: Community contribution to the emergency world reserve
(*new*)

A) *Expenditure*

Enter a payment appropriation of 14 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 14 000 000 EUA

Schedule

—

REMARKS

Enter the following remarks:

This appropriation is to finance the Community contribution to the constitution of a world emergency reserve. It represents a contribution of 20% or 100 000 tonnes of cereals to a world reserve of 500 000 tonnes (see EP Resolution of 18 September 1980 — OJ No C 265 of 13.10. 1980).

JUSTIFICATION

In its resolution of 18 September 1980, the European Parliament asks for the Commission, in the context of the North-South Dialogue, to make concrete offers for a suitable contribution to the emergency food reserve at the same time endorsing the proposal of the FAO and WFC to guarantee this reserve through an international convention (paragraph 42).

* * *

Draft amendment No 115
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9213: Butter oil programme for the year

A) *Expenditure*

Increase the payment appropriation by 15 070 000 EUA (from 67 840 000 to 82 910 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget) and consequently also increase the appropriation for the payment of refunds on the extra butter oil quantities thus exported as aid:

Item 6202: Refunds on butter oil supplied under the food aid programme for the current financial year

Increase the payment appropriation by 25 316 000 EUA (from 115 000 000 to 140 316 000 EUA)

B) *Compensation*

Item 6200: Refunds

Reduce the payment appropriation by 23 700 000 EUA (from 2 375 000 000 to 2 351 000 000 EUA)

C) *Revenue*

Increase revenue by 16 586 000 EUA

Schedule

—

REMARKS

Reinstate the following remarks:

This appropriation is to cover the supply in 1981 of 55 000 tonnes of butter oil to developing countries, particularly the countries in most need.

JUSTIFICATION

The Committee on Development and Cooperation requests the reinstatement of the quantities of butter oil proposed by the Commission; these represent a minimum food aid contribution from the Community (see EP resolution of 18 September 1980 on world hunger).

* * *

Draft amendment No 116
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Title 9: Cooperation with developing countries and non-member states

Create the following chapter:

Chapter 9.0: European Development Fund: cooperation with the ACP States

Create the following articles:

Articles 9.0.0: Subsidies

9.0.1: Special loans

9.0.2: Risk capital

9.0.3: Transfers for the stabilization of export revenue

Create the following chapter:

Chapter 9.1: European Development Fund: cooperation with the OCT associated with the Community

Create the following articles:

Articles 9.1.0: Subsidies

9.1.1: Special loans

9.1.2: Risk capital

9.1.3: Transfers for the stabilization of export revenue

A) *Expenditure*

Make token entries against these articles

B) *Compensation*

—

C) *Revenue*

—

Schedule

—

REMARKS

Enter the following remarks:

Chapter 90 and Chapter 91: These lines will receive the EDF appropriations as soon as the EDF is budgetized.

JUSTIFICATION

The European Parliament has on many occasions come out in favour of the budgetization of the 5th EDF in implementation of Article 199 of the EEC Treaty.

Moreover, the Commission had set aside these two chapters in its preliminary draft for the budgetization of the EDF, in accordance with the undertakings it had given to the European Parliament.

Consequently, the necessary budget lines should be reinstated in the 1981 budget. The token entries will have to be replaced by actual appropriations as soon as the 5th EDF is budgetized. The size of the appropriations will be determined in accordance with the usual budgetary procedure.

* * *

Draft amendment No 117
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 930: Financial and technical cooperation with non-associated developing countries

A) *Expenditure*

Increase the payment appropriation by 42 000 000 EUA (from 23 000 000 to 65 000 000 EUA) (reinstatement of appropriation shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 100 000 000 EUA (from 100 000 000 to 200 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

Schedule

Enter the following schedule:

The appropriation for commitment authorized for 1981 amounts to 200 000 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	126 037 865	7 000 000	25 000 000	40 000 000	54 037 865
Appropriation outstanding from 1979	59 840 904	10 000 000	10 000 000	20 000 000	19 840 904
Appropriation for 1980	138 500 000	5 000 000	20 000 000	40 000 000	73 500 000
Appropriation for 1981	200 000 000		10 000 000	70 000 000	120 000 000
Total	524 378 769	22 000 000	65 000 000	170 000 000	267 378 769

¹ See Article 1(3) of the Financial Regulation of 21. 12. 1977

REMARKS

Add before 'this appropriation will be used...'

EP resolution of 21 April 1977 (OJC 118 of 16. 5. 1977) on the regulation on financial and technical aid to the non-associated developing countries

JUSTIFICATION

Financial and technical cooperation with the non-associated developing countries resulted from an initiative of the EP which has always stressed the need for the EEC to implement, in parallel with its policy of cooperation with the associated countries, a development aid policy in favour of non-associated third countries, especially the least privileged countries of Latin America and Asia.

By proposing a payment appropriation of 65 m EUA and a commitment appropriation of 200 m EUA, the Committee on Development and Cooperation is merely reinstating the schedule of appropriations initially provided by the Commission and EP whose application has been seriously delayed by the Council's budgetary decisions.

The Commission must respect the wish of the EP for this policy to be put into effect by taking all possible action for the 65 m EUA to be used in full. If necessary the Commission must assume responsibility for transferring to the department which administers this policy, some of the staff assigned to other tasks in order to ensure that the budget can be implemented. Moreover, aid must be concentrated on projects designed for rapid implementation.

Finally, the Committee on Development stresses the urgent need for agreement to be reached as part of the current conciliation procedure between the EP and Council so that the regulation on financial and technical aid to the non-associated developing countries can at long last take effect.

* * *

Draft amendment No 118
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9261: Quality control of products supplied as food aid

A) *Expenditure*

Increase the payment appropriation by 500 000 EUA (from 500 000 to 1 000 000 EUA) (reinstatement of appropriation shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

Both the EP and the Court of Auditors have stressed the need for quality control of products supplied as food aid.

* * *

Draft amendment No 119
 tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9241: Programmes and operations for the financial year

A) *Expenditure*

Increase the payment appropriation by 10740000 EUA (from 56 260 000 to 67 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The increase in the volume of food aid requested by the Committee on Development and Cooperation will automatically result in higher transport costs.

* * *

Draft amendment No 120
 tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 923: Food aid (other commodities)

A) *Expenditure*

Enter a payment appropriation of 8900000 EUA (reinstatement of appropriation in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The Committee on Development is asking for reinstatement of the appropriation proposed by the Commission on the basis of the resolution adopted by the EP on 18 September 1980 (report on world hunger).

* * *

Draft amendment No 121
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9221: Programme for the year

A) *Expenditure*

Increase the payment appropriation by 1 265 000 EUA (from 1 973 000 to 3 238 000 EUA) and accordingly also increase provision for payment refunds on extra quantities of sugar supplied in this way as food aid

Item 6401: Refunds in connection with Community food aid for the current financial year
Increase the payment appropriation by 349 000 EUA (from 1 000 000 to 1 349 000 EUA)

B) *Compensation*

Item 6400: Refunds on sugar and isoglucose
Reduce the p. a. by 349 000 EUA (from 402 000 000 to 401 651 000 EUA)

C) *Revenue*

Increase revenue by 1 265 000 EUA

Schedule

—

REMARKS

Reinstate the following remarks:

This item is to cover the supply in 1981 of 6 086 tonnes to UNRWA under the agreement between the EEC and the Agency and of 3 914 tonnes to developing countries.

JUSTIFICATION

On the basis of the resolution adopted by the EP on 18 September 1980 on world hunger, the Committee on Development is requesting reinstatement of the 3 847 tonnes of sugar intended for the developing countries as proposed by the Commission.

* * *

Draft amendment No 122
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 945: Community contribution towards schemes concerning developing countries carried out by non-governmental organizations (NGOs)

A) *Expenditure*

Increase the payment appropriation by 7 250 000 EUA (from 10 750 000 to 18 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the c. a. by 6 000 000 EUA (from 14 000 000 to 20 000 000 EUA) (reinstatement of appropriation shown in preliminary draft budget)

Schedule

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	10 400 000	6 900 000	3 500 000		
Appropriation outstanding from 1979	100 000	100 000			
Appropriation for 1980	14 000 000	3 750 000	6 000 000	4 250 000	
Appropriation for 1981	20 000 000		6 500 000	10 000 000	3 500 000
Total	44 500 000	10 750 000	16 000 000	14 250 000	3 500 000

REMARKS

—

JUSTIFICATION

The EP has always stressed the importance which it attached, particularly for reasons of efficiency, to this type of development aid (see resolution of 18 September 1980 on world hunger).

Rather than falling in with the Council which has reinstated the same appropriation as in 1980, the Committee on Development is requesting reinstatement of the appropriations shown in the preliminary draft budget which are the absolute minimum for the continuation of this policy.

* * *

Draft amendment No 123
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9410: Scholarships

A) *Expenditure*

Increase the payment appropriation by 1 112 000 EUA (from 888 000 to 2 000 000 EUA) (reinstatement of appropriation shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

Schedule

—

REMARKS

Amend the remarks as follows:

Council resolution of...

Scholarships granted to nationals of non-associated developing countries to enable them to take part, wherever possible in their own country, in advanced vocational training courses...

JUSTIFICATION

Recognizing the importance of training for the process of development, the Committee on Development and Cooperation is asking for reinstatement of the appropriation proposed by the Commission.

* * *

Draft amendment No 124
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 940: Cooperation with the developing countries on energy (reinstatement of article shown
(*new*) in p. d. b.)

A) *Expenditure*

Create a new Article 940 'Cooperation with the developing countries on energy' and enter a payment appropriation of 5 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 20 000 000 EUA

Schedule

Enter the following schedule of payments:

The commitment appropriation authorized for 1981 is 20 000 000 EUA.

The likely schedule of payments against commitment is as follows:

(in EUA)

Commitments	Payments		
	1981	1982	1983 and subs. years
1981 appropriations 20 000 000	5 000 000	7 000 000	8 000 000

REMARKS

Before 'the commitment appropriation authorizes...' add:

— EP resolution of 10 May 1979.— OJ No C 140 of 5. 6. 1979.

JUSTIFICATION

In its resolution of 10 May 1979, the EP considered it essential for the EEC to establish a policy for cooperation with the developing countries in the energy sector (paragraph 3). Pursuant to that resolution, the Committee on Development is asking for the payment and commitment appropriations intended for that policy to be increased to 20 and 50 m EUA respectively. In the same spirit and pursuant to paragraph 13 of the resolution it stresses once again the urgent need for more detailed and more imaginative proposals on this matter from the Commission.

* * *

Draft amendment No 125
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 931: Promotion of trade and industry between the Community and non-associated developing countries

A) *Expenditure*

Increase the payment appropriation by 5 150 000 EUA (from 3 500 000 to 8 650 000 EUA) (reinstatement of appropriation shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

Enter the following schedule:

The appropriation for commitment authorized for 1981 amounts to 8 650 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

¹ See Article 1(3) of Financial Regulation of 21 December 1977.

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	2 360 000	2 360 000			
Appropriation outstanding from 1979	290 000	290 000			
Appropriation for 1980	6 250 000	1 600 000	3 000 000	1 650 000	
Appropriation for 1981	8 650 000		5 650 000	2 500 000	500 000
Total	17 550 000	4 250 000	8 650 000	4 150 000	500 000

JUSTIFICATION

The Committee on Development and Cooperation and the EP have always stressed the importance for the non-associated developing countries (especially the poorest among them) to be able to broaden and strengthen their trade links with the EC. Having regard to the success of the previous measures by the EC in this area, the Committee is therefore requesting the reinstatement of the appropriations proposed by the Commission. Moreover, at a time when the tendency towards protectionism is on the increase, it would be most inopportune for the Community to enter lower appropriations in 1981 than in 1980.

* * *

Draft amendment No 126
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9461: Advisory group on the formulation of Community cooperation policy (reinstatement of item shown in p. d. b.)

A) Expenditure

Create a new Item 9461 'Advisory group on the formulation of Community cooperation policy'
Enter a payment appropriation of 100 000 EUA

B) Compensation

C) Revenue

Increase revenue by same amount

Schedule

REMARKS

Reinstate the following remarks:

This appropriation will be used to cover the expenses resulting from the operation of the high level advisory group of experts set up to assist the Commission in formulating its development policy.

JUSTIFICATION

In a number of resolutions on Community development policy, most recently the resolution on world hunger, the EP asked the Commission to carry out various studies and surveys of the development of this policy. The appropriation of 100 000 EUA is to finance these studies.

* * *

Draft amendment No 127
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 947: Community participation in the international fund for agricultural development (IFAD)

A) *Expenditure*

Enter a p. a. of 13 500 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

Enter a c. a. of 40 500 000 EUA

Schedule

Enter the following payment schedule:

The commitment appropriation authorized for 1981 amounts to 40 500 000 EUA.

The likely schedule of payments against commitments is as follows:

<i>Commitments</i>	<i>Payments</i>		
	<i>1981</i>	<i>1982</i>	<i>1983</i>
1981 appropriation 40 500 000	13 500 000	13 500 000	13 500 000

(in EUA)

REMARKS

Enter the following remarks:

EP resolution of 18 September 1980, paragraph 14 (OJ No C 265 of 13. 10. 1980).

As part of measures to reconstitute IFAD funds to which the Community must participate an endowment of 1.5 thousand million dollars is proposed for the period 1981–1983 (including 150 million dollars brought forward from the previous period).

On the basis of 21% participation by the nine Member States, their annual contribution would be 94.5 million dollars. A Community contribution of 20% of this amount is 13.5 m EUA.

JUSTIFICATION

The resolution on world hunger adopted on 18 September 1980 by the EP made express provision for participation by the Community to reconstitution of the IFAD funds.

* * *

Draft amendment No 128
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 991: Commission delegations to the southern Mediterranean countries

A) *Expenditure*

Increase the payment appropriation by 845 000 EUA (from 2 000 000 to 2 845 000 EUA) (reinstatement of appropriation shown in p. d. b.)

B) *Compensation*

Delete the payment appropriation of 800 000 EUA entered in Chapter 100 — Article 991

C) *Revenue*

Increase revenue by 45 000 EUA

Schedule

—

REMARKS

Delete the following sentence:

An appropriation of 800 000 EUA is entered in Chapter 100.

JUSTIFICATION

Since the proper operation of the Commission delegations to developing countries is a condition for the success of the EC development aid policy, the appropriations proposed by the Commission must be reinstated.

* * *

Draft amendment No 129
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 992: Commission delegations in the ACP countries and OCT

A) *Expenditure*

Increase the payment appropriation by 6 400 000 EUA (from 34 500 000 to 40 900 000 EUA) (reinstatement of appropriation shown in p. d. b.)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The second Lomé Convention stipulates, in accordance with a request made by the ACP countries and by the EP, that the operating expenditure of the delegation will no longer be imputed to the EDF but to the Community budget.

These delegations are an essential factor in cooperation between the ACP countries and the Community. At a time when the opening of new delegations (following the accession of new countries to the Convention) or branches in ACP countries without a delegation is becoming necessary, the Commission must have the appropriations necessary for operation of these delegations.

* * *

Draft amendment No 130
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 967: Cooperation with Arab countries at regional level

A) *Expenditure*

Enter a p. a. of 1000000 EUA (reinstatement of appropriation shown in p. d. b.)

B) *Compensation*

Delete the p. a. of 500000 EUA shown in Chapter 100 (Article 967)

C) *Revenue*

Increase revenue by 500000 EUA

Schedule

—

REMARKS

unchanged

JUSTIFICATION

In stressing the importance of the Euro-Arab dialogue from the political angle, the Committee on Development and Cooperation considers that the appropriation proposed by the Commission should be reinstated.

* * *

Draft amendment No 131
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 971: International agreement on natural rubber (reinstatement of article shown in p. d. b.)
(new)

A) *Expenditure*

Enter a payment appropriation as a 'p. m.'

B) *Compensation*

—

C) *Revenue*

—

Schedule

—

REMARKS

Reinstate the following remarks:

This appropriation is to cover the Community's share in building up and managing the buffer stock under the international agreement on natural rubber.

JUSTIFICATION

The Committee on Development and Cooperation has always asked for the Community to play an active part in the conclusion of international agreements on primary commodities. It is therefore asking for reinstatement of the budget line under the heading 'International agreement on natural rubber'.

* * *

Draft amendment No 132
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Chapter 97: Cooperation in the field of commodities
(new)

Article 970: Common fund (reinstatement of the chapter and article shown in the p. d. b.)
(new)

Item 9701: Second section: financing of measures for structural improvement of the world market
(new)

A) *Expenditure*

Enter a payment appropriation as a p. m.

B) *Compensation*

—

C) *Revenue*

—

Schedule

—

REMARKS

Enter the following remark:

EP resolution of 26. 4. 1979 (OJ No C 127 of 21. 5. 1979).

This entry constitutes the necessary preliminary for the possible inclusion in the budget of the Community's contribution to the common fund for commodities.

JUSTIFICATION

With a view to the inclusion in the budget of the Member States' shares in the second section, the Committee on Development proposes the inclusion of a budget line with a token entry.

* * *

Draft amendment No 133
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Chapter 97: Cooperation in the field of commodities
(*new*)

Article 970: Common fund (reinstatement of the chapter and article shown in the p. d. b.)
(*new*)

Item 9700: First section: financing of buffer stocks
(*new*)

A) *Expenditure*

Enter a payment appropriation as a p. m.

B) *Compensation*

—

C) *Revenue*

—

Schedule

—

REMARKS

Enter the following remarks:

EP resolution of 26. 4. 1979 (OJ No C 127 of 21. 5. 1979).

This entry constitutes the necessary preliminary for the possible inclusion in the budget of the Community's contribution to the first section of the common fund for commodities.

JUSTIFICATION

In its resolution of 26. 4. 1979, the EP hoped that the Member States would make a positive contribution to the financing of the two sections of the common fund and that the Member States shares in the financing of this fund would be covered by the Community budget.

* * *

Draft amendment No 134
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 948: Evaluation of the results of Community aid

A) *Expenditure*

Increase the payment appropriation by 100 000 EUA (from 550 000 to 650 000 EUA) (reinstatement of appropriations shown in p. d. b.)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The European Parliament has repeatedly asked, particularly in the context of the budgetary procedure, for the Commission to determine the precise impact of Community financing on the development of beneficiary countries in order to assess the scale of existing short comings in the system. As regards food aid, the European Parliament has recently asked the Commission (see paragraph 37 of resolution of 18 September 1980 on world hunger) for a detailed document on food aid between 1974 and the present. The intention is to give the Commission the resources necessary to pursue a control policy.

* * *

Draft amendment No 135/rev.
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Article 950: Aid to disaster victims in developing and other non-member countries

A) *Expenditure*

Increase payment appropriation by 57 000 000 EUA (from 3 000 000 to 60 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

More than 40 000 000 EUA were already allocated to this chapter in 1980. The 3 m EUA which the Council has entered in the draft budget are therefore ridiculously low. A figure of 60 m EUA should be entered to enable the EC to react immediately and effectively to disasters. The Committee is convinced that the procedure of transfers of appropriations used up to now to respond to situations as they arise is a bad policy and contrary to orthodox budgetary management.

* * *

Draft amendment No 136
tabled by the Committee on Regional Policy and Regional Planning

Section III — Commission

PAYMENTS

Article 5.5.0: Community action in support of national regional policies

A) *Expenditure*

Increase payment appropriations by 260 000 000 EUA (from 490 000 000 to 750 000 000 EUA) (reinstatement of the appropriations shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriations by 190 000 000 EUA (from 1 330 000 000 to 1 520 000 000 EUA) (reinstatement of the appropriations shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 1 520 000 000 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	832 000 000	171 000 000	304 000 000	191 000 000	166 000 000	—
Appropriation outstanding from 1979	3 000 000	1 000 000	1 000 000	1 000 000	—	—
Appropriation for 1980	1 106 750 000	220 375 000	332 525 000	332 500 000	110 675 000	110 675 000
Appropriation for 1981	1 520 000 000	—	112 475 000	951 525 000	152 000 000	304 000 000
Total	3 461 750 000	392 375 000	750 000 000	1 476 025 000	428 675 000	414 675 000

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977

REMARKS

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JUSTIFICATION

1. *Considerable regional imbalances* within the Community form a major obstacle to the smooth and continuous operation of the European Monetary System and to further integration.

Thus the Council of Ministers states that 'whereas an effective policy on regional structures is an *essential prerequisite* to the realization of economic and monetary union' the *aim* of the European Regional Development Fund is 'to contribute to the correction of the main regional imbalances within the Community which are likely to *prejudice the attainment of economic and monetary union*' (Regulation establishing a European Regional Development Fund, Article 6 (1)).

2. However, in comparison with the aim of the Regional Fund the appropriations allocated to it have been extremely *modest*; added to this have been *new factors* which aggravate the problems:

— the continuing economic recession in the EEC has, as shown by experience, hit the weak peripheral areas of the Community particularly badly and this has led to an aggravation of regional disparities. The present economic crisis should therefore be a special reason for increasing regional policy efforts.

— The financial efforts made so far in the regional policy sector at both national and Community level have not sufficed to prevent the EEC drifting apart. This cumulative process of increasing regional imbalances could, in conjunction with low rates of GNP growth in future lead to serious social and political tensions in some Member States.

— The envisaged enlargement of the EEC will increase the gap between poor and rich regions from 6 : 1 to 12 : 1.

3. The Commission calculates the volume of the Fund for 1981 on the basis of a price increase of 9.6%. It is likely that the inflation rate in the three most important beneficiaries of the ERDF (Italy, United Kingdom and France, accounting together for 83%) will be above the Community average.

The inflation rate for the EEC of the Nine for 1980 weighted according to the ERDF quotas is 16.8%. There is no reason for expecting a considerable reduction in this weighted inflation rate for 1981.

The consequences of this are as follows:

— *The Council's draft* (1 330 m EUA CA, 490 m EUA PA) *represents in respect of the EEC of the Nine a reduction in real terms of the quota section of 12.9%*.

— The Commission's preliminary draft represents for the nine present Member States simply the maintenance of the status quo for 1980, i. e. the increase in the Fund is absorbed by the devaluation to be expected in 1981.

4. The Committee on Regional Policy and Regional Planning is unable to accept the proposed reduction of PA from 750 to 490 m EUA in the Council's draft.

In 1979 the money outflow was already 513 m EUA. For 1980 the Commission puts this outflow at 715 m EUA.

The reduction proposed by the Council in PA means in fact a loss of a whole year for the ERDF through the delay in money outflow.

5. The Committee on Regional Policy and Regional Planning therefore rejects the Council's reductions in the Regional Fund (Chapter 55) to 1 330 m CA and 490 m PA and demands the reinstatement of the Commission's estimate in the amount of 1 520 m EUA CA and 750 m EUA PA.

This expenditure is to be seen as an absolute minimum.

Should the PA prove in the course of the financial year 1981 to be inadequate the shortfall will have to be made up in the context of a supplementary budget.

* * *

Draft amendment No 137
tabled by the Committee on Regional Policy and Regional Planning

Section III — Commission

PAYMENTS

Article 5.6.0: Specific Community measures

A) *Expenditure*

Increase payment appropriations by 10 000 000 EUA (from 70 000 000 to 80 000 000 EUA) (reinstatement of the appropriations shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase commitment appropriations by 10 000 000 EUA (from 70 000 000 to 80 000 000 EUA) (reinstatement of the appropriations shown in the preliminary draft budget)

Schedule

Amend the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 80 000 000 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(m EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—	—
Appropriation outstanding from 1979	45 000 000	10 625 000	5 000 000	10 000 000	10 000 000	9 375 000
Appropriation for 1980	58 250 000	—	15 000 000	15 000 000	15 000 000	13 250 000
Appropriation for 1981	80 000 000	—	—	20 000 000	20 000 000	40 000 000
Total	183 250 000	10 625 000	20 000 000	45 000 000	45 000 000	62 625 000

REMARKS

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JUSTIFICATION

On the basis of the Regulation establishing the Regional Fund the commitment appropriations for the non-quota section must amount to 5% of the total of all commitment appropriations for the Regional Fund in the financial year 1981. (Reference is therefore made to the justification in the draft amendment to Article 550.)

For the financial year 1981 the Committee on Regional Policy and Regional Planning demands the reinstatement of the amounts entered in the preliminary draft budget, i. e. 80 m EUA CA and 20 m EUA PA (on the basis of a total fund volume of 1 520 m EUA CA and 750 m EUA PA).

This expenditure is to be seen as an absolute minimum.

Should the payment appropriations prove in the course of the financial year 1981 to be inadequate the shortfall will have to be made up in the context of a supplementary budget.

* * *

Draft amendment No 138

tabled by the Committee on Regional Policy and Regional Planning

Section III — Commission

PAYMENTS

Item 5.6.1.0! Preparatory studies for integrated actions

A) *Expenditure*

Reinstatement of the Commission's proposal 'p. m.'

B) *Compensation*

—

¹ See Article 1 (3) of the financial Regulation of 21 December 1977.

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

These funds are to enable the Commission to finance specific actions in the framework of integrated operations together with the national or local authorities in those cases where these actions cannot be covered by the existing financial instruments of the Community.

Integrated actions have so far been planned for Naples and Belfast.

The Committee on Regional Policy and Regional Planning is aware that the coordination of integrated policy involves substantial increased costs. On the other hand these projects provide a considerable stimulus for the socio-economic development of the beneficiary regions.

The Committee on Regional Policy and Regional Planning asks that Article 561 should be endowed with the means of meeting the *extra* cost of coordinating local, regional, national and Community financial instruments. For 1981 it is content for the time being with the reinstatement of the 'p. m.' entry deleted by the Council.

* * *

Draft amendment No 139
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Establishment plan

Increase the staff of DG VIII by creating the posts needed to regularize the situation of ECA experts assigned to this DG

7 A/4 — 8 A/5 — 5 A/5 — 4 A/7

1 B — 1 C/2 — 2 C/3 — 2 C/4 and 2 C/5

A) *Expenditure*

Increase the payment appropriation by 720 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 600 000 EUA¹

¹ + 120 000 EUA in tax on remuneration.

JUSTIFICATION

Through this amendment the Committee on Development and Cooperation is asking for the situation of the 32 ECA staff assigned to DG VIII and whose presence is essential to be regularized at long last by the creation of posts in the 1981 establishment plan. The level of these posts corresponds to the present grades of the staff concerned.

The Committee on Development and Cooperation would also like the Commission to respect at long last the commitments given by it when the Sandri report was adopted and also the undertakings as regards the statute of staff of the future European Cooperation Agency.

* * *

Draft amendment No 140
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Establishment plan

Increase the establishment plan of DG VIII by the creation of 26 permanent posts assigned to this DG:

5 A — 10 B — 11 C

A) *Expenditure*

Increase the p. a. by 439 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 386 000 EUA¹

JUSTIFICATION

For several years the European Parliament has been criticizing the inadequacy of the staff of DG VIII in view of the increased tasks resulting from the strengthening of development policies. The situation is particularly serious in the sectors responsible for food aid and cooperation with the non-associated developing countries. The Committee is therefore requesting the creation of 26 extra posts in these two sectors.

* * *

Draft amendment No 141
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9651: Financial cooperation with Morocco

A) *Expenditure*

Increase the payment appropriation by 2 200 000 EUA (from 12 800 000 to 15 000 000 EUA) (reinstatement of appropriations shown in p. d. b.)

¹ + 53 000 EUA in tax on remunerations.

B) *Compensation*

—

C) *Revenue**Increase revenue by same amount**Schedule*

—

REMARKS

unchanged

JUSTIFICATION

The EEC-Maghreb cooperation agreements are entering on an active phase and it is important for the Community to have the payment appropriations needed to meet its commitments. Failing this the Community could lose credibility in its relations with the associated developing countries.

* * *

Draft amendment No 142
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9650: Financial cooperation with Algeria

A) *Expenditure*

Increase the p. a. by 1 500 000 EUA (from 8 500 000 to 10 000 000 EUA) (reinstatement of appropriations shown in p. d. b.)

B) *Compensation*

—

C) *Revenue**Increase revenue by same amount**Schedule*

Amend the schedule as follows:

The appropriation for commitment authorized for 1981 amounts to 22 500 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment						
Appropriation outstanding from 1979	14 100 000	10 700 000 ¹	1 700 000	1 700 000		
Appropriation for 1980	7 000 000	6 400 000	300 000	300 000		
Appropriation for 1981	22 500 000		8 000 000	10 000 000	4 500 000	
Total	43 600 000	17 100 000¹	10 000 000	12 000 000	4 500 000	

¹ Including 7 100 000 EUA carried over from 1979

REMARKS

unchanged

JUSTIFICATION

The EEC-Maghreb cooperation agreements are entering on an active phase and the Community must have the payment appropriations needed to meet its commitments. Failing this the Community would lose credibility in its relations with the associated developing countries.

* * *

Draft amendment No 143
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9652: Financial cooperation with Tunisia

A) *Expenditure*

Increase the p. a. by 1 400 000 EUA (from 7 600 000 to 9 000 000 EUA) (reinstatement of appropriations shown in p.d.b.)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The EEC-Maghreb cooperation agreements are entering on an active phase and the Community must have the payment appropriations needed to meet its commitments. Failing this the Community would lose credibility in its relations with the associated developing countries.

* * *

Draft amendment No 144
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9660: Financial cooperation with Egypt

A) *Expenditure*

Increase the p. a. by 2 200 000 EUA (from 12 800 000 to 15 000 000 EUA) (reinstatement of appropriations shown in p.d.b.)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The EEC-Mashreb cooperation agreements are entering on an active phase and the Community must have the payment appropriations needed to meet its commitments. Failing this the Community would lose credibility in its relations with the associated developing countries.

* * *

Draft amendment No 145
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9661: Financial cooperation with Jordan

A) *Expenditure*

Increase the p. a. by 600 000 EUA (from 3 400 000 to 4 000 000 EUA) (reinstatement of appropriations shown in p.d.b.)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The EEC-Mashreg cooperation agreements are entering on an active phase and the Community must have the payment appropriations needed to meet its commitments. Failing this the Community would lose credibility in its relations with the associated developing countries.

* * *

Draft amendment No 146
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9662: Financial cooperation with Lebanon

A) *Expenditure*

Increase the p. a. by 200 000 EUA (from 1 300 000 EUA to 1 500 000 EUA) (reinstatement of appropriations shown in p.d.b.)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The EEC-Mashreq cooperation agreements are entering on an active phase and the Community must have the payment appropriations needed to meet its commitments. Failing this the Community would lose credibility in its relations with the associated developing countries.

* * *

Draft amendment No 147
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Item 9663: Financial cooperation with Syria

A) *Expenditure*

Increase the p. a. by 1 000 000 EUA (from 5 500 000 to 6 500 000 EUA) (reinstatement of appropriations shown in p. d. b.)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The EEC-Mashreq cooperation agreements are entering on an active phase and the Community must have the payment appropriations needed to meet its commitments. Failing this the Community would lose credibility in its relations with the associated developing countries.

* * *

Draft amendment No 148/rev.
tabled by the Committee on External Economic Relations

Section III — Commission

PAYMENTS

Establishment plan

Increase in the staff of DG I as follows:

- 27 posts (9 A, 9 B, 9 C) for the anti-dumping sector
- 12 posts (3 A, 6 B, 3 C) for the implementation of other commitments entered into by the Community as part of GATT

A) *Expenditure*

Increase payment appropriations by 601 512 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount¹

JUSTIFICATION

As a result of the conclusions drawn by the Council from the outcome of the multilateral trade talks (Tokyo Round), the Community has taken on a large number of commitments as part of GATT, concerning areas of activity in which this organization has not hitherto played a part. These commitments are related in particular to seven codes concerning non-tariff measures (including the new anti-dumping code) and two agricultural arrangements. Most of these commitments ran from 1 January 1980 or 1 July 1980: one of them is due to start on 1 January 1981.

In view of this the Commission, acting on behalf of the Community, will have far more to do in the sphere of trade policy and management policy than before. Its present establishment is *absolutely* inadequate to fulfil these tasks with the proper efficiency.

The Community's main trading partners (the US, Canada and Japan) have already expanded their services responsible for implementing the outcome of the multilateral trade talks and are making extra money available for the execution of these new tasks.

* * *

¹ Allowing for stoppages from salaries.

Draft amendment No 149
tabled by the Committee on Regional Policy and Regional Planning

Section III — Commission

PAYMENTS

Item 5.6.1.1: Community measures in the framework of integrated operations

A) *Expenditure*

Reinstatement of the Commission's proposed 'p. m.' entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

These funds are to enable the Commission to finance specific actions in the framework of integrated operations together with the national or local authorities in those cases where these actions cannot be covered by the existing financial instruments of the Community.

Integrated actions have so far been planned for Naples and Belfast.

The Committee on Regional Policy and Regional Planning is aware that the coordination of integrated policy involves substantial increased costs. On the other hand these projects provide a considerable stimulus for the socio-economic development of the beneficiary regions.

The Committee on Regional Policy and Regional Planning asks that Article 561 should be endowed with the means of meeting the *extra* cost of coordinating local, regional, national and Community financial instruments. For 1981 it is content for the time being with the reinstatement of the 'p. m.' entry deleted by the Council.

* * *

Draft amendment No 150

tabled by Mr de Keersmaecker, Mr Caillavet, Mr Delatte, Mr Costanzo, Mr Barbagli, Mr Bocklet, Mr Früh, Mr Helms, Mr Tolman, Mr Dalsass, Mr Mertens, Mr Clinton, Mr McCartin, Mr Nielsen, Mr Colleselli, Mr Diana on behalf of the Committee of Agriculture

Statement of revenue

Title 1: Own resources

Chapter 1.1: Levies and other duties provided for under the common organization of the markets in sugar and isoglucose (Article 2 (a)) of the Council Decision of 21 April 1980

Article 1.1.3: Levy on oils and fats of vegetable and maritime origin and intended for consumption
(*New*)

A) *Expenditure*

Modify the heading of Chapter 1.1 as follows:

'Levies and other duties provided for under the common organization of the markets in certain sectors'
Create a new Article 1.1.3: 'Levy on oils and fats of vegetable and maritime origin and intended for consumption'

Make a token entry

B) *Compensation*

—

C) *Revenue*

—

Schedule

—

REMARKS

The Council is urged to adopt the necessary regulation for the collection of this revenue.
The revenue from this levy is estimated at 365 m ECU.

JUSTIFICATION

The current limits on Community financing are bringing the Community close to the exhaustion of its budgetary resources. This situation is due, *inter alia*, to the very steep increase in expenditure on the animal and vegetable fats and oils produced in the Community as a result, in particular, of the growing competition from imported oils and fats *vis-à-vis* butter and vegetable oils from the Community. A co-responsibility levy is imposed on milk producers (2% of the guide price) and the Council has decided to intensify this co-responsibility levy if milk supplies in 1981 exceed 1979 supplies by 1.5%. In these circumstances it would be logical that in return for the sacrifices required of milk producers oils and fats of vegetable and marine origin imported into the Community on a privileged basis should also be subject to a co-responsibility levy scheme. For this reason, it would be advisable to take on board the Commission's proposal of 11 October 1976 for the introduction of a tax — with effects equivalent to those of the milk co-responsibility levy on butterfat — on oils and fats of vegetable and marine origin produced and imported into the Community and destined for human consumption.

If the effect of the milk levy on butterfat is calculated using the same ratio between the 'fat' element and 'protein' element of milk (55/45) which forms the basis for the guide price for milk, the budgetary revenue resulting from the levy on milk would correspond to a levy of 94 ECU/t on butterfat produced within the Community.

If the same levy were applied to oils and fats of vegetable and marine origin destined for human consumption (with the exception of olive oil), the revenue would amount to 365 m ECU (3.9 tonnes x ECU/t). This levy should be applied to all oils and fats of vegetable and marine origin at the crushing stage and to imported oils and fats. It would be refunded for exports and in the case of internal utilization for purposes other than human consumption.

Such a levy on internal consumption would not contravene GATT rules.

* * *

Draft amendment No 151
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 3.1.1: Application and supervision of Council directives in veterinary matters

A) *Expenditure*

Increase payment appropriation by 275 000 EUA (from 125 000 to 400 000 EUA)

B) *Compensation*

—

C) *Revenue**Increase* revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The recent scandal concerning the use of hormones in veal has demonstrated how important veterinary controls are for the application of the relevant rules.

Such controls are important both from the point of view of monitoring the quality of Community meat (which is beneficial to breeders) and from the point of view of protecting consumers.

The purpose of this amendment is therefore to strengthen Community action in this field.

* * *

Draft amendment No 152

tabled by Mr Früh, Mr Gautier, Mr Brøndlund Nielsen and Mr Wettig on behalf on the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 3.1.6: Community action relating to the vocational training of farmers

A) *Expenditure*

Increase the payment appropriation by 55 000 EUA (from 160 000 EUA to 215 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue**Increase* revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Modify the remarks to read as follows:

This appropriation is intended to cover a subsidy for the European Training and Promotion Centre for Farming and Rural Life (CEPFAR), which shall submit an annual activity report to Parliament.

JUSTIFICATION

The European Training and Development Centre for Farming and Rural Life performs a most valuable educational and information function in the countryside, particularly among women, young people and farm workers, by organizing seminars, exchanges and competitions.

In order to enable the Centre to extend its activities to Greece and step up its European information and training activities in the countryside, it is essential to increase its appropriation in the same measure as was done in 1980 in the case of the European Trade Union Institute (Item 3070), a body performing similar functions.

* * *

Draft amendment No 153
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 3.1.7: Community supervision of the application of agricultural rules

A) *Expenditure*

Enter a payment appropriation of 50000 EUA (instead of a token entry)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

Fraudulent practices place an unnecessary burden on the European taxpayer and damage the reputation of the common agricultural policy. The appropriation of 50000 EUA should be entered to enable the Community to demonstrate its determination to step up the campaign against fraud.

* * *

Draft amendment No 154
 tabled by Mr Früh on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Title 4:	Repayments and aids to Member States and miscellaneous
Chapter 4.5: (<i>new</i>)	Monetary compensatory amounts paid or levied in respect of trade in agricultural products
Article 4.5.0:	Monetary compensatory amounts in respect of intra-Community trade
Item 4.5.0.0: (<i>new</i>)	Monetary compensatory amounts paid or levied by importing Member States
Item 4.5.0.1: (<i>new</i>)	Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States
Item 4.5.0.2: (<i>new</i>)	Monetary compensatory amounts on exports paid or levied by exporting Member States
Article 4.5.1: (<i>new</i>)	Monetary compensatory amounts in respect of trade with non-Community countries
Item 4.5.1.0: (<i>new</i>)	Portion of monetary compensatory amounts granted on imports over and above the levy
Item 4.5.1.1: (<i>new</i>)	Monetary compensatory amounts on exports

A) *Expenditure*

Create a new Chapter 4.5: 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'

Create a new Article 4.5.0: 'Monetary compensatory amounts in respect of intra-Community trade'

Create a new Item 4.5.0.0: 'Monetary compensatory amounts paid or levied by importing Member States'

— Enter a payment appropriation of — 255 000 000 ECU

Create a new Item 4.5.0.1: 'Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States'

— Enter a payment appropriation of 600 000 000 ECU

Create a new Item 4.5.0.2: 'Monetary compensatory amounts on exports paid or levied by exporting Member States'

— Enter a payment appropriation of 237 000 000 ECU

Create a new Article 4.5.1: 'Monetary compensatory amounts in respect of trade with non-Community countries'

Create a new Item 4.5.1.0: 'Portion of monetary compensatory amounts granted on imports over and above the levy'

— Make a token entry

Create a new Item 4.5.1.1: 'Monetary compensatory amounts on exports'

— Enter a payment appropriation of 214 000 000 ECU

B) *Compensation*

Delete Chapter 7.8: 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'

Delete Article 7.8.0: 'Monetary compensatory amounts in respect of intra-Community trade'

Delete Item 7.8.0.0: 'Monetary compensatory amounts on imports paid or levied by importing Member States'

— Delete the appropriation of — 255 000 000 ECU

Delete Item 7.8.0.1: 'Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States'

— Delete the appropriation of 60 000 000 ECU

Delete Item 7.8.0.2: 'Monetary compensatory amounts on exports paid or levied by exporting Member States'

— Delete the appropriation of 237 000 000 ECU

Delete Article 7.8.1: 'Monetary compensatory amounts in respect of trade with non-Community countries'

Delete Item 7.8.1.0: 'Portion of monetary compensatory amounts granted on imports over and above the levy'

— *Delete* the token entry shown against it

Delete Item 7.8.1.1: 'Monetary compensatory amounts on exports'

— *Delete* the appropriation of 214 000 000 ECU

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

Transfer to Article 4.5.0 and Items 4.5.0.0, 4.5.0.1, 4.5.0.2 and Article 4.5.1 and Items 4.5.1.0 and 4.5.1.1 the remarks appearing under Chapter 7.8 against Article 7.8.0 and Items 7.8.0.0, 7.8.0.1, 7.8.0.2 and Article 7.8.1 and Items 7.8.1.0 and 7.8.1.1.

JUSTIFICATION

As monetary compensatory amounts reflect the lack of alignment between Member States' economies and the absence of economic and monetary union, they cannot under any circumstances be regarded as expenditure directly chargeable to the common agricultural policy.

The Committee on Agriculture therefore requests that this expenditure be transferred to Title 4 'Repayments and aids to Member States and miscellaneous'.

In connection with the 1978 draft budget the Council accepted the modification with compensation proposed by the European Parliament requesting the transfer of this expenditure from Title 7 to Title 4 (OJ No L 36, 6. 2. 1978, pp. 342–344). In addition, the European Parliament at its sitting of 27 June 1980 adopted a resolution, paragraph 9 of which calls for a reclassification of expenditure not directly connected with the CAP. The above proposed modification meets this demand.

* * *

Draft amendment No 155
tabled by Mr Früh on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Chapter 4.9: Other repayments

Article 4.9.2: Accession compensatory amounts granted in respect of intra-Community trade
(*New*) (Greece)

A) *Expenditure*

Create a new Article 4.9.2: 'Accession compensatory amounts granted in respect of intra-Community trade (Greece)'

Enter a payment appropriation of 25 000 000 ECU

B) *Compensation*

Delete Chapter 7.5: 'Accession compensatory amounts granted in respect of intra-Community trade' and

delete Article 7.5.0 and the appropriation of 25 000 000 ECU shown against it

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

As the accession of Greece to the Community is a highly political issue involving more than just the common agricultural policy the cost of Greece's accession should not be charged to the CAP alone. The transfer of the payment appropriation of 25 m EUA from Title 7 'EAGGF — Guarantee Section' to Title 4 'Repayments and aid to Member States and miscellaneous', Chapter 4.9 'Other repayments' shows clearly the cost of Greece's accession to the Community during the transitional period.

During discussion of the 1978 draft budget the Council accepted a similar modification with compensation proposed by the European Parliament (see OJ No L 36, 6. 2. 1978, p. 342). Furthermore, the European Parliament at its sitting of 27 June 1980 adopted a resolution on the new draft general budget of the European Communities for the financial year 1980, paragraph 9 of which called for a reclassification of expenditure not directly connected with the CAP. The above proposed modification meets this demand.

* * *

Draft amendment No 156
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Item 6.2.4.1: School milk

A) *Expenditure**Increase* payment appropriations by 20 000 000 EUA (from 89 000 000 EUA to 109 000 000 EUA)B) *Compensation**Reduce* the payment appropriations by 20 000 000 EUA against item 6213 'Aid for liquid skimmed milk for use as feed for animals other than calves' (from 249 000 000 EUA to 229 000 000 EUA)C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The very substantial subsidies for skimmed milk as animal feed have continued to grow from 176 m EUA in 1979 to 249 m EUA in 1981. This leads to an imbalance in expenditure within the milk and dairy products sector. Other policy instruments, and in particular encouragement to school milk, should be given greater emphasis, particularly in view of the distortions that are created by subsidies to animal feed and the warnings of the Court of Auditors as to misuse of appropriations.

* * *

Draft amendment No 157
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Item 8.0.1.3: Slaughtering of pigs and processing of pigmeat in France and the United Kingdom

A) *Expenditure*

Increase the payment appropriation by 500 000 EUA (from 500 000 to 1 000 000 EUA) (reinstatement of appropriations shown in the preliminary draft)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft.

The appropriation for commitment authorized for 1981 amounts to 13 000 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments	Payments					1984 and subs. years
	1980	1981	1982	1983		
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—	—	—
Appropriation for 1980	6 000 000 ¹	200 000 ¹	600 000	900 000	1 500 000	2 800 000
Appropriation for 1981	13 000 000	—	400 000	1 300 000	1 900 000	8 400 000
Total	19 000 000	200 000	1 000 000	2 200 000	3 400 000	12 200 000

¹ Entered under Chapter 10.0.

Total appropriations for commitment for Article 8.0.1: 159 000 000 EUA, 18 000 000 EUA, of which is entered under Chapter 10.0.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

REMARKS

unchanged

JUSTIFICATION

The aim of the Commission's measure is to improve the slaughtering of pigs and the processing of pig meat in France and the United Kingdom with a view also to improving meat quality, improving processing conditions from the health point of view and adjusting supply to requirements.

The appropriations entered in the preliminary draft budget by the Commission should therefore be reinstated.

* * *

Draft amendment No 158
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 8.1.1: Cessation of farming and reallocation of land for structural improvement

A) *Expenditure*

Increase payment appropriations by 4 000 000 EUA (from 1 000 000 to 5 000 000 EUA) (reinstatement of appropriations shown in the preliminary draft)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft.

The appropriation for commitment authorized for 1981 is 5 000 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—	—
Appropriation outstanding from 1979	1 247 901	750 000 ¹	—	—	—	—
Appropriation for 1980	p.m.	p.m.	p.m.	—	—	—
Appropriation for 1981	5 000 000	—	5 000 000	—	—	—
Total	6 247 901	750 000	5 000 000	—	—	—

¹ Automatic carryover.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

REMARKS

unchanged

JUSTIFICATION

The aim of Directive 72/160/EEC is to make it easier for elderly farmers to give up farming and for young farmers to make a start. A measure of this type will contribute to the modernization of European agriculture. The appropriations entered by the Commission in the preliminary draft budget should therefore be reinstated.

* * *

Draft amendment No 159
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 8.1.2: Vocational guidance and training

A) *Expenditure*

Increase payment appropriations by 6 000 000 *EUA* (from 4 000 000 to 10 000 000 *EUA*) (reinstatement of appropriations shown in the preliminary draft)

B) *Compensation*

Decrease the corresponding appropriations entered against Chapter 10.0 by 2 000 000 *EUA*

C) *Revenue*

Increase revenue by 4 000 000 *EUA*

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft.

The appropriation for commitment authorized for 1981 amounts to 10 000 000 *EUA*¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in *EUA*)

Commitments	Payments				
	1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—
Appropriation outstanding from 1979	681 843	81 843 ¹	600 000	—	—
Appropriation for 1980	3 100 000	3 100 000	—	—	—
Appropriation for 1981	10 000 000	—	9 400 000	—	—
Total	13 981 843	3 181 843	10 000 000	—	—

¹ Automatic carryover.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

REMARKS

unchanged

JUSTIFICATION

Vocational training and socio-economic guidance are two ways of encouraging farmers and modernizing European agriculture.

The Commission and Council should therefore undertake to promote such measures vigorously in 1981. This is the aim of the amendment.

* * *

Draft amendment No 160
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III ← Commission

PAYMENTS

Article 8.2.0: Mountain and hill farming and farming in certain less-favoured areas

A) *Expenditure*

Increase payment appropriations by 6 000 000 EUA (from 95 000 000 to 101 000 000 EUA) (reinstatement of the appropriations shown in the preliminary draft)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft.

The appropriation for commitment authorized for 1981 amounts to 101 000 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—	—
Appropriation outstanding from 1979	31 673 873	41 373 873 ¹	—	—	—	—
Appropriation for 1980	43 300 000 ²	18 900 000 ³	—	—	—	—
Appropriation for 1981	101 000 000	—	101 000 000	—	—	—
Total	175 973 873	60 273 873	101 000 000	—	—	—

¹ Automatic carryover.

² Of which 5 500 000 EUA is entered under Chapter 10.0.

The estimates for 1980 show an actual requirement of 82 950 000 EUA in appropriations for commitment. It is planned to finance the difference between the appropriations available in 1980 and this requirement by transfers between chapters.

³ Of which 3 900 000 EUA is entered under Chapter 10.0.

The estimates for 1980 show an actual requirement of 82 950 000 EUA in appropriations for payment. It is planned to finance the difference between the appropriations available in 1980 and this requirement by transfers between chapters.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

REMARKS

unchanged

JUSTIFICATION

Measures in favour of hill farming and farming in certain less-favoured areas are an important way of restoring a balance between the wealthy and less wealthy areas of the Community.

For this reason, the appropriations entered by the Commission in the preliminary draft should be reinstated.

* * *

Draft amendment No 161
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Item 8.2.2.0: Agricultural advisory services in Italy

A) *Expenditure*

Increase payment appropriations by 30 000 EUA (from 570 000 to 600 000 EUA) (reinstatement of appropriations shown in preliminary draft)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft.

The appropriation of commitment authorized for 1981 amounts to 600 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—	—	—
Appropriation for 1980	180 000	150 000	30 000	—	—	—
Appropriation for 1981	600 000	—	570 000	30 000	—	—
Total	780 000	150 000	600 000	30 000	—	—

¹ Automatic carryover.

REMARKS

unchanged

JUSTIFICATION

The Committee on Agriculture proposes that the appropriation initially entered by the Commission in the preliminary draft should be reinstated since this measure is important for the improvement of agricultural structures in Italy.

It also expresses astonishment at the reduction proposed by the Council.

* * *

Draft amendment No.162
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Item 8.2.2.2: Specific programme for developing beef cattle farming in upland areas of Italy

A) *Expenditure*

Enter a payment appropriation of 8 000 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

Decrease the corresponding appropriation under Chapter 10.0 by 6 000 000 EUA

C) *Revenue*

Increase revenue by 2 000 000 EUA

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft budget.

The appropriation for commitment authorized for 1981 amounts to 8 000 000 EUA¹

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments	Payments				
	1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—	—
Appropriation for 1980	p.m.	—	—	—	—
Appropriation for 1981	8 000 000	—	8 000 000	—	—
Total	8 000 000	p.m.	8 000 000	—	—

Total appropriation for commitment for Article 8.2.2: 63 600 000 EUA.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

REMARKS

unchanged

JUSTIFICATION

Italy is far behind the other Member States in regard to the technology of animal husbandry.

It is therefore necessary to encourage the production of beef and veal in Italy and to reinstate the payment appropriations entered in the preliminary draft budget.

* * *

Draft amendment No 163
tabled by Mr Sutra on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

A) *Expenditure*

Enter a payment appropriation of 3 000 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft budget.

The appropriation for commitment authorized for 1981 amounts to 3 000 000 EUA¹

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments	Payments				
	1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—	—
Appropriation for 1980	p.m.	p.m.	—	—	—
Appropriation for 1981	3 000 000	—	3 000 000	—	—
Total	3 000 000	p.m.	3 000 000	—	—

REMARKS

unchanged

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977

JUSTIFICATION

Agricultural development in the Lozère is considerably below the average level for the Community. The appropriations entered in the preliminary draft budget should be reinstated with a view to re-establishing the balance between the regions of the Community.

* * *

Draft amendment No 164
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Item 8.2.6.0: Integrated development programme for the Western Isles of Scotland

A) *Expenditure*

Enter a payment appropriation of 3 000 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

Decrease the corresponding appropriation under Chapter 10.0 by 3 000 000 EUA

C) *Revenue*

unchanged

COMMITMENTS

Schedule

Reinstate the schedule of commitments shown in the preliminary draft budget.

The appropriation for commitment authorized for 1981 amounts to 3 000 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(m EUA)

Commitments	Payments				
	1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—	—
Appropriation for 1980	p.m.	p.m.	—	—	—
Appropriation for 1981	3 000 000	—	3 000 000	—	—
Total	3 000 000	p.m.	3 000 000	—	—

REMARKS

unchanged

JUSTIFICATION

Economic development in the Western Isles of Scotland is below the Community average.

Apart from agriculture, it is necessary to promote the development of crafts, tourism and related activities.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

It is therefore necessary to demonstrate the Community's determination to support measures for the development of the Western Isles of Scotland by transferring the appropriations entered under Chapter 10.0 to Title 8.

* * *

Draft amendment No 165
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Item 8.2.6.2: Processing and marketing in certain agricultural sectors in Northern Ireland

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft budget.

The appropriation for commitment authorized for 1981 amounts to 3 000 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
1981	3 000 000		1 000 000	1 000 000	1 000 000	p.m.

REMARKS

unchanged

JUSTIFICATION

The economic development of the Northern Ireland region is substantially below the Community average. Unemployment is particularly high.

It is therefore necessary to promote the economic development of this region by taking appropriate action from 1981 onwards.

That is the purpose of this amendment.

* * *

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977

Draft amendment No 166
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 8.2.7: Integrated development programme for South-Eastern Belgium

A) *Expenditure*

Enter a payment appropriation of 200 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

Reinstate the schedule of commitments shown in the preliminary draft budget.

The appropriation for commitment authorized for 1981 amounts to 1 000 000 EUA¹

The likely schedule of payments vis-à-vis commitments is as follows:

(in EUA)

Commitments	Payments				
	1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—	—
Appropriation for 1980	500 000 ¹	100 000 ¹	200 000	100 000	—
Appropriation for 1981	1 000 000	—	200 000	300 000	400 000
Total	1 500 000	100 000	200 000	400 000	400 000

¹ Entered under Chapter 10.0

Total appropriations for commitment for Chapter 8.2: 262 900 000 EUA.

REMARKS

unchanged

JUSTIFICATION

The economic development of the Luxembourg province of Belgium is substantially below the Community average, from the point of view of both its agricultural structures and its infrastructures.

It is therefore necessary to close the gap by taking appropriate measures from 1981 onwards.

That is the purpose of this amendment.

* * *

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

Draft amendment No 167
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 8.6.0: Common measures for restructuring, modernizing and developing the fisheries sector

A) *Expenditure*

Increase the payment appropriation by 5 000 000 EUA (from 5 000 000 to 10 000 000 EUA)

B) *Compensation*

Decrease the corresponding appropriation under Chapter 10.0 by 5 000 000 EUA

C) *Revenue*

unchanged

COMMITMENTS

Schedule

Reinstate the schedule of commitments shown in the preliminary draft budget:

The appropriation for commitment authorized for 1981 amounts to 25 000 000 EUA¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments	Payments				
	1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—	—
Appropriation for 1980	15 000 000 ¹	5 000 000 ¹	5 000 000	5 000 000	—
Appropriation for 1981	25 000 000	—	5 000 000	6 000 000	7 000 000
Total	40 000 000	5 000 000	10 000 000	11 000 000	7 000 000

¹ Entered under Chapter 10.0

REMARKS

unchanged

JUSTIFICATION

The Council has undertaken to adopt a common fisheries policy before 31 December 1980.

The transfer of appropriations from Chapter 10.0 to Chapter 8.6 meets this requirement. The Community must demonstrate clearly its determination to establish a common fisheries policy.

The appropriations in question will be used to modernize the Community fishing fleet and promote fish farming, a priority that has on many occasions been stressed by the European Parliament.

That is the aim of this amendment.

* * *

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

Draft amendment No 168
 tabled by Mr Josselin on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Chapter 8.6: Common measures to improve fisheries structures

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following remarks:

Chapters 8.6 to 8.9 are entered on a provisional basis. In the general budget of the European Communities for the 1982 financial year they will be grouped in a single chapter entitled 'Common fisheries and marine policy' in accordance with the nomenclature given below purely for guidance.

Chapter 8.6: Common fisheries and marine policy

Article 8.6.0: Common organization of the market in fishery products

Item 8.6.0.0: Refunds on fishery products

Item 8.6.0.1: Intervention in respect of fishery products

Article 8.6.1: Common measures to improve fisheries structures

Item 8.6.1.0: Common measures for the restructuring and modernization of the fisheries sector

Item 8.6.1.1: Producer groups in the fisheries sector

Article 8.6.2: Immediate measures to adjust capacity

Item 8.6.2.0: Experimental fisheries and joint ventures

Item 8.6.2.1: Other measures

Article 8.6.3: The Community's international obligations in respect of fisheries

Item 8.6.3.0: Refunds due under conventions on fishing in the Adriatic

Item 8.6.3.1: Payment of compensation for salmon fishing in the Baltic

Item 8.6.3.2: Payments in respect of compensation and dues relating to fishing in the maritime waters of certain African countries

Item 8.6.3.3: Other international agreements on fishing

Article 8.6.4: Inspection and surveillance measures in Community waters

Item 8.6.4.0: Financial participation in inspection and surveillance operations carried out by certain Member States

Item 8.6.4.1: Coordination of inspection and surveillance operations carried out by the Member States

Item 8.6.4.2: Surveillance of maritime navigation routes

Article 8.6.5: Coordination, at Community level, of the activities of auxiliary vessels used in fishing at sea

Item 8.6.5.0: Subsidies for certain activities relating to medical assistance and safety at sea

Article 8.6.6: Activities relating to the study, exploration, exploitation and protection of the marine environment

- Item 8.6.6.0: Research programme in the fisheries and marine sector
 Item 8.6.6.1: Biological studies in the fisheries and marine sector
 Item 8.6.6.2: Promotion of aquaculture in the Community
 Item 8.6.6.3: Coordination of research in the fisheries sector and dissemination of results
 Item 8.6.6.4: Protection of the marine environment
 Article 8.6.7: *Measures to develop a common education and vocational training programme in the fisheries sector*

JUSTIFICATION

The purpose of this amendment is to introduce in the budget a new common policy, the common fisheries and marine policy, which extends beyond the narrow framework of the common fisheries policy.

At present, 8 of the 9 Community Member States have a seaboard. The forthcoming accession of Greece, which has one of the largest merchant fleets in the world, will further strengthen the Community's maritime role.

The Committee on Agriculture therefore calls on the Commission to propose to the Council the establishment of a genuine fisheries and marine policy, such as may be defined on the basis of the initiatives taken in the past, not only by the Committee on Agriculture, but also by the Committee on Regional Policy, Regional Planning and Transport and the Committee on Social Affairs, Employment and Education, so as to enable the Community to exploit the wealth of the oceans in this period of scarce raw materials and energy and to ensure that better use is made of fisheries resources, in particular by measures to promote aquaculture in the Member States.

Furthermore, at its sitting of 27 June 1980 the European Parliament adopted a resolution on the new draft general budget of the European Communities for the financial year 1980, paragraph 10 of which calls on the Commission to include a new chapter to create the necessary framework for a common fisheries and marine policy, in which all the budget headings relative to fisheries and the sea should be consolidated.

The present amendment thus meets this requirement.

* * *

Draft amendment No 170
 tabled by Mr Josselin on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 8.7.3: Biological studies in the fisheries and marine sector

A) *Expenditure*

Increase the payment appropriation by 84 000 EUA (from 80 000 to 164 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

REMARKS

unchanged

JUSTIFICATION

A better knowledge of the marine environment is important for the future of the fisheries sector. The Committee on Agriculture therefore believes that the appropriation shown in the preliminary draft budget should be reinstated.

* * *

Draft amendment No 171
tabled by Mr Josselin on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 8.7.4: Coordination of surveillance operations by Member States

A) *Expenditure*

Enter a payment appropriation of 300 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

REMARKS

Modify the remarks as follows:

This measure is intended to enable the gradual development of an information system for rapid communication between the Member States *and to finance studies with a view to the setting up at an early date of a coordination centre for surveillance operations to rationalize monitoring.*

JUSTIFICATION

The Committee on Agriculture considers it necessary to reinstate Article 8.7.4, which appeared in the preliminary draft budget but has been deleted by the Council, so as to enable the Member States' naval and air surveillance craft to be put into action rationally and effectively. This measure is in response to paragraph 6 of the proposed regulation annexed to the European Parliament's resolution of 19 January 1979 on certain inspection procedures governing fishing activities (OJ No C 39 of 12. 2. 1979, p. 62; Doc. 441/79, rapporteur: M Klinker).

* * *

Draft amendment No 172
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Article 8.7.7: Schemes relating to a common policy on education and vocational training in the fisheries sector

A) *Expenditure*

Enter a payment appropriation of 150 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

—

JUSTIFICATION

On 11 May 1979 the European Parliament adopted a motion for a resolution¹ which called for the implementation of a common policy on education and professional training in the fisheries sector. The resolution emphasized that the restructuring of the Community's fishing fleet which would follow the introduction of a common fisheries policy necessitated the retraining of fishermen, so as:

- (a) to coordinate educational and training resources, develop links between those responsible for training, promote research and exchange of information; and
- (b) to establish the capability to provide specialist advice and technical assistance as part of a fisheries development policy, especially with the Lomé countries.

* * *

Draft amendment No 173/PdM
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Title 9:	Cooperation with developing countries and non-member States
Chapter 9.2:	Food aid
Article 9.2.7:	Food aid refunds
(<i>new</i>)	
Item 9.2.7.0:	Cereals other than rice for the current financial year's programme
(<i>new</i>)	
Item 9.2.7.1:	Cereals other than rice for prior programmes
(<i>new</i>)	
Item 9.2.7.2:	Rice for the current financial year's programme
(<i>new</i>)	
Item 9.2.7.3:	Rice for prior programmes
(<i>new</i>)	
Item 9.2.7.4:	Skimmed-milk powder for the current financial year's programme
(<i>new</i>)	
Item 9.2.7.5:	Skimmed-milk powder for prior programmes
(<i>new</i>)	
Item 9.2.7.6:	Butteroil for the current financial year's programme
(<i>new</i>)	

¹ OJ No C 140, 5. 6. 1979, pages 115–117.

Item 9.2.7.7: (new)	Butteroil for prior programmes
Item 9.2.7.8: (new)	Sugar for the current financial year's programme
Item 9.2.7.9: (new)	Sugar for prior programmes
Article 9.2.8: (new)	Food aid refunds
Item 9.2.8.0: (new)	Beef and veal for the current financial year's programme
Item 9.2.8.1: (new)	Other commodities

A) Expenditure

- Create a new Article 9.2.7: 'Food aid refunds'
- Create a new Item 9.2.7.0: 'Cereals other than rice for the current financial year's programme'
- Enter a payment appropriation of 41 000 000 ECU against this item
- Create a new Item 9.2.7.1: 'Cereals other than rice for prior programmes'
- Make a token entry against this item
- Create a new Item 9.2.7.2: 'Rice for the current financial year's programme'
- Enter a payment appropriation of 18 000 000 ECU against this item
- Create a new Item 9.2.7.3: 'Rice for prior programmes'
- Make a token entry against this item
- Create a new Item 9.2.7.4: 'Skimmed-milk powder for the current financial year's programme'
- Enter a payment appropriation of 103 000 000 ECU against this item
- Create a new Item 9.2.7.5: 'Skimmed-milk powder for prior programmes'
- Enter a payment appropriation of 5 000 000 ECU against this item
- Create a new Item 9.2.7.6: 'Butteroil for the current financial year's programme'
- Enter a payment appropriation of 115 000 000 ECU against this item
- Create a new Item 9.2.7.7: 'Butteroil for prior programmes'
- Enter a payment appropriation of 5 000 000 ECU against this item
- Create a new Item 9.2.7.8: 'Sugar for the current financial year's programme'
- Enter a payment appropriation of 1 000 000 ECU against this item
- Create a new Item 9.2.7.9: 'Sugar for prior programmes'
- Make a token entry against this item
- Create a new Article 9.2.8: 'Food aid refunds'
- Create a new Item 9.2.8.0: 'Beef and veal for the current financial year's programme'
- Make a token entry against this item
- Create a new Item 9.2.8.1: 'Other commodities'
- Make a token entry against this item

B) Compensation

- Delete Item 6.0.0.1: 'Refunds in connection with Community food aid for the current financial year' (cereals other than rice) and the payment appropriation of 41 000 000 ECU shown against it
- Delete Item 6.0.0.2: 'Refunds in connection with Community food aid under previous programmes (cereals other than rice) and the token entry shown against it for the current financial year' (rice) and the payment appropriation of 18 000 000 ECU shown against it
- Delete Item 6.1.0.2: 'Refunds in connection with Community food aid under previous programmes' (rice) and the token entry shown against it
- Delete Item 6.2.0.1: 'Refunds on skimmed-milk powder supplies under the food-aid programme for the current financial year' and the payment appropriation of 103 000 000 ECU shown against it
- Delete Item 6.2.0.3: 'Refunds on skimmed-milk powder supplied under previous food-aid programmes' and the payment appropriation of 5 000 000 ECU shown against it
- Delete Item 6.2.0.2: 'Refunds on butteroil supplied under the food-aid programme for the current financial year' and the payment appropriation of 115 000 000 ECU shown against it
- Delete Item 6.2.0.4: 'Refunds on butteroil supplied under previous food-aid programmes' and the payment appropriation of 5 000 000 ECU shown against it
- Delete Item 6.4.0.1: 'Refunds in connection with Community food aid for the current financial year' (sugar) and the payment appropriation of 1 000 000 ECU shown against it

Delete Item 6.4.0.2: 'Refunds in connection with Community food aid under previous programmes' (sugar) and the token entry shown against it

Delete Item 6.5.0.1: 'Refunds in connection with Community food aid for the current financial year' (beef and veal) and the token entry shown against it

C) *Revenue*

unchanged

COMMITMENTS

Schedule

REMARKS

Enter the following remark:

Article	Item		
9.2.7		<i>New Article</i>	
	9.2.7.0	<i>Ex Item 6.0.0.1</i>	
	9.2.7.1	<i>Ex Item 6.0.0.2</i>	These appropriations represent the proportion of food aid expenditure which corresponds to refunds pursuant to Article 2 of Regulation (EEC) No 2681/74
	9.2.7.2	<i>Ex Item 6.1.0.1</i>	
	9.2.7.3	<i>Ex Item 6.1.0.2</i>	
	9.2.7.4	<i>Ex Item 6.2.0.1</i>	
	9.2.7.5	<i>Ex Item 6.2.0.3</i>	
	9.2.7.6	<i>Ex Item 6.2.0.2</i>	
	9.2.7.7	<i>Ex Item 6.2.0.4</i>	
	9.2.7.8	<i>Ex Item 6.4.0.1</i>	
	9.2.7.9	<i>Ex Item 6.4.0.2</i>	
9.2.8		<i>New Article</i>	
	9.2.8.0	<i>Ex Item 6.5.0.1</i>	
	9.2.8.1	<i>New Item</i>	

JUSTIFICATION

The Committee on Agriculture takes the view that the Community's food aid policy should not depend on the existence of surpluses. Food aid refunds are the result of the Community's determination to pursue an active food aid policy and are not in any way connected with the administration of the common agricultural policy. They should therefore be charged to Chapter 92: 'Food aid' to show clearly the Community's financial contribution to the developing countries in the form of food aid.

The Committee on Agriculture therefore recommends the creation of two new Articles 9.2.7 and 9.2.8: 'Food aid refunds' and the deletion of the corresponding items under Title 6, henceforth superfluous. This will increase budgetary transparency and satisfy the demands of paragraph 9 of the resolution adopted by the European Parliament on 27 June 1980 on the new draft general budget of the European Communities for 1980, which called for a reclassification of expenditure not directly connected with the CAP.

* * *

Draft amendment No 174
tabled by Mr Curry on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Title 9:	Cooperation with developing countries and other non-member countries
Chapter 9.7: (<i>new</i>)	Cooperation in the field of commodities
Article 9.7.2: (<i>new</i>)	Effect of the Sugar Protocol concluded with the ACP States and of the Agreement with India

A) *Expenditure*

Create a new Chapter 9.7: 'Cooperation in the field of commodities'

Create a new Article 9.7.2: 'Effect of the Sugar Protocol concluded with the ACP States and of the Agreement with India'

— Enter a payment appropriation of 173 000 000 EUA against this article

B) *Compensation*

Decrease by 173 000 000 EUA the payment appropriation shown against Item 6.4.0.0: 'Refunds on sugar and isoglucose'

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

Ex Item 6.4.0.0 (part)

This appropriation is to cover the refunds necessary for the exportation of the quantity of white sugar from the Community that corresponds to the quantity of cane sugar imported from the ACP States, the OCT and India pursuant to Protocol No 3 to the Lomé Convention, Annex IV of the Council Decision on the association of the OCT and the Agreement between the EEC and India on cane sugar respectively. The use to which the appropriation is put is governed by the current provisions of the EAGGF — Guarantee Section.

JUSTIFICATION

Under Protocol No 3 to the Convention of Lomé, Annex IV to the Council Decision on the OCT and the Agreement with India, the Community is committed to guaranteeing imports of 1 300 000 tonnes of sugar from these countries.

Since sugar is in surplus in the Community, an equivalent quantity of Community-produced sugar is exported to third countries, involving refunds of 173 000 000 EUA.

This expenditure results from the Community's policy of cooperation with the developing countries and should under no circumstances be charged to the implementation of the common agricultural policy. The expenditure involved should therefore be transferred from Title 6 to Title 9.

At its sitting of 27 June 1980 the European Parliament adopted a resolution on the new draft general budget of the European Communities for 1980, paragraph 9 of which calls for a reclassification of expenditure not directly connected with the CAP. The above proposed modification meets this demand.

* * *

Draft amendment No 175

tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 120: Miscellaneous expenditure on staff recruitment

A) *Expenditure*

Decrease expenditure by 100 000 EUA (from 300 000 to 200 000 EUA)

B) *Compensation*

—

C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

Competitions should be organized more rationally by holding them locally and avoiding the need to examine vast numbers of candidates; this could be achieved by making a preliminary selection on the basis of qualifications instead of on the basis of the results of examinations.

* * *

Draft amendment No 176
tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Item 2000: Rent

A) *Expenditure*

Reduce expenditure by 5 000 000 EUA (from 15 700 000 to 10 700 000 EUA)

B) *Compensation*

Enter 5 000 000 EUA in Article 206 (acquisition of immovable property)

C) *Revenue*

REMARKS

JUSTIFICATION

The EP has for years been paying exorbitant rents for its offices. To ensure that rental contracts *always* reflect the principles of sound financial management (Article 206 (A) of the EEC Treaty) rental contracts to be negotiated, now under negotiation or falling due for re-negotiation should include a clause stipulating a reduction in rent after a specified number of years. There is no such clause at present. Article 211 of the EEC Treaty empowers the Community Institutions to acquire or purchase immovable property. In the long term, there can be no doubt that ownership of real estate rather than rental makes for better use of the budgetary funds available to the Institution.

* * *

Draft amendment No 177
tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 204: .Fitting out of premises

A) *Expenditure*

Reduce expenditure by 1 000 000 EUA (from 1 400 000 to 400 000 EUA)

B) *Compensation*

Enter 1 000 000 EUA in Article 207 (construction of buildings)

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Having regard to the exorbitant rents paid by the EP, the owner of the buildings concerned should adapt them to meet the needs of the Institution. By arranging to construct its own buildings, Parliament would have a wider choice at the design stage and a better prospect of obtaining more favourable conditions than at present.

* * *

Draft amendment No 178

tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Item 2201: Replacements

A) *Expenditure*

Reduce expenditure by 285 000 EUA (from 485 000 to 200 000 EUA)

B) *Compensation*

Increase expenditure in Item 2203 (maintenance, use and repair) by 100 000 EUA

C) *Revenue*

Reduce revenue by 185 000 EUA

COMMITMENTS

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Schedule

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REMARKS

The intention is to *begin to* provide for the renewal of ... (rest unchanged)

JUSTIFICATION

Renewal can easily be staggered over more than one year.

* * *

Draft amendment No 179
tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Item 2230: New purchases

A) *Expenditure*

Reduce expenditure by 275 000 EUA and make a token entry

B) *Compensation*C) *Revenue*

Reduce revenue by a corresponding amount

COMMITMENTS

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Schedule

—

REMARKS

There is no need to increase the vehicle fleet in 1981

JUSTIFICATION

The expenditure provided for the replacement and hire of cars should be amply sufficient. Moreover at the normal places of work taxis are either made available to Members or their fares are refunded. The purchase of 19 new cars would also necessarily entail the employment of at least the same number of drivers.

* * *

Draft amendment No 180

tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 230: Stationery and office supplies

A) *Expenditure*

Reduce expenditure by 324 000 EUA (from 1 324 000 to 1 000 000 EUA)

B) *Compensation*

—

C) *Revenue**Reduce revenue by the same amount*

COMMITMENTS

—

Schedule

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REMARKS

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JUSTIFICATION

Expenditure should be held to the absolute minimum.

* * *

Draft amendment No 181

tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Item 2352: *Miscellaneous expenditure on internal meetings*A) *Expenditure**Reduce expenditure by 54 000 EUA (from 114 000 to 60 000 EUA)*B) *Compensation*

—

C) *Revenue**Reduce revenue by the same amount*

REMARKS

unchanged

JUSTIFICATION

Unproductive and superfluous expenditure must be cut.

* * *

Draft amendment No 182
 tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Item 2400: Members of the Institution

A) *Expenditure*

Decrease expenditure by 180 000 EUA (from 380 000 to 200 000 EUA)

B) *Compensation*

—

C) *Revenue*

Decrease revenue by same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

Unproductive and superfluous expenditure by Parliament must be cut.

* * *

Draft amendment No 183
 tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section I — Parliament

PAYMENTS

Item 3702: Expenditure on the Joint Parliamentary Committee provided for within the framework
 of the association with Turkey

A) *Expenditure*

Delete the appropriation of 225 000 EUA and replace by a token entry

B) *Compensation*

—

C) *Revenue*

Reduce revenue by 225 000 EUA

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

The activities of the Joint Parliamentary Committee should be frozen until a civilian, democratic parliamentary government is restored in Turkey.

* * *

Draft amendment No 184
tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9201: Programme for the year for cereals other than rice

A) *Expenditure*

Increase the payment appropriation by 108 000 000 EUA (from 103 781 000 to 211 781 000 EUA) and consequently *also increase* appropriations for the payment of refunds on extra quantities of cereals exported in this way as aid:

Item 6001: Refunds in connection with Community food aid for the current financial year
Reduce the payment appropriation by 43 000 000 EUA (from 41 000 000 to 84 000 000 EUA)

B) *Compensation*

Item 6000: Refunds
Increase the payment appropriation by 151 000 000 EUA (from 2375 000 to 2 224 000 000 EUA)

C) *Revenue**Schedule*

REMARKS

Enter the following remarks:

This appropriation is to cover the supply in 1981 of 1 015 000 tonnes of cereals other than rice under the 1980 food aid convention, including

— 727 663 tonnes under existing commitments, and

— 798 000 tonnes as an additional commitment by the Community (see EP resolution of 18 September 1980 — OJ No C 313, 1. 12. 1980).

JUSTIFICATION

This amendment implements the commitments given in the Ferrero resolution adopted by the EP in September 1980.

The resolution refers to a situation to be attained in the 1982 financial year. The Commission estimates world food aid requirements in cereals at 12 500 000 tonnes. Parliament has always supported the Commission's view that the Nine should assume responsibility for more than the 16.5% for which an express com-

mitment was given in the 1980 food aid convention. A 20% share should be achieved in 1982. Finally, in the Ferrero resolution, Parliament reaffirmed the principle supported by most Member States that the relationship between the share covered by the Community budget and that of the Member States should progress. In Parliament's view a ratio of 65 : 35 should be reached in 1982. Parliament has estimated the implications of the Ferrero resolution for 1982 on this basis.

* * *

Draft amendment No 185
tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section III — Commission

PAYMENTS

Article 920: Food aid in cereals
Item 9204: Community contribution to the emergency world reserve
(*new*)

A) Expenditure

Create a new Item 9204: 'Community contribution to the emergency world reserve' and
Enter a payment appropriation of 28 000 000 EUA

B) Compensation

Reduce the appropriations earmarked for Item 6200: 'Refunds' by 28 000 000 EUA

C) Revenue

—

Schedule

—

REMARKS

Enter the following remarks:

This appropriation is to finance the Community contribution to the constitution of a world emergency reserve. It represents a contribution of 40% or 200 000 tonnes of cereals to a world reserve of 500 000 tonnes (see EP resolution of 18 September 1980 — OJ No C 313, 1. 12. 1980).

JUSTIFICATION

In its resolution of 18 September 1980, the European Parliament asks for the Commission, in the context of the North-South Dialogue, to make concrete offers for a suitable contribution to the emergency food reserve at the same time endorsing the proposal of the FAO and WFC to guarantee this reserve through an international convention (paragraph 42).

* * *

Draft amendment No 186
tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section III — Commission

PAYMENTS

Article 924: Food aid transport costs
 Item 9242: Formation of a Community task force for the transport of food aid
 (new)

A) *Expenditure*

Create a new Item 9242: 'Formation of a Community task force for the transport of food aid'
 Enter a payment appropriation of 40 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

This appropriation is to cover the conversion and use of military land vehicles, ships and aircraft of the nine Member States into logistic forces for the transport and distribution of Community food aid

JUSTIFICATION

The creation of this new budget item meets two specific criteria:

- the high impact of transport costs on the overall cost of food aid and the resulting need to provide special means of low-cost transport;
- the need for urgent intervention in the developing countries hit by natural or human disasters or by unforeseen shortages and the guarantee of immediate availability which can be provided by an unarmed Community task force.

This is confirmed by the recent use of military means of transport in Uganda and Algeria.

* * *

Draft amendment No 187

tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9261: Quality control of products supplied as food aid

A) *Expenditure*

Increase the payment appropriation by 1 000 000 EUA (from 500 000 to 1 500 000 EUA)

B) *Compensation*

Reduce by 1 000 000 EUA the appropriations earmarked for item 6200: 'Refunds' (from 2 375 000 000 to 2 374 000 000 EUA)

C) *Revenue*

—

Schedule

REMARKS

Unchanged

JUSTIFICATION

Both the EP and the Court of Auditors have stressed the need for quality control of products supplied as food aid.

* * *

Draft amendment No 188
tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 930: Financial and technical cooperation with non-associated developing countries

A) *Expenditure*

Increase the payment appropriation by 142 000 000 EUA (from 23 000 000 to 165 000 000 EUA)

B) *Compensation*C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 300 000 000 EUA (from 100 000 000 to 400 000 000 EUA)

Schedule

Enter the following schedule:

The appropriation for commitment authorized for 1981 is 400 000 000 EUA.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	126 037 865	7 000 000	25 000 000	40 000 000	54 037 865
Appropriation outstanding from 1979	59 840 904	10 000 000	10 000 000	20 000 000	19 840 904
Appropriation for 1980	138 500 000	5 000 000	20 000 000	40 000 000	73 500 000
Appropriation for 1981	400 000 000	—	110 000 000	100 000 000	190 000 000
Total	424 378 769	22 000 000	165 000 000	200 000 000	337 378 769

REMARKS

Add before 'This appropriation will be used...'

EP resolution of 21 April 1977 (OJ No C 118 of 16 May 1977) on the regulation on financial and technical aid to non-associated developing countries.

JUSTIFICATION

It should be recalled that financial and technical cooperation with the non-associated developing countries originated in an initiative by the European Parliament. Parliament has always emphasized the need for the Community to pursue, in parallel with its policy of cooperation with the associated countries, a policy of development aid for non-associated third countries, in particular the poorest countries of Latin America and Asia.

In proposing a payment appropriation of 165 000 000 EUA and a commitment appropriation of 400 000 000 EUA the purpose is to restore the schedule of appropriations initially proposed by the Commission and Parliament, the implementation of which has been seriously delayed by the budgetary decisions of the Council, while adapting them to the undertakings given by the EP in the Ferrero resolution.

It will be a matter for the Commission to comply with Parliament's wish to see this policy actually translated into reality, in particular by making every effort to ensure that this appropriation of 165 000 000 EUA is fully used. If necessary, the Commission will have to take the responsibility of transferring to the department responsible for administering this policy some of its staff assigned to other tasks in order to be able to implement the budget. The aid must also be concentrated as much as possible on projects which can be implemented quickly.

Finally, within the conciliation procedure in progress, agreement is urgently needed between Parliament and the Council in order that the proposal for a regulation on financial and technical aid for the non-associated developing countries can finally come into effect.

* * *

Draft amendment No 189

tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Chapter 94: Specific measures for cooperation with developing countries
 Article 940: Cooperation with the developing countries on energy
 (*new*) (reinstatement of article shown in pdb)

A) *Expenditure*

*Create a new Article 940: 'Cooperation with the developing countries on energy' and
 Enter a payment appropriation of 20 000 000 EUA*

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 50 000 000 EUA

Schedule

Enter the following schedule of payments:

The commitment appropriation authorized for 50 000 000 EUA.

The likely schedule of payments against commitment is as follows:

(in EUA)

Commitments	Payments		
	1981	1982	1983 and subs. years
1981 appropriations 50 000 000	20 000 000	20 000 000	10 000 000

REMARKS

Before 'the commitment appropriation authorizes ...' *add.* — Resolution of 10 May 1979 — (OJ No C 140, 5. 6. 1979).

JUSTIFICATION

In its resolution of 10 May 1979, the EP considered it essential for the EEC to establish a policy for cooperation with the developing countries in the energy sector (paragraph 3). Pursuant to that resolution, it is requested that the payment and commitment appropriations intended for that policy be increased to 20 and 50 m EUA respectively. In the same spirit and pursuant to paragraph 13 of the resolution, stress is once again laid on the urgent need for more detailed and more imaginative proposals on this matter from the Commission.

* * *

Draft amendment No 190
tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9410: Scholarships

A) *Expenditure*

Increase the payment appropriation by 3 720 000 EUA (from 888 000 to 4 608 000 EUA)

B) *Compensation*

Reduce by 3 720 000 EUA the appropriations earmarked for item 6201

C) *Revenue*

—

Schedule

—

REMARKS

Amend the remarks as follows:

Council resolution of ...

Scholarships granted to nationals of non-associated developing countries to enable them to take part, *wherever possible in their own country*, in advanced vocational training courses ...

JUSTIFICATION

Given the importance of training for the process of development, it is requested that the appropriation proposed by the Commission be reinstated and that a supplementary appropriation of 2 600 000 EUA be added.

* * *

Draft amendment No 191
tabled by Mr Pannella, Mrs Bonino, Mrs Macciocchi, Mr Capanna and Mr Coppieters

Section III — Commission

PAYMENTS

Article 932: Measures to encourage regional or sub-regional integration between non-associated countries

A) *Expenditure*

Increase the payment appropriation by 1400000 EUA (from 600000 to 2000000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

This increase should be used to initiate studies of regional or sub-regional food security plans in the non-associated developing countries, including the possibility of constituting reserve stocks in these regional or sub-regional areas.

* * *

Draft amendment No 192
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 802: Improvement of public services in certain less-favoured areas

A) *Expenditure*

Increase the payment appropriation by 30000000 EUA (from 11000000 to 41000000 EUA)

B) *Compensation*

Increase by 30000000 EUA the appropriations in Item 6200 'Refunds'

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

Community action should be redirected towards measures to assist the less-favoured regions of the Community and aid to the developing countries. The European Parliament attaches great importance to Article 802 and wishes to enter an extraordinary appropriation of 30 000 000 EUA to be deducted from Item 6200.

* * *

Draft amendment No 193
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 820: Mountain and hill farming and farming in certain less-favoured areas

A) *Expenditure*

Increase the payment appropriation by 100 000 000 EUA (from 95 000 000 to 195 000 000 EUA)

B) *Compensation*

Reduce by 100 000 000 EUA the appropriations in Item 6210 'Aid for skimmed-milk powder for use as feed for calves'

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

Community action should be redirected towards measures to assist mountain *areas* and agriculture within the Community, and aid to the developing countries. The European Parliament attaches great importance to Article 802 and wishes to enter an extraordinary appropriation of 100 000 000 EUA to be deducted from Item 6210.

* * *

Draft amendment No 194/corr.
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2201: Replacements

A) *Expenditure*

Reduce the appropriations by 200 500 EUA (from 268 500 to 68 000 EUA)

B) *Compensation*

Enter an appropriation of 50 500 EUA under Item 2203 'Maintenance, use and repair'

C) *Revenue*

Reduce revenue by 150 000 EUA

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

An amount of 268 500 EUA for the replacement of office machines is definitely excessive.

* * *

Draft amendment No 195
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mr Macciocchi, Mr Coppieters

Section III — Commission

PAYMENTS

Item 2.9.4.0: Research and study grants

A) *Expenditure*

Increase the payment appropriation by 84 900 EUA (from 313 000 EUA to 397 900 EUA)

B) *Compensation*

Reduce by 84 900 EUA the appropriations in Item 2.2.3.1 (from 127 000 EUA to 42 100 EUA)

C) *Revenue*

—

COMMITMENTS

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Schedule

REMARKS

unchanged

JUSTIFICATION

Since a separate appropriation has been allocated to the University Institute in Florence, the appropriations entered under Item 2940 for research and study grants should be increased by 84 900 EUA.

* * *

Draft amendment No 196
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mr Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 293: Subsidy in respect of certain activities performed by non-governmental organizations pursuing humanitarian aims and promoting human rights

A) *Expenditure*

Increase the payment appropriations by 200 000 EUA (from 200 000 to 400 000 EUA)

B) *Compensation*

Reduce by 200 000 EUA the appropriation in Item 262 (from 1 300 000 to 1 100 000)

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

The recent terrorist attacks in the Community and the constant violation of fundamental human rights are phenomena which call for serious reflection by the EEC institutions. The best way of combating such violence and outrage is to allocate an additional appropriation of 200 000 EUA to institutes pursuing humanitarian aims and promoting human rights.

* * *

Draft amendment No 197
 tabled by Mr Macciocchi, Mrs Bonino, Mr Pannella, Mr Capanna and Mr Coppieters

Section III — Commission

PAYMENTS

Article 290: Subsidies to institutions of higher education

A) *Expenditure*

Increase the payment appropriations by 135 000 EUA (from 180 000 EUA to 315 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

Since Europe is increasingly threatened by the resurgence of nationalist movements and cultural chauvinism, it is a matter of urgency to increase subsidies to institutions of higher education and thus to move towards a new 'cultural Europe'.

* * *

Draft amendment No 198
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mr Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 122: Installation, resettlement and transfer allowances

Item 1220: Members of the institution

A) *Expenditure*

Reduce the payment appropriations by 330 000 and *make a token entry*

B) *Compensation*

Enter an appropriation of 330 000 EUA in Chapter 100 (new Item 1220)

C) *Revenue*

—

COMMITMENTS

—

Schedule

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REMARKS

unchanged

JUSTIFICATION

This item is intended to cover the installation, resettlement and transfer allowances of the Members of the Commission. Since the European Parliament is *totally excluded* from the procedure for the appointment of the Commissioners, the whole appropriation should be transferred to Chapter 100 to enable the changes which have actually occurred to be assessed after the event and any repayments to be made, while continuing to observe the principles of sound financial management (see Article 206 a (2) of the Treaty of Rome).

* * *

Draft amendment No 199

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mr Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 123: Removal expenses
Item 1230: Members of the institution

A) *Expenditure*

Reduce expenditure by 66 000 EUA and make a token entry

B) *Compensation*

Enter an appropriation of 66 000 EUA in Chapter 100 (new Item 1230)

C) *Revenue*

—

COMMITMENTS

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Schedule

—

REMARKS

unchanged

JUSTIFICATION

This item is intended to cover the removal expenses of the Members of the Commission. Since the European Parliament is *totally excluded* from the procedure for the appointment of the Commissioners, the whole appropriation should be transferred to Chapter 100 to enable the changes which have actually occurred to be assessed after the event and any repayments to be made, while continuing to observe the principles of sound financial management (see Article 206 a (2) of the Treaty of Rome).

* * *

Draft amendment No 201
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 530: Measures for frontier workers

A) *Expenditure*

Make a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

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REMARKS

Enter the following remarks:

Measures to promote employment and geographical mobility in the frontier regions of the Community.

JUSTIFICATION

Reinstate the token entry to enable measures to be taken when required by new developments.

* * *

Draft amendment No 202
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 5.1.1: Measures for handicapped persons

A) *Expenditure*

Increase the payment appropriation by 20000000 EUA (from 40000000 EUA to 60000000 EUA)

B) *Compensation*

Decrease the appropriation under Article 6.2.0 'refunds on milk and milk products', Item 6.2.0.0 'refunds' by 20000000 EUA (from 2375000000 EUA to 2355000000 EUA)

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

unchanged

JUSTIFICATION

Measures for the handicapped need to be strengthened to enable a greater number of handicapped people to be rehabilitated into normal 'healthy' society.

On the other hand the European Parliament feels that expenditure on refunds in the milk products sector are excessive and disproportionate: this is the reason for this transfer of appropriations.

* * *

Draft amendment No 203

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 6.2.0: Refunds on milk and milk products

Item 6.2.0.0: Refunds

A) *Expenditure*

Reduce the payment appropriation by 1 375 000 000 EUA (from 2 375 000 000 EUA to 1 000 000 000 EUA)

B) *Compensation*

Increase by 1 375 000 000 EUA the appropriation under Article 9.5.0 'Aid to disaster victims in developing and other non-member countries' (from 3 000 000 EUA to 1 378 000 000 EUA)

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

This is without doubt the budget item which more than any other demonstrates the profound distortions created on agricultural markets by 23 years of operation of the common agricultural policy, the deep disparities between support for production in northern areas and production in Mediterranean areas, and the complete failure of Community food production to provide individual or collective self-sufficiency.

In this context, in view of the primordial importance which the European Parliament assigns to combating hunger in the world (see OJ — Debates of the European Parliament, Nos. 1-246, 247 and 260) it does not seem unreasonable to request that part of these appropriations be allocated to emergency measures to save from death by famine and malnutrition impoverished hordes in Third World countries by providing appropriate financing under Article 9.5.0.

* * *

Draft amendment No 204
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 5.0.1.1: Aid to promote employment

A) *Expenditure*

Increase the payment appropriation by 25 000 000 EUA (from 60 000 000 EUA to 85 000 000 EUA)

B) *Compensation*

Decrease by 25 000 000 EUA the appropriation under Article 6.2.1 'intervention in respect of skimmed milk', Item 6.2.1.0 (from 807 000 000 EUA to 782 000 000 EUA)

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The rate of unemployment in the EEC has now reached levels which are intolerable both to the workers and to the whole Community economy. It would therefore seem advisable to provide further finance for Item 5.0.1.1 by reducing by a corresponding amount one of the sectors which receives a disproportionate amount of subsidies: aid for skimmed-milk powder for use as feed for calves.

* * *

Draft amendment No 205
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 8013: Slaughtering of pigs and processing of pigment in France and the United Kingdom

A) *Expenditure*

Reduce expenditure by 500 000 EUA and *make* a token entry

B) *Compensation*

Enter an appropriation of 500 000 EUA in Chapter 100

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

This item requires a token entry in order to ensure uniform measures in the agricultural sector and to restore overall balance between the various appropriations.

* * *

Draft amendment No 206
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 230: Stationery and office supplies

A) *Expenditure*

Reduce expenditure by 504 000 EUA (from 4 010 100 to 3 506 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

This expenditure is definitely excessive and should be reduced by 504 000 EUA, with a view also to ensuring sound financial management (Article 206 a (2) of the EEC Treaty).

* * *

Draft amendment No 207
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 3030: Contribution to pilot projects on better housing for handicapped workers

A) *Expenditure*

Increase expenditure by 330 000 EUA (from 670 000 to 1 000 000 EUA)

B) *Compensation*

Reduce by 330 000 EUA the appropriations under Item 1220 (from 330 000 EUA to zero)

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The pilot experiments designed to improve the working conditions of handicapped workers have so far had good results. Efforts should be intensified and for this purpose the EP feels that the appropriation should be increased by 330 000 EUA to be deducted from Item 1220 'Installation, resettlement and transfer allowances of Members of the institution'.

* * *

Draft amendment No 208
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1001: Residence allowances

A) *Expenditure*

Reduce expenditure by 113 000 EUA (from 226 000 to 113 000 EUA)

B) *Compensation*

Enter an appropriation of 113 000 EUA under Article 949 (new heading) (Special programme for the adoption of food strategies in the poorest developing countries)

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, half of these appropriations should be transferred to Article 949 (*new heading*) (special programme for the adoption, etc.).

* * *

Draft amendment No 209

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1002: Family allowances

A) *Expenditure**Reduce expenditure by 119 000 EUA (from 133 000 to 14 000 EUA)*B) *Compensation**Enter an appropriation of 119 000 EUA under Article 949 (new heading) (Special programme for the adoption of food strategies in the poorest developing countries)*C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 (*new heading*) (special programme for the adoption, etc.).

* * *

Draft amendment No 210
tabled by Mr Pannella, Mr Capanna, Mr Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2231: Replacements

A) *Expenditure*

Reduce expenditure by 84 900 EUA (from 127 000 to 42 100 EUA)

B) *Compensation*

Enter an appropriation of 84 900 EUA in Chapter 100 (new Item 2231)

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

It should be sufficient to provide the same amount as last year.

* * *

Draft amendment No 211
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 590: Aid to disaster victims in the Community

A) *Expenditure*

Increase the payment appropriation by 5 000 000 EUA (from 5 000 000 to 10 000 000 EUA)

B) *Compensation*

Reduce by 5 000 000 EUA the appropriation entered in item 6200 'Refunds' for milk and milk products

C) *Revenue*

—

REMARKS

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JUSTIFICATION

This operation is justified by the fact that more than ever it is urgently necessary to provide funds for budget items actually designed for the general benefit, at the same time reducing those persistently concerned with particular sectors both in relation to production and geographically.

* * *

Draft amendment No 212

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1003: Representation allowances

A) *Expenditure*

Reduce the appropriation by 80 000 EUA (from 83 000 to 3 000 EUA)

B) *Compensation*

Enter an appropriation of 80 000 EUA in Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (new heading).

C) *Revenue*

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COMMITMENTS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (new heading).

* * *

Draft amendment No 213

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 101: Accident and sickness insurance and other social security charges

A) *Expenditure*

Reduce the appropriations by 30 000 EUA (from 110 000 to 80 000 EUA)

B) *Compensation*

Enter an appropriation of 30 000 EUA in Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (new heading)

C) *Revenue*

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COMMITMENTS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*).

* * *

Draft amendment No 214

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 102: Temporary allowances

A) *Expenditure*

Reduce the appropriation by 656 000 EUA (from 683 000 to 27 000 EUA)

B) *Compensation*

Enter an appropriation of 656 000 EUA in Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (new heading).

C) *Revenue*

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REMARKS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*).

* * *

Draft amendment No 215
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1030: Retirement pensions

A) *Expenditure*

Reduce the appropriation by 471 000 EUA (from 943 000 to 472 000 EUA)

B) *Compensation*

Enter an appropriation of 471 000 EUA in Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (new heading)

C) *Revenue*

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REMARKS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (new heading).

* * *

Draft amendment No 216
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1032: Survivor's pensions

A) *Expenditure*

Delete the appropriation and *make* a token entry

B) *Compensation*

Enter an appropriation of 188 000 EUA in Chapter 100

C) *Revenue*

—

REMARKS

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JUSTIFICATION

In the general re-examination of the expenditure for the Members of the Commission it seems appropriate to provisionally set on one side appropriations for this item. In this way the question of survivor's pensions can

be considered case by case, from the point of view also of ensuring sound financial management (Article 206a of the EEC Treaty).

* * *

Draft amendment No 217
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 109: Provisional appropriations for possible adjustments to the emoluments of members of the Commission

A) *Expenditure*

Reduce the appropriation by 223 600 EUA (from 225 000 to 1400 EUA)

B) *Compensation*

Enter an appropriation of 223 600 EUA in Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (new heading)

C) *Revenue*

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REMARKS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*).

* * *

Draft amendment No 218
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1102: Expatriation and foreign residence allowances

A) *Expenditure*

Reduce the appropriation by 10 000 000 EUA (from 33 386 000 to 23 386 000 EUA)

B) *Compensation*

Enter an appropriation of 10 000 000 EUA in Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*)

C) *Revenue*

—

REMARKS

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JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ – EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*).

* * *

Draft amendment No 219

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1113: Special advisers

A) *Expenditure*

Reduce the appropriation by 150 000 EUA (from 203 000 to 53 000 EUA)

B) *Compensation*

Enter an appropriation of 150 000 EUA under Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*)

C) *Revenue*

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REMARKS

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JUSTIFICATION

Given the current political, economic and social situation in the Community, light should be thrown on certain obscure working relationships between the Institutions and private individuals paid for various reasons. A large part of the appropriations in Item 1113 should be transferred to a budget to which Parliament attaches priority, the campaign against hunger in the world.

* * *

Draft amendment No 220
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1173: Travel and subsistence expenses of national experts seconded to the Commission

A) *Expenditure*

Reduce the appropriation by 1 000 000 ECU (from 1 390 000 to 390 000 ECU)

B) *Compensation*

Enter an appropriation of 1 000 000 ECU in Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*)

C) *Revenue*

—

REMARKS

—

JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*).

* * *

Draft amendment No 221
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1300: Members of the institution

A) *Expenditure*

Reduce the payment appropriation by 377 000 ECU (from 754 000 to 377 000 ECU)

B) *Compensation*

Enter an appropriation of 377 000 under Article 502 'Measures for handicapped persons'

C) *Revenue*

—

REMARKS

—

JUSTIFICATION

The urgent need to reintegrate most of the handicapped persons in the Community into 'normal' society as soon as possible should induce the budgetary authorities to undertake a thorough re-examination of the mis-

sion and travel expenditure for Members of the Commission, from the point of view also of sound financial management (Article 206 a (2) of the EEC Treaty). A large part of the appropriations in Item 1300 should therefore be transferred to the Social Fund, Article 502.

* * *

Draft amendment No 222
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macchiocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 130: Mission expenses, travel expenses and incidental expenditure
Item 1302: Special equipment for missions

A) *Expenditure*

Delete Item 1302 and the appropriation entered (33 000 EUA)

B) *Compensation*

Enter an appropriation of 33 000 EUA under Article 520 'Measures for handicapped persons'

C) *Revenue*

—

REMARKS

—

JUSTIFICATION

All the expenditure 'for the purchase of tropical clothing' (see remarks against the item in question), which is absurd and definitely unnecessary, should be transferred to Article 502.

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Draft amendment No 223
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1520: National staff and staff of private sector bodies

A) *Expenditure*

Reduce the appropriation by 120 000 000 EUA (from 240 000 000 to 120 000 000 EUA)

B) *Compensation*

Enter an appropriation of 120 000 000 EUA under Article 949 'Special programme for the adoption of food strategies in the poorest developing countries (*new heading*)

C) *Revenue*

—

REMARKS

—

JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ – EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Article 949 'Special programme for the adoption of food strategies in the poorest developing countries' (*new heading*).

* * *

Draft amendment No 224
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mr Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2.2.1.0: New purchases

A) *Expenditure*

Reduce expenditure by 500 000 EUA (from 608 500 to 108 500 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

In view of the need to review expenditure to ensure sound financial management (Article 206 a (2) of the EEC Treaty), expenditure of 608 000 EUA for the purchase of shelving and other filing equipment is far too high and should therefore be reduced by five-sixths.

* * *

Draft amendment No 225
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2211 Replacements

A) *Expenditure*

Reduce expenditure by 190 000 EUA (from 200 000 to 10 000 EUA)

B) *Compensation*

Enter an appropriation of 190 000 EUA under item 2213 (Maintenance etc.)

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

A figure of 200 000 EUA for replacement of furniture is far too much; the principle governing such expenditure should be durability and hence maintenance and repair.

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Draft amendment No 226
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2220: New purchases

A) *Expenditure*

Reduce expenditure by 500 000 EUA (from 1 700 000 to 1 200 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS
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JUSTIFICATION

This appropriation seems excessive and not in accordance with the need to ensure sound financial management (Article 206 a (2) of the EEC Treaty).

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Draft amendment No 227
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2353: Miscellaneous expenditure on internal meetings

A) *Expenditure*

Reduce expenditure by 30 000 EUA (from 50 000 to 20 000)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS
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JUSTIFICATION

This appropriation for refreshments at internal meetings is far too much having regard to the need for sound financial management (Article 206a of the EEC Treaty).

* * *

Draft amendment No 228
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2400: Members of the institution

A) *Expenditure*

Reduce expenditure by 300 000 EUA (from 317 000 to 17 000 EUA)

B) *Compensation*

Enter an appropriation of 300 000 EUA under Article 949 (new heading) 'Special programme for the adoption of food strategies in the poorest developing countries'

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Given the current political, economic and social situation in the Community and in the associated and non-associated developing countries, the appropriations proposed seem far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Art. 949 (*new heading*) (Special programme for the adoption etc.).

* * *

Draft amendment No 229
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2401: Staff

A) *Expenditure*

Reduce expenditure by 58 000 EUA (from 358 000 to 300 000 EUA)

B) *Compensation*

Enter an appropriation of 58 000 EUA in Article 949 (*new heading*) (special programme for the adoption of food strategies in the poorest developing countries)

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS
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JUSTIFICATION

Given the current political, economic and social situation in the Community and in the associated and non-associated developing countries, the appropriations proposed seem far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ – EP Debates Nos. 1-246, 247 and 260) and the cuts made by the Council in Title 9, a large part of these appropriations should be transferred to Art. 949 (*new heading*) (Special programme for the adoption etc.).

* * *

Draft amendment No 230
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

Article 250: Expenditure on formal meetings and meetings in general

A) *Expenditure*

Reduce expenditure by 678 250 EUA (from 6 800 000 to 6 021 750 EUA) (No change as compared with appropriation for 1980)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS
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JUSTIFICATION

The need to cut down on superfluous and unproductive expenditure.

* * *

Draft amendment No 231
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2530: Mines Safety and Health Commission

A) *Expenditure*

Increase expenditure by 500 000 EUA (from 250 000 to 750 000 EUA)

B) *Compensation*

Reduce the appropriation in Art. 251 by 500 000 EUA (Committees)

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

It is a fundamental task of the Community to ensure maximum safety for miners, but not to reimburse 'experts' as provided for in Article 251. It is therefore reasonable to transfer 500 000 EUA.

* * *

Draft amendment No 232
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 261: Studies and surveys of the short-term economic situation

A) *Expenditure*

Reduce expenditure by 1 000 000 EUA (from 2 000 000 to 1 000 000 EUA)

B) *Compensation*

Enter an appropriation of 1 000 000 EUA under Article 949 (new heading) (special programme for the adoption of food strategies in the poorest developing countries)

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

The Community's political, economic and social situation is already sufficiently well known and disturbing as to render unnecessary such a high appropriation for studies of this nature. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, *half* of these appropriations should be transferred to Article 949 (*new heading*) (special programme for the adoption etc.).

* * *

Draft amendment No 233

tabled by Mr Pannella, Mr Capanna, Mr Bonino, Mrs Macciocchi and Mrs Coppieters

Section III — Commission

PAYMENTS

Article 262: Comprehensive Community studies and general surveys

A) *Expenditure*

Reduce expenditure by 650 000 ECU (from 1 300 000 to 650 000 ECU)

B) *Compensation*

Enter an appropriation of 650 000 ECU in Article 949 (new heading) (special programme for the adoption of food strategies in the poorest developing countries)

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

Given the present political, economic and social situation in the Community and in the associated and non-associated developing countries, the proposed appropriations are far too high. In view of the priority accorded by the EP to the campaign against hunger in the world (see OJ — EP Debates Nos. 1-246, 247 and 260) and of the cuts made by the Council in Title 9, *half* of these appropriations should be transferred to Article 949 (*new heading*) (Special programme for the adoption etc.).

* * *

Draft amendment No 234
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2.7.2.0: Expenditure on information, publicity and participation in public events

A) *Expenditure*

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B) *Compensation*

—

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

Add after 'Communities': 'as well as on the problems of malnutrition and poverty among the inhabitants of the ACP countries and on the as yet inadequate measures taken by the EEC in this sector'.

JUSTIFICATION

The debate in the EP (see OJ, Debates of the EP, Doc. 1-246, 247, 260) show the prime importance attached by the European Parliament to the campaign against hunger in the world. It therefore appears appropriate that information activities should also be adjusted accordingly.

* * *

Draft amendment No 235
tabled by Mr Panella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9.5.0.2: Exceptional aid to refugees in the ACP countries who have fallen victim to wars or natural disasters
(*new*)

A) *Expenditure*

Create a new Item 9.5.0.2: 'Exceptional aid to refugees in the ACP countries who have fallen victim to war or natural disaster'

Enter a payment appropriation of 50 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 250 000 000 EUA

Schedule

Enter the following schedule:

The commitment appropriation is to cover emergency aid to ACP refugees and will be distributed over 5 years, corresponding to the duration of the Second Lomé Convention.

The commitment appropriation authorized for 1981 is 250 000 000 EUA.

The likely schedule of payments against commitments is as follows:

Commitments	Payments				
	1981	1982	1983	1984	1985
1981 appropriations:					
250 000 000 EUA	50 000 000 EUA	50 000 000 EUA	50 000 000 EUA	50 000 000 EUA	50 000 000 EUA

REMARKS

This appropriation is intended to finance exceptional aid to refugees from ACP countries who have fallen victim to wars or natural disasters, pursuant to the undertaking given by the ACP-EEC Consultative Assembly (see paragraph 47 of the FOCKE resolution adopted on 26 September 1980).

JUSTIFICATION

It is necessary to create this new budgetary item for two reasons:

- the grave situation of refugees in the ACP countries
- the specific commitment made to this effect by the ACP-EEC Consultative Assembly, a commitment which cannot be repudiated by the Members of the European Parliament, particularly in view of the fact that it was solemnly given to the ACP delegates in their capacity as representatives of their governments and in view of the expectations raised that this type of action would be taken.

* * *

Draft amendment No 236

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi, Mr Coppieters

Section III — Commission

PAYMENTS

Item 9.2.0.5: Exceptional programme for refugees in the ACP countries who have fallen victim to wars or natural disasters
(new)

A) *Expenditure*

Create a new Item 9.2.0.5 'Exceptional programme for refugees in the ACP countries who have fallen victim to wars or natural disasters

Enter a payment appropriation of 70 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 270 000 000 EUA

Schedule

Enter the following schedule:

The commitment appropriation is to cover the purchase of 2 000 000 tonnes of cereals to be distributed over 5 years, corresponding to the duration of the Second Lomé Convention.

The commitment appropriation authorized for 1981 is 270 000 000 EUA.

The likely schedule of payments against commitments is as follows:

Commitments		Payments				
1981 appropriations:		1981	1982	1983	1984	1985
270 000 000	EUA	70 000 000 EUA	50 000 000 EUA	50 000 000 EUA	50 000 000 EUA	50 000 000 EUA

REMARKS

This appropriation is intended to finance a special programme of food aid in cereals equivalent to 2 000 000 tonnes for refugees in the ACP countries who have fallen victim to wars or natural disasters, pursuant to the undertaking given by the ACP-EEC Consultative Assembly (see paragraph 47 of the FOCKE resolution adopted on 26 September 1980).

JUSTIFICATION

It is necessary to create this new budgetary item for two reasons:

- the grave situation of refugees in the ACP countries
- the specific commitment made to this effect by the ACP-EEC Consultative Assembly, a commitment which cannot be repudiated by the Members of the European Parliament, particularly in view of the fact that it was solemnly given to the ACP delegates in their capacity as representatives of their governments and in view of the expectations raised that this type of action would be taken.

* * *

Draft amendment No 237

tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 923: Food aid (other commodities)

A) *Expenditure*

Enter an appropriation of 20 000 000 EUA instead of the token entry

B) *Compensation*

Reduce by 20 000 000 EUA the appropriation in Item 6200 'Refunds' for milk and milk products (2375 000 000 EUA)

C) *Revenue*

—

COMMITMENTS

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Schedule

REMARKS

Article intended to cover the supply to developing countries of food products other than cereals, milk products and sugar to ensure a better food balance in the beneficiary countries.

JUSTIFICATION

All the disadvantages of conventional Community aid, consisting in supplying Community surpluses to the developing countries, have been and still are evident. This appropriation could help to diversify EEC aid and meet the food needs of the peoples concerned.

* * *

Draft amendment No 238
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 8222: Specific programme for developing beef cattle farming in upland areas of Italy

A) *Expenditure*

Enter an appropriation of 10 000 000 EUA instead of the token entry

B) *Compensation*

Reduce by 10 000 000 EUA the appropriation in item 6200 'Refunds' for milk and milk products (23 750 000 000 EUA)

C) *Revenue*

REMARKS

unchanged

JUSTIFICATION

As part of a general rebalancing of the EAGGF Guarantee Fund, the 'development of beef cattle farming in upland areas of Italy' should be given greater support at the expense of item 6200.

* * *

Draft amendment No 239
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 1.0.0.0: Basic salaries

A) *Expenditure*

Reduce the payment appropriation by 751 000 EUA (from 1 502 000 EUA to 751 000 EUA)

B) *Compensation*

Add 751 000 EUA to Article 9.4.9 (*new heading*) 'Special programme for the adoption of food strategies in the poorest developing countries'

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

In the present political, economic and social circumstances in the Community and in the associated and non-associated developing countries, the appropriations under this heading appear to be particularly excessive. In view of the primordial importance with which the European Parliament attaches to combating hunger in the world (see OJ — Debates of the European Parliament, Nos. 1-246, 247, 260) and the cuts made by the Council in Title 9, *half* of these appropriations should be transferred to Article 949 (*new heading*): 'adoption of food strategies in the poorest developing countries'.

* * *

Draft amendment No 240
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 8221: Collective irrigation works in the Mezzogiorno

A) *Expenditure*

Increase the appropriation by 20 000 000 EUA (from 16 000 000 to 36 000 000 EUA)

B) *Compensation*

Reduce by 20 000 000 EUA the appropriation entered in item 6200 'Refunds' for milk and milk products (23 750 000 000 EUA)

C) *Revenue*

—

REMARKS

unchanged

JUSTIFICATION

As part of a general rebalancing of the EAGGF Guarantee Fund, greater support should be given to the collective irrigation works in the Mezzogiorno at the expense of item 6200.

* * *

Draft amendment No 241
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 6212: Aid for liquid skimmed milk for use as feed for calves

A) *Expenditure*

Delete the appropriation of 126 000 000 ECU and make a token entry

B) *Compensation*

Increase by 126 000 000 ECU the appropriation entered in Article 550 'Community action in support of national regional policies'

C) *Revenue*

—

REMARKS

—

JUSTIFICATION

Financing the European Regional Development Fund is a priority matter as regards the aid for liquid skimmed milk for use as feed for calves, having regard also to the re-examination of the whole sector of aid for butter and cream.

With this in mind, a transfer of 126 000 000 ECU is being made from item 6212 to Article 550.

* * *

Draft amendment No 242
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 6224: Special measures for absorbing surpluses of butterfats

A) *Expenditure*

Reduce the appropriation by 80 000 000 ECU (from 111 000 000 to 31 000 000 ECU)

B) *Compensation*

Increase by 80 000 000 ECU the appropriation entered in Article 550 'Community action in support of national regional policies'

C) *Revenue*

—

REMARKS

—

JUSTIFICATION

Financing the European Regional Development Fund is a priority matter as regards special measures for absorbing surpluses of butterfats, having regard also to the re-examination of the whole sector of aid for butter and cream.

With this in mind, a transfer of 80 000 000 ECU is being made from item 6224 to Article 550.

* * *

Draft amendment No 243
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 6.2.1.0: Aid for skimmed-milk powder for use as feed for calves

A) *Expenditure*

Delete the appropriation of 807 m EUA and make a token entry

B) *Compensation*

Enter 807 m EUA in Chapter 1.0.0 (new Item 6.2.1.0)

C) *Revenue*

—

Schedule

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REMARKS

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JUSTIFICATION

This item appears to be one of the most scandalous in the whole budget in the view of the budgetary authority. The EP proposes a token entry in Item 6.2.1.0, the entire appropriation to be provisionally entered in Chapter 1.0.0 pending a broad review of the management of the EAGGF, Guarantee Section, and above all having regard to the need to ensure sound financial management (Article 206 (A) (2) of the EEC Treaty).

* * *

Draft amendment No 244
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9.6.3.0: Financial Protocol

A) *Expenditure*

Reduce the appropriation by 31 200 000 EUA and make a token entry

B) *Compensation*

Enter 31 200 000 EUA in Chapter 1.0.0 (new Item 9.6.3.0)

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

unchanged

JUSTIFICATION

Following the military coup d'etat which has put an end to fundamental freedoms in Turkey, closed the Grand National Assembly and led to the arrest of politicians and trade union leaders, the EP considers that all forms of economic cooperation with Turkey must be frozen until democracy, the parliamentary system and a civilian government are restored. The financial provision resulting from the financial protocol signed with Turkey is therefore suspended and provisionally entered in Chapter 1.0.0.

* * *

Draft amendment No 245

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9.6.3.1: Special aid for Turkey

A) *Expenditure**Reduce* the appropriation by 25 000 000 ECU and make a token entryB) *Compensation**Enter* an appropriation of 25 000 000 ECU in Chapter 1.0.0 (*new Item 9.6.3.1*)C) *Revenue*

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

Following the military coup d'etat which has put an end to fundamental freedoms in Turkey, closed the Grand National Assembly and led to the arrest of politicians and trade union leaders, the EP considers that all forms of economic cooperation with Turkey must be frozen until democracy, the parliamentary system and a civilian government are restored. The financial provision resulting from the financial protocol signed with Turkey is therefore suspended and provisionally entered in Chapter 1.0.0.

* * *

Draft amendment No 246
tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 9.4.7: Community participation in the International Fund for Agricultural Development (IFAD)

A) *Expenditure*

Enter a payment appropriation of 143 000 000 EUA

B) *Compensation*

Reduce by 143 000 000 EUA the appropriation in Item 6.2.1.0

'Aid for skimmed-milk powder for use as feed for calves' (from 807 000 000 to 664 000 000 EUA)

COMMITMENTS

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Schedule

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REMARKS

Enter the following remarks:

EP resolution of 18 September 1980, paragraph 14 (OJ)

As part of the programme to restock the IFAD funds in which the Community must participate, it is proposed to increase the endowment from 1 to 3 000 million dollars. One-third of this total will be the responsibility of the Community and an initial appropriation representing 20% of this share is entered in the 1981 budget.

JUSTIFICATION

The resolution on world hunger adopted on 18 September 1980 by the EP provides for an increase in the IFAD endowment from 1 to 3 000 million dollars. The Community is to take responsibility for one-third of that total and it is proposed to enter a 20% share in the 1981 budget as a token of the Community's commitment in this area; the remaining 80% will be borne by the Member States.

* * *

Draft amendment No 247
tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 9.4.5: Community contribution towards schemes concerning developing countries carried out by non-governmental organizations (NGOs)

A) *Expenditure*

Increase the payment appropriation by 9 250 000 EUA (from 10 750 000 to 20 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 10 000 000 EUA (from 14 000 000 to 24 000 000 EUA)

Schedule

Amend schedule as follows:

The commitment appropriation authorized for 1981 is 24 000 000 EUA.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	10 400 000	6 900 000	3 500 000		
Appropriation outstanding from 1979	100 000	100 000			
Appropriation for 1980	14 000 000	3 750 000	6 000 000	4 250 000	
Appropriation for 1981	24 000 000	—	11 500 000	6 500 000	6 000 000
Total	48 500 000	10 750 000	21 000 000	10 750 000	6 000 000

REMARKS

unchanged

JUSTIFICATION

The EP has always stressed its interest, for reasons of efficiency, in this type of development aid (see resolution of 18 September 1980 on world hunger).

Rather than falling in with the Council which is merely reinstating the 1980 appropriation, the EP requests reinstatement of the appropriations shown in the preliminary draft budget with additional financing of 4 000 000 EUA.

* * *

Draft amendment No 248

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 6.2.2.3: Other public storage costs and expenditure on special measures

A) *Expenditure*

Reduce the payment appropriation by 200 000 000 EUA (from 318 000 000 to 118 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Until the whole butter and cream sector have been reviewed 200 000 000 EUA should be deducted from Item 6.2.2.3, in order to reduce excessive expenditure which is contrary to the principles of 'sound financial management' (Article 206 a (2) of the EEC Treaty).

* * *

Draft amendment No 249

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 6.2.1.6: Financial costs of public storage

A) *Expenditure*

Reduce the payment appropriation by 21 000 000 EUA and make a token entry.

B) *Compensation*

Enter a payment appropriation of 21 000 000 EUA under Article 9.4.9. (new heading) 'Special programme for the adoption of food strategies in the poorest developing countries'.

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The figure of 21 000 000 EUA for public storage of skimmed milk appears clearly to contradict the principles of 'sound financial management' (Article 206 a (2) of the EEC Treaty).

In view of the priority assigned by the European Parliament to combating hunger in the world a token entry should be inserted in Item 6.2.1.6 and the whole of the appropriation transferred to Article 949 (new title).

* * *

Draft amendment No 250
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9241: Programmes and operations for the financial year

A) *Expenditure*

Increase the payment appropriations by 34440000 EUA (from 56260000 to 90700000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The increase in food aid transport costs is an automatic consequence of the increased volume of aid called for in a previous amendment.

* * *

Draft amendment No 251
 tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 9.2.6.0: Exceptional implementing measures

A) *Expenditure*

Increase the payment appropriation by 2000000 EUA (from 500000 EUA to 2500000 EUA)

B) *Compensation*

Decrease by 2000000 EUA the appropriation under Item 6.2.2.4 'special measures for absorbing surpluses of butterfats' (from 111000000 to 109000000 EUA)

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

unchanged

JUSTIFICATION

The priority which Parliament assigns to emergency food aid rather than the traditional form of food aid — which always represents more a subsidy to the balance of payments of the beneficiary country than real help to the peoples concerned — justifies this increase for expenditure on emergency transport.

* * *

Draft amendment No 252
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Chapter 9.4: Specific measures for cooperation with developing countries
Article 9.4.9: Special programme for the adoption of food strategies in the poorest developing countries
(*new heading*)

A) *Expenditure*

Enter a payment appropriation of 50 000 000 EUA

B) *Compensation*

Reduce the appropriation in Item 6.2.0.0 'refunds on milk and milk products' by 50 000 000 EUA (from 2 375 000 000 to 2 325 000 000 EUA)

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

This appropriation is earmarked for the special programme for the adoption of food strategies for the poorest developing countries and provides for the 'adoption' by the EEC of a number of developing countries in order to finalize with the local officials specific food strategies designed to bring local food production up to a level of self-sufficiency.

JUSTIFICATION

The EP and ACP-EEC Consultative Assembly (see Focke report — resolution adopted on 26 September 1980) have placed particular emphasis on the need to work out adequate food strategies for developing countries, thus reflecting the views of the World Food Council. The Community as such should therefore participate in this programme by making available an initial appropriation of 50 000 000 EUA.

* * *

Draft amendment No 253
tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Castellina and Mrs Macciocchi

Section III — Commission

PAYMENTS

- Article 9.5.0: Aid to populations
(new heading)
- Item 9.5.0.0: Aid to populations of developing and third countries afflicted by disasters
(new)
- Item 9.5.0.1: European emergency intervention force for populations threatened with starvation
(new)

A) *Expenditure*

- Amend* the designation of Article 9.5.0 to read 'aid to populations'
- Create* a new Item 9.5.0.0: 'Aid to populations of developing and third countries afflicted by disasters'
- Enter* a payment appropriation of 3 000 000 EUA
- Create* a new Item 9.5.0.1: 'European emergency intervention force for populations threatened with starvation'
- Enter* a payment appropriation of 408 392 500 EUA

B) *Compensation*

- Reduce* the appropriation in Item 6.2.0.0 by 408 392 500 EUA (refunds on milk and milk products) (from 2 375 000 000 to 1 966 607 500 EUA)

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

This new item provides for the creation of an emergency force to take action to eliminate hunger in the poorest developing countries.

These measures can be carried out with the logistic support of special groups from the armed forces of the European countries; these units would wear civilian dress. The purpose of this action must be to remedy the dramatic situation in the countries concerned and also to make available light infrastructural equipment (water pumps, small bridges, etc.) to bring about an improvement in the specific local situation in the medium term.

* * *

Draft amendment No 254
tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

- Article 9.5.0: Aid to disaster victims in developing and other non-member countries
 Item 9.5.0.0: Aid to disaster victims in developing and other non-member countries
 (new)
 Item 9.5.0.1: European emergency food aid force to assist populations experiencing serious supply
 (new) problems

A) *Expenditure*

Create an Item 9.5.0.0: 'Aid to disaster victims in developing and other non-member countries'
 Enter the payment appropriation shown in Article 9.5.0, increased by 403 000 000 EUA (from 3 000 000 to 406 000 000 EUA)
 Create the following new Item 9.5.0.1: 'European emergency food aid force to assist populations experiencing serious supply problems'
 Enter a payment appropriation of 418 741 000 EUA

B) *Compensation*

Reduce by 821 741 000 EUA Item 6.2.0.0 (refunds on milk and milk products — from 2 375 000 000 to 1 533 259 999 EUA)

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

The increase in the appropriation against Item 9.5.0.0 is justified by the disastrous shortages frequently affecting many of these countries. The appropriation in Item 9.5.0.1 is justified by the urgent need for practical Community action having regard to the dramatic increase in the number of deaths from hunger and malnutrition.

JUSTIFICATION

For justification see Remarks.

* * *

Draft amendment No 255
 tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Castellina and Mrs Macciocchi

Section III — Commission

PAYMENTS

- Article 9.5.0: Aid to populations
 (new heading)
 Item 9.5.0.0: Aid to disaster victims in developing and other non-member countries
 (new)
 Item 9.5.0.1: European emergency intervention force for populations threatened with starvation
 (new)

A) *Expenditure*

Amend the heading of Article 9.5.0 to read: 'Aid to populations'

Create a new Item 9.5.0.0: 'Aid to disaster victims in developing and other non-member countries
 Enter a payment appropriation of 3 000 000 EUA (appropriation from Article 9.5.0)
 Create a new Item 9.5.0.1: 'European emergency intervention force for populations threatened with
 starvation'
 Enter a payment appropriation of 301 105 652 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 301 105 652 EUA

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

This new item provides for the creation of an intervention force to act in efforts to eliminate hunger from the poorest developing countries.

This action could be carried out with the logistic support of special units of the armed forces of the European countries in civilian dress. The purpose of these actions is to alleviate dramatic situations of hunger and supply light infrastructural equipment (water pumps, small bridges, etc.) to ensure an improvement of specific situations in the medium term.

* * *

Draft amendment No 256
 tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macchiocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Title 9: Cooperation with developing countries and non-member states
 Chapter 9.7: Cooperation in the field of commodities
 (new chapter)
 Article 9.7.0: Common fund
 (new article)
 Item 9.7.0.0: First section: financing of buffer stocks
 (new item)

A) *Expenditure*

Enter a payment appropriation of 50 000 000 EUA in the new Item 9.7.0.0: First section: financing of buffer stocks

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

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Schedule

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REMARKS

Enter the following remark:

EP resolution of 26.4.1979 (OJ C 127, 21. 5. 1979)

This item constitutes the necessary preliminary for the possible inclusion in the budget of the Community's contribution of the first section of the common fund for commodities.

JUSTIFICATION

In its resolution of 26. 4. 1979, the EP asked the Member States to make a positive contribution to the financing of the two sections of the common fund: in particular it asked for the Member States' shares of the financing of this fund to be included in the Community budget.

Considering that UNCTAD laid open for signature the act of participation in the common fund on 1 October and that the Commission will probably be making a corresponding recommendation to the Council at its next meeting, the EP considers it appropriate to enter 50 000 000 EUA as an initial financial contribution.

* * *

Draft amendment No 257

tabled by Mr Pannella, Mrs Bonino, Mr Capanna, Mrs Macciocchi and Mr Coppeters

Section III — Commission

PAYMENTS

Chapter 9.7: Cooperation in the field of commodities
(*new chapter*)Article 9.7.0: Common fund
(*new article*)Item 9.7.0.1: Second section: financing of measures for structural improvement of the world market
(*new item*)A) *Expenditure*

Enter a payment appropriation of 50 000 000 EUA in the new Item 9.7.0.1: second section: financing of measures for structural improvement of the world market

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

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Schedule

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REMARKS

Enter the following remarks:

EP resolution of 26. 4. 1979 (OJ C 127, 21. 5. 1979)

This entry constitutes the necessary preliminary for the possible inclusion in the Community's budget of the Member States' contributions to the second section of the common fund.

JUSTIFICATION

With a view to inclusion in the Community budget of the Member States' shares in the second section, and having regard to the fact that UNCTAD laid open for signature on 1 October the act of accession to the common fund while the Commission will in all probability be making a corresponding recommendation to the Council at its next meeting, the EP considers it appropriate to enter 50 000 000 EUA for initial financing.

* * *

Draft amendment No 258

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mr Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 9.9.2: Commission delegations in the ACP countries and OCT

A) *Expenditure*

Increase the payment appropriation by 66 500 000 EUA (from 34 500 000 to 100 100 000 EUA)

B) *Compensation*

Reduce by 66 500 000 EUA the appropriation in Item 6.2.0.0: 'Refunds on milk and milk products'

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

In accordance with a request made both by the ACP countries and by the European Parliament, the second Lomé Convention provides for the operating expenditure of the delegations to be imputed to the Community budget instead of to the EDF.

These delegations are an essential component of cooperation between the ACP countries and the Community. At a time when new delegations are being opened (because of the accession of new countries to the convention) or branches being set up in ACP countries where there are no such delegations, the Commission must have the appropriations needed for their operation.

This substantial increase is justified by the role of these delegations in training and education activities, especially for middle grade supervisory staff and specialized technicians who are nationals of the ACP countries.

* * *

Draft amendment No 259
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 8.2.2.0: Agricultural advisory services in Italy

A) *Expenditure*

Increase the appropriation by 700000 EUA

B) *Compensation*

Reduce by 700000 EUA the appropriation in Article 6.2.1: 'Intervention in respect of skimmed milk'

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

This amendment forms part of efforts to strengthen financing for Community agricultural regions which have so far been less favoured by the common agricultural policy.

* * *

Draft amendment No 260
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 8.2.1: Forestry measures in certain dry Mediterranean regions

A) *Expenditure*

Increase the appropriation by 20000000 EUA

B) *Compensation*

Reduce by 20000000 EUA the appropriation in Article 6.2.2: 'Intervention in respect of butter and cream', Item 6.2.2.3: 'Other public storage costs and expenditure on special measures'

C) *Revenue*

—

COMMITMENTS

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Schedule

REMARKS

unchanged

JUSTIFICATION

This amendment forms part of the programme to restore the balance between EAGGF Guidance Section and Guarantee Section expenditure.

* * *

Draft amendment No 261
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 8.3.1.2: Premiums for the non-marketing of milk and milk products

A) *Expenditure*

Delete the appropriation of 84 000 000 ECU and make a token entry

B) *Compensation*

Enter an appropriation of 84 000 000 ECU in Chapter 1.0.0: Item 3.3.1.2: 'Premiums for the non-marketing of milk and milk products'

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

The fact that a premium has been introduced for the non-marketing of milk and milk products is a clear proof of the unjust, misguided and discriminatory nature of the policy pursued in this sector which must be changed at the earliest possible date. Pending the necessary change, the appropriations should be placed in Chapter 1.0.0.

* * *

Draft amendment No 262
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2.6.5.3: Studies on the nuclear fuel cycle

A) *Expenditure*

Delete this item and the appropriation of 150000 EUA

B) *Compensation*

Enter an appropriation of 150000 EUA against Article 2.8.8: 'European University Institute in Florence'

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Debates in the EP have highlighted the risks to human and environmental safety of a European nuclear option; the proven risks of nuclear power stations are accompanied by the further risk of militarization of European territory. That being so, it is inadvisable to finance studies in this area while a Community contribution to the financing of the European University Institute in Florence would be particularly useful.

* * *

Draft amendment No 263
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 6.2.1.3: Aid for liquid skimmed milk for use as feed for animals other than calves

A) *Expenditure*

Reduce the appropriation by 249000000 EUA and make a token entry

B) *Compensation*

Increase by 249000000 EUA the appropriation in Article 5.5.0: 'Community action in support of national regional policies'

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The budgetary authority believes this item to be one of the most scandalous in the whole budget. The EP therefore proposes a token entry in Item 6.2.1.3 and transfer of the whole amount to Article 5.5.0.

* * *

Draft amendment No 264

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2.6.5.2: Studies on advanced reactor design

A) *Expenditure*

Delete this item and the appropriation of 150 000 EUA

B) *Compensation*

Enter an appropriation of 150 000 EUA in Article 2.8.8: European University Institute in Florence

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Debates in the European Parliament have repeatedly highlighted the danger to human and environmental safety of a European nuclear option because of the proven risks of nuclear power stations and the accompanying danger of militarization of European territory. It therefore appears undesirable to finance studies in this area; on the other hand, a Community contribution to the financing of the European University Institute in Florence is important.

* * *

Draft amendment No 265
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Chapter 1.0: Members of the Institution
Article 1.0.0: Salaries, allowances and payments related to salaries
Item 1.0.0.4: Travel and subsistence allowances; attendance at meetings and associated expenditure

A) *Expenditure*

Decrease the appropriation by 1000000 EUA (from 16468200 EUA to 15468200 EUA)

B) *Compensation*

- Create a new Article 2.9.5 'Special European Parliament Fund' for the campaign against hunger in the world'
- Enter an appropriation of 1000000 EUA

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The European Parliament's debates on hunger in the world should lead to practical action: hence the need to set up a special fund to finance emergency measures in hunger-stricken countries by non-governmental organizations.

* * *

Draft amendment No 266
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Chapter 1.0: Members of the Institution
Article 1.0.5: Language courses for Members

A) *Expenditure*

Decrease the appropriation by 17000 EUA (from 157000 EUA to 140000 EUA)

B) *Compensation*

- Create a new Article 2.9.5 'Special European Parliament Fund' for the campaign against hunger in the world
- Enter an appropriation of 17000 EUA

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The European Parliament's debates on hunger in the world should lead to practical action: hence the need to set up a special fund to finance emergency measures in hunger-stricken countries by non-governmental organizations.

* * *

Draft amendment No 267

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section — Parliament

PAYMENTS

Chapter 1.0: Members of the Institution

Article 1.0.9: Provisional appropriations to cover any adjustments to the emoluments of Members of the European Parliament

A) *Expenditure**Decrease* the appropriation by 1 000 000 EUA (from 4 500 000 EUA to 3 500 000 EUA)B) *Compensation*

— Create a new Article 2.9.5 'Special European Parliament Fund for the campaign against hunger in the world'

— *Enter* an appropriation of 1 000 000 EUAC) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The European Parliament's debates on hunger in the world should lead to practical action: hence the need to set up a special fund to finance emergency measures in hunger-stricken countries by non-governmental organizations.

* * *

Draft amendment No 268
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 1.2.0: Miscellaneous expenditure on staff recruitment

A) *Expenditure*

Decrease the appropriation by 100 000 EUA (from 300 000 EUA to 200 000 EUA)

B) *Compensation*

- Create a new Article 2.9.5 'Special European Parliament Fund for the campaign against hunger in the world'
- *Enter* an appropriation of 100 000 EUA

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The elimination or reduction of administrative wastage is essential in order to ensure 'sound financial management' (see Article 206 of the EEC Treaty); at the same time it is clear that the European Parliament's debates on hunger in the world must lead to practical action. Hence the proposal to transfer part of the appropriation under Article 120 to the 'Special European Parliament Fund for the campaign against hunger in the world'.

* * *

Draft amendment No 269
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 1.3.0: Mission expenses, duty travel expense and other ancillary expenditure

Item 1.3.0.1: Staff

A) *Expenditure*

Decrease the appropriations by 225 000 EUA (from 5 225 000 EUA to 5 000 000 EUA)

B) *Compensation*

- Create a new Article 2.9.5 'Special European Parliament Fund for the campaign against hunger in the world'
- *Enter* an appropriation of 225 000 EUA

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The elimination or reduction of administrative wastage is essential in order to ensure 'sound financial management' (see Article 206 of the EEC Treaty); at the same time it is clear that the European Parliament's debates on hunger in the world must lead to practical action. Hence the proposal to transfer part of the appropriation under Article 120 to the 'Special European Parliament Fund for the campaign against hunger in the world'.

* * *

Draft amendment No 270
tabled by Mr Panella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.2.0: Office machinery
Item 2.2.0.1: Replacement

A) *Expenditure*

Decrease the appropriation by 242 500 EUA (from 485 000 EUA to 242 500 EUA)

B) *Compensation*

- Create a new Article 2.9.5 'Special European Parliament Fund for the campaign against hunger in the world'.
- *Enter* an appropriation of 242 500 EUA

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

This figure seems to high. It is therefore proposed to transfer half of the appropriation to the 'Special European Parliament Fund for the campaign against hunger in the world'.

* * *

Draft amendment No 271
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.2.1: Furniture
Item 2.2.1.0: New purchases

A) *Expenditure*

Decrease the appropriation by 237 500 EUA (from 475 000 EUA to 237 500 EUA)

B) *Compensation*

- Create a new Article 2.9.5 'Special European Parliament Fund for the campaign against hunger in the world'
- *Enter* an appropriation of 237 500 EUA

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

To reduce administrative expenditure as far as possible and at the same time to follow up the European Parliament's debates on hunger in the world in a practical way by helping to set up the 'Special European Parliament Fund for the campaign against hunger in the world'.

* * *

Draft amendment No 272
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.2.3: Transport equipment
Item 2.2.3.1: Replacements

A) *Expenditure*

Reduce the appropriation by 102 000 EUA (from 204 000 to 102 000 EUA)

B) *Compensation*

Create a new Article 2.9.5: 'Special European Parliament fund to combat world hunger'
Enter an appropriation of 102 000 EUA

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

Superfluous expenditure should be cut to the minimum; instead Parliament should concentrate on setting up a special fund to combat world hunger.

* * *

Draft amendment No 273

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.3.0: Stationery and office supplies

A) *Expenditure*

Reduce the appropriation by 324 000 EUA (from 1 324 000 to 1 000 000 EUA)

B) *Compensation*

Create a new Article 2.9.5: 'Special European Parliament fund to combat world hunger'

Enter an appropriation of 324 000 EUA

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

It is essential to cut to the minimum superfluous or easily reduceable expenditure items if the concern expressed during the debates in the European Parliament on world hunger is to be taken to its logical conclusion and a special European Parliament fund set up to combat world hunger.

* * *

Draft amendment No 274
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.3.5: Other operating expenditure
Item 2.3.5.2: Miscellaneous expenditure on internal meetings

A) *Expenditure*

Reduce the appropriation by 100 000 EUA (from 114 000 to 14 000 EUA)

B) *Compensation*

Create a new Article 2.9.5: 'Special European Parliament fund to combat world hunger'
Enter an appropriation of 100 000 EUA

COMMITMENTS

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Schedulè

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REMARKS

unchanged

JUSTIFICATION

It is essential to cut to the minimum superfluous or easily reduceable expenditure items if the concern expressed during the debates in the European Parliament on world hunger is to be taken to its logical conclusion and a special European Parliament fund set up to combat world hunger.

* * *

Draft amendment No 275
tabled by Mr Panella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.4.0: Entertainment and representation expenses
Item 2.4.0.0: Members of the Institution

A) *Expenditure*

Reduce the appropriation by 300 000 EUA (from 380 000 to 80 000 EUA)

B) *Compensation*

Create a new Article 2.9.5: 'Special European Parliament fund to combat world hunger'
Enter an appropriation of 300 000 EUA

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

It is imperative to reduce expenditure which is obviously superfluous if the concern expressed by the European Parliament in its debates on world hunger is to be taken to its logical conclusion and a special European Parliament fund set up to combat world hunger.

* * *

Draft amendment No 276

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.4.0: Entertainment and representation expenses

Item 2.4.0.1: Staff

A) *Expenditure*

Reduce the appropriation by 25 000 EUA (from 26 000 to 1000 EUA)

B) *Compensation*

Create a new Article 2.9.5: 'Special European Parliament fund to combat world hunger'

Enter an appropriation of 25 000 EUA

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

A drastic reduction in obviously superfluous expenditure is imperative if the concern expressed by the European Parliament in its debates on world hunger is to be taken to its logical conclusion and a special European Parliament fund set up to combat world hunger.

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Draft amendment No 277
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Article 2.4.0: Entertainment and representation expenses
Item 2.4.0.2: Fund for expenses in accordance with Rule 53 of the Rules of Procedure of the EP

A) *Expenditure*

Reduce the appropriation by 10000 EUA (from 18000 to 8000 EUA)

B) *Compensation*

Create a new Article 2.9.5: 'Special European Parliament Fund to combat hunger'
Enter an appropriation of 10000 EUA

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

It is imperative to reduce excessive expenditure if the concern expressed by the European Parliament in its debates on world hunger is to be taken to its logical conclusion and a special European Parliament fund set up to combat world hunger.

* * *

Draft amendment No 278
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Chapter 2.9: Subsidies and financial contributions
Article 2.9.5: Special European Parliament fund to combat world hunger
(*new*)

A) *Expenditure*

Create a new Article 2.9.5
Enter a payment appropriation of 1000000 EUA

B) *Compensation*

Reduce by 1000000 EUA Article 1.0.9: 'Provisional appropriations to cover any adjustments to the emoluments of Members of the European Parliament'

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

This appropriation is to finance emergency actions by non-governmental organizations in the event of natural or human disasters in developing countries threatened with starvation.

JUSTIFICATION

The debates held on the subject of world hunger by the first directly-elected European Parliament in the first 12 months of its activities demonstrate the priority which it attaches to this sector. That being so, it would seem logical, through savings on internal administration, to set up a special fund to combat world hunger; contributions could be made from that fund to action in this sector by the specialized NGOs.

* * *

Draft amendment No 279

tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section I — Parliament

PAYMENTS

Item 2.9.9.1: Subsidies towards the cost of visits by opinion multipliers from the Member States

A) *Expenditure*

Delete the entire payment appropriation and make a token entry

B) *Compensation*

Enter 380000 EUA in Chapter 1.0.0 (new Item 2.9.9.1)

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

It would seem appropriate to place these funds provisionally in reserve until further information is available on the desirability of including this item in the budget of the first parliament elected by direct universal suffrage by the peoples of Europe.

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Draft amendment No 280
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Item 2.0.0.0: Rent

A) *Expenditure*

Reduce the appropriation by 11 000 000 EUA (from 41 000 000 to 30 000 000 EUA)

B) *Compensation*

Enter an appropriation of 11 000 000 EUA in Article 2.0.6: 'Acquisition of immoveable property' instead of a token entry

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

For years the Commission has been paying exorbitant rent on its office buildings. To ensure that the rental contracts *always* correspond to the principles of sound financial management (Article 206 (A)) (2) of the EEC Treaty) it would be appropriate for all rental contracts to be negotiated, currently under negotiation or falling due for renegotiation, to include a clause by virtue of which the rental figure would be reduced after a specific number of years. That is never done at present. Article 211 of the EEC Treaty gives the Community Institutions the possibility of purchasing or acquiring immoveable property. In the long term, ownership rather than rental of buildings guarantees better utilization of the budgetary funds available to the Institution.

* * *

Draft amendment No 281
tabled by Mr Pannella, Mr Capanna, Mrs Bonino, Mrs Macciocchi and Mr Coppieters

Section III — Commission

PAYMENTS

Article 2.0.4: Fitting-out of premises

A) *Expenditure*

Reduce the appropriation by 1 500 000 EUA (from 2 500 000 to 1 000 000 EUA)

B) *Compensation*

Enter an appropriation of 1 500 000 EUA in Article 2.0.7: 'Construction of buildings' instead of the token entry

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

In view of the exorbitant rents paid by the Commission, the owner of the buildings should adapt the premises to meet the Institution's needs. By arranging to construct its own buildings, the Commission would have a wider choice at the design stage and a greater possibility of obtaining more favourable conditions than at present.

* * *

Draft amendment No 282
tabled by Mr Delorozoy on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Chapter 2.8: Subsidies for balancing budgets
Article 2.8.1: Subsidy for the operation of the Community Business Cooperation Centre

A) *Expenditure*

Increase the payment appropriation by 23 000 EUA (from 115 000 to 138 000 EUA) (reinstatement of the amount entered in the preliminary draft budget)

B) *Compensation*C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

The amount proposed by the Council takes no account of:

- (a) the increase in costs due to inflation
- (b) additional measures required because of the exceptional situation affecting numerous sectors of the economy.

* * *

Draft amendment No 284
tabled by Mr Nord and Mr de Clercq, on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Item 3.7.2.2: Textile industry technology

A) *Expenditure*

Enter a payment appropriation of 600 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 3 200 000 EUA (reinstatement of appropriation in the preliminary draft budget)

Schedule

The commitment appropriation authorized for 1981 is for 3 200 000 EUA¹.
The likely schedule of payments in relation to commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriation for 1980	1 000 000	token entry	400 000	400 000	200 000
Appropriation for 1981	3 200 000		200 000	1 250 000	1 750 000
Total	4 200 000	token entry	600 000	1 650 000	1 950 000

REMARKS

unchanged

JUSTIFICATION

The Commission has proposed a second research and development programme for the EEC in the field of textiles and clothing. This has been drawn up in close collaboration with representatives of the industry and has obtained a favourable opinion from the Economic and Social Committee. Since the programme is intended to permit the development of new technologies it would seem particularly valuable for improving the competitive position of European industry in relation to certain other countries such as Japan.

Although the Council itself adopted a commitment appropriation of 1 000 000 EUA for the 1980 financial year, it has merely entered a token entry in its draft budget. In view of the importance of this second programme it is essential that it should be adopted by the Council without delay and that the payment and commitment appropriations entered in the preliminary draft budget should therefore be reinstated.

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977

Draft amendment No 285
tabled by Mr Nord and Mr de Clercq on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Article 3.7.6: Sectoral studies
Item 3.7.6.2: Increasing productivity in the clothing industry
(*new*)

A) *Expenditure*

Create the following new item: 'increasing productivity in the clothing industry'
Enter a payment appropriation of 500 000 EUA (reinstatement of the appropriation in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Reinstate the remarks in the preliminary draft:

New item

Appropriation intended for the following specific measures to increase productivity in the clothing industry:

- organization of meetings of experts in the fields concerned,
- award of contracts for preparatory work to identify the most promising options which have the best chance of being carried out,
- the award of contracts to consultancy bureaux, engineering companies and laboratories to study the possible solutions adopted after the preparatory work.

This appropriation also covers the costs of managing the contracts.

JUSTIFICATION

In the preliminary draft budget the Commission created a new item for increasing productivity in the clothing industry; an appropriation of 500 000 EUA was entered; the Council deleted this item.

At a time when the European clothing industry is facing constantly increasing competition from abroad, it would seem essential to encourage any action enabling productivity in this sector to be increased. The author of the amendment is therefore calling for reinstatement of the appropriation in the preliminary draft.

* * *

Draft amendment No 286/rev.
tabled by Mrs Pruvot on behalf of the Liberal and Democratic Group

Section I — Parliament

PAYMENTS

Item 2.9.4.3: Scientific cooperation between universities
(*new*) and the European Parliament

A) *Expenditure*

Create a new item entitled 'Scientific cooperation between universities and the European Parliament'
Enter a payment appropriation of 50 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Enter the following remarks:

This appropriation is intended to finance a study analysing the possible effects — with particular reference to the more effective integration of young people in the work process — of the establishment of a permanent structure incorporating the universities, the European Parliament and the social and professional bodies concerned.

JUSTIFICATION

The Liberal and Democratic Group is firmly in favour of the European Parliament breaking the wall of silence which surrounds it and of the implementation of any activity designed to foster a true European cultural identity.

To this end, proper official links should be established between the European Parliament and the universities in Europe.

The Liberal and Democratic Group believes that the role of the university consists partly and above all in preparing young people for their successful integration into working life. Therefore, in accordance with the principles laid down in the Treaty of Rome concerning the free movement of men and ideas, the European Parliament should establish a permanent working structure incorporating representatives of the various European universities, Members of Parliament, representatives of the Commission and the social partners concerned. This cooperation structure should also include teaching and research units representing not only the industrial and commercial sectors, but also the service and agricultural sectors.

Conscious of the difficulties caused by the establishment of such a structure for research into scientific cooperation, the Liberal and Democratic Group calls for the creation of a budget line to finance an in-depth study into the possibilities and effectiveness of a structure of this nature.

* * *

Draft amendment No 287

tabled by Mr Nord and Mr de Clercq on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Title 3: Community policies relating in particular to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 3.9: Other expenditure on specific projects undertaken by the institution

Article 3.9.4: Expenditure on sport and sporting events

(*new*)

Item 3.9.4.0: Organization of Community Games
(*new*)

A) *Expenditure*

Create a new Article 3.9.4 entitled 'Expenditure on sport and sporting events'

Create a new item 3940 entitled 'Organization of Community Games'

Make a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

Enter the following remarks against item 3940:

'The entry of this item in the budget should prompt the Commission of the European Communities to undertake a preparatory study on the organization of Community Games along the lines of the Mediterranean Games during the 1981 financial year.

The Commission will submit a report on this subject to the European Parliament before the end of 1981.'

JUSTIFICATION

So far the sports sector has been totally ignored by the Community institutions despite the fact that more than any other it is capable of symbolizing the European idea for the citizens of the Community; the organization of Community Games would have an electrifying effect.

No appropriation is requested this year in respect of the new item for which inclusion in the budget is requested; initially the Commission should carry out a preparatory study into the organization of these Games.

* * *

Draft amendment No 288

tabled by Mrs Scrivener and Mr Edgar Faure on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Article 5.2.1: Community Pact on behalf of young people
(*new*) seeking their first job

A) *Expenditure*

Create a new Article 5.2.1 entitled 'Community Pact on behalf of young people seeking their first job'

Make a token entry

B) *Compensation*

—

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

Enter the following remarks:

'This appropriation is intended to finance measures for the implementation of a Community Pact on behalf of young people seeking their first job'.

JUSTIFICATION

The European Parliament has on many occasions emphasized the need to find truly Community solutions to the serious problem of unemployment:

Particular attention should be paid to young people seeking their first job; in this respect, some Member States already grant subsidies and tax relief to undertakings to encourage them to employ young people.

Following a preparatory study, financed by an appropriation entered in Chapter 5.2, into the possibility of applying these measures throughout the Community, the Commission should be able to launch a project of this nature in 1981.

* * *

Draft amendment No 289

tabled by Mr Donnez, Mr Maher, on behalf of the Liberal & Democratic Group and Mr Aigner, on behalf of the Group of the European People's Party (C-D Group)

Section III — Commission

PAYMENTS

Chapter 5.6: European Regional Development Fund — Specific Community measures
 Article 5.6.1: Measures in favour of integrated operations
 Item 5.6.1.0: Preparatory studies for integrated operations

A) *Expenditure*

Enter a payment appropriation of 300 000 EUA

B) *Compensation*C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Schedule

REMARKS

Enter the following remarks against item 5610:

'This appropriation is intended to enable the Commission to bear part of the cost of the preliminary studies required for the preparation of integrated operations concerning in particular:

- the problems of industrial reconversion in the Nord and Pas-de-Calais Departments,
- the economic problems facing the frontier regions in Ireland,
- the East Bavaria development programme.'

JUSTIFICATION

In the context of improving social and regional economic structures, one of the major obstacles to the effectiveness of Community financing in all its forms is the dispersion of the financial effort resulting from the variety of the instruments and Funds (ESF, ERDF, EAGGF Guidance Section) or other structures involved (ECSC, EIB). To prevent this 'watering-can effect', the Commission has launched the concept of 'integrated operations' with a view to concentrating the activities of the various Community instruments on specific problems which are geographically well-defined.

Following a token entry in the 1980 budget, it appears necessary to enter under this item for the 1981 financial year an appropriation enabling each operation to be properly prepared. In this connection the Commission's attention is drawn to:

- the problems of industrial reconversion in the Nord and Pas-de-Calais Departments
- the economic problems facing the frontier regions in Ireland
- the East Bavaria development programme.

* * *

Draft amendment No 290

tabled by Mr Donnez, Mr Maher on behalf of the Liberal & Democratic Group and Mr Aigner, on behalf of the Group of the European People's Party (C-D Group)

Section III — Commission

PAYMENTS

- Title 5: Social and Regional Funds
 Chapter 5.6: European Regional Development Fund — Specific Community measures
 Article 5.6.1: Measures in favour of integrated operations
 Item 5.6.1.1: Community measures in the framework of integrated operations

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 5 000 000 EUA

Schedule

The commitment appropriation authorized for 1981 is 5 000 000 EUA¹. The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments		
		1981	1982	1983
Appropriation for 1981	5 000 000	1 000 000	2 000 000	2 000 000

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977

REMARKS

Enter the following remarks:

'This appropriation is intended to enable the Commission to finance specific measures in the framework of integrated operations, jointly with national or local authorities, in cases where such measures fall outside the scope of the Community's existing financial instruments.

This appropriation is earmarked for the specific measures already agreed or to be agreed during the 1981 financial year.'

JUSTIFICATION

The Commission's integrated operations are designed to concentrate the activities of the Community's various financial instruments on a specific problem which is geographically well-defined. In some cases, however, none of the Community instruments is properly suited to a particular project which must be included in an integrated operation.

Following a token entry in the 1980 budget, this amendment is designed to provide the Commission immediately with the required flexibility in respect of the implementation of specific measures within the framework of integrated operations.

The specific measures benefiting from this appropriation are those already agreed (Naples and Belfast) and those to be agreed during the 1981 financial year: in this respect the Commission's attention is drawn to:

- the problems of industrial reconversion in the Nord and Pas-de-Calais Departments
- the economic problems facing the frontier regions in Ireland
- the East Bavaria development programme.

* * *

Draft amendment No 291

tabled by Mr Rossi, Mr Galland and Mr Pintat on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Title 10: Other expenditure
Chapter 10.3: Global operational reserve for the energy sector
(*new*)

A) *Expenditure*

*Create a new chapter entitled 'Global operational reserve for the energy sector'
Enter a payment appropriation of 50 000 000 EUA*

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 150 000 000 EUA

Schedule

The commitment appropriation authorized for 1981 is 150 000 000 EUA¹. The likely schedule of payments against commitments is as follows:

¹ See Art. 1 (3) of the Financial Regulation of 21 December 1977.

(in ECU)

Commitment		Payment	
		1981	1982
Appropriation for 1981	150 000 000	50 000 000	100 000 000

REMARKS

Enter the following remarks:

'The appropriation in Chapter 10.3 is intended to cover the investment-financing requirements arising in 1981 for the proper development of a common energy policy. It is, therefore, provisional and may only be utilized after being transferred to the budget lines concerned in accordance with the procedure laid down to this end in the Financial Regulation.'

JUSTIFICATION

Despite numerous declarations by the Heads of State or Government of the Community emphasising that the Community of the Nine must take concerted action in the energy sector, no real progress has been made in this area in recent years.

The Liberal and Democratic Group considers that the precarious nature of our energy supplies — in the long as well as in the short term — requires that declarations of intent should be immediately transformed into concrete action.

Pending the submission by the Commission of practical proposals for the implementation of these guidelines and the adoption by the Council of proposals already submitted — in some cases several years ago — the Liberal and Democratic Group proposes the creation of a global operational reserve to demonstrate its determination to foster the real development of a common energy policy.

The appropriation entered in this reserve may only be utilized after being transferred to the budget lines concerned; it will enable investment to be made in:

- the coal sector (gasification and liquefaction)
- the development of alternative energies
- research into nuclear energy (security and safety, uranium prospecting)
- research into new technologies
- the development of energy-saving measures.

* * *

Draft amendment No 293

tabled by Mr Lomas, Mrs Buchan, Mr Caborn, Mr Balfe and Mr Griffiths

Section III — Commission

PAYMENTS

Article 2.9.1: Subsidies to European Movements

A) *Expenditure*

Delete this article

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

Such movements should be self-financing. The British European Movement states that it is, despite Mr Jenkins's reply to a question from Mr Lomas, not receiving sums from the EEC.

* * *

Draft amendment No 294

tabled by Mr Seal, Mr Collins, Mr Caborn, Mr Balfe, Mrs Buchan, Mr Lomas, Mr Griffiths and Mr Key

Section III — Commission

PAYMENTS

Chapter 3.7: Expenditure in the industrial and transport sectors

Item 3.7.6.2: Clothing industry

(*new*)

A) *Expenditure*

Create a new item 3.7.6.2 'clothing industry' and enter a payment appropriation of 500 000 EUA against it (reinstatement of entry shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

REMARKS

—

JUSTIFICATION

The future viability of the clothing industry and its ability to compete both with high-cost and low-cost suppliers will depend to a large extent on the speedy adoption of new and more efficient technology.

Recognising this, the EEC Commission asked a firm of consultants, Kurt Salmon Associates, to study the potential use of new techniques which would make a significant contribution to improved productivity. Their report was published earlier this year and was generally welcomed by the industry. It was agreed that no time or opportunity should be lost in developing the ideas contained in the report and, in cooperation with the Commission, a steering group and working party have been set up. The Commission, accepting that research and development on this scale was beyond the scope of most companies in the industry, agreed to make a provision of 500 000 EUA in the 1981 budget to fund the work. This is one of the budget items which has been cut by the Council of Ministers. Its reinstatement is vital for the industry.

* * *

Proposed modification No 295 rev.
 tabled by Mrs Castle, Mr Balfe, Mr Caborn, Miss Quin, Mr Lomas, Mrs Buchan, Mr Griffiths and Mr Key

Section III — Commission

PAYMENTS

Title 6: European Agricultural Guidance and Guarantee Fund — Guarantee Section

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

COMMITMENTS

—

Schedule

—

REMARKS

At end insert:

'These decisions will not result in any extra expenditure for Titles 6 and 7'

JUSTIFICATION

The Commission has stated that measures will be brought forward designed to avoid any further explosion in guarantee expenditure. Strengthening Council's resolve on this matter is vital if this aim is to be achieved. This modification would help to strengthen that resolve.

* * *

Draft amendment No 296/corr.
 tabled by Mr Caborn, Mr Balfe, Mr Lomas, Mrs Buchan, Mr Griffiths, Mr Key

Section III — Commission

PAYMENTS

Article 5.4.0: Special contribution to ECSC for the temporary social measures in connection with the restructuring of the steel industry

A) *Expenditure*

Enter a payment appropriation of 300 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The continuing crisis in the industry as indicated by the Commission's declaration of a 'manifest crisis' and the operation of Article 58 of the ECSC Treaty.

* * *

Draft amendment No 297
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Article 2.6.4: Statistical studies and surveys

A) *Expenditure*

Increase the payment appropriation by 210 000 EUA (from 7 925 000 to 8 135 000 EUA — reinstatement of the appropriations in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The European Parliament believes that the Commission needs all the appropriations it requested, which represent a decrease on last year's appropriations, if the Statistical Office is to be able to carry out its tasks in ensuring the effectiveness of the Community Statistical system.

* * *

Draft amendment No 298
tabled by The Socialist Group

Section III — Commission

PAYMENTS

—

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following remarks at the beginning of this section:

'Having regard to Article 205 of the Treaty, the Budgetary authority hereby decides that any new management committee established in the context of new Community policies or any existing committee shall, in connection with the regular revision of certain policies, play a purely advisory role and shall in no event encroach on the Commission's exclusive responsibility for the implementation of the Budget'.

JUSTIFICATION

The European Parliament must insist on the advisory role of the management committees, which threaten to undermine the Commission's prerogatives and responsibilities as laid down in the Treaty.

* * *

Draft amendment No 299
tabled by Mrs Hoff, Mr Albers, Mr von der Vring, Mr Petersen, Mr Linde, on behalf of the Socialist Group

Section I — Parliament

PAYMENTS

Complete the establishment plan as follows: *Add* the following temporary posts: — 4 A 7/6 posts in Grade A 7 (to replace the 4 auxiliary posts held by the 4 language teachers)

A) *Expenditure*

Increase expenditure by 241 974 EUA

B) *Compensation*

(Part of the expense may be covered by the abolition of the 4 auxiliary posts)

C) *Revenue*

Increase revenue by 43312 EUA (1)

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Each of the four teachers giving instruction in the four main languages (English, French, Italian and German) has to give language course for Members as well as for officials of the European Parliament. They have all had more than six year's professional experience in Parliament itself, are university graduates and full-time employees like the officials, but do not enjoy the same rights.

The Staff Committee is in favour of the conversion of these posts.

* * *

Draft amendment No 300/rev.
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Article 5.8.0: Supplementary measures in favour of the United Kingdom

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

These measures have been agreed under the procedures laid down in Article 235 of the EEC Treaty. The Budgetary Authority recognizes that this implies that any expenditure arising is classified as non-compulsory.

¹ + 198 662 EUA from taxation on salaries

These supplementary measures will be subject to the budgetary and financial controls envisaged by the Treaty and the financial regulations.

In particular,

- (a) the Commission will submit on 30 June and 31 December a report to Parliament on the implementation of these appropriations, the programme and sub-programme that have been subsidized, the rate of spending and the criteria for the use of these appropriations,
- (b) all the usual requirements for operating control, made available by Member States, including all documents and the possibility of on-the-spot checks, will be made available to the Commission so that, without restriction, it can carry out its responsibilities in relation to the implementation of the budget as is provided for under Articles 205 and 206 of the EEC Treaty.

JUSTIFICATION

These appropriations which were entered by the Council in the draft budget even before a legally binding text had set out the method of implementation, should be subject to the budgetary control which is applicable to all the appropriations in the Community budget.

This Community control is all the more necessary since the measures have a pronounced national character. Parliament should also make it clear that it wishes this item to be considered as non-compulsory expenditure.

* * *

Draft amendment No 301/rev.

tabled by Mr Colla, Mr Linkohr, Mr Linde, Mrs Lizin and Mr Adam on behalf of the Socialist Group

Section III — Commission

PAYMENTS

- | | |
|----------------|--|
| Article 3.2.9: | Expenditure resulting from borrowing and lending operations in the energy sector |
| Item 3.2.9.2: | Interest subsidies on Community loans to the Member States intended for investment |
| (<i>new</i>) | projects for implementation, in and by the Member States, of the Community basic energy-saving programme |

A) *Expenditure*

Create a new Item 3.2.9.2: 'Interest subsidies on Community loans to the Member States intended for investment projects for implementation, in and by the Member States, of the Community basic energy-saving programme'

Enter a payment appropriation (non-differentiated appropriation) of 5 000 000 EUA

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

—

REMARKS

Enter the following remarks:

Appropriation to finance 3% interest rebates for loans to be granted to the Member State for investment projects in the context of 'lending operations to promote investments in the Community' (Ortoli facility) pursuant to Council Decisions 78/870 EEC of 16 October 1978, 79/486 EEC of 14 May 1979 and 80/739 EEC of 22 July 1980.

The purpose of these loans and interest subsidies is, through investments in and by the Member States, to:

- give practical effect to the priority for investments in energy savings stipulated by the Council in Article 2 of Decision 79/486 EEC of 14 May 1979 and in Article 2 of Decision 80/739 EEC of 22 July 1980;
- give practical effect to the main provisions of the basic Community energy-saving programme defined by the Council in its resolution of 9. 6. 1980 (OJ C 149, 18. 6. 1980).

These loans and the accompanying interest subsidies must be distributed equitably between all the Member States and granted on condition that the Member States effectively submit a programme for energy savings and the rational use of energy in conformity with the basic Community programme (Council resolution of 9. 6. 1980).

JUSTIFICATION

1. Council Decision 78/870/EEC of 16 October 1978 granted authority to the Commission to raise loans to a maximum value of 1 000 m EUA. These loans are for the promotion of investments in the Community and constitute the ORTOLI facility. The investment project concerned must meet priority objectives of the Community in the energy, industrial and infrastructural sectors.

Council Decisions 79/486/EEC of 14 May 1979 and 80/739/EEC of 22 July 1980 approved a first and a second tranche of 500 m EUA; Article 2 of the relevant decisions stressed the need for investments from the ORTOLI facility to be made in the energy-saving sector.

As of 30 September 1980 loans of 391.9 m EUA have been granted from the ORTOLI facility. Having regard to projects currently in preparation, there remains sufficient possibility for specific actions, particularly in the energy-saving sector.

2. Various Community bodies have, at different times, stressed the urgent need for a practical and coherent policy for the rational use of energy and for energy savings, both at Community level and in the Member States. Attention should be drawn in this context to:

- recent decisions of the European Council of June 1979 and April 1980;
- the recent resolution of the Council of Ministers of 9 June 1980;
- the Commission report of July 1979 on the Community energy-saving programme;
- the opinion of the Economic and Social Committee issued in January 1980;
- the Linde report approved by the European Parliament on energy-saving guidelines.

The rational use of energy and energy savings can, at least in part, help to solve the difficult energy situation and the energy crisis together with its adverse consequences on the overall economic situation, the balance of payments, inflation and employment.

A concrete energy-saving policy would offer a number of special advantages:

- a favourable effect on the overall economic situation in the EEC and in the Member States;
- a positive effect on employment because new and additional activities would be created in various sectors of industry;
- a favourable effect on the environment by counteracting pollution.

3. Paragraphs 1 and 2 of this justification lead to the logical conclusion that additional efforts can and must be made to save energy by using the ORTOLI facility.

Hence the proposal to enter 5 m EUA in interest rebates in the 1981 budget. This appropriation is based on 3% interest rebates.

The aim is to enable all the Member States to make use of these loans and interest rebates with a view to investments in measures to save energy.

All the Member States should benefit equally from this facility provided that they submit a programme in conformity with the basic Community energy-saving programme (Council Resolution of 9 June 1980).

The advantage to the Member States is that they would have access to advantageous financing for an energy-saving programme: firstly, because the Community can obtain more favourable conditions than Member States on lending operations and, secondly, because interest rebates would be granted.

The advantage to the Community is that it would help the Member States to pursue an effective policy; its basic programme would be given practical effect and these incentives would represent only a minimal burden on the EEC budget.

As such, this action would supplement the appropriations entered in Item 3.2.4.0 of the EC budget.

4. This proposal is restricted, in order to leave latitude for the pursuit of other policies through the ORTOLI facility.

It provides for 3% interest subsidies based on an existing practice in the matter of interest rebates on Community loans to the less prosperous Member States belonging to the European Monetary System (Article 570 of the EEC budget).

Draft amendment No 305
 tabled by Mrs Castellina, Mr Capanna, Mr Coppieters, Mrs Bonino and Mrs Macciocchi

Section III — Commission

PAYMENTS

Article 920: Food aid in cereals
 Item 9201: Programme for the year for cereals other than rice

A) *Expenditure*

Increase the appropriation by 40 300 000 EUA

B) *Compensation*

Reduce by 40 300 000 EUA the appropriation entered in Item 6210 'Aid for skimmed-milk powder for use as feed for calves'

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Appropriation to cover the purchase of 288 000 tonnes of grain.

JUSTIFICATION

This is the least that should be done as a result of the Ferrero resolution on hunger in the world.

* * *

Draft amendment No 306
 tabled by Mrs Castellina, Mr Capanna, Mr Coppieters, Mrs Bonino, Mrs Macciocchi, Mr Pannella

Section III — Commission

PAYMENTS

Item 9.2.0.4: Contribution to World Food Emergency Reserve
 (*new*)

A) *Expenditure*

Create a new item 9.2.0.4 'Contribution to World Food Emergency Reserve'
Enter a payment appropriation of 14 000 000 EUA.

B) *Compensation*

Reduce the appropriation against item 6.2.1.2 'Aid for liquid skimmed-milk for use as feed for calves' by 14 000 000 EUA.

C) *Revenue*

—

COMMITMENTS

Schedule

REMARKS

Cost of 100 000 tonnes of cereals as EEC contribution to World Emergency Food Reserve.

JUSTIFICATION

Obligation deriving directly from commitment undertaken in the Ferrero resolution. The cut in expenditure will serve to stimulate a return to natural feeding of calves.

* * *

Draft amendment No 308
tabled by Mr Coppieters, Mrs Castellina, Mr Capanna, Mrs Bonino, Mrs Macciocchi

Section III — Commission

PAYMENTS

Article 2.6.8: Studies on renewable energy sources
(*new*)

A) *Expenditure*

Create a new Article 2.6.8 'Studies on renewable energy sources' and enter a payment appropriation of 325 000 EUA

B) *Compensation*

Delete items 2.6.5.0, 2.6.5.2 and 2.6.5.3

C) *Revenue*

COMMITMENTS

Enter a commitment appropriation of 750 000 EUA

Schedule

Enter the following schedule of payments

The commitment appropriation authorized for 1981 is 750 000 EUA.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitment		Payment	
		1981	1982
Appropriation for 1981	750 000 000	325 000	325 000

REMARKS

Studies to be set in motion on wave energy, wind energy, bio-mass, plus study recommended by the Parliament (Linde Report) on local energy experience.

JUSTIFICATION

A shift in priorities away from the nuclear sector, to boost studies on energy sources with an energy producing and job-creating potential at the local level particularly in rural areas.

* * *

Draft amendment No 309
 tabled by Mr Coppieters, Mr Capanna, Mrs Castellina, Mrs Bonino, Mrs Macciocchi

Section III — Commission

PAYMENTS

Item 2.6.5.3: Studies on the nuclear fuel cycle

A) *Expenditure*

Delete this item

B) *Compensation*

—

C) *Revenue*

Decrease revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The nuclear fuel cycle is dangerous, and a wrong priority in terms of energy and economic prospects. These sums should be shifted to studies on soft energy.

* * *

Draft amendment No 310
 tabled by Mr Coppieters, Mr Capanna, Mrs Castellina, Mrs Bonino, Mrs Macciocchi

Section III — Commission

PAYMENTS

Item 2.6.5.2: Studies in advanced reactor design

A) *Expenditure*

Delete this item

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

In view of the failure of nuclear fuel reprocessing, building advanced type fast reactors is an unrealistic option as well as a dangerous one. Such expenditure is not justified in times of budgetary stringency.

* * *

Draft amendment No 311
tabled by Mr Coppieters, Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi

Section III — Commission

PAYMENTS

Item 2.6.5.1: Studies of safety techniques

A) *Expenditure*

Reduce by 200 000 EUA

B) *Compensation*C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

Schedule

REMARKS

The studies should be strictly limited to studies of how to improve the safety of existing installations.

JUSTIFICATION

Expenditure under the heading 'safety' should not constitute a disguised subsidy to the development and expansion of new types of reactor, but should be strictly limited to existing plant.

* * *

Draft amendment No 312
tabled by Mr Coppieters, Mr Capanna, Mrs Castellina, Mrs Bonino, Mrs Macciocchi

Section III — Commission

PAYMENTS

Item 2.6.5.0: Studies in the context of technical assistance power plant operators

A) *Expenditure*

Delete this item

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

This item constitutes a disguised subsidy to the nuclear industry. The sum saved should be devoted to promotion of safe alternative energy schemes.

* * *

Draft amendment No 313
tabled by Mr Coppieters, Mr Capanna, Mrs Bonino Mrs Macciocchi, Mrs Castellina

Section III — Commission

PAYMENTS

Chapter 3.0: Expenditure in the social sector

Article 3.0.9: Assistance to victims of accidents in the nuclear industry, both among workers and the population
(*new*)

A) *Expenditure*

Create a new article 3.0.9 'Assistance to victims of accidents in the nuclear industry, both among workers and the population'

Enter a p. m.

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—
REMARKS
—

JUSTIFICATION

As not only Three-Mile Island but successive near-accidents at La Hague have shown, the Community should be prepared for a major disaster in the nuclear sector, in particular the reprocessing industry.

* * *

Draft amendment No 314
tabled by Mr Coppieters, Mr Capanna, Mrs Bonino, Mrs Castellina, Mr Blaney

Section III — Commission

PAYMENTS

Item 3.2.1.0: Prospecting for uranium in the Community

A) *Expenditure*

Delete this item

B) *Compensation*

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—
Schedule

—
REMARKS
—

JUSTIFICATION

Uranium mining involves major health hazards, and is opposed by local populations in all areas where it has been planned or undertaken.

* * *

Draft amendment No 315
tabled by Mr Coppieters, Mr Blaney, Mrs Bonino, Mr Capanna, Mrs Castellina

Section III — Commission

PAYMENTS

Item 3.2.4.0: Community energy-saving programme

A) *Expenditure*

Increase by 17 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Out of a total of 49 300 000 EUA committed, (using the low figure of 10 million EUA for 1981), only 16 million EUA will have been spent in 1980. It is proposed to pay only 3 million of the remaining 33 million in 1981. A major increase in payment appropriations is vital if the Community programme is to be meaningful.

* * *

Draft amendment No 316

tabled by Mr Coppieters, Mr Blaney, Mrs Bonino, Mr Capanna, Mrs Castellina

Section III — Commission

PAYMENTS

Item 2.7.1.9: Expenditure on publicity and promotion of publications

A) *Expenditure*

Decrease by 55 000 EUA

B) *Compensation*

—

C) *Revenue*

Decrease revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

The sum to be saved by ceasing to promote publications advocating nuclear energy or giving a pro-nuclear view of energy problems.

JUSTIFICATION

The Commission should cease to take a partial pro-nuclear public stand on the controversial issue of which energy sources are safest and most economical.

* * *

Draft amendment No 317
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section I — Parliament

PAYMENTS

Chapter 10:	Members of the Institution
Article 100:	Salaries, allowances and payments related to salaries
Item 1004:	Travel and subsistence allowances; attendance at meetings and associated expenditure

A) *Expenditure*

Reduce the payment appropriation by 4 888 200 EUA (from 16 468 200 to 11 580 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

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JUSTIFICATION

There is no apparent reason for the increase over the previous year, therefore the 1980 figure is reinstated.

* * *

Draft amendment No 319
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section I — Parliament

PAYMENTS

Chapter 10: Members of the Institution
 Article 106: Members' secretarial expenses

A) *Expenditure*

Reduce the appropriation by 777 600 EUA (from 14 061 600 to 13 284 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The 1980 appropriation should be reinstated.

* * *

Draft amendment No 326
 tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section I — Parliament

PAYMENTS

Article 223: Transport equipment
 Item 2231: Replacements

A) *Expenditure*

Reduce the appropriation by 102 000 EUA (from 204 000 to 102 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

—

JUSTIFICATION

Expenditure on the replacement of 13 cars is excessive and smaller cars could be bought.

* * *

Draft amendment No 328
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section I — Parliament

PAYMENTS

Article 240: Entertainment and representation expenses
Item 2400: Members of the Institution

A) *Expenditure*

Reduce the appropriation by 300 000 EUA (from 380 000 to 80 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The requests for expenditure on entertainment and representation are exorbitant.

* * *

Draft amendment No 329
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi, Mr Pannella

Section I — Parliament

PAYMENTS

Article 240: Entertainment and representation expenses
Item 2401: Staff

A) *Expenditure*

Reduce appropriation by 20 000 EUA (from 26 000 to 6 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The appropriation allocated to 'receptions given by the secretariat' is excessive.

* * *

Draft amendment No 332
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section I — Parliament

PAYMENTS

Item 2720: Expenditure on information, publicity and participation in public events

A) *Expenditure*

Reduce the appropriation by 358 000 EUA (from 716 000 to 358 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

It is felt that the press's interest in the European Parliament should arise from Parliament's activities themselves rather than from contributions to the costs of journalists from the various newspapers.

* * *

Draft amendment No 333
 tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section I — Parliament

PAYMENTS

Item 2990: Subsidies and financial contributions towards the cost of group visits

A) *Expenditure*

Reduce the appropriation by 1 000 000 EUA (from 1 472 000 to 472 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

Proposed expenditure on visits, which are always in the nature of tourist trips during part-sessions is felt to be pointless and excessive.

* * *

Draft amendment No 335
 tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section I — Parliament

PAYMENTS

Item 3705: Contribution to secretarial expenses of the political groups of the European Parliament

A) *Expenditure*

Reduce the appropriation by 813 500 EUA (from 3 618 500 to 2 805 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

It is felt that an appropriation equal to that for 1980 is sufficient.

* * *

Draft amendment No 346/rev.
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section IV — Court of Justice

PAYMENTS

Chapter 10: Members of the Institution
Article 100: Salaries, allowances and payments related to salaries
Item 1000: Basic salaries.

A) *Expenditure*

Reduce the appropriation by 720 670 EUA (from 1 441 340 to 720 670 EUA)

B) *Compensation*C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

It is felt that the appropriation for basic salaries is excessive and exorbitant since the 13 Members have a civil list of 2 369 250 EUA broken down as follows:

Item	Heading	1981
1000	Basic salaries	1 441 340
1001	Residence allowances	216 200
1002	Family allowances	126 840
1003	Representation allowances	100 210
Chap. 101	Accident and sickness insurance and other social security charges	75 120
Chap. 109	Provisional appropriations for possible adjustments to the emoluments of members of the Court of Justice	189 050
1210	Members of the institution	1 290
1220	Members of the institution (installation, resettlement and transfer allowances)	57 940
1230	Members of the institution (removal expenses)	20 000
1300	Members of the institution (mission expenses, travel expenses on duty and other ancillary expenditure)	45 000
2210	Initial equipment (purchase of additional furnishings for the members and branches of the Court)	72 290
2400	Members of the institution (appropriation justified by the responsibilities of the Court, which is the only Institution whose Members are permanently at the seat of the Institution)	23 970
		2 369 250

Draft amendment No 351
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section IV — Court of Justice

PAYMENTS

Chapter 10: Members of the Institution
Article 102: Temporary allowances

A) *Expenditure*

Reduce the appropriation by 214 330 EUA (from 254 330 to 40 000 EÚA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

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JUSTIFICATION

It is felt that the proposed appropriation is excessive for 4 former Members.

* * *

Draft amendment No 355
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section IV — Court of Justice

PAYMENTS

Item 1113: Special advisers

A) *Expenditure*

Reduce the appropriation by 14 710 EUA (from 19 710 to 5 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS
—

JUSTIFICATION

The appropriation for 'the fees of the medical officer' appears excessive.

* * *

Draft amendment No 359
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section IV — Court of Justice

PAYMENTS

Chapter 13: Expenditure relating to missions and travel on duty
Article 130: Mission expenses, travel expenses on duty and other ancillary expenditure
Item 1300: Members of the Institution

A) *Expenditure*

Reduce the appropriation by 35 000 EUA (from 45 000 to 10 000 EUA)

B) *Compensation*C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

Schedule

—
REMARKS
—

JUSTIFICATION

The request for expenditure 'to strengthen contacts with national courts' is excessive.

* * *

Draft amendment No 361
 tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section IV — Court of Justice

PAYMENTS

Chapter 2.2: Movable property and ancillary expenses
 Article 2.2.3: Transport
 Item 2.2.3.1: Renewals

A) *Expenditure*

Reduce the payment appropriation by 21 680 EUA (from 41 680 to 20 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

—

JUSTIFICATION

The cars to be purchased could be smaller.

* * *

Draft amendment No 362
 tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi, Mr Pannella

Section IV — Court of Justice

PAYMENTS

Article 2.4.0: Entertainment and representation expenses
 Item 2.4.0.0: Members of the Institution

A) *Expenditure*

Reduce the payment appropriation by 11 985 EUA (from 23 970 to 11 985 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

The entertainment expenses are excessive.

* * *

Draft amendment No 374/rev.
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi, Mr Pannella

Section III — Commission

PAYMENTS

Item 1.0.0.0: Basic salaries

A) *Expenditure*

Reduce the payment appropriation by 751 000 EUA (from 1 502 000 to 751 000 EUA)

B) *Compensation*C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

It is felt that the appropriation for basic salaries is excessive and exorbitant since the 14 Members have a civil list of 5 414 000 EUA, broken down as follows:

Item	Heading	1981
1000	Basic salaries	1 502 000
1001	Residence allowances	226 000
1002	Family allowances	133 000
1003	Representation allowances	83 000
Chap. 101	Accident and sickness insurance and other social security charges	110 000
Chap. 102	Temporary allowances	683 000
Chap. 103	Pensions	943 000
Chap. 109	Provisional appropriations for possible adjustments to the emoluments of members of the Commission	225 000
1210	Members of the institution (travel expenses, including members of the family)	9 000
1220	Members of the institution (installation, resettlement and transfer allowances)	330 000
1230	Members of the institution (removal expenses)	66 000
1300	Members of the institution (mission expenses, travel expenses and incidental expenditure)	754 000
1302	Special equipment for missions (appropriation to cover expenditure incurred for the purchase of tropical clothing)	33 000
2400	Members of the institution (entertainment and representation expenses)	317 000
		5 414 000

Draft amendment No 379
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 1.0.2: Temporary allowances

A) *Expenditure*

Decrease the appropriation by 656000 EUA (from 683000 to 27000 EUA)

B) *Compensation*

—

C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

There is absolutely no justification for the increase over the previous financial year. Expenditure on temporary allowances should be brought back to the 1980 level.

* * *

Draft amendment No 386
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Item 1.3.0.2: Special equipment for missions

A) *Expenditure*

Delete Item 1302 and the appropriation of 33000 EUA

B) *Compensation*

—

C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

Cancel the remarks

JUSTIFICATION

The ludicrousness vies with exorbitance and shamelessness confers impunity on this item in which 33 000 EUA are requested 'to cover expenditure incurred for the purchase of tropical clothing (Commission decision of 8 June 1973)'.

* * *

Draft amendment No 395
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Item 2.3.5.2: Miscellaneous expenditure on internal meetings

A) *Expenditure*

Decrease the appropriation by 30 000 EUA (from 50 000 to 20 000 EUA)

B) *Compensation*

—

C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

—

JUSTIFICATION

A sum of 20 000 EUA is considered sufficient to cover the cost of 'refreshments and occasional snacks served during internal meetings'.

* * *

Draft amendment No 396
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 2.4.0: Entertainment and representation expenses
Item 2.4.0.0: Members of the Institution

A) *Expenditure*

Decrease the appropriation by 300 000 EUA (from 317 000 to 17 000 EUA)

B) *Compensation*

—

C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The appropriation for entertainment appears excessively high.

* * *

Draft amendment No 400
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 2.6.1: Studies and surveys of the short-term economic situation

A) *Expenditure*

Decrease the payment appropriation by 1 000 000 EUA (from 2 000 000 to 1 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

Given the capacity of the Commission's own staff, it is considered that the sum of 1 000 000 EUA is sufficient to cover the necessary assistance from outside sources.

* * *

Draft amendment No 401
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macchiocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 2.6.2: Comprehensive community studies and general surveys

A) *Expenditure*

Decrease the payment appropriation by 550 000 EUA (from 1 300 000 to 750 000 EUA)

B) *Compensation*C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

Given the capacity of the Commission's own staff, it is considered that the sum of 750 000 EUA is sufficient to cover the required assistance from outside sources.

* * *

Draft amendment No 402
tabled by Mr Capanna, Mrs Bonino, Mrs Castellina, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Item 3.2.1.0: Prospecting for uranium in the community

A) *Expenditure*

Delete Item 3.2.1.0

B) *Compensation*

Increase by 2200000 EUA the payment appropriation in Item 3.3.0.1: new sources of energy (from 21029000 to 23229000 EUA)

C) *Revenue*

—

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

Given that the energy crisis is a priority matter, increased spending on research into new sources of energy is economically sounder and carries no threat to people or the environment.

* * *

Draft amendment No 403
tabled by Mrs Capanna, Mrs Bonino, Mr Coppieters, Mrs Castellina and Mrs Macciocchi

Section III — Commission

PAYMENTS

Chapter 3.3: Expenditure on research and investment
Article 3.3.0: Direct action — joint research centre — Joint Programme
Item 3.3.0.1: New sources of energy

A) *Expenditure*

Increase the payment appropriation by 2200000 EUA (from 21029000 to 23229000 EUA)

B) *Compensation*

Decrease by 2200000 the payment appropriation in Item 3.3.0.3 'nuclear measurements' (from 11153000 to 8953000 EUA)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Delete the following indent in the remarks under Item 3.3.0.1 'high temperature materials'

JUSTIFICATION

In view of the energy crisis, it is considered necessary to increase the appropriations for research into new sources of energy.

* * *

Draft amendment No 404
tabled by Mr Capanna, Mrs Bonino, Mr Coppieters, Mrs Castellina and Mrs Macciocchi

Section III — Commission

PAYMENTS

Item 3.3.0.3: Nuclear measurements

A) *Expenditure*

Delete this item and the payment appropriation of 11 153 000 EUA

B) *Compensation*

Increase by 11 153 000 EUA the payment appropriation in Item 3.3.0.1 'new sources of energy' (from 21 029 000 to 32 182 000 EUA)

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

It is considered more productive to finance research on alternative energy sources which are more effective, cost less and are non-polluting.

* * *

Draft amendment No 405
tabled by Mr Capanna, Mrs Bonino, Mr Coppieters, Mrs Castellina and Mrs Macchiocchi

Section III — Commission

PAYMENTS

Chapter 3.3: Expenditure on research and investment
Article 3.3.1: Direct action — Joint Research Centre (JRC) — Complementary Programme
Item 3.3.1.0: Operation of the HFR reactor

A) *Expenditure*

Decrease the payment appropriation by 14 000 000 EUA (from 14 360 000 to 360 000 EUA)

B) *Compensation*

Increase by 14 000 000 EUA the payment appropriation in Item 3.3.0.1 'new sources of energy'

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

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JUSTIFICATION

The sum of 360 000 EUA is considered sufficient for Item 3.3.1.0.

* * *

Draft amendment No 406
tabled by Mr Capanna, Mrs Bonino, Mr Coppieters, Mr Pannella and Mrs Macciocchi

Section III — Commission

PAYMENTS

Article 2.2.2: Direct action — Joint Research Centre (JRC) — other activities
Item 3.3.3.1: Activities on behalf of outside bodies and individuals against payment

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

COMMITMENTS

—

Schedule

REMARKS

After 'The following services will be provided:' delete the following indents:

'... studies relating of the safety of light water reactors (Lobi Project) on behalf of the Ministry of Research of the Federal Republic of Germany'

and '... irradiations conducted on behalf of outside bodies or individuals in the HFR reactor at the Petten establishment'

JUSTIFICATION

It is not considered necessary to finance those two projects.

* * *

Draft amendment No 407

tabled by Mr Capanna, Mrs Bonino, Mr Coppieters, Mrs Macchiocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 3.3.4: Indirect action — energy

Item 3.3.4.0: New sources of energy

A) *Expenditure*

Increase by 34 000 000 EUA the payment appropriation (from 16 261 000 to 50 261 000 EUA)

B) *Compensation*

Decrease by 14 000 000 EUA the payment appropriation in item 3.3.1.0 'Operation of the HFR reactor' (from 14 360 000 to 360 000 EUA)

Decrease by 20 000 000 EUA the payment appropriation in item 3.3.4.1 'Thermonuclear fusion (excluding JET)' (from 26 021 000 to 6 021 000 EUA)

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

—

JUSTIFICATION

The need for greater research investment in the sectors covered in item 3.3.4.0.

* * *

Draft amendment No 408
tabled by Mr Capanna, Mrs Bonino, Mr Pannella, Mr Coppieters and Mrs Macciocchi

Section III — Commission

PAYMENTS

Article 3.3.4: Indirect action — energy
Item 3.3.4.1: Thermonuclear fusion (excluding JET)

A) *Expenditure*

Decrease the payment appropriation by 20 000 000 EUA (from 26 021 000 to 6 021 000 EUA)

B) *Compensation*

Increase by 20 000 000 EUA the payment appropriation in Item 3.3.4.0: new sources of energy

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

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JUSTIFICATION

In view of the present state of research, the sum of 6 021 000 EUA is considered sufficient.

* * *

Draft amendment No 409

Section III — Commission

PAYMENTS

Article 3.3.4: Indirect action — energy
Item 3.3.4.2: Participation in the JET joint undertaking

A) *Expenditure*

Decrease the payment appropriation by 20 000 000 EUA (from 39 600 000 to 19 600 000 EUA)

B) *Compensation*

Enter 10 000 000 EUA in Item 3.3.4.5 and 10 000 000 EUA in Item e.e.5.0

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

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JUSTIFICATION

In the present state of research, the sum of 19 600 000 EUA is considered sufficient for Item 3.3.4.2.

Increase by 10 000 000 EUA the payment appropriations in Item 3.3.4.5 'decommissioning of nuclear power stations' (from 459 000 to 10 459 000 EUA).

Increase by 10 000 000 EUA the payment appropriations in Item 3.3.5.0 'secondary raw materials' (re-cycling of urban and industrial waste) (from 650 000 EUA to 10 650 000 EUA).

* * *

Draft amendment No 410

tabled by Mr Capanna, Mrs Bonino, Mr Coppieters, Mrs Macchiocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 3.3.4: Indirect action — energy

Item 3.3.4.3: The plutonium cycle and its safety (plutonium re-cycling in light water reactors)

A) *Expenditure*

Delete Item 3.3.4.3

B) *Compensation*

Increase by 422 000 EUA the payment appropriation in Item 3.3.4.1 'Thermonuclear fusion (excluding JET)'

C) *Revenue*

—

COMMITMENTS

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Schedule

REMARKS

—

JUSTIFICATION

It is considered more useful to push ahead with research into the JET programme rather than with research into the plutonium cycle.

* * *

Draft amendment No 412
tabled by Mr Capanna, Mrs. Bonino, Mr Coppieters, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 3.3.4: Indirect action — energy
Item 3.3.4.7: Implementation of the Council Resolution of 22 July 1979 on technological problems of nuclear safety. Codes and standards for fast-breeder reactors

A) *Expenditure*

Delete Item 3.3.4.7

B) *Compensation*

Increase by 555 000 ECU the payment appropriation in Item 3.3.4.0: 'new sources of energy'

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

—

JUSTIFICATION

The Council's resolution is considered pointless and harmful.

* * *

Draft amendment No 413
tabled by Mr Capanna, Mrs Bonino, Mr Coppieters, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Article 3.3.5: Indirect action — raw materials
Item 3.3.5.0: Secondary raw materials (re-cycling of urban and industrial waste)

A) *Expenditure*

Increase the payment appropriation by 10 000 000 ECU (from 650 000 to 10 650 000 ECU)

B) *Compensation*

Decrease by 10 000 000 ECU the payment appropriation in Item 3.3.4.2: Participation in the JET joint undertaking.

C) *Revenue*

—

COMMITMENTS

—

Schedule

REMARKS

—

JUSTIFICATION

It is considered important to increase spending on the re-cycling of raw materials, which would otherwise be wasted.

* * *

Draft amendment No 414
tabled by Mr Capanna, Mrs Bonino, Mr Coppieters, Mrs Macciocchi and Mr Pannella

Section III — Commission

PAYMENTS

Title 3:

Chapter 3.3:

Article 3.3.5: Indirect actions — raw materials

Item 3.3.5.2: Uranium ore prospecting and processing

A) *Expenditure*

Delete Item 3.3.5.2

B) *Compensation*

Increase by 681 000 ECU the payment appropriation in Item 3.3.5.1: Primary raw materials.

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

It is considered more productive to enter in Item 3.3.5.1 the appropriation provided for in Item 3.3.5.2.

* * *

Draft amendment No 415
 tabled by Mr Giavazzi on behalf of the Committee on Economic and Monetary Affairs

Section III — Commission

PAYMENTS

List of posts

Add the following to the list of posts:

- 15 temporary servants in category A
 5 A 4, 5 A 5, 3 A 6, 2 A 7
- 1 temporary servant in category B
 1 B 2
- 8 temporary servants in category C
 2 C 2, 3 C 3, 3 C 4

A) *Expenditure*

Increase expenditure by 522 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 455 000 EUA¹

JUSTIFICATION

Following the approval of the multi-annual data processing programme, the Council failed to approve the temporary posts requested by the Commission for implementation of this programme. To safeguard implementation of the programme, the remarks against budget Item 3.7.0.2 containing the appropriations for this programme do, however, leave open the possibility of implementing the programme with the assistance of external experts. However, these experts would be paid more than temporary staff recruited under the Staff Regulations.

With a view to sound financial management and in order to hold down staff costs which must be deducted from the appropriations available for the programme, preference should accordingly be given to the recruitment of the necessary specialized temporary servants under the Staff Regulations. On the basis of these considerations, the Commission is willing to waive some of the appropriations in Item 3.7.0.2 (Community measures for the development of data processing) in order to pay the necessary temporary servants, i.e. 15 A, 1 B and 8 C grade posts, in respect of which the necessary appropriation must therefore be provided in Title 1.

The Committee on Economic and Monetary Affairs, in its amendment to budget Item 3.7.0.2, has therefore not asked for the reinstatement of the appropriations entered in the preliminary draft budget, but for reinstatement of those appropriations less the money needed to pay the necessary temporary servants referred to in this amendment.

The present amendment, together with the amendments submitted by the committee to budget Item 3.7.0.2, thus have the effect of reinstating the overall appropriation shown in preliminary draft budget for Item 3.7.0.2.

* * *

Draft amendment No 416
 tabled by Mr Aigner on behalf of the EPP Group, Mr Bangemann on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Article 291: Subsidies to European movements

¹ + 67 000 EUA tax on remuneration.

A) *Expenditure*

Increase the payment appropriation by 93 000 EUA (from 207 000 EUA to 300 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

—

REMARKS

unchanged

JUSTIFICATION

The increase in appropriations proposed by the Commission for this Article scarcely covers the effects of inflation. Nevertheless, after direct elections to the European Parliament the various European movements and organizations (European Movement, Pan-European Union, etc.) are playing an important role. The authors of this amendment consider it essential to finance an increase in the work undertaken by these movements by raising the subsidy from the Community budget.

* * *

Draft amendment No 417

tabled by Mr Aigner, on behalf of the Group of the European People's Party (Christian-Democratic Group)

Section III — Commission

PAYMENTS

Article 6.2.0: Refunds on milk and milk products

A) *Expenditure*

Unchanged

B) *Compensation*

—

C) *Revenue*

Unchanged

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following remarks in Article 6.2.0:

the Commission will manage the appropriations for refunds on milk products taking particular account of the following requirements:

- The system of advance fixing and in particular the duration of certificates, should do nothing to encourage speculation
- pre-fixing cannot be granted for exports to State-trading countries
- the amount of the deposits required must be sufficient to deter operations not related to market requirements'.

JUSTIFICATION

The Committee on Budgetary Control have noted that the management of the refund mechanism has not always in recent years followed market movements very closely, thus leaving room for operations having no relation to real requirements in this sector. It feels in particular that the advance fixing system leads to an imbalance to the detriment of the Community in trade with State-trading countries.

* * *

Draft amendment No 418

tabled by Mr Klepsch, Mr Verhaegen, Mr Estgen, Mr Beumer and Mr Macario on behalf of the EPP (CD) Group

Section III — Commission

PAYMENTS

Article 3.0.7: Community measures to promote the participation of both sides of industry in the economic and social decisions of the Community

Item 3.0.7.0: European Trade Union Institute

A) *Expenditure*

Increase the payment appropriation by 100 000 EUA (from 750 000 to 850 000 EUA) (reinstatement of appropriation shown in preliminary draft)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

—

—

REMARKS

Unchanged

JUSTIFICATION

The European Parliament has always advocated the foundation of a European Trade Union Institute which is one objective of the social action programme. This position on the part of Parliament has proved fully justified by the quality of the work performed by the institute since its foundation. The amount requested by the Commission corresponds to the needs of the institute and the original appropriation which has been cut by the Council must, therefore, be reinstated.

* * *

Draft amendment No 419

tabled by Mrs Boot, Mr Lückner, Mr O'Donnell, Mr Pöttering, Mr Costanzo, Mr Travaglini and others on behalf of the EPP (CD) Group

Section III — Commission

PAYMENTS

- Title 5: Social and Regional Funds
 Chapter 5.6: European Regional Development Fund
 Entry of a new article
 Article 5.6.2: Revolving fund — measures under a Mediterranean plan for further development and restructuring of the economies of Mediterranean countries belonging to the European Community.
 (*new*)

A) *Expenditure*

Enter an appropriation of 1000000 EUA

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

REMARKS

Preparatory measures including a study on the creation of a revolving fund for the Mediterranean countries on the basis of a Council regulation.

Over the next 6 to 8 years this fund should be endowed with the capital needed for its functions.

JUSTIFICATION

The second enlargement of the Community involves the need for complex adaptation of the economic structure of the European Community. The present financial instruments available to the Community are not sufficient for the pursuit of such a structural policy.

* * *

Draft amendment No 420/corr.

tabled by Mr Ansquer, Mr Flanagan, Mr Davern and Mr Fanton, on behalf of the Group of European Progressive Democrats

Statement of Revenue

- Title 1: Own resources
 Chapter 1.0: Levies and other duties provided for under the common organization of the market in certain sectors (*new heading*)
 Article 1.0.1: Levy on fats and oils of vegetable or marine origin, for human and animal consumption, and on all imported substitutes for cereals.
 (*new*)

A) *Revenue*

Create a new Article 101: 'Levy on fats and oils of vegetable or marine origin, for human and animal consumption, and on all imported substitutes for cereals'

Make a token entry

B) *Compensation*

—

C) *Expenditure**Schedule*

REMARKS

The Council is called upon to adopt the necessary regulation for the collecting of this revenue.

JUSTIFICATION

The refusal of the Council and the Commission to link the reduction of milk powder surpluses to the introduction of a genuine policy on fats and oils can no longer be tolerated.

The Community imports 56% of its fats and oils. These fats and oils of vegetable origin imported free of duty are responsible for the existing milk surpluses.

It is not right for milk, milk powder and butter to be given sole responsibility for surpluses while at the same time fats and oils of vegetable origin are allowed to enter freely and without duties.

Since the 1960s, oils and fats have been bound under GATT: customs duties applicable to imports cannot be increased without a negotiation of the agreements concluded. Similarly, these imports cannot be made subject to quantitative restrictions, nor to a system of levies. The milk sector which Community has obtained for these concessions.

A levy on these imports equal to one third of the levy applicable to butter would reduce the milk budget of the EAGGF to zero. Taxation of these imports is legally possible under GATT. Taxation should therefore be evenly balanced over all fats and oils.

A wider approach to the problem should include the taxation of oil cakes, manioc and maize gluten to restore fairer conditions of competition with the protein element of milk used for animal feeding-stuffs, while limiting the increase in milk production in the 'milk factories', where milk is produced in northern Europe almost independently of the land. However, in this type of solution, care should be taken not to penalize pig and poultry producers.

In any case, this would thus help farms, particularly family farms who obtain their supplies from their own farm, since most of the existing problems are caused by the 'milk factories' with no land base.

* * *

Draft amendment No 421

tabled by Mr Ansquer, Mr Flanagan, Mr Davern and Mr Fanton, on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Title 1:	Own resources
Chapter 10:	Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the Institutions of the Communities in respect of trade with non-member countries under the common agricultural policy (Article 2(a) of the Council Decision of 21 April 1970)
Article 102: (<i>new</i>)	Special levy on soya

C) *Revenue*

Create a new Article 102: 'Special levy on soya'

Make a token entry

B) *Compensation*

A) *Expenditure**Schedule*

REMARKS

Enter the following remarks:

The Council is called upon to adopt during the first four months of 1981 the regulations necessary for the collection of this revenue.

It is for the Council to fix both the rate and the level of revenue resulting therefrom.

JUSTIFICATION

Although the common agricultural market is rightly protected by a system of levies bringing prices of imported products into line with European prices, oil seeds are not subject to this rule.

This special treatment granted to soya should be stopped as soya oil proper constitutes unfair competition for butter, and oil-cakes provide unfair competition to other feed-grain for animal feeding stuffs.

Most soya does not come, as is often thought, from developing countries, but principally from the United States, the Community's main supplier (82 % of Community imports).

This situation where these products enter Europe free of taxes or levies or quantitative restrictions must be stopped. This treatment restricts European fodder production, increases appropriations necessary for disposal of butter and inflates the appropriations used for the disposal of milk powder for animal feeding-stuffs.

* * *

Draft amendment No 422

tabled by Mr Pfennig, Mr Brok, Mr Langes, Mr Konrad Schön and Mr Aigner

Section I — Parliament

PAYMENTS

Item 2990: Subsidies and financial contributions towards the cost of group visits

A) *Expenditure*

Increase the payment appropriation by 1 472 000 EUA

B) *Compensation*

Decrease by 1. 472 000 EUA the appropriations entered in Chapter 100, Article 1 000 for new staff posts

C) *Revenue*

unchanged

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

The subsidies for group visits are already now too low, since Members living in remote areas only receive refunds in respect of a small proportion of the costs for group visits. Appropriations for 24 Greek Members have not as yet been earmarked.

* * *

Draft amendment No 423
tabled by Mr Pfennig, Mr Brok, Mr Langes, Mr Konrad Schön and Mr Aigner

Section I — Parliament

PAYMENTS

Article 223: Transport equipment
Item 2232: Hire

A) *Expenditure*

Increase the payment appropriation by 100 000 EUA

B) *Compensation*

Decrease by 100 000 EUA the appropriations under Item 2230 'new purchases'

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

Since in practice hardly any official cars are available to Members who do not have a special function, the appropriations for taxis should be increased.

* * *

Draft amendment No 424
tabled by Mr Pfennig, Mr Brok, Mr Langes, Mr Konrad Schön and Mr Aigner

Section I — Parliament

PAYMENTS

Article 233: Transport equipment
 Ítem 2230: New purchases

A) *Expenditure*

Reduce the payment appropriation by 100000 EUA

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

The need for a further 19 cars has not been adequately justified.

* * *

Draft amendment No 425
 tabled by Mr Pfennig, Mr Brok, Mr Langes, Mr Konrad Schön and Mr Aigner

Section I — Parliament

PAYMENTS :

Chapter 100: Provisional appropriations
 Article 1000:

A) *Expenditure*

Reduce the payment appropriation by 1472000 EUA

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The appropriation of 1 500 000 EUA set aside for initial salaries for 233 new posts should be reduced. Since the need for these posts has not been adequately justified — and provision is therefore already made for them to be frozen — it appears proper to delete the whole of this amount apart from a residual 28 000 EUA by way of a reserve set aside for new posts.

* * *

Draft amendment No 426
tabled by the European Democratic Group

Section I — Parliament

PAYMENTS

Item 2.0.0.0: Rent

A) *Expenditure*

Reduce by 3 700 000 EUA (from 15 700 000 to 12 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

This reduction is proposed in the interests of economy in the administration of Parliament.

* * *

Draft amendment No 427
tabled by Mr Pfennig on behalf of the Group of the European People's Party

Section I — Parliament

PAYMENTS

Chapter 10: ,

Article 100:

Item 1005: Constituency work
(*new*)

A) *Expenditure*

- *Create a new Item 1005 'constituency work'*
- *Enter a payment appropriation of 2083000 EUA*

B) *Compensation*

Decrease by 2083200 EUA the appropriations under Item 1004 'travel and subsistence allowances; attendance at meetings and associated expenditure'

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

A monthly sum of 400 EUA per Member is to be made available in order to permit the 434 Members to maintain permanent contacts with their constituencies. An adjustment will be made where Members receive funds from other sources.

JUSTIFICATION

Until now, these appropriations have been entered under Item 1004, although the expenditure in question does not relate exclusively to refund or travel expenses. The creation of a new item is therefore desirable.

* * *

Draft amendment No 428

tabled by Mr Ansquer, Mr Flanagan, Mr Davern and Mr Fanton, on behalf of the Group of European Progressive Democrats

Statement of Revenue

Title 1: Own resources

Chapter 1.0: Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the Institutions of the Communities in respect of trade with non-member countries under the common agricultural policy (Article 2 (a) of the Council Decision of 21 April 1970)

Article 1.0.3: Special levy on manioc
(*new*)

A) *Revenue*

- Create a new Article 103: 'Special levy on manioc'*
- Make a token entry*

B) *Compensation*

—

C) *Expenditure*

—

Schedule

—

REMARKS

Enter the following remarks:

The Council is called upon to adopt during the first four months of 1981 the regulations necessary for the collection of this revenue.

It is for the Council to fix both the rate and the level of revenue resulting therefrom.

JUSTIFICATION

The Community at present imports nearly 6 million tonnes of manioc whereas 5 years ago it imported less than half that amount. This unfair competition for feed-grain produced in the Community should therefore be stopped.

To put an end to this threat to security of European food supplies, a levy should be placed on imports and proper limitation agreements entered into with producer countries.

* * *

Draft amendment No 429

tabled by Mr Ansquer, Mr Flanagan, Mr Davern and Mr Fanton, on behalf of the Group of European Progressive Democrats

STATEMENT OF REVENUE

Title 1:	Own resources
Chapter 1.0:	Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the Institutions of the Communities in respect of trade with non-member countries under the common agricultural polixa (Article 2(a) of the Council Decision of 21 April 1970).
Article 1.0.4: (<i>new</i>)	Special levy on maize gluten

A) *Revenue*

Create a new Article 104: 'Special levy on maize gluten'

Make a token entry

B) *Compensation*

—

C) *Expenditure*

—

Schedule

—

REMARKS

Enter the following remarks:

The Council is called upon to adopt during the first four months of 1981 the regulations necessary for the collection of this revenue.

It is for the Council to fix both the rate and the level of revenue resulting therefrom.

JUSTIFICATION

The Community at present imports 2½ million tonnes of maize gluten and might well double this figure next year. This provides grave competition to feed grain produced in the Community: in 1977/78 (latest figures available), the EEC produced approximately 103 million tonnes of cereal, of which 68 million were destined for animal feeding-stuffs. Although quantities have grown since then, these figures demonstrate the scale of fodder production as a proportion of total cereal production. The growth of imports of cereal substitutes is therefore a threat which must not be taken lightly. So far, maize gluten, which is a by-product of starch, was produced only in marginal quantities. But this starch is also used to manufacture alcohol which, mixed with diesel-oil is used as fuel. The United States, in their energy savings programme, have developed this production considerably, and there are therefore likely to be large quantities of maize gluten released onto the market, for which the main outlet is the European market. Europe would in some measure be financing the development of this source of alternative energy in the United States.

For this reason, therefore, a levy must be imposed on imports of these products and the GATT bound customs duties revoked, and a voluntary limitation agreement negotiated with the United States.

* * *

Draft amendment No 430

tabled by Mr Anquer, Mr Flanagan, Mr Davern and Mr Fanton, on behalf of the Group of European Progressive Democrats

STATEMENT OF REVENUE

Title 1:	Own resources
Chapter 11:	Levies and other duties provided for under the common organization of the markets in sugar and isoglucose (Article 2(a) of the Council decision of 21 April 1970)
Article 113: (new)	Levy on the production of margarine

A) Revenue

Amend the title of Chapter II as follows: 'Levies and other duties provided for under the common organization of the markets in certain sectors'

Create a new Article 113: 'Levy on the production of margarine'

Make a token entry

B) Compensation

—

C) Expenditure

—

Schedule

—

REMARKS

Enter the following remarks:

The Council is called upon to set up a common organization for the market in margarine and to introduce a production levy.

JUSTIFICATION

Massive cheap imports provide vegetable oils and fats, and consequently margarine — a by-product — with a considerable advantage at consumer level: the low price. Low consumer prices, together with far higher profit margins than those made by butter producers are also made and these profits obviously permit more to be spent on advertising.

Apart from direct advertising, the big margarine companies have also been able to finance campaigns attacking butter on dubious scientific grounds.

It is therefore important to restore balance between fats and oils for human consumption by imposing, as the European Assembly has asked for some time, a levy on margarine.

* * *

Draft amendment No 431
tabled by Mr Ansquer, Mr Flanagan, Mr Davern and Mr Fanton on behalf of the Group of European Progressive Democrats

STATEMENT OF REVENUE

Title 1: Own resources
Chapter 12: Customs duties and other duties referred to in Article 2(b) of the Council decision of 21 April 1970
Article 120: Customs duties and other duties referred to in Article 2(b) of the Council decision of 21 April 1970

A) *Revenue*

unchanged

B) *Compensation*

unchanged

C) *Expenditure*

unchanged

Schedule

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REMARKS

Add the following remarks:

Revenue under this item will during the course of the year be increased by revenue produced by raising the level of customs duties on soya and manioc.

The Council is called upon to take during the first four months of the year, the necessary provisions to increase these duties.

JUSTIFICATION

The Community's large deficit in vegetable fats and oils has led it to accept massive imports at very low prices. It is in particular for this reason that imported cereals which, it should be borne in mind, provide 2.9 million tonnes of fats and oils, are subject to no customs duties or levies.

— oils from countries which are signatories of the Lomé Agreements are imported under the Community market at a zero rate of duty.

— as regards customs duties applicable to other imports, these vary between 10 and 15 % of the free-at-frontier price, depending on the type of oil and the packaging.

Thus out of 2 million tonnes of vegetable oil imported from the United States in 1978, only 43 000 tonnes were subject to customs duties, bringing to the EEC only 3 million ECUs (or approximately 17 million FF).

In order to protect its own position, the Community must therefore open negotiations in GATT so that customs duties on all fats and oils of vegetable or marine origin are no longer bound.

* * *

Draft amendment No 432
tabled by Mr Ansquer, Mr Flanagan and Mr Turcat, on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Item 3.2.4.0: Community energy-saving programme .

A) *Expenditure*

Increase the payment appropriation by 3 000 000 EUA (from 3 000 000 EUA to 6 000 000 EUA) (Reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 18 000 000 EUA (from 10 000 000 EUA to 28 000 000 EUA) (Reinstatement of the appropriation shown in the preliminary draft budget)

REMARKS

unchanged

Schedule

The appropriation for commitment authorized for 1981 amounts to 28 000 000 EUA. The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs years
Appropriation outstanding from 1979	14 300 000	6 140 000 ¹	4 000 000	1 000 000	3 160 000
Appropriation for 1980	25 000 000	10 000 000	2 000 000	8 000 000	5 000 000
Appropriation for 1981	28 000 000	—	p m.	8 000 000	20 000 000
Total	67 300 000	16 140 000	6 000 000	17 000 000	28 160 000

¹ Of which 140 000 EUA carried over from 1979 to 1980

JUSTIFICATION

Energy savings make it possible to limit the growth in energy consumption in our countries. The benefits of energy-saving policies are immense since this is a rapid and sure way of reducing the Community's dependence on energy supplies from the oil exporting countries. Efforts already begun in this field should be continued. For this reason, the Group of the European Progressive Democrats proposes the reinstatement of the appropriations requested by the Commission.

Draft amendment No 433
tabled by Mr Ansquer, Mr Flanagan and Mr Turcat on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Item 3.2.4.1: Programme for the development of new sources of energy

A) *Expenditure*

Increase the payment appropriation by 5 000 000 EUA (from 17 000 000 EUA to 22 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 10 000 000 EUA (from 16 000 000 to 26 000 000 EUA)

REMARKS

unchanged

Schedule

The appropriation for commitment authorized for 1981 amounts to 26 000 000 EUA, including 5 000 000 EUA entered in Chapter 100.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	7 380 000	7 380 000	—	—	—
Appropriation outstanding from 1979	8 470 000	1 500 000	4 000 000	2 970 000	8 700 000
Appropriation for 1980	47 000 000	15 120 000	12 100 000	11 180 000	
Appropriation for 1981	26 000 000	—	10 000 000	14 000 000	2 000 000
Total	88 850 000	24 000 000	26 000 000	28 150 000	10 700 000

JUSTIFICATION

The development of new energy sources, in particular solar energy, geothermal energy, coal liquefaction and gasification and the use of peat are the only ways of ensuring that the Community has greater security in energy supplies and providing it with substitutes for hydrocarbons in the next century.

Thanks to work financed by these appropriations, new sources of energy should make a significant contribution to the Community's energy supplies in the 21st century.

Draft amendment No 434
 tabled by Mr Ansquer, Mr Flanagan, Mr Turcat and Mr Doublet on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Item 3.7.0.2: Community operation for the development of data processing

A) *Expenditure*

Increase the payment appropriation by 2 000 000 EUA (from 5 000 000 EUA to 7 000 000 EUA) (Reinstatement of the appropriation shown in the preliminary draft budget).

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 1 500 000 EUA (from 8 000 000 to 9 500 000 EUA)

Schedule

The appropriation for commitment authorized for 1981 amounts to 9 500 000 EUA¹.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriations outstanding from 1979	1 972 523	1 972 523 ¹			
Appropriation for 1980	8 000 000	3 000 000	3 000 000	2 000 000	
Appropriation for 1981	9 500 000		4 000 000	4 000 000	1 500 000
Total	19 472 523	4 972 523¹	7 000 000	6 000 000	1 500 000

¹ Including 972 523 EUA carried over from 1979.

JUSTIFICATION

In the current state of development of data processing in the Community, technical development measures should be accompanied, resolutely and immediately, by the appropriate regulations without which the laws of the market will rule unbridled. Furthermore, the opening of public contracts must be accompanied by the establishment of Community norms for the European industry, if a real Community market is to be created.

* * *

Draft amendment No 435
 tabled by Mr Ansquer, Mr Flanagan, Mr Turcat and Mr Doublet on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Item 3.7.0.4: Studies in the field of telematics

¹ See Article 1(3) of the Financial Regulation of 21 December 1977.

A) *Expenditure*

Enter an appropriation of 1 000 000 EUA instead of the token entry (Reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

Telematics is infiltrating all fields of activity and information.

If the Community is to have a telematics policy it must achieve compatibility between systems within the Community and protection against any attempts to establish a monopoly, by establishing Community norms relating to the transmission of information and user interfaces.

* * *

Draft amendment No 436

tabled by Mr Ansquer and Mr Flanagan on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Item 3.7.5.0: Aid for certain crisis-hit industrial sectors

A) *Expenditure*

Make a token entry

B) *Compensation*

—

C) *Revenue*

unchanged

COMMITMENTS

Make a token entry for 1981 appropriations

Schedule

Commitment appropriation authorized for 1981: token entry

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriations outstanding from 1979	15 000 000	7 500 000 ¹	p.m.	7 500 000	—
Appropriation for 1980	p.m.	p.m.	p.m.	—	—
Appropriation for 1981	p.m.	—	p.m.	—	—
Total	15 000 000	7 500 000	p.m.	7 500 000	—

¹ Carried over from 1979.

REMARKS

unchanged

JUSTIFICATION

Public opinion would find it hard to accept a lack of participation by the Community in the general effort to restructure crisis-hit sectors. The purpose of this amendment is to draw to the attention of the Commission and the Council the desire of the Assembly to set up a coherent Community action as soon as possible. It is regrettable that, for the third successive year, the Commission has been unable to use the appropriations entered in the budget because of the Council's failure to act.

The purpose of the token entry is to stress the topicality of this measure and make this budget line operational.

* * *

Draft amendment No 437/corr.
tabled by Mr Ansquer, Mr Flanagan and Mr Turcat, on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Item 3.7.6.0: Industrial guidelines

A) *Expenditure*

Increase the payment appropriation by 200 000 EUA (from 400 000 to 600 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

unchanged

JUSTIFICATION

Since the number of crisis-hit sectors of industry is not falling, preventive measures must be maintained at the highest possible level.

* * *

Draft amendment No 439
tabled by Mr Ansquer and Mr Flanagan on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Article 3.9.0: Research projects in the field of technology and industry

A) *Expenditure*

Make a token entry

B) *Compensation*

—

C) *Revenue*

unchanged

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The Commission is preparing new guidelines for common policy in science and technology for the period 1981–1985.

The purpose of a token entry is to show the political importance attached by the Assembly to this programme, one aspect of which is promotion of the innovative capacity of small and medium sized undertakings.

* * *

Draft amendment No 440
tabled by Mr Ansquer and Mr Flanagan on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Article 5.4.0: Special contribution to the ECSC for temporary social measures in connection with the restructuring of the steel industry

A) *Expenditure*

Enter a payment appropriation of 100 000 000 ECU as a reserve in Chapter 100 — provisional appropriations

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

(new article)

This appropriation is to permit the financing of temporary social measures in the context of restructuring of the steel industry (Doc. COM (79) 199) submitted for the opinion of the Council pursuant to Article 95 ECSC).

Moreover, a decision must be taken under Article 235 ECSC to authorize for this purpose an exceptional contribution from the general budget to the ECSC (proposal for a Council decision (80) 134, 25. 3. 1980).

JUSTIFICATION

The already weak situation in the steel industry has now deteriorated considerably to a point where the Commission is proposing the application of Article 58 ECSC, stipulating quotas for Community production.

Quotas have become essential to protect the European steel industry. But the belated application of production quotas must be accompanied by social measures without which workers in the steel industry will be faced with increasingly dramatic conditions.

The time for legal argumentation about the validity of this budget item has now passed. It has become urgently necessary to provide the appropriations needed for effective Community action.

* * *

Draft amendment No 441

tabled by Mr Ansquer, Mr Flanagan, Mr Cronin and Mrs Ewing on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Article 5.5.0: Community action in support of national regional policies

A) *Expenditure*

Increase payment appropriations by 260 000 000 ECU (from 490 000 000 ECU to 750 000 000 ECU) (reinstatement of appropriation shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase commitment appropriations by 190 000 000 ECU (from 1 330 000 000 ECU to 1 520 000 000 ECU) (reinstatement of appropriation shown in preliminary draft budget)

Schedule

The likely schedule of payments against commitments is as follows:

(in ECU)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	832 000 000	171 000 000	304 000 000	191 000 000	166 000 000	—
Appropriation outstanding from 1979	3 000 000	1 000 000	1 000 000	1 000 000	—	—
Appropriation for 1980	1 106 750 000	220 375 000	332 525 000	332 500 000	110 675 000	110 675 000
Appropriation for 1981	1 520 000 000	—	112 475 000	951 525 000	152 000 000	304 000 000
Total	3 461 750 000	392 375 000	750 000 000	1 476 025 000	428 675 000	414 675 000

REMARKS

Add the following sentence to the remarks:

The Council and Commission must make the arrangements necessary to give Greece a 15 % share of the ERDF.

JUSTIFICATION

The Regional Fund was set up in 1975 to correct regional imbalances in the Community.

Its purpose is to encourage the economic development of underprivileged regions by participating in investments in industrial, craft and service activities, thus helping to remedy inequalities between poor and rich regions.

This aim is far from being attained because imbalances are deteriorating in the Community which has today over 7 million unemployed.

Because of inflation and the share which must be given to Greece, the Commission's already insufficient proposals represent no more than a slight increase over previous years.

By making a substantial cut in the appropriations proposed by the Commission, the Council is showing a passive attitude to the deterioration of existing inequalities.

It is important for the appropriations assigned to the least privileged areas of Ireland, Scotland or the French overseas territories and departments, to be maintained in real terms following the redistribution of quotas necessitated by the accession of Greece.

The EPD Group therefore considers it essential to reinstate the original appropriation.

* * *

Proposed Modification No 442/PdM
tabled by Mr Ansquer, Mr Flanagan, Mr Davern and Mr Fanton on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Title 6: EAGGF Guarantee Section
Chapter 6.2: Milk and milk products
Article 6.2.8: Financial contribution by milk producers
Item 6.2.8.0: Co-responsibility levy

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

Enter the following remarks:

The following shall be exempt from the co-responsibility levy:

- any milk producer whose holding is situated in a region classified as a deprived, upland or mountain region.
- production less than or equal to 60000 litres of milk per year.

The Council is requested to make the arrangements necessary for this exemption in the first four months of the year.

JUSTIFICATION

It is abnormal to seek to reduce dairy surpluses by an unjust and ineffectual co-responsibility levy whose principle we do not accept. Its drawbacks have in practice proved to outweigh its advantages: penalization of small producers and regions whose economic and social progress involves the development of milk production.

It is unjust to apply a quasi-uniform burden to all producers. While rejecting the principle of co-responsibility, we therefore propose in terms of practical implementation, the exemption of:

- all milk producers whose holding is situated in a region classified as a deprived, upland or mountain region,
- production less than or equal to 60000 litres of milk per year.

In this way we shall preserve the family nature of our agricultural holdings to which we attribute the greatest possible importance.

* * *

Draft amendment No 443/Rev.

tabled by Mr Ansquer, Mr Flanagan and Mr Clement on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Title 9:

Chapter 9.2: Food aid

Article 9.2.1: Food aid in milk products

Item 9.2.1.3: Butteroil programme for the year

A) *Expenditure*

Increase the appropriation by 15 070 000 EUA

(raised from 67 840 000 to 82 910 000 EUA)

(reinstatement of appropriations shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue**Increase revenue by same amount*

COMMITMENTS

—

Schedule

REMARKS

This appropriation is to cover the supply in 1981 of 55 000 tonnes of butteroil to developing countries particularly the countries in most need.

JUSTIFICATION

Of all the practical policies which the Community is able to pursue, priority must be given to development cooperation policy for humanitarian and economic reasons.

At the end of a debate whose content was generally approved, Parliament adopted an outstanding report on world hunger.

Within the ACP-EEC Consultative Assembly, the Community has been able to place the dialogue between the industrialized and developing countries on an institutional footing.

In the logic of its own decisions, Parliament cannot therefore accept a reduction in Title IV of the Budget concerning development cooperation as the expression of a deliberate political will, to be reduced below the previous year's figure, at the very time when world inflation is having a negative effect and the needs of the developing countries are increasing.

* * *

Draft amendment No 445

tabled by Mr Ansquer, Mr Flanagan, Mr Cronin and Mrs Ewing on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Chapter 5.6: European Regional Development Fund — specific Community measures

Article 5.6.0: Specific Community measures

A) *Expenditure*

Increase the payment appropriation by 10 000 000 EUA (from 10 000 000 to 20 000 000 EUA) (reinstatement of appropriations shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue**Increase revenue by same amount*

COMMITMENTS

Increase the commitment appropriation by 10 000 000 EUA (from 70 000 000 to 80 000 000 EUA) (reinstatement of appropriations shown in preliminary draft)

Schedule

The appropriation for commitment authorized for 1981 amounts to 80 000 000 EUA.¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—	—	—
Appropriation outstanding from 1979	45 000 000	10 625 000	5 000 000	10 000 000	10 000 000	9 375 000
Appropriation for 1980	58 250 000	—	15 000 000	15 000 000	15 000 000	13 250 000
Appropriation for 1981	80 000 000	—	—	20 000 000	20 000 000	40 000 000
Total	183 250 000	10 625 000	20 000 000	45 000 000	45 000 000	62 625 000

REMARKS

unchanged

JUSTIFICATION

The Community must be given appropriate resources to remedy regional problems.

The disparities between the richest and poorer regions are continuing to widen. A real increase in the Community's financial commitments for regional development is therefore vital.

The Group of European Progressive Democrats accordingly proposes the reinstatement of the appropriations proposed by the Commission.

* * *

Proposed Modification No 446/PdM

tabled by Mr Ansquer, Mr Flanagan and Mr Clement on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Title 9:

Chapter 9.6: Cooperation with non-member countries

Article 9.6.2: Financial cooperation with Greece

A) Expenditure

Increase the payment appropriation by 1 115 659 EUA (from 6 100 000 EUA to 7 215 659 EUA) (reinstatement of appropriation shown in the preliminary draft budget)

B) Compensation

—

C) Revenue

Increase revenue by same amount

COMMITMENTS

unchanged

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

Schedule

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—				
Appropriation outstanding from 1979	12 715 659	10 000 000 ¹	2 715 659			
Appropriation for 1980	16 500 000	9 715 659	4 500 000	2 284 341		
Appropriation for 1981	p.m.					
Total	29 215 659	19 715 659¹	7 215 659	2 284 341		

¹ Including 2 215 659 EUA carried over from 1979.

REMARKS

JUSTIFICATION

The problems which Greece must overcome following its accession to the Community justify maintenance of a high level of financial cooperation from the Community. This would not be an appropriate time to increase the difficulty experienced by our Greek friends in adapting to the Community especially in the agricultural and industrial areas.

The Group of European Progressive Democrats therefore proposes reinstatement of the cooperation appropriation proposed by the Commission in its preliminary draft budget, amounting to 7 215 659 EUA.

* * *

Proposed Modification No 447/PdM

tabled by Mr Ansquer, Mr Flanagan and Mr Clement on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Title 9:

Chapter 9.6: Cooperation with non-member countries

Article 9.6.5: Financial cooperation with the Maghreb countries

Item 9.6.5.0: Financial cooperation with Algeria

A) *Expenditure*

Increase the payment appropriation by 1 500 000 EUA (from 8 500 000 to 10 000 000 EUA) (reinstatement of appropriations shown in preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

unchanged

Schedule

The appropriation for commitment authorized for 1981 amounts to 22 500 000 EUA.¹

The likely schedule of payments *vis-à-vis* commitments is follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment						
Appropriation outstanding from 1979	14 100 000	10 700 000 ¹	1 700 000	1 700 000		
Appropriation for 1980	7 000 000	6 400 000	300 000	300 000		
Appropriation for 1981	22 500 000		8 000 000	10 000 000	4 500 000	
Total	43 600 000	17 100 000¹	10 000 000	12 000 000	4 500 000	

¹ Including 7 100 000 EUA carried over from 1979.

REMARKS

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JUSTIFICATION

At the time when Algeria is having to reconstruct the economic potential of a whole region devastated by the earthquake at El Asnam, the Community which has already given assistance to the victims of that disaster must maintain the financial cooperation appropriations allocated in the preliminary draft budget.

The Group of European Progressive Democrats therefore proposes reinstatement of the original appropriations of 10 000 000 EUA.

* * *

Draft amendment No 448

tabled by Mr Ansquer and Mr Flanagan on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Title 5: Social and regional funds

Chapter 5.8: Supplementary measures in favour of the United Kingdom

Article 5.8.0: Supplementary measures in favour of the United Kingdom

A) *Expenditure*

Article 5.8.0: *Transfer* the amount entered on this budget line, i.e. 974 700 000 EUA to the reserve in Chapter 1.0.0 — provisional appropriations

B) *Compensation*

—

C) *Revenue*

unchanged

COMMITMENTS

—

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

Schedule

REMARKS

Amend the sentence 'an appropriation of 100 000 000 EUA is entered in Chapter 1.0.0' to read 'an appropriation of 1 074 000 000 EUA is entered in Chapter 1.0.0'.

JUSTIFICATION

Although the Brussels agreement is essentially a financial operation, use of the appropriations intended for structural measures in favour of the United Kingdom must not escape from Community control.

The Assembly must therefore be given the means of ensuring that control; the Group of European Progressive Democrats therefore proposes that the amount of 974 700 000 EUA should be placed in reserve in Chapter 1.0.0 in addition to the existing 100 000 000.

* * *

Draft amendment No 449
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Item 2.7.2.2: Current affairs films for developing countries

A) *Expenditure*

Increase the payment appropriation by 200 000 EUA (from 692 000 to 892 000 EUA)

B) *Compensation*C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Schedule

REMARKS

unchanged

JUSTIFICATION

Particularly in view of the rate of inflation, the appropriation decided on by the Council represents a 30 % cut over 1980. This would lead to very serious restrictions on the activities involved in the programme of weekly filmed news on the EEC designed for the developing countries which Parliament believes must be expanded and improved.

It should be stressed that the Commission's ability to spend the funds in the budgetary line in question is particularly good.

For the 1979 financial year:

— 99.9 % of appropriations were committed by 31/12/1979,

— at the present time payments covering 99.7 % of the above appropriations have been carried out.

* * *

Draft amendment No 450
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Item 2.7.2.9: Information projects relating to Direct Elections to the European Parliament

A) *Expenditure*

Enter a token entry (reinstatement of entry in Preliminary Draft Budget)

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The maintenance of the token entry made by the Commission but deleted by the Council, is justified in order to keep a line available for financing projects relating to direct elections to the European Parliament, when this becomes necessary, prior to the next elections.

* * *

Draft amendment No 451
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Article 2.9.0: Subsidies to institutions of higher education

A) *Expenditure*

Amend heading of Article 2.9.0 to 'Subsidies to institutions of higher education and residential centres for adults'

Increase the payment appropriation by 370 000 EUA (from 180 000 to 550 000 EUA) (reinstatement of amount shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Amend the remarks as follows:

'Appropriation to enable aid to be granted to higher education institutions *and residential education centres for adults* setting up a programme of value to European integration.'
(reinstatement of the remarks shown in the preliminary draft budget)

JUSTIFICATION

The increase proposed by the Commission under this article is a direct response to Parliament's action in tabling an amendment to the 1980 Budget, including an appropriation to cover aid to residential adult education institutes — called for in three resolutions adopted by it — the Albers Report (Doc. 679/78), the Kellett-Bowman Report (Doc. 158/78), and the van der Gun Report (Doc. 149/79). The European Parliament, consistent with its own previous decisions, will therefore reinsert the amount cut by Council.

* * *

Draft amendment No 452
tabled by Mr Linkohr, on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Item 3.2.3.0: Use of coal in power stations

A) *Expenditure*

Enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter a commitment appropriation of 100 000 000 EUA.

Schedule

Enter the following schedule of payments:

The commitment appropriation authorized for 1981 is 100 000 000 EUA

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriation for 1980	p.m.	p.m.	—	—	—
Appropriation for 1981	100 000 000	—	p.m.	100 000 000	—
Total	100 000 000	p.m.	p.m.	100 000 000	—

JUSTIFICATION

A Community programme of granting financial support to operators of power stations with a view to encouraging the construction, conversion or modernization of their plan for the use of coal instead of liquid fuels, would not only contribute to the reduction of the Community's dependence on oil imports but also stimulate the Community's coal sector. The European Parliament delivered a favourable opinion on the Commission's proposal on 10 May 1977 and has called on the Council to adopt this proposal in a series of resolutions since then.

Draft amendment No 453
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Article 3.5.9: Subsidy towards the operation of the European Foundation for the Improvement of Living and Working Conditions

A) *Expenditure*

Reduce the payment appropriation by 200 000 EUA (from 2 850 000 to 2 650 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The European Parliament is not satisfied with the rate at which this body is achieving results, and does not consider it appropriate to endorse any increases in appropriations in its favour.

* * *

Draft amendment No 454
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Item 3.9.3.1: Financial contributions to cultural events of European importance

A) *Expenditure*

Increase the payments appropriation by 140 000 EUA (from 140 000 EUA to 280 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

unchanged

JUSTIFICATION

The European Parliament feels it is essential to restore the appropriation, already very modest, proposed by the Commission in the preliminary draft budget.

Any reduction in this appropriation will make it impossible to finance the mere six cultural events which the Community intends to support and which include the Community youth orchestra.

It should be stressed that the Commission's ability to spend sums on this budgetary line is particularly good.

For the 1979 financial year:

— 100 % of appropriations have been committed by 31. 12. 1979

— at the present time payments have been carried out in respect of 90 % of the above appropriations.

* * *

Proposed Modification No 456/PdM/Rev.
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Item 6.2.1.3: Aid for liquid skimmed-milk for use as feed for animals other than calves

A) *Expenditure*

Reduce expenditure by 20000000 EUA (from 249000000 to 229000000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

REMARKS

—

JUSTIFICATION

The need to achieve savings in the light of the findings of the Court of Auditors.

* * *

Draft amendment No 457
 tabled by Mr Albers, on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Article 8.7.6: Grant towards medical assistance and safety at sea

A) *Expenditure*

Enter an appropriation of 200 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by a corresponding amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

At the first Reading of the 1980 Budget the European Parliament was in favour of reinstating the proposed appropriation of 200 000 EUA shown in the preliminary draft budget. At the Second Reading a token entry was considered sufficient, since half of the budgetary year had already elapsed. However, it is now appropriate to honour the commitment made by the European Parliament in the Kavanagh Report (Doc. 101/79) concerning the coordination at Community level of medical assistance and safety at sea, in order to ensure collaboration between fishery support vessels operating in Community fishing grounds.

* * *

Draft amendment No 458
 tabled by Mr Muntingh, on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Item 3.5.1.0: Expenditure on pollution control

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

—

Schedule

—

REMARKS

The Commission must be given the resources needed to implement the two Community environment programmes.

JUSTIFICATION

This item shown as a token entry for the 1980 financial year must be endowed with the appropriations corresponding to the pollution control measures planned by the Commission for 1981.

The Commission must assist local authorities which are effecting investments to reduce and control pollution, particularly in regions qualifying under the ERDF, Mediterranean areas and trans-frontier zones.

* * *

Draft amendment No 459
tabled by Mr Muntingh on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Item 3.5.1.1: Aids for the development of technologies causing less pollution and using fewer natural resources and for the development of new monitoring techniques

A) *Expenditure*

Enter a payment appropriation of 2000000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

—

Schedule

—

REMARKS

It is important to ensure respect for ecological balance, particularly through the preservation of natural resources.

JUSTIFICATION

The Commission must be provided forthwith with the financial resources needed by it to take measures for protection of the natural environment, particularly by encouraging new processes and less polluting technologies.

The aim is to:

- cause less pollution
- generate less waste
- economize natural resources.

This financial instrument will enable the Commission to encourage the pilot projects proposed by undertakings.

* * *

Draft amendment No 461
tabled by Mr Muntingh on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Item 3.5.1.3: Measures to protect the environment in the context of changes in economic activities

A) *Expenditure*

Enter a payment appropriation of 500 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by same amount

COMMITMENTS

—

Schedule

—

REMARKS

The environment must be protected against the adverse effect of certain economic activities.

JUSTIFICATION

Protection of the environment against the effects of economic activities requires the instatement of adequate appropriations for 1981, to provide in particular for an effective training policy.

* * *

Draft amendment No 462
tabled by Mr Muntingh on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Article 3.5.4: Community environmental protection measures

Item 3.5.4.6: Subsidies to European ecological organizations
(*new*)

A) *Expenditure*

Create a new item 3546 'Subsidies to European ecological organizations' and *Enter* a payment appropriation of 100 000 ECU

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

The measures to stimulate public awareness of the problem of the environment provided for in the environmental action programmes rely on the existence of ecological organizations which must be supported, in particular financially.

JUSTIFICATION

These European ecological organizations play an important role in educating and informing the public in the area of environmental protection.

* * *

Draft amendment No 463
tabled by Mr Linkohr, on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Chapter 3.2: Expenditure under the energy policy

Article 3.2.6: New Community initiative (reinstatement of heading in preliminary draft budget)
(*new*)

A) *Expenditure*

Create a new article 3.2.6 'New Community initiative' and
enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter a token entry

Schedule

—

REMARKS

—

JUSTIFICATION

In order to reduce the level of the Community's oil imports, investments of between 50 000 and 100 000 million EUA must be made in the early 1980's so as to yield results by around 1990. Whereas this investment should come primarily from the Member States, a larger Community contribution to energy investment will be necessary in order to avoid widening the economic and social gaps within the Community and to ensure that the achievement of the objectives of the Treaties is not further delayed.

* * *

Proposed Modification No 464/rev.

tabled by Mr Aigner and Mr Notenboom of the Group of the European People's Party

Section III — Commission

PAYMENTS

Article 400: Flat-rate repayment to the Member States of costs incurred in collecting own resources

A) *Expenditure*

Reduce the payment appropriation by 437 356 000 EUA

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

JUSTIFICATION

The budgetary discussion is taking place this year in a particularly difficult financial situation, since necessary expenditure cannot be undertaken owing to the ceiling on the revenue side. Nevertheless, the budgetary powers of Parliament cannot be undermined by unwillingness to cooperate on the part of the other arm of the budgetary authority.

Parliament takes the view that in a tight financial situation in the Community new policies can only be launched if either the revenue side is increased or the expenditure side reduced. Since at present the national governments are not prepared to increase revenue, the only way open is to cut back expenditure. This avenue can, however, only be used where there is no risk of adverse effects on the satisfactory development of the Communities. Accordingly, it appears appropriate to reduce expenditure under Article 400 by 437 356 000 EUA.

The expenditure of the Member States have so far never been defined precisely, the 10 % repayment rate being based purely on a political act, or on a financial estimate. Since the repayment level is legally fixed, a conflict undoubtedly arises by the reduction of the appropriation, but this can be avoided by calling on the Member States to amend, if necessary, the decision of 21 April 1970 or to agree that, for a time and in part, it should not be applied.

In any event, under the system in force there is no guarantee that it is those who bear the administrative burden and the costs of collecting own resources who also receive the flat-rate repayments.

* * *

Draft amendment No 465
tabled by the European Democratic Group

Section I — Parliament

PAYMENTS

Article 2.0.4: Fitting out of premises

A) *Expenditure*

Reduce by 400 000 EUA (from 1 400 000 to 1 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

This reduction is proposed in the interests of economy in the administration of Parliament.

* * *

Draft amendment No 466
tabled by Mr Langes, Mr Klepsch, Mrs Cassanmagnago Cerretti and Mr Vergeer on behalf of the Group of
the European People's Party (CD Group)

Section III — Commission

PAYMENTS

Chapter 39: Other expenditure on specific projects undertaken by the Institution

Article 397: Preparations for the improvement of the Olympic sports facilities in Olympia
(*new*)

A) *Expenditure*

*Create the following new Article 397: 'Preparations for the improvement of the Olympic sports
facilities in Olympia'*

Make a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Schedule

REMARKS

Token entry to enable the Commission to establish, in cooperation with the Greek government, a permanent site for the Olympic games and to get the preparations underway in 1981.

JUSTIFICATION

On 1 January 1981 Greece will be the 10th country to join the European Community. The European Parliament wishes to make clear to the Greek people, their future Greek colleagues in the European Parliament and especially the Greek President, Mr Karamanlis, already during the discussion of the Commission's budget for 1981, that, for the reasons set out above, it firmly supports the basic idea of 'Olympic games in Olympia'.

This will facilitate decision-making in the IOC. It will also make plain that the European Community is in favour of the Olympic Games, the Olympic committee must find new ways of rescuing them.

* * *

Draft amendment No 467

tabled by Mr Notenboom, Mr Klepsch, Mr van der Gun, Mr Vandewiele, Mr Modiano and Mr van Aerssen on behalf of the Group of the European People's Party (CD Group)

Section III — Commission

PAYMENTS

- Title 3: Community policies relating in particular to research, technology, etc.
 Chapter 3.0: Expenditure in the social sector
 Article 3.0.7: Community measures to promote the participation of both sides of industry in the economic and social decisions of the Community.
 Item 3.0.7.1: Aid to employers' and workers' organizations for the provision of training and information for their representatives on the subject of European affairs.

Amend the heading of item 3071 as follows:

- Item 3071: 'Aid to *European organizations of small- and medium-sized undertakings* for the provision of training and information for their representatives on the subject of European affairs'.

A) *Expenditure*

Increase the payment appropriation by 120 000 EUA (from 100 000 to 220 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget).

B) *Compensation*C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Schedule

REMARKS

Modify the remarks as follows:

'Priority No 9 established by the Council resolution of 21 April 1974 concerning a social action programme is intended 'to promote the participation of both sides of industry in the economic and social decisions of the Community; *this programme should be geared mainly to the small and medium-sized undertakings in the Community*'.

* * *

Proposed Modification No 468
tabled by Mr Glinne, Mr Bangemann, Mr Klepsch, Mr Leonardi and Mr Simpson on behalf of the working party on a Statute for Members

Section I — Parliament

PAYMENTS

Title 1:

Chapter 1.0:

Article 1.0.3: Pensions

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Pending a Council decision on the emoluments of Members, a pension fund should be established for Members of the European Parliament at Community level.

Given that the obligations of Members with a European mandate are in principle identical, their financial situation should also be identical and settled at Community level.

The absence of a Community financial system for Members could have particularly adverse consequences in the area of pensions.

* * *

Draft amendment No 469
 tabled by Mr Coppieters, Mr Blaney, Mrs Bonino, Mr Capanna, Mrs Castellina

Section III — Commission

PAYMENTS

Item 3.3.0.0: Nuclear safety

A) *Expenditure*

Decrease by 30000000 EUA

B) *Compensation*

—

C) *Revenue*

Decrease revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

The nuclear safety programme should be strictly limited to examining and approving safety of existing reactors and reactor types, and not cover in particular:

- sodium-cooled fast reactors
- plutonium fuels and plutonium fuel cycle

Remaining sums should be concentrated on assessment of waste-storage risk and study of protection barriers.

JUSTIFICATION

This amendment springs from a concern to separate vital work on safety of existing reactors from subsidies to the industry for development of sodium-cooled fast reactors.

* * *

Draft amendment No 470
 tabled by Mr Coppieters, Mr Blaney, Mrs Bonino, Mr Capanna, Mrs Castellina

Section III — Commission

PAYMENTS

Item 3.3.4.3: The plutonium cycle and its safety (Plutonium recycling in light-water reactors)

A) *Expenditure*

Delete this item

B) *Compensation*

—

C) *Revenue**Reduce* revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The Community should not in any way subsidize the unproven and dangerous technology of the plutonium cycle, but should concentrate its efforts on promoting soft energy development and ensuring the safety of existing nuclear plant.

* * *

Draft amendment No 471
tabled by Mr Coppieters, Mr Blaney, Mrs Bonino, Mr Capanna, Mrs Castellina

Section III — Commission

PAYMENTS

Item 3.3.4.5: Decommissioning of nuclear power stations

A) *Expenditure**Delete* this itemB) *Compensation*

—

C) *Revenue**Reduce* revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

Commission should take steps to transfer staff involved to other work

JUSTIFICATION

Costs of de-commissioning should be entirely borne by the nuclear industry, which should have foreseen them in its costing. This is an unjustifiable subsidy falsifying the comparative costs of nuclear energy and safe renewable energy sources.

* * *

Draft amendment No 472
 tabled by Mr Coppieters, Mr Blaney, Mrs Bonino, Mr Capanna, Mrs Castellina

Section III — Commission

PAYMENTS

Item 3.3.4.7: Safety codes and standards for fast-breeder reactors

A) *Expenditure*

Delete this item

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

The Commission should not take on the planned extra staff, nor commission the studies referred to.

JUSTIFICATION

Despite the reference to safety, this is yet another subsidy to the development of the fast-breeder technology (as yet unproven) for which there is no justification as long as the re-processing industry is failing to work safely.

* * *

Draft amendment No 473
 tabled by Mr Blaney, Mrs Bonino, Mr Capanna and Mrs Castellina

Section III — Commission

PAYMENTS

Item 3.3.5.2: Uranium ore prospecting and processing

A) *Expenditure*

Delete this item

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—
REMARKS
—

JUSTIFICATION

The Community should not put further resources into uranium prospecting or processing. This is dangerous, and opposed by local populations. The equivalent sums should be switched to soft energy developments that bring safe job opportunities at the local level.

* * *

Draft amendment No 474
tabled by the European Democratic Group

Section I — Parliament

PAYMENTS

Item 2.2.3.0: New purchases

A) *Expenditure*

Reduce by 175 000 EUA (from 275 000 to 100 000 EUA)

B) *Compensation*

 —

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—
REMARKS
—

JUSTIFICATION

This reduction is proposed in the interests of economy in the administration of Parliament.

* * *

Draft amendment No 475
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 1.0.0.1: Residence allowances

A) *Expenditure*

Reduce by 26 000 EUA (from 226 000 to 200 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Appropriations have been abnormally increased without explanation: the amendment provides for a reasonable increase.

* * *

Proposed Modification No 476
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 1.0.9: Provisional appropriations for possible adjustments to the emoluments of members of the Commission

A) *Expenditure*

Reduce by 100 000 EUA (from 225 000 to 125 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—
REMARKS
—

JUSTIFICATION

Appropriations have been abnormally increased without explanation: the amendment provides for a reasonable increase.

* * *

Draft amendment No 477
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 1.1.9: Provisional appropriations to cover any adjustments to the remuneration and pensions of officials and other staff

A) *Expenditure*

Reduce by 6694 000 EUA (from 21 694 000 to 15 000 000 EUA)

B) *Compensation*
—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS
—

Schedule

—
REMARKS
—

JUSTIFICATION

Appropriations have been abnormally increased without explanation: the amendment provides for a reasonable increase.

* * *

Draft amendment No 478
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 1.2.9: Provisional appropriation to cover any adjustments to remunerations and various allowances paid to officials and other servants

A) *Expenditure*

Reduce by 163 000 EUA (from 563 000 to 400 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Appropriations have been abnormally increased without explanation: the amendment provides for a reasonable increase.

* * *

Draft amendment No 479
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 1.3.0.2: Special equipment for missions

A) *Expenditure*

Reduce by 33 000 EUA to a token entry

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—
REMARKS
—

JUSTIFICATION

There seems little merit in an appropriation earmarked for the purchase of tropical clothing.

* * *

Draft amendment No 480
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 1.1.7.3: Travel and subsistence expenses of national experts seconded to the Commission

A) *Expenditure*

Reduce by 390 000 EUA (from 1 390 000 to 1 000 000 EUA)

B) *Compensation*
—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS
—

Schedule

—
REMARKS
—

JUSTIFICATION

To encourage the Commission to limit such activities to policy areas with a reasonable chance of success.

* * *

Draft amendment No 481
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 2000: Rent

A) *Expenditure*

Reduce by 20 000 000 EUA (from 41 000 000 to 21 000 000 EUA)

B) *Compensation*

Transfer 20 000 000 EUA to Chapter 100 (new Item 2000)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The renegotiation of contracts is awaited following criticism by the Court of Auditors in their special report.

* * *

Draft amendment No 482/rev.
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 3030: Contribution to pilot projects on better housing for handicapped workers

A) *Expenditure*

Reduce payments by 600 000 EUA (from 670 000 to 70 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

Amend the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 700 000 EUA.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	600 000	400 000		100 000	100 000	
Appropriation outstanding from 1979	40 000	20 000	20 000			
Appropriation for 1980	700 000	155 000		300 000	245 000	
Appropriation for 1981	700 000		50 000	400 000	250 000	—
Total	2 040 000	575 000	70 000	800 000	595 000	—

REMARKS

—

JUSTIFICATION

These appropriations should be reduced to a realistic size so long as the Commission has not provided a convincing explanation of their management in recent years.

* * *

Draft amendment No 483
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 250: Expenditure on formal meetings and meetings in general

A) *Expenditure*

Reduce by 1400000 EUA (from 6800000 to 5400000 EUA)

B) *Compensation*

Transfer 1400000 EUA to Chapter 100 (Article 250)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

To await a report by the Commission to the Committee on Budgetary Control on the nature and purposes of these meetings.

* * *

Draft amendment No 484
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 2.5.5.1: Cost of the Institution's participation in Conferences, Congresses and Meetings

A) *Expenditure*

Reduce by 50 000 EUA (from 243 500 to 193 500 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

REMARKS

—

JUSTIFICATION

Appropriations have been abnormally increased without explanation; the amendment provides for a reasonable increase.

* * *

Draft amendment No 485
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article: 260: Limited consultations, studies and surveys

A) *Expenditure*

Reduce by 1 000 000 EUA to token entry

B) *Compensation*

Transfer 1 000 000 EUA to Chapter 100 (new Article 260)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

A convincing explanation of the utility of such studies is awaited from the Commission.

* * *

Draft amendment No 486
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 262: Comprehensive community studies and general surveys

A) *Expenditure*

Reduce by 1300000 EUA to token entry

B) *Compensation*

Transfer 1300000 EUA to Chapter 100 (new Article 262)

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

A convincing explanation of the utility of such studies is awaited from the Commission.

* * *

Draft amendment No 487
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 3.5.1.3: Measures to protect the environment in the context of changes in economic activities

A) *Expenditure*

Enter a payment appropriation of 1000000 EUA

B) *Compensation*

—

C) *Revenue**Increase* revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

This operation will be crucial if the Community environment is to be improved.

* * *

Draft amendment No 488
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 5.5.0: Community action in support of national regional policies

A) *Expenditure*

Increase the payment appropriation by 70000000 EUA (from 490000000 to 560000000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

Increase the commitment appropriation by 100000000 EUA to 1430000000 EUA

Schedule

Modify the schedule of payments as follows:

The commitment appropriation authorized for 1981 amounts to 1430000000 EUA.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	832 000 000	171 000 000	304 000 000	191 000 000	166 000 000	—
Appropriation outstanding from 1979	3 000 000	1 000 000	1 000 000	1 000 000	—	—
Appropriation for 1980	1 106 750 000	220 375 000	185 000 000	481 000 000	111 000 000	109 375 000
Appropriation for 1981	1 430 000 000	—	70 000 000	961 000 000	133 000 000	266 000 000
Total	3 371 750 000	392 375 000	560 000 000	1 634 000 000	410 000 000	375 375 000

REMARKS

—

JUSTIFICATION

These amendments provide for a substantial increase over the 1980 figure.

* * *

Draft amendment No 489
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 5.6.1.0: Preparatory studies for integrated actions

A) *Expenditure*

Enter a payment appropriation of 50 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

This appropriation is to enable these studies, for example in Northern Ireland and Naples, to get under way.

* * *

Draft amendment No 490
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 9.2.0.1: Programme for the year for cereals other than rice

A) *Expenditure*

Increase by 11 219 000 EUA (from 103 781 000 to 115 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

To permit the Commission to purchase additional cereals in order to begin the increase towards 2 million tonnes per annum envisaged in Parliament's Food Aid Resolution (No 421).

* * *

Draft amendment No 491
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 9.2.1.3: Butteroil programme for the year

A) *Expenditure*

Increase by 15 070 000 EUA (from 67 840 000 to 82 910 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—
REMARKS
—

JUSTIFICATION

To reinstate the appropriation originally requested by the Commission.

* * *

Draft amendment No 492
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 9.2.3 Food aid (other commodities)

A) *Expenditure*

Enter a payment appropriation of 8900000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—
REMARKS
—

JUSTIFICATION

To reinstate the appropriation originally requested by the Commission.

* * *

Draft amendment No 493
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 9.5.0.1: Creation of emergency reserve in cereals (including rice)
(*new*)

A) *Expenditure*

Create a new item 9.5.0.1 'Creation of emergency reserve in cereals (including rice)'
and enter a payment appropriation of 1 000 000 ECU

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

To permit the Commission to commence the building up of central and regional reserves of cereals, as proposed in Parliament's Food Aid Resolution (No 410), so as to increase speed of distribution when required and save costs of purchase.

* * *

Draft amendment No 494
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 9.3.0: Financial and technical cooperation with non-associated developing countries

A) *Expenditure*

Increase the payment appropriation by 21 000 000 ECU (from 23 000 000 to 44 000 000 ECU)

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

Increase the commitment appropriation by 50 000 000 to 150 000 000 ECU.

Schedule

Modify the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 150 000 000 EUA.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	126 037 865	7 000 000	23 000 000	40 000 000	56 037 865
Appropriation outstanding from 1979	59 840 904	10 000 000		20 000 000	29 840 904
Appropriation for 1980	138 500 000	5 000 000		40 000 000	93 500 000
Appropriation for 1981	150 000 000		21 000 000	70 000 000	59 000 000
Total	474 378 769	22 000 000	44 000 000	170 000 000	238 378 769

REMARKS

JUSTIFICATION

To double the amount spent by the Commission in the 1980 fiscal year so as to improve the balance in aid between associated and non-associated countries.

* * *

Draft amendment No 495
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 9.3.1: Promotion of trade and industry between the Community and non-associated developing countries

A) Expenditure

Increase the payment appropriation by 3 500 000 EUA (from 3 500 000 to 7 000 000 EUA)

B) Compensation

C) Revenue

Increase revenue accordingly

COMMITMENTS

Increase the commitment appropriation by 1 300 000 EUA to 7 550 000 EUA

Schedule

Modify the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 7 550 000 EUA.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	2 360 000	2 360 000			
Appropriation outstanding from 1979	290 000	290 000			
Appropriation for 1980	6 250 000	1 600 000	3 000 000	1 650 000	
Appropriation for 1981	7 550 000		4 000 000	2 500 000	1 050 000
Total	16 450 000	4 250 000	7 000 000	4 150 000	1 050 000

REMARKS

—

JUSTIFICATION

To make an adequate contribution to this activity in accordance with the intentions of the Parliament's Food Aid Resolution (No 410).

* * *

Draft amendment No 496/rev.
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 3031: Contribution to pilot projects on better housing for migrant workers

A) *Expenditure*

Reduce payments by 600 000 EUA (from 650 000 to 500 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

Amend the schedule of payments as follows:

The appropriation for commitment authorized for 1981 amounts to 650 000 EUA.

The likely schedule of payment *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	680 000	330 000		100 000	100 000	150 000
Appropriation outstanding from 1979	40 000	20 000		20 000		
Appropriation for 1980	635 000	160 000		245 000	230 000	
Appropriation for 1981	650 000		50 000	560 000	40 000	
Total	2 005 000	510 000	50 000	925 000	370 000	150 000

REMARKS

—

JUSTIFICATION

These appropriations should be reduced to a realistic size so long as the Commission has not provided a convincing explanation of their management in recent years.

* * *

Draft amendment No 497
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 3.3.6: Indirect and concerted action — Quality of life

A) *Expenditure*

Transfer 14 333 000 EUA to Chapter 10.0 (new Article 3.3.6)

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The report of the Court of Auditors for 1978 shows total disorder in the administration and a lack of control in these projects — see in particular points 6.42 to 6.59, especially point 6.55.

Appropriations should be released from Chapter 10.0 only after full explanation and proof in the Committee on Budgetary Control that the criticisms have been met.

* * *

Draft amendment No 498
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 3.5.3: Public Health Studies and measures

A) *Expenditure*

Reduce by 200000 EUA to a token entry

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

These appropriations, which can only provide for an administrative infrastructure, are a waste of money.

* * *

Draft amendment No 499
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 3.5.6: Work organization and job enrichment

A) *Expenditure*

Reduce by 80000 EUA to a token entry

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

These appropriations, which can only provide for an administrative infrastructure, are a waste of money.

* * *

Draft amendment No 500
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 3.5.1.1: Aids for the development of technologies causing less pollution and using fewer natural resources and for the development of new monitoring techniques

A) *Expenditure*

Enter a payment appropriation of 1 000 000 ECU

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

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Schedule

—

REMARKS

—

JUSTIFICATION

This operation will be crucial if the Community environment is to be improved.

* * *

Draft amendment No 501
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 3.5.1.2: Measures to protect the environment and nature

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

This operation will be crucial if the Community environment is to be improved.

* * *

Draft amendment No 502
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 9.4.5: Community contribution towards schemes concerning developing countries carried out by non-governmental organizations

A) *Expenditure*

Increase the payment appropriation by 5 250 000 EUA (from 10 750 000 to 16 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

Increase the commitment appropriation by 6 000 000 EUA to 20 000 000 EUA

Schedule

Modify the schedule of payments as follows:

The appropriation commitment authorized for 1981 amounts to 20 000 000 EUA.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	10 400 000	6 900 000	3 500 000		
Appropriation outstanding from 1979	100 000	100 000			
Appropriation for 1980	14 000 000	3 750 000	6 000 000	4 250 000	
Appropriation for 1981	20 000 000		6 500 000	10 000 000	3 500 000
Total	44 500 000	10 750 000	16 000 000	14 250 000	3 500 000

REMARKS

JUSTIFICATION

To restore the appropriation requested by the Commission.

* * *

Draft amendment No 503
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 9.4.7: Community participation in the International Fund for Agricultural Development (IFAD)

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA

B) *Compensation*C) *Revenue*

Increase revenue accordingly

COMMITMENTS

Enter a commitment appropriation of 40 500 000 EUA

Schedule

Enter the following schedule of payments:

The commitment appropriation authorized for 1981 amounts to 40 500 000 EUA.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments		
		1981	1982	1983
Appropriation for 1981	40 500 000	13 500 000	13 500 000	13 500 000

REMARKS

—

JUSTIFICATION

To permit the Commission to make an initial contribution to IFAD.

* * *

Draft amendment No 504
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 9.5.0: Aid to disaster victims in developing and other non-member countries

A) *Expenditure*

Increase by 7000000 EUA (from 3000000 to 10000000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

To restore the appropriation requested by the Commission in the preliminary draft budget.

* * *

Draft amendment No 505
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 3.2.6: New Community energy initiative
(*new*)

A) *Expenditure*

Create a new article 3.2.6 'New Community energy initiative' and enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter a commitment appropriation of 50 000 000 EUA

Schedule

Enter the following schedule of payments:

The commitment appropriation authorized for 1981 amounts to 50 000 000 EUA.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs years
Appropriations for 1981	50 000 000	-	p.m.	50 000 000

REMARKS

—

JUSTIFICATION

Communication from the Commission to the European Council (COM (80) 130 final). Conclusions of the European Council of 28 April 1980.

This article is intended to cover the expenditure on a Community contribution to national investments to reduce the Community's energy dependence.

* * *

Draft amendment No 506
tabled by the European Democratic Group

Section III — Commission

REVENUE

Article 9.2.3: Remuneration accruing for services provided by the joint research centre to outside bodies upon request and against payment

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

Increase revenue by 10 000 000 EUA (from 1 975 000 to 11 975 000 EUA)

COMMITMENTS

—

/ Schedule

—

REMARKS

—

JUSTIFICATION

Charges made for services rendered to outside bodies and individuals must provide revenue to sustain this facility.

* * *

Draft amendment No 507
tabled by the European Democratic Group

Section III — Commission

REVENUE

Article 9.0.0: Proceeds from the sale of movable property

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

Increase revenue from 1 000 EUA to 25 000 000 EUA

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

Revenue can be increased by the disposal of old or redundant movable items at three of the JRC Centres (Ispra, Petten, Geel).

* * *

Draft amendment No 508
 tabled by Mr Notenboom, Mr Langes and Mr Aigner on behalf of the Group of the European People's Party
 (CD Group)

Section III — Commission

PAYMENTS

Article 580: Supplementary measures in favour of the United Kingdom

A) *Expenditure*

Reduce expenditure by 200 000 000 EUA (from 974 000 000 to 774 700 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

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JUSTIFICATION

At its meeting of 7 October 1980 the Council decided to grant the United Kingdom an advance for the financial year 1980 to be charged to the 1980 budget.

The authors of this amendment welcome the principle of this advance, which should be covered by a 1980 amending budget.

However the consequences of this advance for the 1981 budget are to reduce by the same amount the appropriations already entered in the draft 1981 budget, which must thus be amended. It is unlikely that this modification could be made in time by means of a letter of amendment from the Council. *In order to conserve resources*, Parliament should therefore propose, at the first reading of the draft 1981 budget, a reduction equivalent to the advance which, according to the Commission's information, should be around 200 000 000 EUA.

This has no effect on the total volume of appropriations earmarked for supplementary measures for the United Kingdom in 1981 and the authors are in favour of paying an advance in 1980.

* * *

Draft amendment No 509
 tabled by Mr Notenboom and Mr Langes on behalf of the Group of the European People's Party (CD
 Group)

Section III — Commission

PAYMENTS

Article 580: Supplementary measures in favour of the United Kingdom

A) *Expenditure*

Reduce expenditure by 200 000 000 EUA

B) *Compensation*

Increase by 200 000 000 EUA the appropriation in Chapter 100 (Article 580)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

At its meeting of 7 October 1980 the Council decided to grant the United Kingdom an advance of 200 000 000 EUA for the financial year 1980, to be charged to the 1980 budget.

The Commission has indicated its ability to pay this advance.

Since the procedure cannot be concluded during the discussions on the budget and in order to prevent uncertainty about the amount involved, the appropriation in Chapter 100 should be increased by 200 000 000 EUA.

* * *

Draft amendment No 510
tabled by Mr Ansquer on behalf of the Committee on Budgets

Section II — Council

Annex I — Economic and Social Committee

Establishment plan — add the following new posts to the organigram:

3 LA 6

3 C 3

1 C 5

A) *Expenditure*

Increase payment appropriations under Title I by 70 700 EUA

<i>Title I</i>	— Initial amount	13 639 700 EUA
	Increase	<u>70 700 EUA</u>
	New total	13 710 400 EUA

B) *Compensation*

Reduce appropriations under Chapter 27 by 70 700 EUA

<i>Article 270</i>	— <i>Official Journal</i>	
	Initial amount	393 000 EUA
	Reduction	<u>70 700 EUA</u>
	New total	322 300 EUA

C) *Revenue*

Increase Chapter 40 by 4 600 EUA

Increase Chapter 41 by	<u>3 200 EUA</u>
	7 800 EUA

COMMITMENTS

Schedule

REMARKS

unchanged

Breakdown

Item 1100:	Basic salaries	47 400 EUA
Item 1101:	Family allowances	4 000 EUA
Item 1102:	Expatriation allowance	7 600 EUA
Item 1103:	Temporary fixed allowances	1 000 EUA
Item 1130:	Sickness insurance	1 400 EUA
Item 1131:	Accident insurance	500 EUA
Item 1141:	Travel expenses on annual leave	2 400 EUA
Item 1231:	Removal expenses	2 400 EUA
Item 1241:	Temporary daily subsistence allowance	4 000 EUA
		<u>70 700 EUA</u>

JUSTIFICATION

Enlargement will inevitably affect all the services of the Committee Secretariat, although it will be felt more in certain sectors such as the document translation service. The language divisions should therefore be strengthened.

If the creation of six new posts — i. e. one for each language division — is to be avoided in the immediate future working methods will have to be modified and adapted to a new formula whereby Greek texts for translation would be passed on through relay languages. This method would make it possible to limit the number of new posts in 1981 to three and the other three could be created in 1982.

The three secretaries' posts are intended for the translation divisions and in particular for the heads of section who have hitherto not had the services of a secretary. This deplorable situation has compelled heads of section to deal personally with work which is manifestly secretarial (selection of documentation, typing of notes and reports).

The clerical assistant post is for the document printing shop whose work will increase considerably in volume and whose staff should therefore be increased.

* * *

Draft amendment No 511
tabled by

Section II — Council

Annex I — Economic and Social Committee

Establishment table — add the following five conversions on the list of posts:

- 1 A 7 into A 6
- 1 LA 5 into LA 4
- 1 B 2 into B 1
- 2 C 5 into C 3

A) *Expenditure*

Increase payment appropriations under Chapter II by 14 200 EUA

Chapter 11 — Initial amount	12 982 000 EUA
Increase	<u>14 200 EUA</u>
New total	12 996 200 EUA

B) *Compensation*

Reduce appropriations under Chapter 12 by 14 200 EUA

Article 120 — *Recruitment*

Initial amount	150 000 EUA
Reduction	<u>14 200 EUA</u>
New total	135 800 EUA

C) *Revenue*

Increase revenue by 2 800 EUA

COMMITMENTS

Schedule

Breakdown

Item 1100:	Basic salaries	10 600 EUA
Item 1101:	Family allowances	880 EUA
Item 1102:	Expatriation allowances	1 580 EUA
Item 1130:	Sickness insurance	330 EUA
Item 1131:	Accident insurance	110 EUA
Item 119:	Provisional appropriation	700 EUA

JUSTIFICATION

These five conversions are intended to cover both the upgrading of careers and promotions within certain career brackets.

The question of conversions of posts is particularly important for the Committee. These conversions should make it possible to pursue a staff policy in line with the letter and spirit of the staff regulations. In other words it is on the one hand indispensable that certain jobs should be upgraded to the level of the duties which some officials are obliged to carry out in fact as the result of constant evolution of both the volume of work and the responsibilities linked with their jobs.

On the other hand conversions should make it possible to provide promotion within a career bracket for certain officials who for many years have been at the first grade of their career bracket or even at the initial grade of a category (C 5 typists). This grading corresponds to the institution's recruitment policy which is to appoint recruits at the basic grade of a category. This policy although correct is also restrictive and must be reviewed once the staff in question have proved their worth. This measure is made all the more necessary by the fact that staff are tempted to leave the institution if promotion opportunities are not available. A comparative study (see establishment table) shows that the situation in the basic grades and particularly in the C category is less propitious in the Economic and Social Committee than in other institutions.

* * *

Draft amendment No 512
tabled by Mr Ansquer on behalf of the Committee on Budgets

Section II — Council

Annex I — Economic and Social Committee

Article 115: Overtime

A) *Expenditure*

Increase payment appropriations under Chapter 11 (Article 115) by 10 000 EUA

B) *Compensation*

Reduce appropriations under Chapter 12 — Article 120 by 10 000 EUA

Article 120 — *Recruitment*

Initial amount	150 000 EUA
Reduction	<u>10 000 EUA</u>
New total	140 000 EUA

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

—

REMARKS

unchanged

JUSTIFICATION

Taking account of all the factors which have to be taken into consideration for the calculation of appropriations for overtime — the volume and development of work, new posts, auxiliary agents — the Economic and Social Committee had initially asked for 45 000 EUA. This amount was all the more justified since the expenditure effected in 1979 was 48 662 EUA and in 1980 it will exceed 50 000 EUA.

There is therefore no justification whatsoever for reducing the committee's request and the appropriations should be reinstated in the amount of 45 000 EUA.

* * *

Draft amendment No 513
tabled by Mr Ansquer on behalf of the Committee on Budgets

Section IV — Court of Justice

List of posts

Create the following posts:

Category A	3 posts (1 A 5, 2 A 7)
Category B	7 posts (1 B 1, 1 B 2/3, 5 B 5/4)
Category C	7 posts (7 C 3/2)
Category D	<u>2 posts (2 D 3/2)</u>
Total	19 posts

Convert the following posts:

- 1 A 4 to A 3
- 6 B 3/2 to B 1
- 2 B 5 to B 4
- 4 C 2 to C 1
- 5 C 5 to C 4

A) *Expenditure*

Increase the appropriation by 326 320 EUA¹

¹ See justification for breakdown of these figures.

B) *Compensation*C) *Revenue*

Increase revenue by 32220 EUA¹

COMMITMENTS

REMARKS

unchanged

JUSTIFICATION

In its estimates the Court of Justice proposed 120 posts. The Council has agreed to only 48 posts. Of these 48, 30 are for the recruitment of new Greek officials and only 18 for the reinforcement of the departments. The figure proposed by the Council is therefore lower than the number of requests which were not met during the 1980 procedure.

After consulting the representative of the Court of Justice, your rapporteur feels that an additional 19 posts are necessary for the reinforcement of the internal organization of the Court of Justice.

These posts are mainly for the following departments:

- 1 A 5/4 post for the documentation service;
- 2 A 7/6 posts for legal librarians;
- 7 B posts, including one B 1 for the social insurance division; the other posts are for the administration, documentation and language services (in accordance with the job description already supplied by the Court of Justice);
- 7 C 3/2 posts for the secretarial service (which at present needs 18 auxiliary secretary posts);
- 2 D 3/2 posts.

Your rapporteur feels that these proposals, which represent an absolute minimum, should enable the Court of Justice fully to exercise its responsibilities in the coming year and to overcome the administrative difficulties resulting from enlargement.

The Court of Justice has asked for certain posts to be converted in order to take account of the need for better career prospects for certain officials. The opportunities for promotion for officials at the Court of Justice are less favourable than at the European Parliament. Moreover, the Court of Justice uses the lowest grades in certain categories (for example C 5 and B 5). These grades have virtually ceased to exist at the European Parliament. Thus, the conversions requested would bring the practice at the Court of Justice into line with the practice in our institution.

The Council has rejected all of these proposed conversions without giving any reasons. Moreover, it has not even taken account of the fact that in 1979 the Council itself gave an undertaking concerning the conversion of the A 4 post to A 3.

In view of the unusual circumstances in which the 1980 budget was adopted, it was not possible to honour this undertaking. Your rapporteur feels that all of the basic conversions requested by the Court of Justice should be accepted.

*Breakdown of appropriations**Expenditure*

Item 1100:	+ 181 520	(from 10 673 520	to 10 855 040)
Item 1101:	+ 16 340	(from 960 620	to 976 960)
Item 1102:	+ 28 140	(from 1 654 400	to 1 682 540)

¹ See justification for breakdown of these figures.

Item 1103:	+ 1 610	(from 89 250	to 90 860)
Item 1130:	+ 5 450	(from 320 210	to 325 660)
Item 1131:	+ 1 210	(from 71 520	to 72 730)
Article 119:	+ 13 960	(from 853 710	to 867 670)
Item 1211:	+ 1 710	(from 10 400	to 12 110)
Item 1221:	+ 17 820	(from 254 110	to 271 930)
Item 1231:	+ 7 000	(from 113 930	to 120 930)
Item 1241:	+ 30 450	(from 209 120	to 239 570)
Article 129:	+ 2 880	(from 31 060	to 33 940)
Item 2200:	+ 5 180	(from 49 720	to 54 900)
Item 2210:	+ 13 050	(from 72 290	to 85 340)
<i>Revenue</i>			
Chapter 40:	+ 19 970	(from 1 902 150	to 1 922 120)
Chapter 41:	+ 12 250	(from 763 400	to 775 650)

* * *

Draft amendment No 514
tabled by Mr Ansquer on behalf of the Committee on Budgets

Section IV — Court of Justice

Article 208: Other expenses prior to the acquisition of immovable property or to the construction of such property

A) *Expenditure*

Increase payment appropriations by 130 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

Your rapporteur proposes that provision should be made for an additional sum of 130 000 EUA to cover the costs relating to the construction of the annex of the Court of Justice. The existing building cannot accommodate all the officials, so it has become necessary to construct a new building. A number of officials have temporary offices in Commission premises (Jean Monnet building).

The architect's plans must be thoroughly analysed to ensure that the designs are as practical as possible. Experts will have to be brought in from the outside for this purpose. The cost of such analyses is trivial compared with the expense that a superficial study could involve.

* * *

Draft amendment No 515
tabled by Mr Ansquer on behalf of the Committee on Budgets

Section IV — Court of Justice

PAYMENTS

Item 2710: General publications

A) *Expenditure*

Increase appropriations by 300 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

REMARKS

unchanged

JUSTIFICATION

These appropriations are intended to cover the cost of publishing the annual volume of reports of cases before the Court, the first instalment of previous reports before the Court in Greek and the source index of Community case-law.

Publication of these reports is not discretionary: they must be published in all Community languages.

The Court estimated that an appropriation of 1 496 140 EUA would be necessary for 1981. Council reduced this figure to 1 mEUA. This reduction, made without any accompanying explanation, does not take account of the need to produce previous reports in Greek. Nor does it cater for the fact that the appropriations in 1980 are unlikely to prove sufficient — a transfer will almost certainly have to be made.

Therefore, your rapporteur suggests increasing appropriations by 300 000 EUA to 1 300 000 EUA.

* * *

Draft amendment No 516
tabled by Mr Ansquer on behalf of the Committee on Budgets

Section V — Court of Auditors

Establishment plan

Add the following posts:

- | | |
|--|---|
| (a) in the new Greek Members cabinet: | 1 C 3/2 post |
| (b) to strengthen the audit sector: | 1 A 5/4 post, 2 A 7/6 posts, 1 B 3/2 post |
| (c) for the Greek language service: | 2 C 3/2 posts |
| (d) for the other language services: | 3 LA 7/6 posts and 2 C 3/2 posts |
| (e) administrative post in the language service: | <u>1 B 1 post</u> |
| | Total: 13 posts |

A) *Expenditure*

unchanged

B) *Compensation*

—

C) *Revenue*
unchanged

COMMITMENTS

—

REMARKS

—

JUSTIFICATION

Your rapporteur proposes that all of the posts requested by the Court of Auditors should be approved because the reasons given by the Council for refusing a number of these posts are invalid.

In volume VII (explanatory memorandum of the draft budget) the Council points out that 'on 1 July 1980' 38 of the 237 posts in the Court of Auditors' establishment plan were still vacant. As a result the Council has adopted a restrictive attitude to the Court of Auditors' requests.

However, the Council's attention should be drawn to the fact that the 1980 budget was not adopted until 10 July 1980. Moreover, it always takes a certain amount of time to fill posts. Your rapporteur has been informed that the Court has, since the adoption of the 1980 budget, filled 17 of the posts vacant, by statutory means. This situation is satisfactory.

The aim of the Court of Auditors' requests was twofold:

- (1) to ensure that it was able to work in a seventh Community language from January 1981;
- (2) to reinforce certain audit sectors, in particular the two EAGGF sections, own resources and the ERDF.

In the rapporteur's view, these proposals are very reasonable, but he has already expressed his intention of keeping, as far as possible, to the expenditure limits set by the Council in the 1981 draft budget. He therefore asks the Court of Auditors to keep within these limits and to take the additional appropriations which in the normal course of events would be required for these new posts (i. e. 220 000 EUA) from the total of Chapter 11, which amounts to 9.9 m EUA. This additional effort would make it possible to keep the Court of Auditors' rate of increase in the budget to 13.2%, which seems reasonable and justified.

* * *

Draft amendment No 517
tabled by Mr Ansquer on behalf of the Committee on Budgets

Section V — Court of Auditors

Article 260: Limited consultations, studies and surveys

A) *Expenditure*

Increase payment appropriations by 50 000 EUA

B) *Compensation*

Chapter 100: 'Provisional appropriations'
Decrease the appropriations by 50 000 EUA

C) *Revenue*

unchanged

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

The Court of Auditors requested an appropriation of 100 000 EUA for this article. That amount would have enabled the Court of Auditors to employ outside experts in order to avoid recruiting permanent officials. The assessment of economic policies by the Court of Auditors has become so complicated that it will probably become increasingly necessary to call on the services of outside experts.

The Council has approved 50 000 EUA, which it has transferred without explanation to Chapter 100 (provisional appropriations).

This procedure will only force the institutions to resort to transfers of appropriations during the financial year.

To avoid this, your rapporteur proposes that an amendment (with compensation) should be tabled entering the 50 000 EUA against Article 260 and reducing the appropriations provisionally entered against Chapter 100.

* * *

Draft amendment No 518

tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

Revenue

Article 940: Eximbank borrowings
 Article 941: Euratom loans
 Article 942: Community loans for balance of payments support
 Article 943: Community loans used to generate investment in the Community
 — *Reinstate* the remarks appearing on these lines in the preliminary draft budget

Expenditure

Item 3290: Guarantee of Eximbank borrowings and loans
 Item 3291: Guarantee of Euratom loans
 Chapter 42: Guarantee for Community loans for balance of payments support
 Chapter 43: Guarantee for loans raised to promote investment in the Community
 — *Reinstate* the remarks appearing on these lines in the preliminary draft budget

Annex 3

Borrowing and lending operations

— *Reinstate* the title: 'Volume 8 — Part II — Borrowing and lending operations' and the content of Volume 8 of the preliminary draft budget

— *Amend*, however, as follows, the remarks against Articles 201, 202 and 203 of Volume 8 — Part II of the preliminary draft budget:

'For the legal basis see Article.....'

This heading is the authorization for the Commission to grant loans within the limits of the tranche entered.'

JUSTIFICATION

It is necessary, on the occasion of Parliament's first reading of the 1981 draft budget, to restore by amendment the type of budgetization proposed by the Commission in the preliminary draft budget and which is in line with repeated requests by Parliament.

If agreement can be reached on this matter with the Council during the current budgetary procedure, the presentation of the budgetization of loans could be adjusted accordingly.

N. B. Presentation of the amendment

Budgetization of these loans entails the modification of some ten articles in the draft budget and the complete recasting of Annex III to the draft budget which becomes 'Volume 8 — Part II of the budget'. Essentially, what is involved here is the reinstatement of the presentation proposed by the Commission in the preliminary draft budget; it is therefore proposed that all these modifications should be *grouped together* in a single amendment.

A minor correction to the presentation proposed by the Commission in the preliminary draft budget is, however, necessary; the remarks relating to Chapter 20 of Part II should constitute the *authorization* granted to the Commission by the budgetary authority to *contract loans*.

* * *

Draft amendment No 519/rev. II
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

List of posts — add the following to the list of posts:

Established posts

(a) add the following 80 posts:

4 A/4, 4 A/5, 8 A/6, 6 A/7, 5 B/1, 10 B/2, 8 B/3, 6 B/4, 4 B/5, 4 C/1, 6 C/2, 7 C/3, 4 C/4, 4 C/5

Temporary posts

(a) add the following 25 posts:

4 A/4, 4 A/5, 4 A/6, 2 A/7, 2 B/2, 2 B/3, 2 C/2, 2 C/3, 3 C/4

A) *Expenditure*

Increase the appropriation by 1915 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase appropriations in Articles 400 and 410 by 159 000 EUA and 79 000 EUA respectively

Increase revenue by 1 677 000 EUA

The overall increase will be distributed as follows:

<i>Expenditure</i>		EUA	EUA	
Chapter XI	Item 1100	1 164 000		
	Item 1101	118 000		
	Item 1102	147 000		
	Item 1103	12 000		
	Item 1130	35 000		
	Item 1131	8 000		
	Item 1141	32 000		
	Art. 119	87 000	1 603 000	
	Chapter XII	Item 1211	36 000	
		Art. 124	276 000	312 000
			<u>1 915 000</u> Total	
 <i>Revenue</i>				
Art. 400		159 000		
Art. 410		79 000		
			<u>238 000</u> Total	

REMARKS

(a) The priorities for established posts are, as indicated by the Commission, for the Computer Centre, GATT, cooperation and development, as indicated by Parliament, the agricultural policy and regional policy, and those indicated by the other committees responsible: policy on jobs for women, on education, the environment, public health and consumer protection, research (biomolecular engineering) and the information office in Germany.

(b) The priorities for temporary posts, as indicated by the Commission, are telematics and the data processing programme.

JUSTIFICATION

The Commission had requested 123 permanent posts including 10 in a reserve for recruitment to cope with its tasks and exceptional requirements.

The Council accepted none of these requests.

The Committee on Budgets believes that the requests put forward by the Commission for the third consecutive year are well founded. However, in view of the need for budgetary austerity, and while not contesting the justification of the requests, it feels it more advisable to limit their scope and consequently reinstate approximately 66% of the permanent and temporary posts requested.

The Committee on Budgets believes that it is not the task of the Parliament to allocate in detail the number of posts which Parliament decides to create for the Commission. Only the Commission, within its own discretionary powers, can fix the exact number of posts in each sector.

However, the Committee on Budgets should indicate simply the priority sectors for the allocation of posts, taking account both of the Commission's requests and those made by Parliament.

* * *

Draft amendment No 520

tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

List of posts — add the following to the list of posts:

Established posts

(a) add the following 32 posts:

7 A/4, 8 A/5, 5 A/6, 4 A/7, 1 B/1, 1 C/2, 2 C/3, 2 C/4, 2 C/5

A) *Expenditure*

Increase payment appropriations in Chapter 100 'provisional appropriations' by 760 000 EUA, broken down as below, creating the budgetary line 'Establishment of staff of the European Agency for Cooperation'

B) *Compensation*

Reduce the appropriations in Article 992 'Commission delegation in the ACP countries and OCT' by 1 250 000 EUA (from 34 500 000 to 33 250 000 EUA)

C) *Revenue*

Increase Articles 400 and 410 by 82 000 EUA and 38 000 EUA respectively

Reduce revenue by 610 000 EUA

The total increase is broken down as follows:

<i>Expenditure:</i>	(EUA)
Item 1100	531 000
Item 1101	78 000
Item 1102	76 000
Item 1103	3 000
Item 1130	16 000
Item 1131	4 000
Item 1141	10 000
Item 119	42 000
Total	<u>760 000</u>
<i>Revenue:</i>	
Art. 400	82 000
Art. 410	38 000
Total	<u>120 000</u>

REMARKS

The establishment of staff seconded to the Directorate-General for Development should have as a corollary, when the European Cooperation Agency is set up, the implementation of Parliament's proposal for determining the status of staff of the Agency's headquarters.

JUSTIFICATION

The Committee on Budgets, like the Commission, believes that it is necessary to settle the status of staff who, recruited to the EAC by contract, have been seconded to the Directorate-General for Development for more than six years and are carrying out the same tasks as their colleagues on the established staff.

This request was, indeed, put forward by Parliament last year.

The Committee on Budgets points out to the Commission that the establishment of these 32 officials would have less justification if at the same time the Commission did not act on the Resolution adopted by Parliament in May 1979 (on the basis of the report by Mr Sandri), calling for the creation of a European Cooperation Agency. Parliament proposed in that resolution (paragraph 17) that the Agency's headquarters staff should enjoy the same status as temporary staff filling a permanent post, with retroactive effect.

Only by deciding to establish the 32 staff already working in the Directorate-General for Development and at the same adopting measures to allow the establishment of headquarters staff once the European cooperation agency is set up, will a solution be found to the general problem which goes far beyond the scope of the problem of officials of the EAC seconded to the Directorate-General for Development.

The Committee on Budgets will insist, on the second reading, on the establishment of the 32 staff particularly if the Commission takes steps to have the Council implement Parliament's resolution on the status of the headquarters staff of the new European Cooperation Agency.

* * *

Draft amendment No 521
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Item 3.0.3.0: Contribution to pilot projects on better housing for handicapped workers

A) *Expenditure*

Increase the payment appropriation by 110 000 EUA (from 670 000 to 780 000 EUA)

B) *Compensation*

—

C) Revenue

Increase revenue by a corresponding amount

COMMITMENTS

Increase the commitment appropriation by 1300000 EUA (from 700000 to 2000000 EUA)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 amounts to 2000000 EUA.¹

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	600 000	400 000	200 000	—	—	—
Appropriation outstanding from 1979	40 000	20 000	20 000	—	—	—
Appropriation for 1980	700 000	155 000	400 000	100 000	45 000	—
Appropriation for 1981	2 000 000	—	160 000	900 000	555 000	385 000
Total	3 340 000	575 000	780 000	1 000 000	600 000	385 000

REMARKS

Amend the text as follows

'The Community proposes to obtain an increase in available housing to meet the needs of minorities (ease of access and use, links with public services and centres of activity); to this end, it supports pilot projects arranged in the Member States.

The appropriation is intended to finance the following measures:

- the construction and adaptation of accommodation specially designed for handicapped workers and infrastructures to supplement housing;
- preparation of these operations, assessment of the results and publication of the latter through studies, seminars, courses and ad-hoc documents

These measures will be adopted to implement the objective defined in Article 117 of the EEC Treaty'.

JUSTIFICATION

In the context of the International Year of the Handicapped, Parliament considers it imperative to step up Community action in this sector, which is of highly significant human and social interest.

It further considers that this action, instead of being confined to the specific characteristics of housing, should take account of all the problems of 'habitats' and their influence on the creation and maintenance of optimal socio-professional integration.

In this connection it will be noted that in the communication from the Commission to the Council on the subject of information on pilot projects in the housing sector to promote social integration of the handicapped and of migrant workers' (COM (80) 491 fin), the Commission stressed the need to:

- adapt infrastructures and services
- give attention to the living conditions provided for the mentally handicapped.

Parliament shares the view and considers that the Community should contribute to a larger number of projects and also to projects with a wider scope.

Moreover, if the pilot projects financed by the Community are to prove effective and have a real impact, the Community contribution must not be confined to the construction and conversion of existing housing: preparatory studies, evaluatory seminars and in general measures to make the results more widely known, should be stepped up.

In the context of those objectives, the appropriations requested must be viewed as the essential minimum.

¹ See Article 1, paragraph 3, of the financial regulation of 21 December 1977.

Draft amendment No 522
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

List of posts — add the following to the list of posts:

Permanent posts

- (a) convert the following 55 *local staff* posts to permanent posts:
1 B/4, 1 B/5, 3 C/2, 3 C/3, 2 C/4, 20 D/1, 16 D/2, 9 D/3.
- (b) in item 1112, reinstate payment appropriations for 35 unestablished local staff (350 000 EUA) (increase from 9 752 000 to 10 002 000 EUA)

A) *Expenditure*

Increase appropriation by 870 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase appropriations in Articles 400 and 410 by 52 000 and 25 000 respectively.

Increase revenue by 793 000 EUA.

The overall amount is distributed as follows:

<i>Expenditure</i>	EUA
Item 1100	375 000
Item 1101	38 000
Item 1102	47 000
Item 1103	—
Item 1130	11 000
Item 1131	3 000
Item 1141	18 000
Art. 119	28 000
Total	<u>520 000</u>

<i>Revenue</i>	EUA
Art. 400	52 000
Art. 410	25 000
Total	<u>77 000</u>

REMARKS

Those local staff posts which now correspond to permanent duties should be converted into established posts providing that those holding them have 4 years seniority. The same rules are enforced in Parliament.

JUSTIFICATION

The Committee on Budgets supports, as it has for Parliament, the conversion to permanent posts of local staff posts for duties which no longer fall within the description of that category laid down in the Staff Regulations of Officials. It is clearly a decision which must be implemented progressively in view of the large number of local staff employed by the Commission.

The Commission had requested 100 conversions and the Council granted 10 (to D/4). Parliament believes that principles of budgetary austerity make it necessary to restrict the justified requests made by the Commission and it supports approximately two-thirds of the Commission's outstanding requests.

Draft amendment No 523/rev.
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

List of posts — add the following to the list of posts:

Conversion of posts

(a) convert the following 160 posts in the Secretariat:

10 A/6 to A/4
10 A/6 to A/5
18 LA/5 to LA/4
40 B/2 to B/1
36 C/2 to C/1
41 C/3 to C/1
5 D/2 to D/1

together with the following 20 posts for the Joint Research Centre:

1 A/4 to A/3
7 A/5 to A/4
7 B/2 to B/1
1 B/3 to B/2
4 C/2 to C/1

A) *Expenditure*

Increase appropriations by 221 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase Articles 400 and 410 by 23 000 EUA and 11 000 EUA respectively

Increase revenue by 187 000 EUA

The total increase is broken down as follows:

<i>Expenditure</i>	(EUA)
Item 1100	165 000
Item 1101	17 000
Item 1102	21 000
Item 1103	—
Item 1112	—
Item 1130	5 000
Item 1131	1 000
Item 1141	—
Item 119	12 000
Total	<u>221 000</u>

Revenue:

Art. 400	23 000
Art. 410	11 000
	<u>34 000</u>

REMARKS

The Commission undertakes to restore one-third of these posts to present levels in 1986, when the age pyramids in the establishment plan allow, as it appears they will, a more balanced career development.

JUSTIFICATION

The circumstances of the adoption of the budget in the last two years have blocked promotions. The conversions of posts requested can no longer be put off in view of the current profile of career development, which is excessively slow and a source of serious dissatisfaction.

The Council has accepted no conversion of posts except two from LA/4 to LA/3.

* * *

Draft amendment No 524
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Item 2231: Replacements

A) *Expenditure*

Reduce expenditure by 42000 EUA (from 127000 to 85000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The proposed increase over 1980 (from 42000 to 127000 EUA) seems excessive and has not been adequately justified by the Commission.

* * *

Draft amendment No 525
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Item 2211: Replacements

A) *Expenditure*

Reduce expenditure by 50 000 EUA (from 200 000 to 150 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The proposed increase over 1980 (from 50 300 to 200 000 EUA) seems excessive and has not been adequately justified by the Commission.

* * *

Draft amendment No 526
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Item 2000: Rent

A) *Expenditure*

Reduce by 4 100 000 EUA (from 41 000 000 to 36 900 000 EUA)

B) *Compensation*

Transfer 4 100 000 EUA to Chapter 100 (new Item 2000)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The renegotiation of contracts is awaited following criticism by the Court of Auditors in their special report.

* * *

Draft amendment No 527
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 251: Committees

A) *Expenditure*

Reduce expenditure by 298750 EUA (from 4000000 to 3701250 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The sole aim of this amendment is, by reducing appropriations to the 1980 level — to encourage the Commission to rationalize the overall organization and operation of the committee system.

* * *

Draft amendment No 528
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 270: Official Journal

A) *Expenditure*

Reduce expenditure by 4000000 EUA (from 19000000 to 15000000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

JUSTIFICATION

The explanations provided by the Commission justify an increase in appropriations of only 40% approximately over 1980 — and not the 90% increase decided by the Council. Furthermore, the information provided by the Commission shows a cost of 100 to 135 EUA per page of the Official Journal (printing and transport) a figure which appears unacceptable to the rapporteur. The rapporteur therefore proposes only a 50% increase in the appropriations for 1980 (from 10 to 15 mEUA) while calling for an urgent and close examination of the question of the cost of the Official Journal by the Institutions.

* * *

Draft amendment No 529
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 288: European University Institute in Florence

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Modify the remarks as follows:

'An appropriation of 250 000 EUA, earmarked for the European University Institute, Florence, has been included in the amount entered under Item 2940: Research and study grants. *The Commission is called upon — during the 1981 financial year — to initiate steps to budgetize the financing of the Institute as provided in Article 19 (2) of the Convention creating the Institute*'.

JUSTIFICATION

Parliament's constant position on this matter has been that the Institute should be considered as a *Community* organization, and not an inter-governmental one. Expenditure should therefore be entirely financed by the budget of the Communities as provided for in the Convention of 19 April 1972. It is for the Commission to propose this budgetization and it should therefore be held directly responsible for any delays in the entry into force of such budgetization.

* * *

Draft amendment No 530
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 289: European schools

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

REMARKS

Add the following sentence to the remarks on Article 289:

‘...
During the 1981 financial year the Commission will take steps to amend the Statute of the European Schools in order to increase the powers of the Community bodies over the organization and operation of the European Schools.’

JUSTIFICATION

The Community budget finances 70% of the total expenditure of the European schools (37.8 m EUA for 1981) whereas the Community, under the present Statutes does not have sufficient powers over the operation of these schools. In accordance with what has been the constant position of Parliament on this matter, the Commission is therefore asked to initiate — in 1981 — the procedure to amend the current Statute of these schools.

* * *

Draft amendment No 531
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 298: EEC contribution to administrative expenditure connected with international agreements

Item 2988: Implementation of the International Agreement on natural rubber
(*new*)

A) *Expenditure*

Create a new Item 2988: ‘Implementation of the International Agreement on natural rubber’
Enter an appropriation of 400 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Reinstate the following remarks:

'This appropriation is intended to cover the Community's contribution to administrative expenditure relating to the International Agreement on natural rubber.'

JUSTIFICATION

The opinion of the Court of Justice of 4 October 1979 confirms the Community nature of this measure in as much as it is financed by the budget. Parliament has always felt that this type of measure (international agreements on basic products) fell within the competence of the Community (Article 113 EEC) and should therefore be financed through the Community budget (see amendment relating to Article 971).

* * *

Draft amendment No 532

tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 590: Aid to disaster victims in the Community

A) *Expenditure*

Increase the payment appropriation by 1 000 000 EUA (from 5 000 000 to 6 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The Committee on Budgets considers that the appropriation entered in the preliminary draft budget for this measure should be reinstated.

* * *

Draft amendment No 533
 tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Title 7: European Agricultural Guidance and Guarantee Fund — Guarantee Section
 Chapter 79: Expenditure resulting from the application of different exchange rates

A) *Expenditure*

Replace the heading of Chapter 79 by the following: 'Provisional appropriations for the EAGGF/Guarantee'

Enter an appropriation of 254 500 000 EUA

B) *Compensation*

Reduce by 254 500 000 EUA, the total amount of the appropriations under Titles 6 and 7 (i. e. a reduction of 2% on each budget line under these two titles)

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

Enter the following remark:

The purpose of this reserve is to permit the Commission to respond to fluctuations in farm expenditure in the course of the financial year.

JUSTIFICATION

Parliament considers that the total sum entered in the draft budget for the EAGGF/Guarantee should not be exceeded during the financial year and agrees with the Commission that any additional expenditure that may arise should be financed by *savings* to be made *within* that sum.

Provision should be made at the time of the adoption of the budget for these additional appropriations — in other words these savings — which must be set aside in a special chapter of the budget.

The sum of 254.5 m EUA chosen corresponds to a linear reduction of 2% in all the headings under Titles 6 and 7.

These appropriations are entered in the *last* heading of Title 7 (Article 7.9.1) which has had to be modified accordingly.

They can be used, if necessary, during the financial year by means of transfer at the Commission's request and subject to a decision by the budgetary authority.

* * *

Draft amendment No 534
 tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 9.4.7: Community participation in the International Fund for Agricultural Development (IFAD)

A) *Expenditure*

Enter a payment appropriation of 1 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

To permit the Commission to make an initial contribution to IFAD.

* * *

Draft amendment No 535
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Chapter 54: Contribution to the ECSC for social measures in connection with the restructuring
(*partially new*) of the steel industry

Article 540: Contribution to the ECSC for social measures in connection with the restructuring of
(*partially new*) the steel industry

A) *Expenditure*

Amend the heading of Chapter 54 to read: 'Contribution to the ECSC for (two words deleted) social measures in connection with the restructuring of the steel industry'

Amend the heading of Article 540 to read: 'Contribution to the ECSC for (two words deleted) social measures in connection with the restructuring of the steel industry'

Enter a payment appropriation of 112 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

REMARKS

Enter the following new remarks:

'This appropriation is intended to finance social measures in connection with the restructuring of the steel industry (see Article 56 (2) (b) of the ECSC Treaty and COM (79) 199 fin. and COM (79) 436 fin.)'

JUSTIFICATION

The situation of the steel industry is constantly deteriorating because of the downturn in domestic demand and difficulties in exporting as well as the financial weakness of the production undertakings, many of which are making steel at a loss (\$ 30–\$ 50 per tonne): this is resulting in a great deal of spare capacity in the works (in many cases only 60% of the available production capacity is being utilized).

Regardless of whether a state of 'manifest crisis' is declared in accordance with Article 58 ECSC, such a crisis definitely does exist. Community measures for restructuring are therefore imperative.

Moreover, the employment situation is deteriorating dramatically especially in regions dependent on a single industry: this is making the adoption of Community social measures vital in order to help alleviate the effects of the industrial crisis and of the necessary restructuring.

The traditional measures under Article 56 (2) (b) of the ECSC are proving increasingly inadequate given the scale of the employment problem today.

Parliament therefore calls upon the Council with the utmost insistence to adopt forthwith the new temporary social measures proposed by the Commission¹ or, at the very least, those measures which are the most urgent, e.g. contributions to early retirement and supplements for partial unemployment on which the EP has already delivered a favourable opinion; a total appropriation of 100 m EUA should be entered for their financing².

The ECSC budget is not only unable to finance these new measures but, in the 1980 financial year, has available only 67 m EUA to meet an anticipated volume of requests for conventional aid totalling some 82 m EUA.

Furthermore, additional requests for aid towards reconversion have been received from France and the UK; these requests relate to some 58 000 workers and correspond to contributions expected to total 300 m EUA and 140 m EUA respectively.

The expenditure to be borne by the Commission in meeting these requests is likely to be in the order of 120–160 m EUA³.

Moreover, other requests for support are expected to be submitted by other countries including Belgium.

In order to solve the problem of financing these conventional and new social measures, it is imperative for a contribution of 150 m EUA to be transferred from the general EEC budget to the ECSC budget.

The European Parliament views this contribution as imperative and calls upon the states represented in the Council to consider the underlying paradox of a possible refusal to make this contribution available: by doing so the Council would be in essence refusing to finance aid which it had itself requested.

Parliament further considers that the amount of this particular appropriation must not encroach upon its margin for manoeuvre in respect of the other non-compulsory expenditure: there is a need to provide, in response to the request of the Member States themselves, a solution to a new and exceptionally serious problem which necessitates a corresponding increase in the margin for manoeuvre. It is unacceptable for responsibilities towards workers in the steel industry arising from restructuring to be allowed to result in a further compression of structural policies and, in particular, of the Community's social policy.

According to information given to the Committee on Budgets by the Commissioner responsible, the appropriations needed for 1981 amount to 112 m EUA.

* * *

¹ See COM (79) 199 fin. and COM (79) 436 fin.

² See Peters report (1-215/80) and OJ C 197 of 4. 8. 1980.

³ See COM (80) 587 fin. of 6. 10. 1980.

Draft amendment No 536
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 5.0.5: Measures for women

A) *Expenditure*

Increase the payment appropriation by 4 000 000 EUA (from 12 000 000 EUA to 16 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Increase the commitment appropriation by 12 000 000 EUA (from 22 000 000 EUA to 34 000 000 EUA)

Schedule

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1981 is 34 000 000 EUA.¹

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments	Payments					
	1980	1981	1982	1983	1984 and subs. years	
Commitments entered into before 1980 to be covered by new appropriations for payment	14 020 000	1 000 000	2 985 000	4 500 000	3 435 000	2 100 000
Appropriation outstanding from 1979	60 000	20 000	15 000	13 000	12 000	
Appropriation for 1980	20 000 000	3 980 000	4 800 000	5 110 000	6 110 000	
Appropriation for 1981	34 000 000		8 200 000	12 000 000	8 000 000	5 800 000
Total	68 080 000	5 000 000	16 000 000	21 623 000	17 557 000	7 900 000

JUSTIFICATION

The European Parliament must firmly oppose the Council's cut in the appropriations requested in the preliminary draft budget for the following reasons:

I — *General Considerations*

- The Community is facing an economic and social crisis the gravity of which is demonstrated by the fact that at the end of September the *numbers of unemployed* exceeded 7 million (7 092 000) for the first time, representing 6.5% of the total civilian working population;
- To deal with this situation in practice the only employment policy instrument available to the Community is the European Social Fund, which is already inadequate both in its structure and in the measures it encompasses;
- Furthermore, the chronic inadequacy of the financial endowment of the Fund is demonstrated by the fact that in 1979 applications for aid exceeded available resources by 71%: this gap is likely to rise to 82% for 1980²;
- In 1979 the overall size of the weighted reduction was 300 million EUA, or 32% of total priority applications³;

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

² See Volume 7/A, p 48, point 2 2, 3rd paragraph, of the preliminary draft budget for 1981.

³ See Eight Report on the activities of the ESF for 1979: COM (80) 365 final, p. 15.

- (e) As regards the management of the Fund the use of appropriations has increased sharply as is shown by the following figures:
- in the 1979 financial year, the average rate of utilization of commitments was 94%¹,
 - in the same year, the average rate of utilization of payment appropriations was 71.8%²;
- (f) This rate of use has further increased during the current financial year and has reached the point where if the appropriations proposed by the Commission in its preliminary draft and described by it as the *absolute minimum* are not adopted, there is a real possibility that in the coming financial years the Fund will not be able to make payments against the commitments already entered into;
- (g) To illustrate the fact that the appropriations requested by the Commission for 1981 really are an 'absolute minimum', it is sufficient to consider that, as regards commitments, the increase over 1980 (9.9%) scarcely matches the foreseeable rate of inflation. As regards payments, the increase (89.6%) is certainly substantial but is based on a comparison with the 1980 budget which provided for one of the lowest payment endowments (for the ESF) in recent years. In addition, from 1981 applications for aid will also be coming in from Greece;
- (h) In the light of these facts the arguments put forward by the Council³ to 'justify' the reductions made in the appropriations proposed by the Commission are ill-conceived and irrelevant.

II — *Specific Considerations*

- (a) Last August the percentage of women as a proportion of all unemployed was estimated at 45.2%: there are therefore officially 3 100 000 women in the Community looking for work⁴;
- (b) Unemployment affects women more than men: the rate of unemployment for men (as a proportion of the working population) is 5.5%, while the rate for women is 7.6%;
- (c) Of particular significance among the reasons for unemployment are the inadequacy and unsuitability of professional qualifications not only in the transition from school to work but also when attempting to return to work after a period of absence from outside work due to family commitments;
- (d) This situation demands, particularly in the light of the results of the recent Copenhagen Conference, that every effort be made to achieve equal treatment and conditions for men and women in practice;
- (e) After a rather slow start, the flow of applications for aid gradually increased during 1979 to reach 31 million EUA and 99.6% of commitment appropriations were utilized.

* * *

Draft amendment No 537
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 400: Flat-rate repayment to the Member States of costs incurred in collecting own resources

A) *Expenditure*

Reduce the appropriation by 437 356 000 EUA

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

¹ See Eight Report on the activities of the ESF for 1979; COM (80) 365 final; p. 73.

² *Ibid.*, p. 74.

³ See Volume 7 of the Council's draft budget, p. 49.

⁴ See Statistical Telegram 'Unemployment' No 7-1980 — Eurostat.

Schedule

REMARKS

JUSTIFICATION

The budgetary discussion is taking place this year in a particularly difficult financial situation, since necessary expenditure cannot be undertaken owing to the ceiling on the revenue side. Nevertheless, the budgetary powers of Parliament cannot be undermined by unwillingness to cooperate on the part of the other arm of the budgetary authority.

Parliament takes the view that in a tight financial situation in the Community new policies can only be launched if either the revenue side is increased or the expenditure side reduced. Since at present the national governments are not prepared to increase revenue, the only way open is to cut back expenditure. This avenue can, however, only be used where there is no risk of adverse effects on the satisfactory development of the Communities. Accordingly, it appears appropriate to reduce expenditure under Article 400 by 437356000 EUA.

The expenditure of the Member States have so far never been defined precisely, the 10% repayment rate being based purely on a political act, or on a financial estimate. Since the repayment level is legally fixed, a conflict undoubtedly arises by the reduction of the appropriation, but this can be avoided by calling on the Member States to amend, if necessary, the decision of 21 April 1970 or to agree that, for a time and in part, it should not be applied.

In any event, under the system in force there is no guarantee that it is those who bear the administrative burden and the costs of collecting own resources who also receive the flat-rate repayments.

The appropriations for the new policy are entered in Article 100 so as to permit the new policies to be defined in conjunction with the Council and Commission.

The Committee on Budgets therefore proposes the temporary suspension of 50% of these repayments with a view to opening discussions with the Council on this matter.

* * *

Draft amendment No 538
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 3.2.9: Expenditure resulting from borrowing and lending operations in the energy sector
Item 3.2.9.2: Interest subsidies on Community loans to the Member States intended for investment projects for implementation, in and by the Member States, of the Community basic energy saving programme
(*new*)

A) *Expenditure*

Create a new Item 3.2.9.2: 'Interest subsidies on Community loans to the Member States intended for investment projects for implementation, in and by the Member States, of the Community basic energy saving programme'

Enter a payment appropriation (non-differentiated appropriation) of 5000000 EUA

B) *Compensation*C) *Revenue*

Increase revenue by same amount

COMMITMENTS

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REMARKS

Enter the following remarks:

Appropriation to finance 3% interest rebates for loans to be granted to the Member States for investment projects in the context of 'lending operations to promote investments in the Community' (ORTOLI facility) pursuant to Council Decisions 78/870 EEC of 16 October 1978, 79/486 EEC of 14 May 1979 and 80/739 EEC of 22 July 1980.

The purpose of these loans and interest subsidies is, through investments in and by the Member States, to:

- give practical effect to the priority for investments in energy savings stipulated by the Council in Article 2 of Decision 79/486 EEC of 14 May 1979 and in Article 2 of Decision 80/739 EEC of 22 July 1980;
- give practical effect to the main provisions of the basic Community energy saving programme defined by the Council in its resolution of 9. 6. 1980 (OJ C 149, 18. 6. 1980).

These loans and the accompanying interest subsidies must be distributed equitably between all the Member States and granted on condition that the Member States effectively submit a programme for energy savings and the rational use of energy in conformity with the basic Community programme (Council resolution of 9. 6. 1980).

JUSTIFICATION

1. Council Decision 78/870/EEC of 16 October 1978 granted authority to the Commission to raise loans to a maximum value of 1 000 m EUA. These loans are for the promotion of investments in the Community and constitute the ORTOLI facility. The investment project concerned must meet priority objectives of the Community in the energy, industrial and infrastructural sectors.

Council Decisions 79/486/EEC of 14 May 1979 and 80/739/EEC of 22 July 1980 approved a first and a second tranche of 500 m EUA; Article 2 of the relevant decisions stressed the need for investments from the ORTOLI facility to be made in the energy saving sector.

As of 30 September 1980 loans of 391.9 m EUA have been granted from the ORTOLI facility. Having regard to projects currently in preparation, there remains sufficient possibility for specific actions, particularly in the energy saving sector.

2. Various Community bodies have, at different times, stressed the urgent need for a practical and coherent policy for the rational use of energy and for energy savings, both at Community level and in the Member States. Attention should be drawn in this context to:

- recent decisions of the European Council of June 1979 and April 1980;
- the recent resolution of the Council of Ministers of 9 June 1980;
- the Commission report of July 1979 on the Community energy saving programme;
- the opinion of the Economic and Social Committee issued in January 1980;
- the Linde report approved by the European Parliament on energy saving guidelines.

The rational use of energy and energy savings can, at least in part, help to solve the difficult energy situation and the energy crisis together with its adverse consequences on the overall economic situation, the balance of payments, inflation and employment.

A concrete energy saving policy would offer a number of special advantages:

- a favourable effect on the overall economic situation in the EEC and in the Member States;
- a positive effect on employment because new and additional activities would be created in various sectors of industry;
- a favourable effect on the environment by counteracting pollution.

3. Paragraphs 1 and 2 of this justification lead to the logical conclusion that additional efforts can and must be made to save energy by using the ORTOLI facility.

Hence the proposal to enter an initial tranche of 5 m EUA in the 1981 budget (out of an estimated total of 40 m EUA) for interest rebates. This appropriation will provide 3% rebates on a total of 200 m EUA in volume lent or borrowed of 200 m EUA.

The aim is to enable all the Member States to make use of these loans and interest rebates with a view to investments in measures to save energy.

All the Member States should benefit equally from this facility provided that they submit a programme in conformity with the basic Community energy saving programme (Council Resolution of 9 June 1980).

The advantage to the Member States is that they would have access to advantageous financing for an energy saving programme: firstly, because the Community can obtain more favourable conditions than Member States on lending operations and, secondly, because interest rebates would be granted.

The advantage to the Community is that it would help the Member States to pursue an effective policy; its basic programme would be given practical effect and these incentives would represent only a minimal burden on the EEC budget.

As such, this action would supplement the appropriations entered in Item 3.2.4.0 of the EC budget.

4. This proposal is restricted to an amount of 200 m EUA, in order to leave latitude for the pursuit of other policies through the ORTOLI facility.

It provides for 3% interest subsidies based on an existing practice in the matter of interest rebates on Community loans to the less prosperous Member States belonging to the European Monetary System (Article 570 of the EEC budget).

Finally, it provides for interest rebates of 5 m EUA in respect of total loans estimated at 200 m EUA, taking account of various relevant factors such as a 3% interest rebate, loans granted for a period of 10 to 15 years and the currency in which the loans are made available.

* * *

Draft amendment No 539/rev.

tabled by Mr Ansquer, rapporteur, on behalf of the Committee on Budgets

Section I — Parliament

PAYMENTS

Title 10: Other expenditure
Chapter 100: Provisional appropriations

A) *Expenditure*

Increase payment appropriations by 1 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Add the following remarks:

'This reserve also covers expenditure relating to Item 1032 'Survivors Pensions' (1 000 000), in the light of the decision of the Bureau of 29. 4. 1980.'

JUSTIFICATION

The Committee on Budgets proposes that the necessary appropriations be entered under Chapter 100 which could be transferred to Item 1032 'Survivors Pensions', which has a token entry entered against it, as and when necessary. The pensions would be paid out according to the provisions of the decision of the Bureau of 29 April 1980.

* * *

Draft amendment No 540
tabled by Mr Ansquer, rapporteur, on behalf of the Committee on Budgets

Section I — Parliament

PAYMENTS

Chapter 10: Members of the Institution
Article 100: Salaries, allowances and payments related to salaries
Item 1005: Allowance for maintaining contacts with the electorate
(*new*)

A) *Expenditure*

*Create a new Item 1005 'Allowance for maintaining contacts with the electorate'
Enter a payment appropriation of 2083 200 EUA*

B) *Compensation*

Decrease by 2083 200 EUA the appropriations under Item 1004 'Travel and subsistence allowances; attendance at meetings and associated expenditure'

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

A monthly sum of 400 EUA per Member is to be made available in order to permit the 434 Members to maintain permanent contacts with their electorate. An adjustment will be made where Members receive funds from other sources. This sum will be paid out on the basis of documentary evidence justifying payment of the allowance.

JUSTIFICATION

Until now, these appropriations have been entered under Item 1004, although the expenditure in question does not relate exclusively to refund or travel expenses. The creation of a new item is therefore desirable. The Committee on Budgets therefore decided to table a new amendment to separate this Item from Item 1004.

It was also agreed that the budget should stipulate that payments should be made under this heading only on the basis of documentary evidence.

* * *

Draft amendment No 541
tabled by Mr Ansquer, rapporteur, on behalf of the Committee on Budgets

Section I — Parliament

PAYMENTS

Title 2: Buildings, equipment and miscellaneous operating expenditure
Chapter 29: Subsidies and financial contributions
Article 294: Study grants
Item 2943: Scientific cooperation between universities and the European Parliament
(*new*)

A) *Expenditure*

Create a new item entitled 'Scientific cooperation between universities and the European Parliament'
Enter a payment appropriation of 50000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

Enter the following remarks:

'This appropriation is intended to finance a study analysing the possible effects — with particular reference to the more effective integration of young people in the work process — of the establishment of a permanent structure incorporating the universities, the European Parliament and the social and professional bodies concerned.'

JUSTIFICATION

The Committee on Budgets accepted the principle of Amendment No 286 tabled by Mrs Pruvot on behalf of the Liberal and Democratic Group but decided that it would be more appropriate to open a new item in the budget of Parliament, rather than to place the item under Section III – Commission. It therefore instructed its rapporteur to table an amendment to this effect.

* * *

Draft amendment No 542
tabled by Mr Adonnino on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Article 3.2.6: New energy initiative
(*new*)

A) *Expenditure*

Create a new Article 3.2.6: 'New energy initiative' and
enter a *p. m.* against it (reinstatement of the entry shown in the preliminary draft budget)
Create in Chapter 100 a new Article 3.2.6 'New energy initiative' and
enter against it a *p. m.*

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter in Chapter 100 'provisional appropriations' a commitment appropriation of 100 000 000 EUA against this article

Schedule

Enter a schedule of payments as follows:

The commitment appropriation authorized for 1981 is 100 000 000 EUA^{1/2}.

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments		
		1980	1981	1982 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment	—	—	—	—
Appropriation outstanding from 1979	—	—	—	—
Appropriation for 1980	—	—	—	—
Appropriation for 1981	100 000 000	—	p.m.	100 000 000
Total	100 000 000	—	p.m.	100 000 000

REMARKS

Enter the following remarks:

New Article:

'Communication by the Commission to the European Commission of the European Council (COM (80) 130 final).

Conclusions of the European Council of 28 April 1980.

This article is intended to cover the expenditure on new actions in the coal sector, a Community contribution to national investments to reduce the Community's energy dependence and other new initiatives.

A commitment appropriation of 100 000 000 EUA¹ is entered in Chapter 100.

JUSTIFICATION

The appropriations entered under this article would be used to assist new initiatives in the energy sector following the Venice Declaration, as well as to enable the Community to initiate other actions leading to the development of a Community energy policy. A considerable appropriation is necessary if this is to be effective.

This appropriation is entered in Chapter 100 as the Commission has not yet finalized its proposals.

* * *

Draft amendment No 543/rev.

tabled by Mr Ansquer, rapporteur, on behalf of the Committee on Budgets

Section I — Parliament

PAYMENTS

List of posts

Delete the following posts from the list of posts:

5 A 3
5 A 5/4 plus 1 temp.
16 A 7/6
8 B 1
20 B 3/2
25 B 5/4
27 C 1
74 C 3/2
25 D 1
27 D 3/2

Total 233

¹ See Article 1 (3) of the Financial Regulation of 21 December 1977.

² This appropriation is entered in Chapter 100.

A) *Expenditure*

Title 10: Other expenditure
 Chapter 100: Provisional appropriations
Reduce payment appropriations by 1 500 000 EUA

B) *Compensation*

—

C) *Revenue*

Reduce revenue accordingly

COMMITMENTS

—

Schedule

—

REMARKS

Delete the following sentence from the remarks:

'This reserve also covers appropriations relating to new, frozen posts (1 500 000)'.

JUSTIFICATION

The Committee on Budgets, at its meeting of 29 October 1980, approved by 28/1/2 amendment no 425 tabled by Mr Pfennig deleting 1 472 000 EUA from Ch. 100 'Provisional appropriations'. A total of 1.5 mEUA had been earmarked in the remarks column against Chapter 100 for expenditure linked to the recruitment of extra staff voted in the 1981 draft estimates. These extra staff (233 in number) had been proposed in order to cater for changes in Parliament's internal structures and to cope with the extra workload following direct elections. The posts themselves had been frozen and the appropriations earmarked under Chapter 100. The Committee on Budgets further decided, in adopting an amendment to paragraph 6 of the motion for a resolution drawn up by the rapporteur on the adaptations to Section I — Parliament of the draft general budget of the European Communities for the financial year 1981, that the list of posts should be amended to allow, in 1981, for the creation of *only* those posts to be reserved for Greek officials (88 out of the 321 extra posts included in the draft estimates for 1981).

It follows from these decisions that a further amendment to the list of posts deleting the 233 extra posts should be tabled.

* * *

Draft amendment No 544

tabled by Mr Battersby, Mr Simonnet, Mr van Minnen, Mr Seefeld, Mr Scott-Hopkins, Mr R. Jackson, Mr O'Leary, Mr Cottrell, Mr Muntingh, Mr Radoux, Mr Seeler, Mr Patterson, Mr Boyes, Mr Tuckman, Mr Howell, Mr Forth, Mr Gallagher, Mr Nord, Ms Clwyd, Mr Caborn, Mr Curry, Mrs Hoff, Mr Price, Mr Prag and Mr Baudis

Section I — Parliament

Establishment Plan

Amend the establishment plan by the conversion of the following posts:

- (a) Drivers' Section: 5 D 1 posts into C 3/2
 5 D 3/2 posts into D 1

A) *Expenditure*

unchanged

B) *Compensation*

unchanged

C) *Revenue*

unchanged

COMMITMENTS

unchanged

Schedule

REMARKS

unchanged

JUSTIFICATION

The European Parliament has on a number of occasions found that barriers existed to the advancement of careers, particularly in the lower categories.

These barriers result in additional difficulties for the functioning of the institution. For example, in order to progress in the institution, a good driver is more or less obliged to change his job if he is to gain access to a higher category.

This was why Parliament, when adopting its estimates in June 1980, approved 92 conversions of posts in order to provide for more equitable career advancement. Nevertheless, these conversions could not cover all the departments of the institution.

The aim now is to complete this operation by extending it to the drivers' section.

The situation in this section is particularly glaring since in the 1980 establishment plan there are 28 D posts for it with, in contrast to some analogous departments, no access whatever to category C.

The posts that exist in this category are intended for staff responsible for running the section.

The purpose of this amendment is therefore to give some small access to category C (5 posts) which would permit drivers in this category with a long period of service and deserving of promotion to obtain it. It is of course understood that such staff would continue their work as drivers, thus benefiting from the specific allowances to which they are at present entitled.

The European Parliament may be reproached for promoting certain particularly well-qualified drivers to category C, thus departing from the accepted practice in the other institutions.

However, it is necessary to take account of the fact that the drivers' section in our institution is the largest, since the number of Members entitled to an official car is the highest. Moreover, Parliament need not always follow the administrative practices adopted at the Commission, and the opposite would sometimes would sometimes be more appropriate.

* * *

Draft amendment No 545

tabled by Mr Ansart, Mr Piquet, Mrs de March, Mrs Hoffmann, Mr Baillot, Mr Frischmann, Mr Damette and Mr Fernandez

Section III — Commission

PAYMENTS

Item 3.7.5.0: Aid for certain crisis-hit industrial sectors

A) *Expenditure*

Delete Item 3.7.5.0

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

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JUSTIFICATION

The Community's action in favour of certain crisis-hit industrial sectors has turned out to be the coordination at European level of restructuring plans which have led to tens of thousands of dismissals and the dismantling of factories which constitute an unacceptable waste of economic and human resources. All restructuring plans and in particular those concerning the iron and steel, shipbuilding and textiles industries must be halted immediately and totally.

* * *

Draft amendment No 546

tabled by Mr Ansart, Mr Piquet, Mrs de March, Mrs Hoffmann, Mr Baillot, Mr Frischmann, Mr Damette and Mr Fernandez

Section III — Commission

PAYMENTS

Item 3.7.5.1: Intervention in the oil refining industry

A) *Expenditure*

Delete Item 3.7.5.1

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Community action in the oil refining sector is designed to reduce or abolish production capacity in certain Member countries. This policy undermines national independence and the maintenance of an industrial potential to meet national economic needs. It is therefore necessary to delete the item relating to this Community action.

* * *

Draft amendment No 547
 tabled by Mr Ansart, Mr Piquet, Mrs de March, Mrs Hoffmann, Mr Baillet, Mr Frischmann, Mr Damette
 and Mr Fernandez

Section III — Commission

PAYMENTS

Item 3.7.6.0: Industrial guidelines

A) *Expenditure*

Delete Item 3.7.6.0 and the payment appropriation of 400 000 EUA

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

An immediate and final stop to the industrial restructuring plans which is necessary today because of the immense waste of human and economic resources which the Community's actions have coordinated at Community level implies the abandonment of the sectoral studies aiming to set up further restructuring plans or further studies concerning the existing restructuring plans.

* * *

Draft amendment No 548
 tabled by Mr Pranchere, Mr Maffre-Bauge, Mr Baillet, Mr Martin, Mrs le Roux and Mrs de March

Section III — Commission

PAYMENTS

Chapter 7.8: Monetary compensatory amounts in respect of intra-Community trade

A) *Expenditure*

Delete all the items under Chapter 7.8 and the payment appropriations amounting to 256 000 000 EUA
in toto

B) *Compensation*

Increase the payment appropriation entered under item 9.2.0.1 by 36 000 000 EUA

Increase the payment appropriation entered under item 9.2.1.1 by 20 000 000 EUA

Transfer to chapter 1.0.0 200 000 000 EUA as a reserve fund for increases in agricultural prices

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Monetary compensatory amounts cannot be considered expenditure required by the common agricultural policy. They cause an unacceptable distortion of competition between producers in the various countries of the EEC. If they were totally and finally abolished, resources would be available for a reserve fund for a satisfactory increase in agricultural prices and food aid to developing countries could be increased.

* * *

Draft amendment No 549

tabled by Mrs le Roux, Mrs Poirer, Mr Pranchere, Mr Baillet, Mr Ansart and Mr Denis

Section III — Commission

PAYMENTS

Item 6.2.8.1: Additional levy

A) *Expenditure**Delete item 6.2.8.1**Delete the negative expenditure of 175 000 000 EUA*B) *Compensation*

—

C) *Revenue**Increase revenue by the same amount*

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Milk producers do not want to become the 'milch cows' of the Community budget. There is no justification for a super-tax on producers who are in no way responsible for the surpluses. In some regions like South-Western France, the dairy industry does not have enough milk. Furthermore a super-tax will retard efforts to modernize and increase productivity being undertaken by a large number of producers.

* * *

Draft amendment No 550
 tabled by Mr Pedini, Mr Del Duca, Mr Henckens, Mr Hahn, Mr Schall and Mrs Gaiotti de Biase on behalf of
 the EPP Group

Section III — Commission

PAYMENTS

Article 3.9.6: European Foundation

A) *Expenditure*

Enter a payment appropriation of 200 000 EUA (instead of a token entry)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Amend the remarks as follows:

'Financial contribution by the Community to the operation of the European Foundation' (reinstatement of the remarks shown in the preliminary draft budget).

JUSTIFICATION

A decision was taken by the European Council on 5–6 December 1977 to set up the European Foundation and that decision was supported by the European Parliament; however, the Foundation has still not been established because of the deplorable failure of the Council of Ministers to comply with the wishes expressed by the Heads of State or Government of the Community.

By its decision to delete the appropriation proposed by the Commission and to enter a mere token entry, the Council of Ministers has now clearly shown that it has no intention whatever to act in this matter. Parliament cannot possibly accept this attitude and must enter at least a sufficient appropriation to enable the Foundation to commence its activities.

* * *

Draft amendment No 551
 tabled by Mrs Poirier, Mr Gremetz, Mr Baillot, Mr Verges, Mr Denis and Mrs de March

Section III — Commission

PAYMENTS

Chapter 9.2.0.1: Programme for the year for cereals other than rice

A) *Expenditure*

Increase the payment appropriation by 35 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The EEC's food aid given under the Food Aid Convention must be increased. This aid must be made available without making any use of the food weapon against any country whatsoever or under any pretext whatsoever in accordance with the motion adopted unanimously by the ACP-EEC Consultative Assembly on 25 September 1980 in Luxembourg. The food aid for Vietnam should be restarted and increased.

* * *

Draft amendment No 552

tabled by Mr Verges, Mr Denis, Mr Gremetz, Mr Baillot, Mrs Poirier and Mrs de March

Section III — Commission

PAYMENTS

Item 9.2.0.3: Rice programme for the year

A) *Expenditure*

Increase the payment appropriation by 10 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The EEC's food aid given under the Food Aid Convention must be increased. This aid must be made available without making any use of the food weapon against any country whatsoever or under any pretext whatsoever in accordance with the motion adopted unanimously by the ACP-EEC Consultative Assembly on 25 September 1980 in Luxembourg. The food aid for Vietnam should be restarted and increased.

* * *

Draft amendment No 553
tabled by Mr Denis, Mr Gremetz, Mr Pranchere, Mrs Poirier and Mr Verges

Section III — Commission

PAYMENTS

Title 9: Cooperation with developing countries and non-Member States
Chapter 9.1: Agricultural cooperation with the developing countries aiming to encourage an expansion in their agriculture and food supplies
(*new*)

A) *Expenditure*

Create a new chapter 9.1 'Agricultural cooperation with the developing countries aiming to encourage an expansion in their agriculture and food supplies'
Enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

The Council of Ministers is requested to take a decision in favour of the proposed actions.

JUSTIFICATION

One of the very first human rights is the right to food. Sufficient resources ought therefore to exist to satisfy needs but this is not the case. In the EEC millions of families do without food products and in the countries of the Third World tens of millions of people and children are suffering or dying from hunger. This is particularly the case in a large number of countries linked to the EEC by the Convention of Lomé. This situation demands that a halt be called:

- to the destruction of produce by sprinkling it with oil or throwing it in the sea,
- to the policy of reducing production conducted by the Commission in Brussels and the Council of Ministers.

On the contrary, while strictly respecting the Community's responsibility, it demands an expansion in production to meet all the needs.

We therefore propose, as an initial measure that two funds be created immediately:

- one to allow agricultural products which are destroyed or denatured in the EEC to be sent to the developing countries which need them,
- the other to make it possible to develop agricultural cooperation with the developing countries. One of the objectives of this fund should be to foster long-term agreements to allow the developing countries to receive regular supplies.

Draft amendment No 554
tabled by Mr Denis, Mr Gremetz, Mrs Poirier, Mr Pranchere, Mr Verges

Section III — Commission

PAYMENTS

Title 9: Cooperation with developing countries and non-Member States
Chapter 9.1: Agricultural cooperation with the developing countries and non-Member States designed to promote the development of their agriculture and their food supplies
(new)
Article 9.1.1: Programme for making available to the developing countries the destroyed or denatured agricultural products at the disposal of the European Economic Community
(new)

A) *Expenditure*

Create a new Chapter 9.1 'Agricultural cooperation with the developing countries and non-member States designed to promote the development of their agriculture and their food supplies'

Create a new Article 9.1.1 'Programme for making available to the developing countries the destroyed or denatured agricultural products at the disposal of the European Economic Community'

Enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The destruction of tens of millions of tonnes of agricultural products in the EEC constitutes a veritable scandal when hundreds of millions of people are suffering from hunger. The setting-up of a fund should make it possible to solve the problems of conservation, processing and transport so that these products can be conveyed to people suffering from hunger, particularly in the countries signatory to the Convention of Lomé with the EEC.

* * *

Draft amendment No 555
tabled by Mr Denis, Mr Gremetz, Mrs Poirier, Mr Pranchere, Mr Verges

Section III — Commission

PAYMENTS

Title 9: Cooperation with developing countries and non-Member States
Chapter 9.1: Agricultural cooperation with the developing countries and non-Member States designed to promote the development of their agriculture and their food supplies
(new)
Article 9.1.2: Fund to implement long-term supply agreements with the developing countries
(new)

A) *Expenditure*

Create a new chapter 9.1 'Agricultural cooperation with the developing countries and non-Member States designed to promote the development of their agriculture and their food supplies'

Create a new Article 9.1.2 'Fund to implement long-term supply agreements with the developing countries'

Enter a token entry,

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

The Council is requested to take the appropriate decisions.

JUSTIFICATION

Instead of the plans to cut production implemented by the European institutions, production must be stepped up so as to meet requirements. The agricultural potential of the EEC, and of France in particular, is enormous. It should therefore be possible to contribute to the food supplies of the developing countries, especially those having signed the Convention of Lomé with the EEC, by means of long-term contracts.

* * *

Draft amendment No 556
tabled by Mr Denis, Mrs Poirier, Mr Ansart, Mr Chambeiron, Mr Piquet

Section III — Commission

PAYMENTS

Article 9.5.0: Aid to disaster victims in developing and other non-member countries

A) *Expenditure*

Increase the payment appropriation by 67 000 000 ECU

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The appropriation set aside, which is intended to finance emergency aid to disaster victims, is utterly inadequate. It is essential that it be substantially increased.

* * *

Draft amendment No 557
tabled by Mr Denis, Mr Baillot, Mr Gremetz, Mrs Poirier, Mr Verges

Section III — Commission

PAYMENTS

Item 2.9.8.5: Implementation of the International Cocoa Agreement

A) *Expenditure*

Enter a payment appropriation of 10000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

With the recent fall in the price of cocoa, an international agreement has become more necessary than ever. The attitude of the European Community has not hitherto encouraged the conclusion of such an agreement. The Commission and Council must therefore take steps to contribute to the signing of an international cocoa agreement, as requested unanimously by the ACP-EEC Consultative Assembly in the following resolution adopted at its sitting of 24 September 1980 in Luxembourg:

The ACP-EEC Consultative Assembly,

1. Requests the Community, the world's principal cocoa consumer, fully to accept its responsibilities so as to enable the negotiations on the signing of a new International Cocoa Agreement to be resumed and successfully concluded;
2. Requests the Community, to this end,
 - (a) to accept the fixing of a minimum price for cocoa taking account of the imperative need to provide the ACP producer states with a fair return and to protect their interests;
 - (b) to accept the fixing of a guaranteed seasonal price for cocoa and the principle of the periodic review of the price of cocoa.

* * *

Draft amendment No 558
 tabled by Mrs le Roux, Mr Damette, Mrs Hoffmann, Mr Fernandez, Mrs de March

Section III — Commission

PAYMENTS

Item 3.9.2.0: Implementation of the education programme

A) *Expenditure*

Reduce the payment appropriation by 100 000 EUA

B) *Compensation*

Increase by 100 000 EUA the payment appropriation entered in Item 9.2.2.1

C) *Revenue*

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

The education action programme must not include matters related to an education policy, which is totally outside the sphere of responsibilities of the Community institutions.

* * *

Draft amendment No 559
 tabled by Mr Marchais, Mr Ansart, Mr Pranchere, Mr Martin, Mr Baillet and Mrs de March

Section III — Commission

PAYMENTS

Article 580: Supplementary measures in favour of the United Kingdom

A) *Expenditure*

Delete Article 280

B) *Compensation*

Transfer the corresponding appropriation of 974 700 000 EUA to Chapter 100 to create a reserve fund to finance the increase in farm prices

C) *Revenue*

—

COMMITMENTS

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Schedule

REMARKS

JUSTIFICATION

Farm prices are to be fixed after the vote on the budget. A reserve fund must therefore be set up under the EAGGF in order to permit an increase in farm prices to compensate for the rise in production costs and the cost of living by providing steady growth in farmers' incomes.

* * *

Draft amendment No 560

tabled by Mrs le Roux, Mr Pranchere, Mr Maffre-Bauge, Mr Martin , Mr Piquet

Section III — Commission

PAYMENTS

Item 6.2.4.1: School milk

A) *Expenditure*

Increase the payment appropriation by 29 000 000 EUA

B) *Compensation*

Reduce by 29 000 000 EUA the payment appropriation entered in item 6.2.1.3

C) *Revenue*

COMMITMENTS

Schedule

REMARKS

JUSTIFICATION

* * *

Draft amendment No 561
tabled by Mr Pranchere, Mrs Poirier, Mr Maffre-Bauge, Mr Piquet and Mrs le Roux

STATEMENT OF REVENUE

Title 1: Own resources
Chapter 1.0: Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the institutions of the Communities in respect of trade with non-member countries under the common agricultural policy (Article 2 (a) of the Council Decision of 21 April 1970)
Article 1.0.1: Special levy on oils and fats of plant and maritime origin intended for consumption
(*new*)

A) Revenue

Create a new Article 1.0.1: 'Special levy on oils and fats of plant and maritime origin intended for consumption'
Enter a token entry

B) Compensation

—

C) Expenditure

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Levy-free imports of fats of plant origin are an important factor swelling expenditure on support for the butter market. The European Assembly proposes that a levy be introduced on such imports, estimated by the Commission to have been worth 365 000 000 EUA in 1976. The latter had not in fact taken any further action on its proposal, invoking in particular the rules of GATT. This position is not acceptable. In the first place, the importation into the EEC of vegetable oils and fats provides the agri-foodstuffs multinationals (Unilever, Lesieur) with substantial profits at the expense of consumers; in the second place, it constitutes a considerable prejudice to milk producers, and finally, the privileged position of the United States as a supplier country is incompatible with the rule of Community preference.

* * *

Draft amendment No 562
tabled by Mrs Poirier, Mr Piquet, Mr Damette, Mr Baillot, Mrs de March

STATEMENT OF REVENUE

Title 1: Own resources
Article 1.0.0: Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the institutions of the Communities in respect of trade with non-member countries under the common agricultural policy (Article 2 (a) of the Council Decision of 21 April 1970)

A) *Revenue*

Increase revenue by 100 000 000 EUA

B) *Expenditure*

Increase expenditure of the EAGGF Guarantee Section by the same amount

C) *Compensation*

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COMMITMENTS

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Schedule

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REMARKS

Add to the Remarks the following sentence:

'Abolish the derogation (abatement of levies) which certain countries enjoy for the importation by sea of feed-grain originating in third countries, which represents an item of revenue which can be provisionally quantified at 100 000 000 EUA.'

JUSTIFICATION

The abatement of levies granted to certain countries to allow them to import feed-grain from third countries should be applicable for a limited time. This derogation has particularly benefited imports and large exporters of American maize.

* * *

Draft amendment No 563

tabled by Mrs Poirier, Mr Pranchere, Mr Fernandez, Mr Maffre-Bauge, Mr Martin

STATEMENT OF REVENUE

Title 1: Own resources

Chapter 1.0: Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the institutions of the Communities in respect of trade with non-member countries under the common agricultural policy (Article 2 (a) of the Council Decision of 21 April 1970)

Article 103: Levy on maize seed
(*new*)

A) *Revenue*

Create a new Article 1.0.3: 'Levy on maize seed'

Enter a token entry

B) *Compensation*

—

C) *Expenditure*

—

COMMITMENTS

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Schedule—
REMARKS
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JUSTIFICATION

In France maize seed is produced principally on small and medium-sized farms.

In recent years producers' incomes have fallen, partly because of soaring production costs but also because of competition from imports from non-member countries.

To protect maize seed producers it would be desirable to introduce a sizeable levy on such imports.

* * *

Draft amendment No 564
tabled by Mrs le Roux, Mrs Poirier, Mr Pranchere, Mr Piquet, Mr Fernandez

STATEMENT OF REVENUE

Article 1.0.0: Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the institutions of the Communities in respect of trade with non-member countries under the common agricultural policy (Article 2 (a) of the Council Decision of 21 April 1970)

A) *Revenue*

Increase revenue by 90 000 000 EUA, abolishing the derogation still enjoyed by the United Kingdom for imports of New Zealand butter

B) *Compensation*

Increase by 40 000 000 EUA the payment appropriation entered in Item 9.2.1.1

Increase by 50 000 000 EUA the payment appropriation entered in Item 9.2.1.3

C) *Expenditure*
—COMMITMENTS
—*Schedule*
—REMARKS
—

JUSTIFICATION

The derogation introduced in 1973 for UK imports of New Zealand butter was to serve the sole purpose of facilitating the United Kingdom's adjustment to the Community's mechanisms. The extension of this derogation, originally supposed to be provisional, is all the more outrageous in the light of the levy imposed on milk producers accused of generating surpluses. This derogation is all the more unjustified as the United Kingdom re-exports New Zealand butter (48,862 t in 1978) to the other Community countries. If this derogation were abolished, an increase in revenue would result which could then be used for food aid in dairy products (skimmed milk and butteroil).

* * *

Draft amendment No 565
 tabled by Mr Pranchere, Mr Gremetz, Mr Ansart, Mr Baillot, Mrs le Roux

STATEMENT OF REVENUE

Title 1: Own resources
 Chapter 1.0: Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the institutions of the Communities in respect of trade with non-member countries under the common agricultural policy (Article 2 (a) of the Council Decision of 21 April 1970)
 Article 1.0.2: Levies on substitute products for cereals (manioc) intended for animal feed
 (new)

A) Revenue

Create a new Article 1.0.2: 'Levies on substitute products for cereals (manioc) intended for animal feed'
 Enter a token entry

B) Compensation

—

C) Expenditure

—

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Levy-free imports of substitute products tend to limit the use of cereals in animal feed and thus contribute to an increase in the amount of refunds. Furthermore, they favour the 'milk factories' of Northern Europe which are mainly responsible for the 'surpluses'. A levy on these imports is all the more necessary as the voluntary restraint agreements concluded between the EEC and supplier countries have had no result.

* * *

Draft amendment No 566/rev.
 tabled by Mrs Hoffmann, Mrs de March, Mr Frischmann, Mr Denis, Mr Gremetz, Mr Chambeiron

Section I — Parliament

PAYMENTS

Item 3.7.0.2: Expenditure on the Joint Parliamentary Committee provided for within the framework of the association with Turkey

A) Expenditure

Delete the 225 000 EUA appropriation and enter a token entry

B) Compensation

—

C) *Revenue*

Reduce revenue by 225 000 EUA

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

In view of the seizure of power by a military dictatorship in Turkey, the Council must freeze these appropriations until democracy has been restored.

* * *

Draft amendment No 568

tabled by Mrs Cresson, Mr Sutra, Mr Josselin, Mr Pisani and Mr Motchane

Section III — Commission

PAYMENTS

Chapter 1.0.0: Provisional appropriations

Article 8.2.8: Agricultural development programme in the French overseas departments
(*new*)

A) *Expenditure*

Create under chapter 1.0.0 a new article 8.2.8 'Agricultural development programme in the French overseas departments'

Enter a payment appropriation of 40 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 40 000 000 EUA

COMMITMENTS

Enter a commitment appropriation of 96 500 000 EUA

Schedule

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REMARKS

The European Assembly in plenary session accepted a proposal from the Commission to establish an agricultural development programme in the French overseas departments because of the economic difficulties facing these territories. However, there is no line in the budget making provision for this even though an appropriation of 96 500 000 EUA had been accepted.

JUSTIFICATION

We think that the backwardness in agricultural development in these departments, which are moreover subject to climatic hazards, is such that a payment appropriation needs to be entered in this budget for 1981 which will allow this development programme to be started.

* * *

Draft amendment No 569
tabled by Mr Sutra, Mrs Cresson, Mr Josselin, Mr Pisani and Mr Motchane

Section III — Commission

PAYMENTS

Item 6.2.8.1: Additional levy

A) *Expenditure*

Delete item 6.2.8.1: 'Additional levy'

B) *Compensation*

Increase the negative expenditure entered under Item 6.2.8.0: 'Coresponsibility levy' by *-175 000 000* EUA (from *-334 000 000* to *-509 000 000* EUA)

C) *Revenue*

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COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

For some time now opposition to the co-responsibility levy has been gaining ground. Mr Curry's draft opinion on behalf of the Committee on Agriculture has lent it greater force. We cannot help but be pleased since we were against it from the beginning. Unfortunately we are obliged to take due account of regulation EEC No 1079/77 modified most recently by regulation EEC No 1364/80. Our amendment is therefore not intended to remove the Community's revenue but to modify the present co-responsibility levy on milk deliveries by introducing a progressive levy which we propose should be calculated as follows:

0% on farm production of up to 200 000 litres (at present it is 2%).

2% (the present rate) on farm production of 200 to 300 000 l.

4% on farm production of 300 to 400 000 l.

6% on over 400 000 litres.

One should point out that calculations have shown that this progressive and hence fairer system would produce as much revenue for the EEC as at present entered under Items 6.2.8.0 and 6.2.8.1.

* * *

Draft amendment No 570
tabled by Mr Balfé, Mr Seal, Mr Rogers, Mr Griffiths, Mrs Buchan, Mr Megahy, Mr Enright, Mr Boyes,
Mr Gallagher, Mr Key and Ms Clwyd

Section I — Parliament

PAYMENTS

Article 100: Salaries, allowances and payments related to salaries
Item 1005: Constituency work
(*new*)

A) *Expenditure*

Create a new Item 1005 'constituency work'
Enter a payment appropriation of 2 083 200 EUA

B) *Compensation*

Decrease by 2 083 200 EUA the appropriations under Item 1004 'travel and subsistence allowances; attendance at meetings and associated expenditure'

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

A monthly sum of 400 EUA per Member is to be made available in order to permit the 434 Members to maintain permanent contacts with their constituents and travel within their Member State in discharge of their mandates. An adjustment will be made where Members receive funds from other sources.

JUSTIFICATION

Until now, these appropriations have been entered under Item 1004, although the expenditure in question does not relate exclusively to refunds of travel expenses. The creation of a new item is therefore desirable.

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Draft amendment No 571
tabled by Mr de Keersmaeker, Mr Costanzo, Mr Barbagli, Mr Bocklet, Mr Früh, Mr Helms, Mr Tolman,
Mr Dalsass, Mr Mertens, Mr Clinton, Mr McCartin, Mr Colleselli, Mr Diana on behalf of the EPP Group

Section III — Commission

PAYMENTS

Title 4: Repayments and aids to Member States and miscellaneous
Chapter 4.5: Monetary compensatory amounts paid or levied in respect of trade in agricultural products
(*new*)
Article 4.5.0: Monetary compensatory amounts in respect of intra-Community trade
(*new*)
Item 4.5.0.0: Monetary compensatory amounts paid or levied by importing Member States
(*new*)

Item 4.5.0.1: (new)	Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States
Item 4.5.0.2: (new)	Monetary compensatory amounts on exports paid or levied by exporting Member States
Article 4.5.1: (new)	Monetary compensatory amounts in respect of trade with non-Community countries
Item 4.5.1.0: (new)	Portion of monetary compensatory amounts granted on imports over and above the levy
Item 4.5.1.1: (new)	Monetary compensatory amounts on exports

A) Expenditure

Create a new Chapter 4.5: 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'

Create a new Article 4.5.0: 'Monetary compensatory amounts in respect of intra-Community trade'

Create a new Item 4.5.0.0: 'Monetary compensatory amounts paid or levied by importing Member States'

Enter a payment appropriation of -255 000 000 EUA

Create a new Item 4.5.0.1: 'Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States'

— Enter a payment appropriation of 60 000 000 EUA

Create a new Item 4.5.0.2: 'Monetary compensatory amounts on exports paid or levied by exporting Member States'

— Enter a payment appropriation of 237 000 000 EUA

Create a new Article 4.5.1: 'Monetary compensatory amounts in respect of trade with non-Community countries'

Create a new Item 4.5.1.0: 'Portion of monetary compensatory amounts granted on imports over and above the levy'

— Make a token entry

Create a new Item 4.5.1.1: 'Monetary compensatory amounts on exports'

— Enter a payment appropriation of 214 000 000 EUA

B) Compensation

Delete Chapter 7.8: 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'

Delete Article 7.8.0: 'Monetary compensatory amounts in respect of intra-Community trade'

Delete Item 7.8.0.0: 'Monetary compensatory amounts on imports paid or levied by importing Member States'

— Delete the appropriation of -255 000 000 EUA

Delete Item 7.8.0.1: 'Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States'

— Delete the appropriation of 60 000 000 EUA

Delete Item 7.8.0.2: 'Monetary compensatory amounts on exports paid or levied by exporting Member States'

— Delete the appropriation of 237 000 000 EUA

Delete Article 7.8.1: 'Monetary compensatory amounts in respect of trade with non-Community countries'

Delete Item 7.8.1.0: 'Portion of monetary compensatory amounts granted on imports over and above the levy'

— Delete the token entry shown against it

Delete Item 7.8.1.1: 'Monetary compensatory amounts on exports'

— Delete the appropriation of 214 000 000 EUA

C) Revenue

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COMMITMENTS

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Schedule

REMARKS

Transfer to Article 4.5.0 and Items 4.5.0.0, 4.5.0.1, 4.5.0.2 and Article 4.5.1 and Items 4.5.1.0 and 4.5.1.1 the remarks appearing under Chapter 7.8 against Article 7.8.0 and Items 7.8.0.0, 7.8.0.1, 7.8.0.2 and Article 7.8.1 and Items 7.8.1.0 and 7.8.1.1.

JUSTIFICATION

As monetary compensatory amounts reflect the lack of alignment between Member States' economies and the absence of economic and monetary union, they cannot under any circumstances be regarded as expenditure directly chargeable to the common agricultural policy.

The Committee on Agriculture therefore requests that this expenditure be transferred to Title 4 'Repayments and aids to Member States and miscellaneous'.

In connection with the 1978 draft budget the Council accepted the modification with compensation proposed by the European Parliament requesting the transfer of this expenditure from Title 7 to Title 4 (OJ L 36 of 6. 2. 1978, pp. 342-344). In addition, the European Parliament at its sitting of 27 June 1980 adopted a resolution, paragraph 9 of which calls for a reclassification of expenditure not directly connected with the CAP. The above proposed modification meets this demand.

* * *

Draft amendment No 572

tabled by Mr Früh, Mr de Keersmaecker, Mr Costanzo, Mr Barbagli, Mr Bocklet, Mr Helms, Mr Tolman, Mr Dalsass, Mr Mertens, Mr Clinton, Mr McCartin, Mr Colleselli, and Mr Diana on behalf of the EPP Group

Section III — Commission

PAYMENTS

Chapter 4.9:	Other repayments
Article 4.9.2: (<i>new</i>)	Accession compensatory amounts granted in respect of intra-Community trade (Greece)

A) *Expenditure*

Create a new Article 4.9.2: 'Accession compensatory amounts granted in respect of intra-Community trade (Greece)'

Enter a payment appropriation of 25 000 000 EUA

B) *Compensation*

Delete Chapter 7.5: 'Accession compensatory amounts granted in respect of intra-Community trade' and

delete Article 7.5.0 and the appropriation of 25 000 000 EUA shown against it

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

unchanged

JUSTIFICATION

As the accession of Greece to the Community is a highly political issue involving more than just the common agricultural policy the cost of Greece's accession should not be charged to the CAP alone. The transfer of the payment appropriations of 25 m EUA from Title 7 'EAGGF — Guarantee Section' to Title 4 'Repayments and aid to Member States and miscellaneous', Chapter 4.9 'Other repayments' shows clearly the cost of Greece's accession to the Community during the transitional period.

During discussion of the 1978 draft budget the Council accepted a similar modification with compensation proposed by the European Parliament (see OJ L 36 of 6. 2. 1978, p. 342). Furthermore, the European Parliament at its sitting of 27 June 1980 adopted a resolution on the new draft general budget of the European Communities for the financial year 1980, paragraph 9 of which called for a reclassification of expenditure not directly connected with the CAP. The above proposed modification meets this demand.

* * *

Draft amendment No 573

tabled by Mr de Keersmaecker, Mr Costanzo, Mr Barbagli, Mr Bocklet, Mr Früh, Mr Helms, Mr Tolman, Mr Dalsass, Mr Mertens, Mr Clinton, Mr McCartin, Mr Colleselli and Mr Diana, on behalf of the EPP Group.

STATEMENT OF REVENUE

Chapter 1.1: Levies and other duties provided for under the common organization of the markets in sugar and isoglucose (Article 2 (a) of the Council Decision of 21 April 1980)

Article 1.1.3: Levy on oils and fats of vegetable and maritime origin and intended for consumption
(*new*)

A) *Revenue*

Modify the heading of Chapter 1.1 as follows:

'Levies and other duties provided for under the common organization of the markets in certain sectors'

Create a new *Article 1.1.3*: 'Levy on oils and fats of vegetable and maritime origin and intended for consumption'

Make a token entry

B) *Compensation*

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C) *Expenditure*

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Schedule

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REMARKS

The Council is urged to adopt the necessary regulation for the collection of this revenue. The revenue from this levy is estimated at 365 m EUA.

JUSTIFICATION

The current limits on Community financing are bringing the Community close to the exhaustion of its budgetary resources. This situation is due, *inter alia*, to the very steep increase in expenditure on the animal and vegetable fats and oils produced in the Community as a result, in particular, of the growing competition from imported oils and fats *vis-à-vis* butter and vegetable oils from the Community. A co-responsibility levy is imposed on milk producers (2% of the guide price) and the Council has decided to intensify this co-responsibility levy if milk supplies in 1981 exceed 1979 supplies by 1.5%. In these circumstances it would be logical that in return for the sacrifices required of milk producers oils and fats of vegetable and marine origin imported into the Community on a privileged basis should also be subject to a co-responsibility levy scheme. For this reason, it would be advisable to take on board the Commission's proposal of 11 October 1976

for the introduction of a tax — with effects equivalent to those of the milk co-responsibility levy on butterfat — on oils and fats of vegetable and marine origin produced and imported into the Community and destined for human consumption.

If the effect of the milk levy on butterfat is calculated using the same ratio between the 'fat' element and 'protein' element of milk (55/45) which forms the basis for the guide price for milk, the budgetary revenue resulting from the levy on milk would correspond to a levy of 94 ECU/T on butterfat produced within the Community.

If the same levy were applied to oils and fats of vegetable and marine origin destined for human consumption (with the exception of olive oil), the revenue would amount to 365 m ECU (3.9 tonnes x ECU/t). This levy should be applied to all oils and fats of vegetable and marine origin at the crushing stage and to imported oils and fats. It would be refunded for exports and in the case of internal utilization for purposes other than human consumption.

Such a levy on internal consumption would not contravene GATT rules.

* * *

Draft amendment No 574

tabled by Mr Konrad Schön, Mr Simonnet, Mr Brok, Mr Notenboom and Mr Langes on behalf of the EPP Group

Section III — Commission

PAYMENTS

Title 1.0: Other expenditure
Chapter 1.0.0: Provisional appropriations

A) *Expenditure*

Increase the appropriations by 5 m EUA (placed in reserve for Chapter 21: Data Processing Centre)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

Add the following to the remarks against Chapter 100:

Chapter 21:	expenditure relating to the Data Processing Centre	5 000 000 EUA
-------------	--	---------------

JUSTIFICATION

The Commission had requested a total appropriation of 33.5 + 3.6 = 37.1 m EUA (of which 3.6 m EUA in Chapter 100). The Council has granted only 20 m EUA. The appropriations adopted for 1980 were 16.7 m EUA.

The appropriations in Chapter 21 of the draft budget are intended to enable the Centre to operate on the basis of its present structures.

The purpose of this amendment is to increase the appropriations for the Data Processing Centre by 5 m EUA, but to enter these appropriations in Chapter 100.

The supplementary appropriations placed in reserve by Parliament will make it possible to make a start on the essential task of expanding these structures as soon as Parliament has been provided with a *clear plan* of such expansion.

* * *

Draft amendment No 575
tabled by Mr Calvez, on behalf of the Liberal and Democratic Group

Section III — Commission

PAYMENTS

Item 3.0.7.1: Aid to employers' and workers' organizations for the provision of training and information for their representatives on the subject of European affairs

A) *Expenditure*

Increase the payment appropriation by 120 000 EUA (from 100 000 to 220 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

unchanged

JUSTIFICATION

Item 3071 is designed to ensure an even-handed approach by the Community Institutions to both sides of industry in respect of the provision of training and information for their representatives on the subject of European affairs insofar as it enables measures to be provided for employers' organizations similar to those financed for the European Trade Union Institute under Item 3070.

The appropriation entered by the Council under Item 3071 (100 000 EUA) does not permit such an even-handed approach since the appropriation for the European Trade Union Institute is much higher (750 000 EUA). It is, therefore, necessary to reinstate the quite modest appropriation entered in the preliminary draft budget.

* * *

Draft amendment No 576
tabled by the European Democratic Group

STATEMENT OF REVENUE

Chapter 9.9: Other revenue

Article 9.9.8: Financial contribution by wine producers
(new)

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

Create a new Article 9.9.8: 'Financial contribution by wine producers'

REMARKS

Enter the following remarks:

The Council is called upon to adopt in 1981 the Regulations necessary for the collection of this revenue in respect of surplus wine production above a standard quantity equivalent to production levels as at 1 January 1980.

JUSTIFICATION

The wine surplus in the enlarged Community.

* * *

Draft amendment No 577
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 3.2.3.0: Use of coal in power-stations

A) *Expenditure*

Enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter a token entry

Schedule

—

REMARKS

Enter the following remarks:

'Proposal for a Regulation submitted to the Council on 31 December 1976 under Article 235 of the EEC Treaty (OJ C 22 of 29. 1. 1977, p. 5. Opinion of the European Parliament of 10 May 1977 (OJ C 133 of 6. 6. 1977). This item is to cover expenditure arising from the grant of support to operators of power-stations with a view to encouraging the construction, conversion or modernization of their plants for the use of coal instead of liquid fuels.

Support is limited to the extra costs due to these operations. The appropriation for commitment authorized for 1981: *p. m.*

JUSTIFICATION

The coal sector should be a political and technical priority.

* * *

Draft amendment No 578
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 3.7.0.2: Community operations for the development of data processing

A) Expenditure

Increase the payment appropriation by 1 478 000 EUA (from 5 000 000 to 6 478 000 EUA)

B) Compensation

—

C) Revenue

Increase revenue by same amount

COMMITMENTS

Increase the commitment appropriation by 978 000 EUA (from 8 000 000 to 8 978 000 EUA)

Amend schedule as follows

Schedule

The appropriation for commitment authorized for 1981 amounts to 8 978 000 EUA.¹

The likely schedule of payments *vis-à-vis* commitments is as follows:

(in EUA)

Commitments		Payments			
		1980	1981	1982	1983 and subs. years
Appropriations outstanding from 1979	1 972 523	1 972 523 ²			
Appropriation for 1980	8 000 000	3 000 000	3 000 000	2 000 000	
Appropriation for 1981	8 978 000 ³		3 478 000 ³	4 000 000	1 500 000
Total	18 950 523	4 972 523 ²	6 478 000	6 000 000	1 500 000

REMARKS

Delete the reference to 'Community premiums for industry or users for the development of products in this field'.

JUSTIFICATION

Minor sums which the firms concerned can well afford themselves on specialist production facilities will make no difference to these firms' ability to compete.

Only the knowledge that there is real determination to develop a European market by the Council acting to coordinate defence purchasing and purchasing by the telecommunications organizations as well as supporting all the Commission's other proposals will cause firms to make the necessary investment decisions to ensure competitiveness.

* * *

¹ See Article 1 (3) of Financial Regulation of 21 December 1977.

² Including 972 523 EUA carried forward from 1979.

³ In addition 522 000 EUA are to be shown under the establishment plan to cover the remuneration of specialized temporary staff required for implementation of the programme.

Draft amendment No 579
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 3.7.1: Technological research
Item 3.7.1.2: European supersonic cryogenic wind tunnel
(*new*)

A) *Expenditure*

Create a new item 3.7.1.2: 'European supersonic cryogenic wind tunnel'
Enter a p. m. against this item

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter a p. m. against this item

Schedule

—

REMARKS

—

JUSTIFICATION

This is an ideal Community project. While all Member States with aerospace interests vitally need access to a transonic wind tunnel for research, and collectively would make full use of it, no single Member State would use it often enough to justify the cost. Without it, the EEC aerospace industry must become uncompetitive, with inevitable consequences for employment.

* * *

Draft amendment No 580
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Chapter 3.9: Other expenditure on specific projects undertaken by the Institution
Article 3.9.7: 'Preparations for the improvement of the Olympic sports facilities in Olympia'
(*new*)

A) *Expenditure*

Create the following new Article 3.9.7: 'Preparations for the improvement of the Olympic sports facilities in Olympia'
Enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

This appropriation is to enable the Commission to establish, in cooperation with the Greek Government, a permanent site for the Olympic games and to get the preparations underway in 1981.

JUSTIFICATION

On 1 January 1981 Greece will be the 10th country to join the European Community. The European Parliament wishes to make clear to the Greek people, their future Greek colleagues in the European Parliament and especially the Greek President, Mr Karamanlis, already during the discussion of the Commission's budget for 1981, that, for the reasons set out above, it firmly supports the basic idea of 'Olympic games in Olympia'. It therefore creates a new budget line with a token entry.

This will make it possible to launch in 1981 a large-scale international competition for the overall design of the Olympic sports facilities. This will facilitate decision-making in the IOC. It will also make plain that the European Community is in favour of the Olympic Games, but that the Olympic Committee must find new ways of rescuing them.

* * *

Proposed Modification No 581
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 6.0.1.2: Other production refunds

A) *Expenditure*

Reduce payment appropriation by 15 000 000 EUA (from 90 000 000 EUA to 75 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Decrease revenue by the same amount

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

The European Parliament has on a number of occasions requested the elimination of starch production refunds for cereals. The Commission originally had proposed to provide for their progressive reduction by thirds; the Council decided to reduce by a sixth. With such a slow progression, there is a risk that these refunds will be maintained indefinitely. Therefore a reduction by one-third of the 1980 appropriations is proposed.

* * *

Proposed Modification No 582
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 6.2.8.0: Co-responsibility levy

A) *Expenditure*

Delete this item and the payment appropriation of -334 000 000 EUA

B) *Compensation*

Increase by -334 000 000 EUA the payment appropriation under Item 6.2.8.1 'Additional levy'

C) *Revenue*

—

COMMITMENTS

—

Schedule

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REMARKS

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JUSTIFICATION

The dairy co-responsibility levy is an unjust and discriminatory tax which causes distortions in the milk market, is open to abuse, and does nothing to curb overproduction of milk. It should be completely replaced by a levy on milk produced above a standard quantity to be determined.

* * *

Proposed Modification No 583
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 6.3.1.2: Consumption aid

A) *Expenditure*

Increase the appropriation by 20 000 000 EUA (from 158 000 000 to 178 000 000 EUA)

B) *Compensation*

Decrease the payment appropriation under item 6.3.1.0. 'Production aid' by 20 000 000 EUA (from 386 000 000 to 366 000 000 EUA)

C) *Revenue*

unchanged

COMMITMENTS

—

Schedule

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REMARKS

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JUSTIFICATION

Experience has shown that consumption aids are a more effective means of balancing the market in *olive oil* than production aids. It is necessary, therefore, as a first stage, to transfer 20 000 000 EUA from item 6.3.1.0. 'Production Aid' to item 6.3.1.2 'Consumption Aid'.

* * *

Proposed Modification No 584
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 6.5.1: Intervention storage of beef and veal
Item 6.5.1.4: Equalization of intervention standards
(*new*)

A) *Expenditure*

Create a new Item 6.5.1.4: 'Equalization of intervention standards'
Enter a payment appropriation of 150 000 EUA

B) *Compensation*

Reduce by 150 000 EUA the appropriation under 6.5.1.3 'Other public storage costs' (from 372 000 000 to 371 850 000 EUA)

C) *Revenue*

unchanged

COMMITMENTS

—

Schedule

—

REMARKS

Item to cover the cost of ensuring equalization of intervention standards for beef and veal in all Member States.

JUSTIFICATION

Equalization of the above standards is necessary throughout the Community.

* * *

Proposed Modification No 585
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 7.0.1: Intervention in respect of tobacco

Item 7.0.1.2: Reconversion premiums
(*new*)

A) *Expenditure*

*Create a new Item 7.0.1.2 'Reconversion premiums'
Enter a payment appropriation of 10 000 000 EUA*

B) *Compensation*

Reduce by 10 000 000 EUA the payment appropriation under Item 7.0.1.1 'Storage' (from 41 000 000 to 31 000 000 EUA)

C) *Revenue*

unchanged

COMMITMENTS

—
Schedule
—

JUSTIFICATION

The appropriations entered for tobacco (340 000 000 EUA) are out of all proportion to the importance of the sector, for example, approaching in certain years appropriations entered for wine. Storage appropriations have increased from 12 000 000 EUA in 1979 to 41 000 000 EUA for 1981, mainly as a result of varieties being produced for which there is no demand. Such increases in expenditure on storage cannot be justified in a sector for which the level of self-sufficiency is extremely low. Part of these appropriations should be transferred, therefore, to efforts to convert production to qualities demanded by the market or to encourage producers to leave the sector.

* * *

Draft amendment No 586
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Chapter 8.2: Measures to assist less-favoured areas

Article 8.2.8: Rural policy
(*new*)

A) *Expenditure*

Create a new Article 8.2.8: Rural policy
Enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

This budget entry is in respect of the introduction of a rural policy to strengthen the social and economic structure of rural areas in need of assistance.

JUSTIFICATION

There is need for the introduction of a Community rural policy in certain less-favoured areas, with the objectives of improving rural infrastructure and providing alternative employment, to strengthen the rural society and improve regional balance.

* * *

Proposed Modification No 587
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Item 6.8.2.2: Processing premiums

A) *Expenditure*

Reduce the payment appropriation by 40 000 000 EUA (from 485 000 000 EUA to 445 000 000 EUA)

B) *Compensation*

—

C) *Revenue*

Reduce revenue by 40 000 000 EUA

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Processing aids for tomatoes are currently paid at a higher level than necessary to achieve market stability.

* * *

Draft amendment No 588
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Article 8.7.1: Financial participation in inspection and surveillance operations in the maritime waters of Denmark and Ireland

A) *Expenditure*

Amend the heading of Article 8.7.1 to read: 'Financial participation in inspection and surveillance operations in the Community maritime zone'

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

It is likely that an agreement on a common fisheries policy will be achieved in the near future. There should be a budget line to improve the inspection and surveillance systems of all maritime Member States.

* * *

Draft amendment No 589
tabled by the European Democratic Group

Section III — Commission

PAYMENTS

Title 10: Other expenditure
Chapter 10.3: Global operational reserve for the energy sector
(*new*)

A) *Expenditure*

Create a new chapter entitled 'Global operational reserve for the energy sector'
Enter a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

Enter a commitment appropriation of 10 000 000 EUA

Schedule

The commitment appropriation authorized for 1981 is 10 000 000 EUA¹.
The likely schedule of payments against commitments is as follows:

(in EUA)

Commitment		Payment	
		1981	1982
Appropriations 1981	10 000 000	p.m.	10 000 000

REMARKS

Enter the following remarks:

'The appropriation in Chapter 10.3 is intended to cover the investment financing requirements arising in 1981 for the proper development of a common energy policy. It is, therefore, provisional and may only be utilized after being transferred to the budget lines concerned in accordance with the procedure laid down to this end in the Financial Regulation.'

JUSTIFICATION

Despite numerous declarations by the Heads of State or Government of the Community emphasising that the Community of the Nine must take concerted action in the energy sector, no real progress has been made in this area in recent years.

The European Democratic Group considers that the precarious nature of our energy supplies — in the long as well as in the short term — requires that declarations of intent should be immediately transformed into concrete action.

Pending the submission by the Commission of practical proposals for the implementation of these guidelines and the adoption by the Council of proposals already submitted — in some cases several years ago — the European Democratic Group proposes the creation of a global operational reserve to demonstrate its determination to foster the real development of a common energy policy.

The appropriation entered in this reserve may only be utilized after being transferred to the budget lines concerned; it will enable investment to be made in:

¹ See Art. 1 (3) of the Financial Regulation of 21 December 1977.

- the coal sector (gasification and liquefaction),
- the development of alternative energies,
- research into nuclear energy (security and safety, uranium prospecting),
- research into new technologies,
- the development of energy-saving measures.

* * *

Draft amendment No 590
tabled by Mr Bangemann, Mr Aigner, Mr Scott-Hopkins, Mr Spinelli, Mr Irmer, Mr Habsburg and Mr Pfennig

Section III — Commission

PAYMENTS

Item 2.0.0.0: Rent

A) *Expenditure*

Create a line in Chapter 100 (provisional appropriations) for Item 2.0.0.0 (rent) and enter 150 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 150 000 EUA

COMMITMENTS

—

Schedule

—

REMARKS

Add the following to the remarks:

'An appropriation of 150 000 EUA has been entered in Chapter 100 to enable the Commission to pursue its policy of decentralization of the information offices; in 1981 this decentralization will take place primarily in Germany. Before transferring the necessary funds, the Commission will inform Parliament of its plans'.

JUSTIFICATION

The Commission sees a need to decentralize its information offices in the Member States. The authors of this amendment are of the opinion that this policy which has been applied already in the UK should be continued in the first instance in the other large Member States of the Community.

* * *

Draft amendment No 591
 tabled by Mr Bangemann, Mr Aigner, Mr Scott-Hopkins, Mr Spinelli, Mr Habsburg and Mr Irmer

Section III — Commission

List of posts

Add the following to the list of posts:

The following posts are to be included:

1 A grade post in A 5/4

1 B grade post in B 5/4

1 C grade post in C 5/4

A) *Expenditure*

Increase expenditure by 47700 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 41400 EUA¹

COMMITMENTS

—

Schedule

—

REMARKS

These posts are frozen. They will be released when the Commission has informed Parliament of the creation of the office in Germany.

JUSTIFICATION

The personnel policy resulting from the attitude of the budgetary authority in the past 2 years has had disastrous effects on the decentralization of information. The policy which led to the creation of information offices in Cardiff, Edinburgh and Belfast had to be suspended through lack of posts. The purpose of this amendment is to enable the policy of decentralization to be continued initially in Germany.

* * *

Draft amendment No 592
 tabled by the Socialist Group

Section I — Parliament

PAYMENTS

Title 1.0: Other expenditure

Chapter 1.0.0: Provisional appropriations

A) *Expenditure*

Increase payment appropriations by 200000 EUA

¹ + 6300 EUA from taxation on remuneration.

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

Add the following remarks:

'This reserve also covers expenditure relating to pensions for survivors of members of the European Parliament (200 000 EUA), in the light of the decision of the Bureau of 29 April 1980.'

JUSTIFICATION

The need to implement the decision of the enlarged Bureau taken on 29 April 1980 without prejudice to any decisions which might be taken eventually establishing a Community statute for Members of the European Parliament.

* * *

Draft amendment No 593
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Article 3.3.6: Indirect and concerted action — Quality of life

A) *Expenditure*

Reduce expenditure by 7 000 000 EUA (from 14 133 000 to 7 333 000 EUA)

B) *Compensation*

Enter 7 000 000 EUA in Chapter 1.0.0 (Article 3.3.6)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Add.: 7 000 000 EUA is held in reserve for expenditure on this article

JUSTIFICATION

Concern has been expressed in the Committee on Budgetary Control about the effectiveness of Commission expenditure in this area. The entry of 7000000 EUA in Chapter 1.0.0 will enable Parliament to achieve proper control.

* * *

Proposed Modification No 594/PdM
tabled by Mr Pisani, Mrs Castle, Mr Wettig, Mr Gatto, Mr Woltjer, Mr Sutra and Mrs Cresson on behalf of the Socialist Group

Section III — Commission

PAYMENTS

Item 6210: Aid for skimmed-milk powder for use as feed for calves

A) *Expenditure*

Reduce the appropriation in item 6.2.1.0 by 50000000 EUA.

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The production of veal from reconstituted skimmed milk is expensive in both budgetary and energy terms. During the procedure the Commission must indicate what savings would be achieved by promoting the consumption of 'natural' milk by calves. The procedure could then result in a modification of present practices if the results of the study justify this.

* * *

Draft amendment No 595
tabled by Mr Glinne on behalf of the Socialist Group and Mr Klepsch on behalf of the Group of the European People's Party (CD Group)

Section I — Parliament

List of posts

Add the following new permanent post: 1 A/2

A) *Expenditure*

Increase the payment appropriations by 82100 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by 72000¹

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The entry of 24 Greek members into the European Parliament makes necessary a revision of the establishment plan in order to create a senior position of responsibility for a Greek Civil Servant.

* * *

Proposed Modification No 598/PdM
tabled by Mrs Castle, Mr Balfe, Mr Griffiths, Mr Collins and Mrs Buchan

Section III — Commission

PAYMENTS

Item 6.2.0.0: Refunds

A) *Expenditure*

Reduce appropriations by 567000000 EUA

B) *Compensation*

Transfer 567000000 EUA to Chapter 1.0.0 (new item 6.2.0.0)

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

¹ In addition a sum of 10100 EUA should be entered in respect of deductions from remunerations.

REMARKS

567 000 000 EUA is held in reserve in Chapter 1.0.0 which will be made available once the Commission can demonstrate that all possible savings have been made.

JUSTIFICATION

The Court of Auditors has discovered evidence of serious wastage of resources on these refunds. Reducing the amount on the line and placing the rest in reserve will enable Parliament to check that the Commission really is making adequate savings allowing expenditure to rise above the 1979 figure.

* * *

Draft amendment No 599

tabled by Mr Nyborg, Mr Ansquer, Mr Flanagan on behalf of the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Item 3.1.4.2: Research programme concerning new uses for agricultural products
(new)

A) *Expenditure*

Create a new item 3.1.4.2: 'Research programme concerning new uses for agricultural products' and insert 'token entry'

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

The Commission is requested to put forward a draft research programme with a view to discovering or developing new uses for agricultural products in industrial and energy sectors.

JUSTIFICATION

Europe has very few raw materials and is obliged to import almost all of its needs. This puts Europe in a highly dependent situation which is unsatisfactory both political and economically.

On the other hand, the Community has, thanks to its agriculture, a form of raw material which is almost inexhaustible. Therefore, instead of reducing our agricultural production in sectors where there is a surplus, would it not be wiser to develop new uses for agricultural products, particularly in industrial and energy sectors?

For this reason the Group of European Progressive Democrats is tabling a token amendment in order to prompt the Commission to put forward a research programme that will make it possible for progress to be achieved in this field. For, in the same way as a whole industry of derived products has developed from oil, it is quite certain that, besides their role as foodstuffs, agricultural products are able to serve as substitutes not only in the energy field but also in many sectors of technology.

* * *

Draft amendment No 600

tabled by Mr Ansquer, Mr Flanagan, Mr Davern and Mr Fanton on behalf of the Group of European Progressive Democrats

REVENUE

Chapter 1.0: Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the institutions of the Community in respect of trade with non-member countries under the common agricultural policy (Article 2 (a) of the Council Decision of 21 April 1970)

Article 1.0.5: Levy on butter imports from New Zealand
(*new*)

A) *Expenditure*

Create a new Article 105: 'Levy on butter imports from New Zealand'
Make a token entry

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

—

REMARKS

Enter the following remarks:

The Council will adopt appropriate regulations.

JUSTIFICATION

Massive imports of New Zealand butter by the United Kingdom at preferential prices are causing serious damage to Community milk producers. They have contributed in no small measure to the present surpluses. There is an urgent need to find an equitable solution to the surplus situation in the Community but this solution must be based on total respect for the principle of Community preference.

We are well aware of the difficulties which certain trade problems cause for New Zealand.

A value judgement of the success or failure of that country in the trade sector cannot be the basis for Community decisions.

In a recent report the Commission concluded that 'a protectionist reduction by other Community countries in the dairy sector would be a highly desirable development in the joint interests of the EEC and of New Zealand'. Our efforts should therefore be concentrated on that aim.

Furthermore, Community producers are suffering from the lack of a policy for fat products which is leading to serious infringements of Community preference and has largely contributed to the high butter stocks in the EEC.

It is therefore regrettable that the Commission and Council have been unable to propose and implement a genuine policy for fat products, including in particular a limitation on imports and an import levy.

Draft amendment No 601
tabled by Mr Piquet, Mr Damette, Mrs de March, Mrs Poirier and Mr Martin

Section III — Commission

PAYMENTS

Article 500: Specific Community measures

A) *Expenditure*

Delete Article 560 and the corresponding payment appropriation

B) *Compensation*

—

C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

Article 560 of the budget includes the non-quota appropriations of the Regional Fund and constitutes a serious infringement of national sovereignty and a way of speeding up the disastrous decline of whole regions by granting them limited funds as a stop-gap measure. The regions of southern France would be seriously affected by the accession of Spain to the EEC. The Commission in Brussels views enlargement as a definite fact and recognizes its consequences as reflected in a report published by it; but it has taken the initiative of sealing the fate of whole regions which it considers must be dependent on rural tourism only. But these regions wish to continue to exist normally and do not wish to sacrifice their assets, their production structures and their human resources. They propose to safeguard their resources at national level.

* * *

Draft amendment No 602
tabled by Mr Maffre-Bauge, Mr Martin, Mrs de March, Mrs Poirier, Mr Fernandez and Mr Piquet

Section III — Commission

PAYMENTS

Item 8.2.3.0: Restructuring and conversion of vineyards in Languedoc-Roussillon and certain other French regions

A) *Expenditure*

Replace the heading 'Restructuring and conversion of vineyards in Languedoc-Roussillon and certain other French regions' by the following text:

'Improvement of vineyards and of the quality of wine production'

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

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Schedule

—

REMARKS

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JUSTIFICATION

The purpose of the restructuring and conversion operations is to prepare for the enlargement of the European Community by grubbing up vines and forcing many wine growers to leave the land. Instead of encouraging grubbing-up programmes and illusory conversion, it would be better to improve the earnings of wine growers and the quality of wine production.

* * *

Proposed Modification No 603
tabled by Mrs le Roux, Mr Pranchere, Mrs Poirier, Mr Ansart and Mr Denis

Section III — Commission

PAYMENTS

Item 6280: Co-responsibility levy

A) *Expenditure*

Delete Item 6280 and the negative expenditure of 334 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

Schedule

—

REMARKS

—

JUSTIFICATION

The co-responsibility levy is in effect no more than a tax designed to apply pressure on the price of milk and discourage small producers. Moreover, the proceeds of this levy are used to subsidize, directly or indirectly, agro-alimentary companies.

* * *

Draft amendment No 604
tabled by Mrs le Roux, Mr Ansart, Mrs de March, Mr Martin and Mrs Poirier

Section III — Commission

PAYMENTS

Article 8.6.0: Common measures to improve the structures of the inshore fishing industry

A) *Expenditure*

Reduce the payment appropriation by 3 000 000 EUA

B) *Compensation*

Increase by 3 000 000 EUA the payment appropriation in Article 8.8.0

C) *Revenue*

unchanged

COMMITMENTS

Reduce the commitment appropriation by 15 000 000 EUA

Amend the schedule as follows:

Schedule

The commitment appropriation authorized for 1981 is 10 million EUA.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments				
		1980	1981	1982	1983	1984 and subs. years
Commitments entered into before 1980 to be covered by new appropriations for payment						
Appropriation outstanding from 1979						
Appropriation for 1980	15 000 000	5 000 000	5 000 000	5 000 000		
Appropriation for 1981	10 000 000		2 000 000	2 000 000	3 000 000	3 000 000
Total	25 000 000	5 000 000	7 000 000	7 000 000	3 000 000	3 000 000

REMARKS

—

JUSTIFICATION

The appropriations allocated to the fisheries sector must not contribute to the destruction of important fishing activities but should on the contrary permit an increase in fish prices to improve the earnings of fishermen and give them the resources necessary for development and modernization.

Draft amendment No 605
tabled by Mrs de March, Mrs Poirier, Mr Piquet, Mr Denis and Mr Baillot

Section III — Commission

PAYMENTS

Item 9.6.0.1: Aid to prepare for accession

A) *Expenditure*

Delete Item 9.6.0.1 and the payment appropriation of 30 000 000 EUA

B) *Compensation*

—

C) *Revenue*

—

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

The accession of Spain and Portugal will have serious consequences for industry and agriculture both in France and in the applicant countries. It will serve as a pretext for new infringements of national independence, particularly through the abandonment of the unanimity rule.

The Council decision of 20 October to allocate 30 million EUA for the accession of Portugal to the EEC confirms the desire of all the governments without exception to prepare actively for enlargement.

* * *

Proposed Modification No 606/PdM
tabled by Mr Maffre-Bauge, Mr Pranchere, Mrs Poirier, Mr Denis and Mr Fernandez

Section III — Commission

PAYMENTS

Item 6.2.1.0: Aid for skimmed-milk powder for use as feed for calves

A) *Expenditure*

Reduce the payment appropriation by 50 000 000 EUA

B) *Compensation*

Increase by 50 000 000 EUA the payment appropriation against Item 6.5.2.3

C) *Revenue*

—

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

The factory farming of calves reared on milk powder costs the EAGGF a great deal of money and does not satisfy the consumer. Aid should be given for the rearing of calves fed by nurse cows through an increase in the premiums for nurse cows and an extension of these premiums to mixed herds.

* * *

Draft amendment No 607
tabled by Mrs Poirier, Mr Denis, Mr Verges, Mr Gremetz and Mrs le Roux

Section III — Commission

PAYMENTS

Item 2.7.2.2: Current affairs films for developing countries

A) *Expenditure*

Delete this item and the corresponding payment appropriation

B) *Compensation*

Increase by 692000 EUA the payment appropriation against Item 9.2.1.1 (skimmed-milk powder programme for the year)

C) *Revenue*

—

COMMITMENTS

—

Schedule

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REMARKS

—

JUSTIFICATION

The developing countries need more by way of food aid from the EEC than a 'weekly magazine of current affairs on film'.

* * *

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Draft amendment No 608
 tabled by Mr Battersby, Mr Kirk, Mr Clinton, Mr Newton Dunn, Mr Provan and Mr Harris

Section III — Commission

PAYMENTS

Article 8.7.0: Immediate measures to adjust capacity

A) *Expenditure*

Enter a payment appropriation of 10 000 000 EUA under Article 8.7.0

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

JUSTIFICATION

The Council, at its meeting of 30 May 1980, agreed to adopt a Common Fisheries Policy before 31 December 1980. It is essential that structural measures are provided for in 1981 so as to allow fishermen to adjust to the new conditions facing the fishing industry, and in particular:

- (a) to allow fishermen and the processing industries to adjust to the new catch potential in Community and third country waters; and
- (b) to provide for the redeployment of part of the Community's high seas fleet into exploratory fishing both in Community and in third country waters and joint ventures with third countries.

20 000 000 EUA had been proposed by the Commission but were replaced with a token entry by the Council. 10 000 000 EUA should be entered to provide for structural measures in 1981.

* * *

Draft amendment No 609
 tabled by Mr Lange and Mr Ansquer on behalf of the Committee on Budgets, and Mr Aigner, chairman of the Committee on Budgetary Control

Section I — Parliament

Establishment plan

Conversion of post of Head of Division in the Committee on Budgets and Committee on Budgetary Control from A3 to A2.

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

—

JUSTIFICATION

In its resolutions of 18 June, 27 October and 14 December 1976 and 15 March and 10 May 1979 on a proposal from the Committee on Budgets, Parliament called for the creation of a Budgets *Directorate* with secretarial functions to:

- (a) ensure the necessary coordination between the authorization, implementation and control of expenditure and the consultation procedure for legal acts having financial implications;
- (b) take account, quantitatively and qualitatively of the volume and scope of budgetary expenditure;
- (c) provide the services needed for the implementation of Parliament's budgetary powers under the best possible conditions.

The Bureau itself has acknowledged the need for a flexible administrative instrument in the budgetary sector.

The work done by the officials of this department, especially the person who has been Head of Division for many years, provides adequate justification for the conversion of the A3 post into an A2 post and no decisions involving additional expenditure are required.

The conversion of this post represents a first step towards the creation of a homogeneous Budgets Directorate. Experience of the 1980 and 1981 budget deliberations is sufficient to justify this decision which has been called for by Parliament on several occasions in the past.

* * *

Draft amendment No 610
tabled by Mr Ansquer, rapporteur, on behalf of the Committee on Budgets

Section I — Parliament

List of posts

Add the following to the list of posts set aside for secondments to the political groups:

5 A 6

1 B 1

1 B 4

5 C 2

Total 12 posts

Modify the list as follows:

1 A 4 to A 6

1 LA 4 to LA 3

1 LA 6 to B 2

A) *Expenditure*

unchanged

B) *Compensation*

—

C) *Revenue*

unchanged

COMMITMENTS

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Schedule

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REMARKS

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JUSTIFICATION

Following a recent enlargement of the political group secretariats and as a result of recent open competitions and recruitments it is necessary to update the list of posts set aside for secondments to the political groups. It will be recalled that this list was created to avoid blocking posts permanently as a result of secondments to the political groups. There are at present 41 posts on this list.

By letter of 27 October 1980 Mr Glinne, acting on behalf of the chairmen of the political groups, requested the rapporteur to table an amendment updating the list of posts as shown in the above amendment.

* * *

