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from 26 to 30 March 1984

Europe House, Strasbourg

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

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SITTING OF MONDAY, 26 MARCH 1984

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IN THE CHAIR : MR DANKERT

President

(The sitting opened at 5 p.m.)

1. *Resumption of the session*

President. — I declare resumed the session of the European Parliament which was adjourned on 16 March 1984.¹

2. *Agenda*

President. — At its meetings on 15 February 1984 and 14 March 1984, the enlarged Bureau drew up the draft agenda which has been distributed.

¹ *Approval of Minutes — Petitions — Application of Rule 116 of the Procedure: see Minutes.*

At this morning's meeting the chairmen of the political groups authorized me to propose a number of changes.

As regards *Tuesday*:

As you will remember, a debate was originally planned with the President-in-Office of the Council and the Commission President on the outcome of the European Council in Brussels. Since the Council will be followed by the meeting of Agriculture Ministers and, secondarily, by the General Council which will be held tomorrow, the group chairmen propose that we hold the debate on the European Council on Wednesday and thus amend the agenda for Tuesday accordingly. On Tuesday, then, from 9 to 1 p.m. and from 3 to 6 p.m. the agenda will read as follows:

— *Joint debate*:

- Herman report on economic recovery
- Delorozoy report on economic prospects
- Von Bismarck report on convergence
- Moreau report on the NCI

President— *Joint debate*

- Bonaccini report on the automobile industry¹
- Pininfarina oral question on the same subject
- Leonardi report on telecommunications
- Nordmann report on the textile industry
- Theobald-Paoli report on the shipbuilding industry²
- Franz report on the machine-tool industry

at 6 p.m. :

- Vote on the Price report on the Rules of Procedure
- Vote on motions for resolutions on which the debate has closed.

Mr Newton Dunn (ED). — Mr President, you have not mentioned Question Time in the addendum to our agenda, as it stands, it is suggested that Question Time be held on Tuesday afternoon.

President. — Indeed, I have not mentioned Question Time because the proposal is to delete Question-time in order to create sufficient time for the economic debates. Question Time would then be taken at the normal part-session in April.

Sir Henry Plumb (ED). — Mr President, following Mr Newton Dunn's comment, my group discussed this matter this afternoon. We are obviously very concerned at this proposal to cut Question Time but could I ask, on this occasion, recognizing the reason for cutting Question Time, that where a submission is made to the Commission or to the Council for an answer to be given in writing, those answers be given in writing? That would apply only where that submission is made and not necessarily to every question that is raised.

President. — May I propose that as the presence of Council can only be guaranteed on Wednesday because of the General Affairs Council on Tuesday, we discuss the question of Question Time on Wednesday and not on Tuesday. I am fully prepared to put it to the vote after all the arguments are weighed, but I think we should rule out Tuesday.

As regards *Wednesday* :

9 a.m.

- continuation of Tuesday's agenda.
- Warner report on financial instability

¹ The oral question by Mr Damette on the automobile sector is included in the debate.

² The oral question by Mrs de March on the shipbuilding industry is included in the debate.

11.30 :

— *Joint debate* :

- Commission statement on the agricultural prices for 1984 and on the European Council
- Oral question by Mr Croux on the solemn declaration adopted in Stuttgart
- Oral question by Mrs Boserup on the same subject
- Motion for a resolution by Sir Henry Plumb on the appointment of the President of the Commission
- Council Statement on the European Council
- continuation of the joint debate.

It is not at all certain for the moment that the Council can be present at 11.30. The Council statement should be made around 3 p.m., but the Commission may make its statement at 11.30 and so begin the debate which will replace Question Time, which the group chairmen propose be cancelled.

Mr Newton Dunn has made some remarks on that subject. Does he propose to maintain Question Time on Wednesday?

Mr Newton Dunn (ED). — Yes, Mr President, I do propose that. We are coming up to an election campaign in June; we will have only two more plenary sessions after this; there are a lot of questions in the pipeline; we will have acute congestion and we will not get the answers we need. I maintain, and I propose formally, that we should have a Question Time on Wednesday.

Mr Barbi (PPE). — *(IT)* Mr President, I am against Mr Newton Dunn's proposal because I believe that, on the eve of elections, it is much more important for this Parliament to debate the results of the European Council rather than questions of minor importance to which written replies can be given or which can be deferred to the next part-session, as proposed by the chairman of the European Democratic Group.

Lord Douro (ED). — Mr President, I understand that the President-in-Office of the Council has said he could only be available until 5.30 p.m. If that is the case, then Mr Barbi's point is not entirely relevant. I am asking that as a point of order which I think is legitimate.

President. — That is correct. Lord Douro, situations change, Presidents of Council change — in their timing, I would say. We can undoubtedly start the debate with the President-in-Office of the Council at 3 p.m., but there is no agreement yet. That is no problem, however.

Mrs Hammerich (CDI). — *(DA)* Mr President, it is about the oral question with debate which Mrs Boserup, myself and others have tabled and which should be dealt with together at 11.30 a.m. during this

Hammerich

debate. But now our question is to the Council because it is about the practical consequences of the Stuttgart Declaration. In fact only a competent Member of the Council can answer it. It does not really make any sense if he does not hear it, if he does not answer so that we can draw our conclusions. Unless the President-in-Office of the Council or another competent official of the Council is in attendance at that time, it does not serve much purpose for us. In that case we would rather wait for another time when the President-in-Office of the Council can actually be here, for no-one from the Commission can answer it.

President. — I think the remark is justified but, as I have already indicated, Council will in any case be starting at 3 p.m. and Council is always represented by its numerous services. So all the remarks made will be noted and Council will reply to the questions you pose — they are known by the way. So, I would say that is not a real problem because you will get your answer from the Council and from nobody else — the Commission cannot reply.

Mrs Hammerich (CDI). — (DA) There is in fact a slight problem. According to Rule 42 in the Rules of Procedure we have 10 minutes to explain a question, then the competent official from the Council answers, then there is a debate during which each Member has 5 minutes, then the questioner has 5 minutes to present comments. I cannot really see how that procedure can be applied if the President-in-Office of the Council is not actually present.

President. — No, it is not 10, Mrs Hammerich, it is 5. But even with 5 minutes I think you have the possibility of commenting on the Council statements. That is one of the reasons why we are proposing to eliminate Question Time on Wednesday, otherwise it would be rather complicated to give a full reply to the Council's statements during the debate. But it is one of the proposals we have to vote on and the decision lies with the Assembly, not with me.

Mr De Goede (NI). — (NL) Mr President, you will agree that it is very unsatisfactory to begin the debate on the European Council meeting at 11.30 a.m. on Wednesday when it is uncertain whether the President-in-office of the Council or the Council's representative can attend. On the other hand, I heard you say that, if it is decided to have a Question Time, it would be best if it started at 5.30 p.m. I assume you were referring to the Question Time when questions will be put to the Commission. If Parliament decides to have this Question Time, would it not be better to hold it from 11.30 a.m. to 1.30 p.m. on Wednesday and not to begin the debate on the European Council meeting until 3 p.m. to enable the Commission and the President of the Council to make their statements at the same time and to give the debate more structure? I consider it unsatisfactory to start the debate

without the President-in-Office of the Council present. It was after all a meeting of the European Council.

President. — Mr De Goede, the problem is a simple one. I must leave it up to the Council to decide what its own priorities are. At the same time it is essential for Parliament to ensure that it has sufficient time to discuss so important a matter as the European Council in Brussels and the following agricultural council and general affairs council this week. If the Council is willing to allow the Commission President and the Commissioner in charge of agriculture to speak first in the debate, I have no objections since in any case the Council President himself will be speaking. The only problem is at what time. At the moment that time is set for 3 p.m. on Wednesday afternoon. I do not see any great problems there.

(Parliament adopted the proposal to delete Question Time from the agenda for the part-session)

Mr Newton Dunn (ED). — I am sorry to waste your time, but this is not really a waste of time. Is there an understanding that as we have suppressed Question Time those who request them will receive written answers

President. — Yes, I am certainly perfectly willing to ask the Council to give written answers to all those questions they think can be answered in writing.

As regards *Thursday*:

10 a.m. to 1 p.m., 3 p.m. to 8 p.m. and 9 p.m. to midnight:

- possibly, continuation of the economic debate,
- Haagerup report on Northern Ireland,
- Kazazis report on the Mediterranean programmes.¹
- *Joint debate:*
 - Petersen report on equal treatment for men and women,
 - Maij-Weggen report on equal treatment for widows and widowers,
 - Roberts report on parental leave.
- *Joint debate:*
 - Boyes report on unemployment,²
 - Salisch report on the creation of jobs locally,
 - Chanterie report on the ESF guidelines for 1985-1987,
 - Lentz-Cornette report on nuclear installations,
 - Pedini report on the JRC,
 - Rogers report on natural gas,
 - Calvez report on European investors.

¹ Oral question by Mr Pöttering on the Regional Fund included in the debate.

² Oral question by Mr Beumer on poverty included in the debate.

President— *Joint debate:*

- Hutton report on broadcast communication,¹
- Arfe report on European television,
- Filippi report on the Multifibre Arrangement,
- Stewart-Clark report on the newly industrialized countries,
- Moreau report on the rules of origin,
- Gabert report on transport,
- Gabert report on transalpine railway links,
- Ripa di Meana report on air transport,
- Moorhouse report on airport charges,
- Klinkenborg report on transport problems in Greece,
- Peters report on the armed forces.

4.30 p.m.:

Vote on motions for resolutions on which the debate has closed.

Mr Seefeld (S), chairman of the Committee on Budgets. — (DE) Mr President, it transpires that there are still a number of technical difficulties in respect of the report by Mr Ripa de Meana on air transport safety. I would be grateful if you could remove it and perhaps include it in the April agenda.

(Parliament decided to defer the report)

Mr Haagerup (L). — Mr President, when it was announced that the report on Northern Ireland was to be taken on Thursday morning Members were informed that the deadline for tabling amendments was Thursday. I understand now that it has been agreed to fix the time limit at 8 p.m. tonight. Would you confirm that please

President. — I will confirm that at the end, Mr Haagerup, but you are right.

(The President read out the changes to Friday's agenda² — Parliament adopted the draft agenda thus amended³)

3. Votes⁴**Sherlock Report (Doc. 1-1127/83 — Protection of workers)⁴**

President. — I would remind you that we have interrupted our vote to listen to the Commission's comments on the amendments voted by Parliament. I shall first call Mr Narjes.

¹ Oral question by Sir Fred Warner on CB radio included in the debate

² See Minutes.

³ Deadline for tabling amendments — Speaking time: see Minutes.

⁴ Annex.

⁵ See Debates of 19 and 20 January 1984.

Mr Narjes, Member of the Commission. — (DE) I am pleased to be able to make a more detailed statement to this House today than was possible at the end of the vote on the amendments in the January part-session. At that time the Commission representative was unable to give a blanket assent to all 19 draft amendments. Since Rule 36 of the Rules of Procedure provides time for nature reflection and reaction, the Commission has used that time and decided in the end to amend its proposal quite radically in order to respond to most of Parliament's concerns.

Specifically that means that I have to go into more detail on the questions of hearing protectors, cooperation, the intervention threshold, limit values for noise, and noise reduction. The Commission will include an additional paragraph in the preamble to emphasize that the use of hearing protectors is complementary to the various other measures. Cooperation between the two sides of industry is extremely important, as will be emphasized by the incorporation of an article to that effect in the initial part of the text. The Commission accepts a step-by-step procedure for both the introduction and the implementation of the measures.

Unlike the limit values in respect of taking protective measures in earlier directives, this directive also provides for and sets an intervention threshold for the supply of information, the demarcation of noise areas and compulsory health surveillance, including audiometric examinations. That is made clear in the text. It will make it possible to set the limit value of noise exposure higher during the initial phase of implementation. The two values the Commission would like to propose are 85 dB for the intervention threshold and 90 dB for the noise limit value. When it approved the directives on lead and on asbestos, the Council announced that it intended to review the various values after a certain period. That is why the new text will contain a paragraph based on a part of Article 6 of the directive on lead, which will read more or less as follows: 'Not later than five years after the introduction of this directive, on a proposal from the Commission and taking into account the major advances in science and technology and the experience gained from the implementation of this directive, the Council shall review the values referred to in Articles 4, 8 and 9 with a view to reducing noise at the workplace and fixing a maximum daily noise exposure level of 85 dB.'

I am sure you will have taken note of the phrase 'taking into account the major advances in science and technology and the experience gained from the implementation of this directive'. Without prejudice to the objectives of the directive, this phrase makes it clear that account will be taken of the design and manufacture of new plant and apparatus. It takes account of your interest in reducing the noise emission from tools, machinery and plant, and will be included in the relevant article.

Narjes

In conclusion may I point out that these changes are entirely consistent with the framework directive and that the proposal now takes definite account of Parliament's activities.

President. — Mr Sherlock, do you want to sack the Commission or can we proceed to the vote?

Mr Sherlock (ED), rapporteur. — Yes, Mr President, I would like to proceed to the vote. But I should just like to clarify with you one or two procedural matters which might be better mentioned at this time.

I suggest that we might immediately vote — as I withdrew the final vote under Rule 36 (2) — on the amended proposals by the Commission. As Commissioner Narjes has so graciously pointed out, we now have, I am sure, consonance between the view of the Commission and that of this House.

I would suggest that after that we proceed to the vote on the motion for a resolution. There are three amendments — 51, 39 and 40 — which I can mention as I go.

President. — We have already voted on the proposals by the Commission. We cannot repeat that vote so the only vote we still have to take is the vote on the motion for a resolution. There is no alternative.

Mr Sherlock (ED), rapporteur. — If you are happy with that procedure, Mr President, so am I.

President. — There is no other.

(Loud laughter)

Mr Sherlock (ED), rapporteur. — I shall mention amendments 51, 39 and 40 as we come to them, but in my opinion they fall as a result of what we have agreed. I do know that there are one or two who wish to make explanations of vote and I would suggest that those then could be taken immediately before the final vote on the motion for a resolution, as the rules provide.

President. — I will watch your hand during the voting to see how we should proceed.

4. Welcome

President. — Ladies and gentlemen, it is my honour and my pleasure to greet in the Official Gallery the Delegation of the Canadian Parliament led by Mrs Aideen Nicholson.

(Loud applause)

I think we should extend a very cordial welcome to our Canadian friends and wish them very fruitful discussions with their counterparts here. I think that Canada — not alone on baby seals, I would think that is a minor issue — is of great importance for relations between the Community and its external partners. We

as Europeans and the European Parliament have maintained long and good contacts with our Canadian friends. It is the twelfth encounter we will have together. The European Parliament is very proud to have you here this time, and again I welcome very much the presence of your delegation. I wish you a fruitful visit to Strasbourg and very good discussions with your counterparts here.

(Applause)

5. French nationalizations

President. — The next item is the report (Doc. 1-1338/83), by Mr Delorozoy, drawn up on behalf of the Committee on Economic and Monetary Affairs, on the French nationalizations.

Mr Delorozoy (L), rapporteur. — *(FR)* Mr President, Parliament's agenda has included a number of oral questions to the Commission and Council on the compatibility of the nationalization of undertakings with Community rules and various articles of the Treaties.

It will be useful to reiterate the position adopted on this question by the Community authorities. They pointed out that Articles 222 of EEC Treaty, 83 of the ECSC Treaty and 91 of the EAEC Treaty lay down the principle of neutrality as regards the system of property ownership. I thought it necessary to stress this to prevent this debate being side-tracked into a consideration of the problem in political terms, which was never the intention. The matter which should concern us is whether or not nationalized undertakings respect the rules of competition. In this connection, the Commission not only can but must ensure that the activities of the State in relation to nationalized sectors or nationalized sectors on the market do not lead to distortion of competition. It must react to development. The Commission stressed the difficulty of analysing the activities of the various undertakings in the nationalized sectors and of providing us with information which is as complete as possible. This is what we shall shortly be asking it to do. The Commission for its part fully acknowledges its responsibility in this respect and is quite prepared to accept it.

The report sets out the position with regard to nationalization in the various Member States and how far it has advanced sector by sector of the economy; it also draws a comparison between the impact of public sectors on the national economies. The motion tabled by Mr Cousté, which led to his report being prepared, raised questions relating primarily to the French public sector and we have accordingly examined it in particular detail. Indeed it is the French public sector that has the greatest impact on the national economy with a share of over 22%; how this compares with other countries is shown in the report.

Delorozoy

The information and figures given, either globally or by sector, are all taken from official documents published by the government or bodies such as statistical offices, or from annexes to budget documents and finance laws.

Briefly, there are 183 undertakings in France in which the State directly holds all or a majority of the capital; however, if we count the associate companies and subsidiaries, the total of undertakings over which there is power of control in terms of economic law rises to 2 770. These figures do not include undertakings belonging to local authorities, which number a little over 1 000. In overall terms, public undertakings in the French economy account for 11% of the working population, 17% of the gross domestic product and 36% of national investment.

The 1982 public report by the Court of Auditors shows a figure of 2 552 000 employees in France's public undertakings, almost 800 000 of these in the industrial sector alone. According to the AFB, in the banking sector strictly defined as such the nationalized banks constitute a public sector share of over 90% of short-term liquid investments and deposits, and 84.7% of loans to business and private customers. Public sector employees currently constitute nearly 90% of the total number of employees of the 132 registered banks.

The report goes on to explain how the State as banker has become the essential source of finance for the State as industrialist. It cites examples of State interference in the normal mechanisms of finance and in the mechanisms of international competition.

In France, nationalization has effectively changed the industrial structures and the conditions governing the way in which undertakings are financed. Let me remind you that the public sector employs over 22% of workers in industry, and accounts for 30% of added value and 32% of exports. And what about the rules on competition in relation to the private sector — are they being observed? That is precisely the question. The broad lines of the Government's policy are translated into the strategy of the nationalized undertakings by means of planning agreements. A document issued on 1 September 1983 by the Minister of Industry and Research elucidates the guidelines, priorities and aims of the Government's industrial policy. The objectives for each group have been defined and described in detail, as well as the distribution of roles among the nationalized undertakings. For the three years from 1983 to 1985, total planned investments amount to approximately FF 100 000 million.

It is interesting to note that the planning agreement with Sacilor, for example, provides that its recovery plan, which aims at a return to break-even by about 1986, will essentially be financed with assistance from the State, in most cases on preferential and special terms.

The Commission has, with reason, been consistent in its criticism of the expansion of the public sector, accompanied *de facto* by increasing State influence on market activities. This must now be reflected in more practical studies and should not be restricted, where the Commission is concerned, to merely superficial and philosophical evaluations. The results of such studies should be submitted to the Council and to Parliament.

In 1982, 233 applications for State aid were submitted to the Commission as against 141 in 1981. It would be interesting to know how many of these applications related to the nationalized sector of the various Community countries and particularly France, where the deficit of the nationalized undertakings rose from FF 2 200 million in 1980 to FF 36 000 million in 1982.

Neither the European Parliament nor its Committee on Economic and Monetary Affairs have any investigative powers — that is quite clear — and cannot act in place of the Commission in carrying out inquiries which might uncover irregularities.

However, the facts set out in this report clearly demonstrate that potential obstacles to competition actually do exist. The evidence presented is overwhelming and irrefutable, being drawn from official documents and statements. These grave misgivings are sufficient to justify the request that the Commission draw up a report before giving its final judgment on serious irregularities which should perhaps then be penalized.

(Applause from the right)

IN THE CHAIR : MR ESTGEN

Vice-President

Mr G. Fuchs (S). — *(FR)* Point of order, Mr President. I believe that if Mr Delorozoy had the least vestige of intellectual integrity he would be forced to admit, when he compares deficit figures, that this is not the same public sector we are talking about as there has in the meantime been some extension of it. I believe it is important for Members of this Parliament to be fully in the picture respecting such details ...

President. — Mr Fuchs, you may intervene in the debate, but this is not a point of order.

Mr Delorozoy (L), rapporteur. — *(FR)* Mr President, I am sorry but as rapporteur I cannot remain silent.

I will not tolerate being accused of a lack of intellectual honesty, Mr Fuchs. Everything in the report can be found in documents that are readily available to you in France.

Mr Papantoniou (S). — (GR) Mr President, the positive role of public-sector enterprises in an economy has been confirmed many times in relation to increasing productivity, employment and exports. The French car manufacturer Renault is a classic success story. Especially today, when Europe is passing through a period of economic crisis associated with reduced investment in the private sector, we must look for other ways to reinforce our competitive position on the international markets.

In his report Mr Delorozoy on the one hand acknowledges the positive role that public-sector investment can play in modernization, development, and in the improvement of international competitiveness. On the other hand, however, he proposes that the Commission should prepare a report to examine to what extent nationalized industries adhere to the rules of competition, as if there were some particular problem about obedience to these rules by nationalized industries.

Mr President, the dangers of illegitimate competition apply just as much to private as to public companies. Thus, we should remain constantly alert to the possibility of abuses, and the rules of competition should be applied rigorously. However, there is no reason for any *a priori* suspicions concerning the behaviour of nationalized industries. The Socialist Group rejects such prejudice, believing on the contrary that the Community's institutions should deal equally and impartially — a thing which the rapporteur himself mentioned in any case — with both private and public enterprises, especially since, as Mr Delorozoy mentioned, the Treaty of Rome does not affect the sovereign right of Member States to define proprietary relationships and does not assume any position in favour of one or other system of ownership.

We believe that the Delorozoy report shows a degree of mistrust, of prejudice, and I would say antagonism towards nationalized industries, and we believe that such attitudes are inconsistent with the equal treatment and impartiality enjoined by the Treaty of Rome. For this reason the Socialist Group will vote against the Delorozoy report.

Mr von Wogau (PPE). — (DE) Mr President, honourable Members, the Christian Democratic Group will support Mr Delorozoy's report because it regards it as a well-balanced approach to the French nationalizations. In particular, we will support those paragraphs of the report which call upon the Commission to restore the transparency that was lost a long time ago.

Regardless of what Mr Papantoniou and the Treaties of Rome say on this question of nationalization, we nationalization, be allowed to put certain questions: are the economic policy accents correctly placed in an economic policy which nationalizes the banks but makes all the citizens of the Community pay for what

are in part private motorways; it is compatible with the Community's rules of competition for the State to subsidize its own undertakings out of the pockets of the taxpayers; does this not mean that small and medium-sized undertakings are being squeezed out of the competition and bought up with tax revenue which they themselves originally had to provide as taxpayers? That is why the Commission should exercise its right more energetically than before — for meanwhile the European Court of Justice has confirmed that it has this right — to clarify the scale of State aids obtained by public undertakings.

We must examine with particular interest the call for an analysis of the consequences of the nationalization of the banks on the economic life of the Community. As a European Parliament we must investigate whether this is not creating new instruments of protectionism within the Community, for instance by the grant of loans being made contingent on certain intermediate products being bought only by national firms.

We also endorse the Delorozoy report because we are fully convinced that our economy, our workers, the consumers and citizens of our country, are better served if entrepreneurial decisions are taken by businessmen and not by governments, on the basis of rational rules.

(Applause)

Mr Welsh (ED). — Mr President, European Democrats do not regard it as any part of their mandate to lecture a particular Member State as to how it should run its internal economy. The decisions that the French Government takes with respect to France are certainly no business of ours, and we would not wish to interfere with what they do.

It does, however, in a sense become our business — because we are all part of the same Community — when such measures impinge on the Treaty of Rome and the rules of competition. A mixed economy is implicit in the Treaty of Rome, and if at any time nationalization measures in any Member State reached a point where they interfered with the interplay of free market forces, then, of course, a difficult situation would arise.

The Delorozoy report makes it quite clear that, as far as France is concerned, the case is not proven, but it calls, correctly, for the Commission to be vigilant in monitoring the progress of the nationalized French companies, particularly in the banking sector, to be sure that it does not, in fact, interfere with the free play of competition. Parliament should be vigilant, like the Commission, in making sure that the basic rules are adhered to.

In my own country we have tried both nostrums. We have tried nationalization and we are now in the middle of a programme of privatization — both very