

Annex

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## Debates of the European Parliament

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1975—1976 Session  
Report of Proceedings  
of 10 to 14 May 1976  
Europe House, Strasbourg

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## IN THE CHAIR : MR SPENALE

*President*

*(The sitting was opened at 5.05 p.m.)*

**President.** — The sitting is open.

1. *Resumption of the session*

**President.** — I declare resumed the session of the European Parliament adjourned on 9 April 1976.

2. *Statement by the President concerning the earthquake in Italy*

**President.** — Following the catastrophe which has so cruelly struck Italy, and particularly the Friuli region, I have sent a telegram to the Italian authorities expressing the European Parliament's grief and sympathy.

The chairmen of the political groups have told me that they will be tabling a motion for a resolution on Wednesday on the earthquake which has struck this region.

**President**

I am certain that the Commission will be taking action soon to make a Community contribution to help the victims of this earthquake.

To pay tribute to these victims, I invite you to observe one minute's silence.

*(Parliament stood to observe one minute's silence)*

**3. Resignation of a Member**

**President.** — By letter of 4 May 1976, Mr Nicolas Guy Barnett informed me that he was resigning as a United Kingdom representative to the European Parliament on being made a member of the British Government. On behalf of the Assembly I wish him every success in his new duties.

*(Applause)*

**4. Documents received**

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

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

- the draft resolution on the continuation and implementation of a European Community policy and action programme on the environment (Doc. 51/76).

This document has been referred to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible and to the Committee on Budgets, the Committee on Energy and Research, the Committee on Agriculture and the Committee on Economic and Monetary Affairs for their opinions;

- the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs for sale to the ultimate consumer (Doc. 52/76).

This document has been referred to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible and to the Committee on Economic and Monetary Affairs and the Legal Affairs Committee for their opinions;

- the proposal for the transfer of appropriations between chapters in Section III — Commission — of the General Budget of the European Communities for the financial year 1976 (Doc. 57/76).

This document has been referred to the Committee on Budgets;

- the proposal from the Commission of the European Communities to the Council for a direc-

tive concerning indirect taxes on transactions in securities (Doc. 62/76).

This document has been referred to the Committee on Economic and Monetary Affairs;

- the proposal from the Commission of the European Communities to the Council for a directive concerning mutual assistance by the competent authorities of Member States in the field of direct taxation (Doc. 67/76).

This document has been referred to the Committee on Economic and Monetary Affairs;

- the proposal from the Commission of the European Communities to the Council for a directive on the harmonization of the legal and administrative regulations of the Member States on the provision of safety information at the workplace (Doc. 68/76).

This document has been referred to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible and to the Committee on Social Affairs, Employment and Education for its opinion;

- the proposals from the Commission of the European Communities to the Council for

I. a regulation on the opening, allocation and administration of a Community tariff quota for apricot pulp, falling within subheading ex 20.06 B II c) 1 aa) of the Common Customs Tariff, originating in Morocco (1976)

II. a regulation on the opening, allocation and administration of a Community tariff quota for apricot pulp, falling within subheading ex 20.06 B II c) 1 aa) of the Common Customs Tariff, originating in Tunisia (1976)

(Doc. 72/76).

This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture and the Committee on Development and Cooperation for their opinions;

- the proposal from the Commission of the European Communities to the Council for a decision on the continuation of the surveys to be carried out by the Member States on bovine livestock (Doc. 83/76).

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



**President**

- the proposal from the Commission of the European Communities to the Council for a regulation fixing the main intervention centres for oil seeds for the 1976/77 marketing year and the derived intervention prices applicable at these centres (Doc. 84/76).  
This document has been referred to the Committee on Agriculture;
  - the proposals from the Commission of the European Communities to the Council for
    - I. a regulation on imports into the Community of prepared and preserved sardines originating in Morocco
    - II. a regulation on imports into the Community of prepared and preserved sardines originating in Tunisia
 (Doc. 85/76).  
This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture and the Committee on Development and Cooperation for their opinions;
  - the proposal from the Commission of the European Communities to the Council for a regulation suspending the application of the condition to which imports of certain citrus fruit originating in Morocco or Tunisia are subject under the agreements between the Community and each of those countries (Doc. 86/76).  
This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture and the Committee on Development and Cooperation for their opinions;
  - the proposal from the Commission of the European Communities to the Council for a regulation temporarily suspending the autonomous duties in the Common Customs Tariff on a number of agricultural products (Doc. 87/76).  
This document has been referred to the Committee on Agriculture as the committee responsible and to the Committee on External Economic Relations and the Committee on Budgets for their opinions;
  - the proposal from the Commission of the European Communities to the Council for a directive concerning the statistical surveys to be carried out by the Member States in order to determine the production potential of plantations of certain types of fruit (Doc. 95/76).  
This document has been referred to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion;
  - the proposal from the Commission of the European Communities to the Council for a directive on the harmonization of provisions laid down by law, regulation or administrative action relating to customs debt (Doc. 104/76).  
This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Economic and Monetary Affairs and the Legal Affairs Committee for their opinions;
  - the proposals from the Commission of the European Communities to the Council for regulations concerning
    - I. imports of durum wheat from Morocco
    - II. imports of wine of fresh grapes, intended for fortifying, originating in Algeria
    - III. imports from the Popular Democratic Republic of Algeria of bran, sharps and other residues derived from the sifting, milling or working of certain cereals
    - IV. imports from the Republic of Tunisia of bran, sharps and other residues derived from the sifting, milling or working of certain cereals
    - V. imports from the Kingdom of Morocco of bran, sharps and other residues derived from the sifting, milling or working of certain cereals
    - VI. imports of olive oil from Algeria
    - VII. imports of olive oil from Morocco
    - VIII. imports of olive oil from Tunisia
 (Doc. 105/76).  
This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture, the Committee on Budgets and the Committee on Development and Cooperation for their opinions;
- (b) from the committees, the following reports:
- Report by Mr Emile Muller on behalf of the Committee on External Economic Relations on the proposal from the Commission of the European Communities to the Council for a regulation on the repayment or remission of import duties or export duties (Doc. 54/76);
  - Report by Mr Giovanni Boano, on behalf of the Political Affairs Committee on the motion for a resolution tabled by Mr Amendola and Mr Ansart on behalf of the Communist and Allies Group on the threat to the lives of Corvalan and other Chilean political prisoners (Doc. 56/76);

**President**

- Report by Mr Mario Vetrone, on behalf of the Committee on External Economic Relations on the proposals from the Commission of the European Communities to the Council for
  - I. a regulation on the opening, allocation and administration of the Community tariff quota of 30 000 head of heifers and cows, not intended for slaughter, of certain mountain breeds falling within subheading ex 01.02 A II b) 2 bb) of the Common Customs Tariff
  - II. a regulation on the opening, allocation and administration of the Community tariff quota of 5 000 head of bulls, cows and heifers, not intended for slaughter of certain alpine breeds falling within subheading ex 01.02 A II b) 2 bb) of the Common Customs Tariff

(Doc. 58/76);
- Report by Mr Heinz Frehsee on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 2506/75 laying down special rules for the importation of products in the wine-growing sector originating in certain third countries (Doc. 60/76);
- Report by Mr Libero Della Briotta, on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation amending Annex IV to Regulation (EEC) No 816/70 laying down additional provisions regarding the common organization of the wine market, and the Common Customs Tariff regarding the exchange rates applicable upon customs duties for certain wines (Doc. 61/76);
- Report by Mr Pierre Lagorce on behalf of the Committee on the Rules of Procedure and Petitions on petition No 8/75 submitted by Mr Barel on protection of the Mediterranean (Doc. 63/76);
- Report by Isidor Früh on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation establishing a system of aid for associations of bee-keepers (Doc. 64/76);
- Report by Mr Wolfgang Schwabe on behalf of the Committee on the Environment, Public Health and Consumer Protection on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the measures to be taken against the emission of pollutants from diesel engines for use in wheeled agricultural or forestry tractors (Doc. 65/76);
- Report by Mr William Mark Hughes on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation on a programme for restructuring the non-industrial inshore fishing industry (Doc. 66/76);
- Report by Mr Luigi Noè on behalf of the Committee on Energy and Research on the need for a Community policy on the reprocessing of irradiated fuels and materials (Doc. 69/76);
- Report by Mr Isidor Früh on behalf of the Committee on Budgets on the Fourth Financial Report on the European Agricultural Guidance and Guarantee Fund, year 1974, submitted by the Commission of the European Communities to the Council and the European Parliament (Doc. 70/76);
- Report by Mr Pierre Krieg on behalf of the Committee on Energy and Research on the communication from the Commission of the European Communities to the Council on the objectives, priorities and resources for a common research and development policy (Doc. 71/76);
- Report by Mr Karl Mitterdorfer on behalf of the Committee on Economic and Monetary Affairs on the proposals from the Commission of the European Communities to the Council for the elimination of technical barriers to trade in goods, in particular the proposals for directives on the approximation of the laws of the Member States relating to
  - measuring systems for liquids other than water
  - the marketing of high nitrogen ammonium nitrate based fertilizer
  - the permissible sound emission level for tower cranes
  - the permissible sound emission level for current generators for welding
  - the permissible sound emission level for current generators for power supply
  - check-weighing and grading machines
- Report by Mr Brégègère, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the consumer and public health aspects of the manufacture and sale of fruit jams, jellies and marmalades and chestnut puree (Doc. 74/76);

**President**

- Report by Mr Willi Müller, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission of the European Communities to the Council for a directive concerning health protection standards for sulphur dioxide and suspended particulate matter in urban atmospheres (Doc. 88/76);
  - Report by Mr Glinne, on behalf of the Committee on Social Affairs, Employment and Education, on the motion for a resolution tabled by Sir Brandon Rhys Williams concerning a Community social security system (Doc. 89/76);
  - Report by Mr De Clercq, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on the proposal from the Commission of the European Communities to the Council for a directive on access to the occupation of carrier of goods or of passengers by waterway in national and international transport (Doc. 90/76);
  - Report by Mr Albers, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on the proposal from the Commission of the European Communities to the Council for a directive aiming at the mutual recognition of diplomas, certificates and other evidence of formal qualifications for road or waterway passenger transport and goods haulage operators, including measures intended to encourage these operators effectively to exercise their right to freedom of establishment (Doc. 91/76);
  - Report by Mr Willi Müller, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission of the European Communities to the Council for a directive relating to the use of fuel oils with the aim of decreasing sulphurous emissions (Doc. 92/76);
  - Report by Mr Nyborg, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the permissible sound level and to the exhaust system of motor cycles (Doc. 93/76);
  - Report by Mr Nyborg, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the field of vision of motor-vehicle drivers (Doc 94/76);
  - Report by Mr Cointat, on behalf of the Committee on Budgets, on the inter-institutional dialogue on certain budgetary questions (Doc. 97/76);
  - Report by Mr Aigner, on behalf of the Committee on Budgets, on the initial list requests for the carry-over of appropriations from the 1975 to the 1976 financial year (non-automatic carry-overs) (Doc. 98/76);
  - Report by Mr Lagorce, on behalf of the Committee on Budgets, on the proposal from the Commission of the European Communities to the Council for a regulation on the crediting of securities, deposits and guarantees furnished under the common agricultural policy and subsequently forfeited (Doc. 99/76);
  - Interim report by Mr Faure, on behalf of the Political Affairs Committee, on the situation in Spain (Doc. 100/76);
- (c) the following motions for resolutions :
- Motion for a resolution tabled by Mr Stewart, on behalf of the Political Affairs Committee, on the introduction of a uniform passport (Doc. 55/76);
  - Motion for a resolution tabled by Mr Cointat, on behalf of the Committee on Budgets, on the implementation of the budget of the European Communities for the financial year 1976 (Doc. 96/76).
- (d) the following oral questions :
- Oral question with debate put by Mr Cousté and Mr Kaspereit, on behalf of the Group of European Progressive Democrats, Mr Normanton on behalf of the European Conservative Group, and Mr Bangemann on behalf of the Liberal and Allies Group, to the Commission of the European Communities on aid to small and medium-sized undertakings (Doc. 75/76);
  - Oral questions with debate put by Mr Jahn and Mr Klepsch, on behalf of the Christian-Democratic Group, to the Council and Commission of the European Communities on the effects of the cooperation agreements and of private cooperation contracts concluded under them on the common commercial policy (Doc. 76/76);
  - Oral questions with debate put by Mr Glinne, Mr Knud Nielsen, Mr Broeks and Mr Walkhoff, on behalf of the Socialist Group, to the Commission of the European Communities on relations between Uruguay and the Community (Doc. 77/76);

**President**

- Oral question with debate put by Mr Barnett, Mr Albers, Mr Albertsen, Lady Fisher and Mr Prescott, to the Commission of the European Communities on Community action in relation to problems of urban decay (Doc. 78/76);
- Oral question with debate put by Mr Prescott, Mr Glinne, Mr Lange, Mr Broeks and Mr Hansen, on behalf of the Socialist Group, to the Commission of the European Communities on Commission investigation into alleged illegal payments by multinational and national undertakings (Doc. 79/76);
- Oral question with debate put by Miss Flesch, on behalf of the Committee on Development and Cooperation, to the Council of the European Communities on the association of the Overseas Countries and Territories (Doc. 80/76);
- Oral question with debate put by Mr Fellermaier, on behalf of the Socialist Group, to the Council of the European Communities, on equal pay for men and women under Article 119 of the EEC Treaty (Doc. 81/76);
- Oral question with debate put by Mr Fellermaier, on behalf of the Socialist Group, to the Commission of the European Communities, on equal pay for men and women under Article 119 of the EEC Treaty (Doc. 82/76);
- (e) — Oral questions put by Mr de la Malène, Mr Berkhouwer, Mr Terrenoire, Mr Dondelinger, Mr Cousté, Mr Fletcher, Mrs Goutmann, Mr Ansart, Mrs Ewing, Sir Geoffrey de Freitas, Mrs Kellett-Bowman, Mr Dalyell, Mr Nolan, Mr Seefeld, Mr Evans, Mr Yeats, Mr Kavanagh, Mr Osborn, Mr Lenihan, Mr Patijn and Mr Gibbons, pursuant to Rule 47A of the Rules of Procedure, for Question Time on 12 May 1976 (Doc. 102/76);
- (f) from the Joint Parliamentary Committee of the EEC-Turkey Association the recommendations adopted in Nice on 28 April 1976 (Doc. 101/76);  
This document has been referred, for information, to the Committee on External Economic Relations and the Political Affairs Committee.
- (g) from the Commission of the European Communities a letter on the release of the appropriations entered under certain chapters of the statement of expenditure relating to research and investment activities of the budget of the European Communities for the financial year 1976 (Doc. 103/76).  
This document has been referred to the Committee on Budgets.

*5. Text of treaty forwarded by the Council*

**President.** — I have received a certified true copy of the following:

Agreement between the European Economic Community and Hong Kong on trade in textile products.

This document will be placed in the archives of the European Parliament.

*6. Authorization of reports*

**President.** — Pursuant to Rule 38 of the Rules of Procedure, I have authorized the following committees to draw up the following reports:

Political Affairs Committee:

- recent developments in political cooperation
- relations between the EEC and the People's Republic of China;

Legal Affairs Committee:

- the further consultation of the European Parliament on proposals modified or withdrawn by the Commission of the European Communities;

Committee on Economic and Monetary Affairs and Committee on Social Affairs, Employment and Education;

- a report with a view to the next tripartite conference;

Committee on Budgets:

- the inter-institutional dialogue on certain budgetary questions;

Committee on Agriculture:

- the statement by the Commission of the European Communities on the application of the Council's directives on agricultural reform;

Committee on Development and Cooperation:

- the fourth United Nations Conference on trade and development.

*7. Limit on speaking time*

**President.** — In accordance with the usual practice and pursuant to Rule 31 of the Rules of Procedure, I propose that speaking time be allocated as follows:

Reports:

- 15 minutes for the rapporteur and one speaker for each political group;
- 10 minutes for other speakers;
- 5 minutes for speakers on amendments.

Oral questions with debate:

- 10 minutes for the author;
- 5 minutes for other speakers.

Are there any objections?

That is agreed.

### 8. Decision on urgent procedure

**President.** — I propose that Parliament deal by urgent procedure with reports not submitted within the time-limits laid down in the rules of 11 May 1967. Are there any objections?

The adoption of urgent procedure is agreed.

### 9. Order of business

**President.** — The next item is the order of business. At its meeting of 27 April 1976, the enlarged Bureau prepared the draft agenda which has been distributed. Since then, a number of amendments have been proposed.

In the first place the following items have been withdrawn :

- No 69 : Motion for a resolution on the monetary situation in the Community.
- No 73 : Motion for a resolution on the JET site.
- No 82 : Motion for a resolution on the introduction of a uniform passport.
- No 92 : Report by Mr Früh on hops.
- No 93 : Report on surveys on bovine livestock.
- No 94 : Report on oil seeds.
- No 95 : Report by Mr Seefeld on certain social legislation relating to road transport.
- No 57 : Report by Mr Willi Müller on the use of fuel oils with the aim of decreasing sulphurous emissions.
- No 106 : Report by Mr Willi Müller on sulphur dioxide and suspended particulate matter in urban atmospheres.
- No 111 : Report by Mr Cornelis Laban on the suspension of certain duties in the Common Customs Tariff on a number of agricultural products.

The Committee on Energy and Research has also proposed that the report by Mr Flämig on Community research at the JRC and that by Mr Krieg on a common research and development policy should form the subject of a joint debate. These are items 74 and 75 on tomorrow's agenda.

At the request of the political groups, I also propose that items 96 and 97 be brought forward from Friday to Thursday. The items concerned are the oral question with debate by Mr Barnett and others on urban decay and the report by Mr Mitterdorfer on the elimination of technical barriers to trade. Mr Vetroné's report on the importation of heifers ought to be brought forward to the beginning of Friday's sitting, as it is likely to give rise to some discussion.

Next, the Committee on Regional Policy, Regional Planning and Transport proposes that Mr Nyborg's report on the field of vision of motor-vehicle drivers should be taken without debate on Friday.

Finally, the Political Affairs Committee has asked for Mr Faure's interim report on the situation in Spain to be included in the agenda for this part-session. If Parliament agrees to this, the debate could take place on Wednesday morning and afternoon, immediately following Question Time.

There will be no statement by the Commission on action taken on the opinions and proposals of the European Parliament.

I call Sir Derek Walker-Smith, chairman of the Legal Affairs Committee.

**Sir Derek Walker-Smith.** — Mr President, I merely wish to ask you, if you would be so good, to make an addition to the list of items to be postponed. I am sorry to raise this without notice at this late stage.

I refer to Item 68, which stands at the top of tomorrow's agenda at 10 o'clock. This is the application by the Legal Affairs Committee, pursuant to Rule 38(2), with respect to the report of the Commission on the granting of special rights. Dr Bayerl is the rapporteur-designate in this matter and I have just heard from Bonn that it will be impossible for him to be present tomorrow morning — or, indeed, during any part of this week — owing to his parliamentary commitments; there are difficulties also in connection with other German members of the committee.

I am anxious, and the committee is anxious, that Parliament should have the benefit of their views and in particular of Dr Bayerl's view, which is strongly held, when this matter comes to be debated. Therefore, if it is not inconvenient, I respectfully request that the matter be held over to the next part-session, in the hope that the demands of Bonn will be less exacting at that time and that these gentlemen may then be able to be present.

**President.** — I call Mr Springorum, Chairman of the Committee on Energy and Research.

**Mr Springorum** — (D) Mr President, I had a similar request to make. I have just heard, to my regret, that Mr Flämig will not be available for his report, Document 49/76. This is a great pity because he has been working as rapporteur on his report for over a year. On the other hand, I am afraid that if we do withdraw this report from the agenda, too much may then have to be cancelled, since the German members of the Socialist Group will not be here over the next few days.

In these circumstances I shall not proceed with my request for a postponement, because the agenda would otherwise be reduced too much. But I should like to ask, Mr President, whether the timing could be arranged to enable Mr Flämig to introduce his report in person. I should be most grateful.

**President.** — I call Mr Normanton.

**Mr Normanton.** — You, Mr President, will no doubt be aware that this afternoon I tabled a request for consideration of an Oral Question without debate standing in my name relating to the introduction into the transatlantic service of the European Concorde aircraft. Is it your intention that this shall not be included on the agenda? Would you care to give the House and myself some indication as to when this very important matter should receive consideration by Parliament?

**President.** — I call Mr Giraud.

**Mr Giraud** — (*F*) Mr President, I hope it will reassure Mr Springorum when I say that Mr Flämig asked me to introduce his report for him precisely in order to prevent it being withdrawn from the agenda.

I therefore hope that the debate can be held tomorrow.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — I want to reinforce what Mr Giraud has said, because, if we do not take the Flämig Report — concerned as it is with JET — this part-session, I do not see that here is any point in taking it in June, because the crucial decision is likely to be taken by Ministers on 18 June. In order for our opinion to have any influence at all in this matter it is essential to have the debate taken right away. I therefore hope that Mr Giraud's suggestion will be accepted.

**President.** — I call Mr Fellermaier, chairman of the socialist Group.

**Mr Fellermaier** — (*D*) Mr President, I wonder whether the chairman of the Legal Affairs Committee would not agree that it would be more advisable, provided there is no urgency — and there does seem to be no urgency, given the case with which items can be postponed — to arrange for this problem to be discussed by the political groups. Behind what the chairman of the Legal Affairs Committee has just said is the question as to which committee is responsible. I am not sure that it makes sense when we are discussing the granting of special rights for us to hold a separate debate, not on the political aspects but merely on the responsibilities of two committees, and I feel that we would be well advised — and I would personally advocate this — to put the matter to the political groups in the presence of chairmen of the two committees, in order to arrive at a consensus. I fail to see how Parliament can be expected to decide this issue in an open vote unless the individual Members are familiar with all the circumstances that have led to there being a difference of opinion between two committees. Formally, Mr President, you are justified in referring to Rule 38(2) of the Rules of Procedure, but this is not only a matter of form but of parliamentary practice and in parliamentary practice it has always been found that such matters are best dealt

with by discussion in the political groups. Only if this too were to fail would I appreciate why the Legal Affairs Committee wished to make a major issue of the matter.

I would therefore ask you not to insist on this procedure but perhaps to ask the group chairmen to raise the matter in the presence of the two committees.

**President.** — I call Sir Derek Walker-Smith.

**Sir Derek Walker-Smith.** — I am grateful for that suggestion, which certainly awakens a sympathetic response in me. In political life as in professional life I have found that it is always better to settle 'out of court' if that is possible.

However, I am in the difficulty that the motion on the agenda is proposed by Dr Bayerl and supported by Mr Schmidt, neither of whom is present today, so I am not in a position to speak on their behalf.

Could we leave it like this: we will certainly consider what Mr Fellermaier has been good enough to suggest and we will hope that the matter can be resolved by discussion in the political groups and the committees. Though important, as Mr Fellermaier says, the matter is not of great urgency. I do not wish formally to withdraw the motion from the future agenda; and, indeed, I am not authorized to do so. So perhaps we could leave it that the matter stands adjourned without prejudice to its being restored if it cannot be settled in the way suggested by Mr Fellermaier.

**President.** — I call Lord Bruce.

**Lord Bruce of Donington.** — I am very reluctant in any way to interfere with the amicable discussion that may conceivably take place between the leaders of the various political groups on this question, but there are the rights of the ordinary Member of Parliament to be considered.

I put it to you, Mr President, without in any way detracting from what Mr Fellermaier and Sir Derek have said, that you should be satisfied that the rights of the individual Member of Parliament should be considered and that preferably, if a decision is made on this very important question, it be made in the open with the arguments for and against fully deployed.

**President.** — Ladies and gentlemen, having regard to the various views expressed on this item, it seems to me it would be best to postpone it and ask the political groups to consider the problem as soon as they can so that if possible something can be put forward for the June part-session.

As regards Mr Flämig's report, the matter has been given sufficient study and therefore someone can deputize for the rapporteur. I therefore propose to keep this report on the agenda. It is of course up to the appropriate committee to provide a deputy.

Finally, Mr Normanton's question to the Commission about Concorde is a new matter. Does the Commission think it can give an answer during this part-session?

**Mr Borschette, member of the Commission.** — (F) While pointing out to Mr Normanton, without malice, that the time-limits have not been observed, I can say that if Parliament includes the question on the agenda, the Commission will endeavour to answer it.

**President.** — Having regard to the Commission's constructive reply, I would therefore suggest that it should be ready to give an answer. At its next meeting the Bureau will decide on the inclusion of this item, the text of which has not yet reached Members.

I call Mr Fellermaier.

**Mr Fellermaier.** — (D) Mr President, on Thursday there is the report by Mr Cointat on behalf of the Committee on Budgets on the role and function of parliamentary control of Community revenue and expenditure. I should like here to recall what was just said by Lord Bruce of Donington, since the rights of the ordinary Member of Parliament are particularly important in relation to the role and function of parliamentary control of revenue and expenditure.

Since this report has still not been submitted to my group — and I assume the same is true of the other groups — I would ask the chairman of the Committee on Budgets — and I assume that he can agree to this request — to move that this item be withdrawn from the agenda for this week.

**President.** — I call Mr de la Malène, chairman of the Group of European Progressive Democrats.

**Mr de la Malène.** — (F) Mr President, I have difficulty in understanding the procedure we are following. This matter has already been before the Bureau, which includes the chairmen of the political groups. It came back to the Bureau a second time and the Committee on Budgets has completed its consideration of the matter.

I do not know whether it is urgent or not, but I have difficulty in understanding why we are now being asked to postpone this debate. I shall not oppose this, but I do not think it is a very acceptable procedure.

**President.** — I call Mr Lange, chairman of the Committee on Budgets.

**Mr Lange.** — (D) I am not sure if what has happened is due to confusion or a misunderstanding. What Mr de la Malène has just said simply does not correspond to the facts as I understand them. Mr Fellermaier is right in that the report that should have been submitted by Mr Cointat has not yet been adopted by the Committee on Budgets. Moreover, this is not a matter for decision by the Bureau, since it is not the Bureau that is submitting a report, but the Committee on Budgets.

We discussed this at one meeting but did not finish doing so, and had hoped to do so this week.

But since some rather controversial points have arisen, I have grave doubts as to whether we can finish dealing with the matter this week although we wanted to get it over with before the end of May. But the sub-committee has proposals via Mr Cointat that must not lead to any wrong turnings as regards Parliament's rights of control. I therefore feel that the request that has been made is essentially justified.

It is quite possible that the Committee on Budgets, which will deal with the matter again on Wednesday, would have put the same conclusion to the House on Thursday: Sorry, we haven't finished yet, the matter must be gone into in more detail. To that extent, I should have no reservations about postponing the topic until June.

**President.** — I call Mr de la Malène.

**Mr de la Malène.** — (F) Mr President, I understand less and less. In Paris you submitted to us on the Bureau an agenda containing the report in question. We included it on the agenda, albeit perhaps rather hastily. It came before the Bureau again just now and we again included it on the agenda, and now we are told that it had not been adopted and is in fact not even ready. I can accept that it may require to be postponed, but I deplore these methods.

**President.** — Mr de la Malène, you are partly right in that we never withdrew this report from the draft agenda. But we did not definitely re-include it just now!

The report is shown without a document number and is perhaps not ready. Mr Lange is indicating to me that the committee is not able to present it. I therefore think we have to take note of the situation, while at the same time deploring the fact that the committee did not warn us sooner.

**Mr de la Malène.** — (F) That's what I wanted you to say, Mr President!

**President.** — The order of business will therefore be as follows:

*This afternoon:*

- Bermani report on units of measurement;
- Frehsee report on the importation of products in the wine growing sector (without debate);
- Della Briotta report on the organization of the wine market (without debate).

*Tuesday, 11 May 1976*

*10.00 a.m. and 3.00 p.m.:*

- Oral question with debate to the Commission on illegal payments;
- Oral question with debate to the Commission on aid to small and medium-sized undertakings;

**President**

- Oral question with debate to the Commission on the European schools ;
- Noè report on irradiated fuels ;
- Joint debate on the Flämig report on research at the JRC and Krieg report on a common research and development policy.

*Wednesday, 12 May 1976*

*10.00 a.m. and 3.00 p.m. :*

- Question Time ;
- Faure interim report on the situation in Spain ;
- Joint debate on the oral questions to the Council and Commission on equal pay for men and women ;
- Oral question with debate to the Council and Commission on cooperation agreements ;
- Oral question with debate to the Council on violations of the Helsinki Agreement by the USSR ;
- Oral question with debate to the Council on the association of the OCT
- Rivierez report on the primacy of Community law ;
- Boano report on Chilean political prisoners ;
- Oral question with debate to the Commission on relations between Uruguay and the Community.

*Thursday, 13 May 1976*

*11.30 a.m., 3.00 p.m. and possibly in the evening :*

- Cointat report on the inter-institutional dialogue on certain budgetary questions ;
- Aigner report on the carry-over of appropriations from 1975 to 1976 ;
- Früh report on the Fourth Financial Report on the EAGGF ;
- Lagorge report on securities under the common agricultural policy ;
- Hughes report on the restructuring of the inshore fishing industry ;
- Früh report on a system of aids for beekeepers ;
- Glinne report on a Community Social security system ;
- Oral question with debate to the Commission on urban decay ;
- Mitterdorfer report on the elimination of technical barriers to trade.

*Friday, 14 May 1976*

*9.30 a.m. to 12 noon :*

- Possibly, continuation of Thursday's agenda
- Vetrone report on tariff quotas for heifers, cows and bulls ;
- Nyborg report on the permissible sound level for motor cycles ;
- Nyborg report on the field of vision of motor-vehicle drivers (without debate) ;

- E. Muller report on the repayment of import or export duties ;
- Report on tariff quotas for apricot pulp originating in Morocco or Tunisia ;
- Report on preserved sardines originating in Morocco and Tunisia ;
- Report on imports of citrus fruits from Morocco and Tunisia ;
- Report on imports of agricultural products from Tunisia, Algeria and Morocco ;
- Schwabe report on the emission of pollutants from diesel engines
- Brégégère report on jams
- Lagorge report on the protection of the Mediterranean
- Joint debate on the De Clercq report on access to the occupation of carrier and the Albers report on the recognition of diplomas for carriers

Are there any objections ?

That is agreed.

#### *10. Directive on units of measurement*

**President.** — The next item is the report (Doc. 563/75) drawn up by Mr Bermani, on behalf of the Legal Affairs Committee,

on the proposal from the Commission of the European Communities to the Council for a directive amending the Council directive of 18 October 1971 on the approximation of the laws of the Member States relating to units of measurement.

I call Mr Bermani.

**Mr Bermani, rapporteur.** — (*I*) Mr President, ladies and gentlemen, as the first Italian speaker at this sitting, I should like first of all to thank you. Mr President, for the moving words you have just spoken regarding the Friuli disaster, then thank my parliamentary colleagues for the minute's silence they observed, and finally thank the group chairmen for what they have said will be done to help those afflicted.

It used to be said (it was a cliché) that Italy was protected by a lucky star : obviously that star is now in eclipse. We are going through bad times in Italy : the disastrous economic situation, and now this tragedy in Friuli, which is a tragedy not only because of the great number killed and the thousands of buildings destroyed, but also a tragedy for those who have been left without houses and jobs. We need aid, but above all we need solidarity. The European Parliament has shown us that solidarity through a generous impulse, and we warmly thank it.

Having said that, I shall now introduce the report. The proposal for a directive contains, as stated in the explanatory statement, an annex subdivided into four headings, A, B, C, and D, which contain various defini-



**Bermani**

tions of units of length, units of time, and units of electrical current intensity, enough to make the layman's mind boggle.

These definitions would be more familiar to an expert in physics and mathematics than to a member of the Legal Affairs Committee. You can read them on page 2 of the annex: they are complicated things for your rapporteur, and I expect also for most of my colleagues, but we are — fortunately — not called upon to discuss them.

Our task is a different one: to determine whether the legal bases for the proposal for approximating the laws of the Member States relating to units of measurement are valid or otherwise in the light of the EEC Treaty; whether it is correct or not to provide for optional, that is gradual, harmonization or else to go straight for total harmonization; and finally, whether it is enough for Member States to confine themselves, when they have adopted internal legal provisions to bring about the harmonization provided for by the directive, to notifying the Commission of only the main provisions, as was the case in the past in applying directives of this type, or whether it would not be more appropriate for them to send the Commission the full text of the provisions adopted.

These questions are, at least in the rapporteur's opinion, fairly easy to answer, especially considering that approximation of Member States legislation relating to units of measurement has already been brought about through the directive of 18 October 1971, amended and supplemented by the directive of 27 March 1972, following accession to the Communities of the United Kingdom of Great Britain and Northern Ireland, Denmark and Ireland. Subsequently, in 1975, the XVth Conference on Weights and Measures, held at Paris, made some additions to the international system of weights and measures, which the Commission of the European Communities felt it necessary to incorporate in full in Community legislation. Hence the present directive, which therefore constitutes an updating of the one issued in 1971.

As with the previous directive, the Legal Affairs Committee and Parliament find that the approximation has correctly been based on Article 100 of the EEC Treaty; it would be contradictory at this stage to do otherwise.

Regarding the question whether there ought to be immediate total harmonization in all Member States, or progressive harmonization over a period of time, the Commission has taken account of the fact that some units of measurement in the imperial system cannot be replaced in the short term without causing administrative and technical difficulties.

I should like here to point out to my British colleagues (in response to a request already made in committee by the chairman of the Legal Affairs

Committee) that the technical provisions regarding imperial measurements were adopted (as a Commission representative explained) by a committee of British experts in the field. I therefore think that our British colleagues can put their minds at rest in this respect.

Moreover, harmonization should not take place in such a way as to cause, notably in the Anglo-Saxon countries, sharp transitions from the present system to the one provided for in the directive. This objection is completely justified and although the Legal Affairs Committee, in the past has always advocated, in principle, the system of immediate and total harmonization in preference to optional harmonization, it felt it appropriate in the present case to accept the solution proposed by the Commission of the European Communities, providing for binding use of the measurements dealt with in Chapter A of the directive by 21 April 1978 at the latest, and prohibiting after 31 December 1977 and 31 December 1979 those dealt with in Chapters B and C respectively of the annex. Finally, Chapter D of the annex lists all the units of measurement, names and symbols not being considered for the moment, with an undertaking to review them by 31 December 1979.

Member States have 18 months time to comply with the directive, from the date of notification.

Finally, it is provided that all Member States must send the Commission of the European Communities the complete text of the national legal standards they adopt, and not only the main provisions, as was the case in the past. This aspect of the directive is also welcomed, because it provides for more complete and precise information.

I would stress once more that all the technical provisions were adopted by the British expert committee I mentioned, and ask Parliament to approve the proposal for a directive we are considering.

**IN THE CHAIR: LORD BESSBOROUGH***Vice-President*

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — As the first non-Italian speaker, I should like to express my condolences to the people of North Italy who have been struck by the terrible earthquake to which Mr Bermani referred — understandably — in an emotional way. Anyone who has experienced even the slightest earthquake will know what an appalling experience it must have been for his constituents and those of my neighbour, Mr Della Briotta, and others.

I should like to ask two questions of Mr Borschette. First, as Mr Bermani said, there is an Anglo-Saxon problem here. It is a problem that my colleagues

**Dalyell**

know only too well. It is thought that the effect of decimalization was to raise our inflation rate above what it might otherwise have been. Equally, there is a strong worry about metrication. Has the Commission a rough idea of what the harmonization proposals will cost? Is there any cost estimate for the United Kingdom and United Kingdom industry? There may not be, because these statistics are difficult to work out. If Mr Borschette cannot answer that question I shall understand, but any available figures will be welcome.

Secondly, the report speaks of over-rapid harmonization. What precise time scale have the Commission and others in mind?

**President.** — I call Mrs Dunwoody.

**Mrs Dunwoody.** — For many years in Britain, because we have had a very different system of measuring both weight and length, it has been obvious to us that as a world marketing power we would need to come into line with other systems and in particular the metric system.

However, I wonder whether the Commission have realized that if they endeavour to keep to very firm dates by which they expect Britain to change what is a fundamental system, they will meet considerable resistance in Britain.

One hesitates in this Chamber to put forward arguments which appear to be based entirely on one's own nationalist interests, but I believe that we are in grave danger inside the European Community of endeavouring to run before we have learnt even to crawl.

If the harmonization proposals, by which every citizen of the British Isles will be affected, such as those contained in the report are hurried into operation, I must say to the Commission that in my view this will be entirely counter-productive.

There is a commitment on the part of the British Government, which many regret, to go ahead with the changes in our system because of the commercial implications and because it is believed that this would make it easier for us to sell and operate not only in European markets but in world markets.

If we are to convince ordinary people of the reality of these measures, we must strenuously avoid doing anything which appears to railroad them into decisions that they do not understand, do not want and deeply suspect may be adding to their cost of living for no other reason than an artificial desire to harmonize laws throughout the Community.

If I sound a note of caution, it is because those of us going back to our constituencies when we leave the warm air of Strasbourg will encounter precisely this sort of misunderstanding. The ordinary British person has no commitment to a system which will be misunderstood, expensive, unhelpful and, in the long run, unwanted.

If we are to have harmonization, let it be necessary, above all let it be gentle, and let us be led rather than driven. If there is one thing that Anglo-Saxons do, it is to respond almost every time to leadership and almost never to being pushed.

**President.** — I call Mr Ellis.

**Mr Ellis.** — I should like in a few words to support what Mrs Dunwoody has said and perhaps talk a little more metaphorically to try to make the point differently. Perhaps I may, as it were, aound a preliminary lament, a kind of slightly premature nostalgic 'In memoriam'.

The British like to regard themselves as an idiosyncratic people. I personally do not think that we are idiosyncratic, neither are we irrational. I must, however, admit that there is no field in which idiosyncrasy might be more apparent than that of imperial units of weights and measures.

Today, with Mr Bermani's report, we British are under starter's orders, as it were. Perhaps for the sake of the interpreters I ought to say that this will be a difficult speech to interpret, and however much or however little sense it makes in English I am not sure that it will make any sense at all in the other languages. I shall, however, carry on as best I can.

We are under starter's orders, as it were, in what I think will be a saga in Britain of nostalgic and reverential atavism.

I think that Mrs Dunwoody was absolutely right with her passionate call to arms to defend our rods, poles and perches, our stones, bushels and pecks, our broad acres, our deep fathoms, our sea-blown knots, our opulent troy ounces and our sharp wee nips. I hope that the interpreters made something of that.

No longer will we be able to say with Alfred Lord Tennyson

'Half a league, half a league,  
Half a league onward',

and somehow to talk about 'half a kilometre into the Valley of Death' seems the height of improbability, and in its Cartesian rationality entirely inconsistent with the couplet

'Their's not to reason why,  
Their's but to do and die.'

Furthermore, 'full metre ten' makes no sense in English or in any other language, whereas 'full fathom five' gives the same distance and spells out that it is all about plumbing the depths and a safe passage home.

How are we to measure our cricket pitches if not in chains? Again, for the sake of the interpreters may I say that I do not mean the iron variety, although it may be apposite with Mr Bermani's report to say 'Cricketers of the world unite! You have nothing to lose but your chains' — if my colleagues will forgive me for what is an excruciating pun.

**Ellis**

Rod, pole and perch — well, they are an evocative mystery. I do not know what any of them means and I think that 99.9 % of the British people would not understand precisely what a rod, a pole or a perch was — except perhaps a schoolboy about to sit what we used to have, the 11-plus examination. Perch is not a fish, nor is it a stand. Pole is not a citizen of Poland or a maypole or even anything to do with magnetism. And rod, at least according to Mr Bermani, is not to be spared. Please forgive me for that one. We have only recently settled on our nip of Scotch. We now have the same meaning right across the country. I dread to think what kind of fraction of a litre a nip of Scotch will be, what metric equivalent to the Scottish measure a wee sensation, heaven only knows.

I have spoken in these poetical terms to try to show the Commission and the Members of Parliament that, as Mrs Dunwoody has hinted, there will be a considerable emotive reaction to what I think are eminently sensible proposals, but it is not simply a question of being sensible. It is a question of taking people with us. I hope that what I have said will illustrate to everybody concerned the point that the people have to be taken along with us.

**President.** — I call Mr Borschette.

**Mr Borschette, member of the Commission.** — (F) Mr President, I was certainly not expecting that so highly technical and difficult a report would call forth such an avalanche of poetic quotations in the same breath as a series of international rallying cries from a past age. I am all the more glad to be able to reply, as briefly as I can, to the various questions that have been raised.

Mr Dalyell stated that the problem was a Anglo-Saxon one. I would remind him that in the past, the Community has encountered other problems affecting other countries. We are dealing now with limited harmonization that will also apply to other countries and to measures other than the pint.

As regards the cost, all I can say is that it will be very expensive. I am thinking for example of the replacement of all the road signs in certain Community countries and of the time, still some way off, when the yard will be replaced by the metre and the mile by the kilometre.

As regards the calendar, certain measures will, in principle, come into operation in 1977 and others in 1978 and 1979.

The Commission has in principle proposed harmonization only as and where necessary, although in some cases this conflicts with British interest. I am thinking in particular, Mr President, of units of length and weight. In some countries it is in fact found necessary to use one system for international trade and another for the home market. This is obviously not good for the British or Irish economies.

To take the example of a measure that is very important to the British public, including Sir Harold Wilson, who once referred to it at a summit conference, namely the pint of beer, I can again give an assurance that the Commission has no plans to harmonize it at present.

The British will be able to go on drinking their pints, since the Commission will not reconsider the position until 1979, when it will see if the right psychological moment for suggesting a change has arrived.

I should like to add that the Commission will propose only such measures as are strictly necessary and that nothing unnecessary or not of proven value to the economies of the countries concerned will be considered.

I therefore hope Mrs Dunwoody will be reassured when I say that, at all events, the Community will not rush things. The detailed proposals are sufficient proof, especially where the more fundamental reforms are concerned, that no action will be considered for another four or five years. To sum up, we shall harmonize only as and when absolutely necessary, no more and no less.

**President.** — Since no-one else wishes to speak, I put the motion for a resolution to the vote. The resolution is adopted.<sup>1</sup>

#### 11. *Regulation on the importation of products in the wine-growing sector*

**President.** — The next item is a vote without debate on the report (Doc. 60/76) drawn up by Mr Frehsee on behalf of the Committee on Agriculture on the

proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 2506/75 laying down special rules for the importation of products in the wine-growing sector originating in certain third countries.

Since no-one wishes to speak I put the motion for a resolution to the vote.

The resolution is adopted.<sup>1</sup>

#### 12. *Regulation on the common organization of the wine market*

**President.** — The next item is a vote without debate on the report (Doc. 61/76) drawn up by Mr Della Briotta on behalf of the Committee on Agriculture on the

proposal from the Commission of the European Communities to the Council for a regulation amending Annex IV to Regulation (EEC) No 816/70 laying down additional provisions regarding the common organization of the wine market, and the Common Customs Tariff regarding the exchange rates applicable upon customs duties for certain wines.

<sup>1</sup> OJ C 125 of 8. 6. 1976.

Since no-one wishes to speak I put the motion for a resolution to the vote.

The resolution is adopted.<sup>1</sup>

13. *Agenda for next sitting*

**President.** — The next sitting will be held tomorrow, Tuesday 11 May 1976, at 10 a.m. and 3 p.m., with the following agenda :

— Oral question on alleged illegal payments ;

— Oral question on aid to small and medium sized undertakings ;

— Oral question on the European schools system ;

— Noè report on the reprocessing of irradiated fuels ;

— Joint debate on the Flämig and Krieg reports on research and development.

The sitting is closed.

*(The sitting was closed at 6 p.m.)*

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<sup>1</sup> OJ C 125 of 8. 6. 1976.

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## IN THE CHAIR : MR SPÉNALE

### *President*

*(The sitting was opened at 10.10 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. *Tribute to Mrs Orth*

**President.** — Ladies and gentlemen, once more our Parliament has been struck a cruel blow, this time by the death of Mrs Elizabeth Orth, a distinguished member of the Socialist Group. I have been informed that our colleague died on Sunday night after a long and painful illness which she had borne with exemplary courage and dignity.

Born in Hanover in 1921, Mrs Orth, after having completed an advanced course of study in agronomy, entered the Bundestag in 1969, where she was a member of the SPD Parliamentary Party.

In 1970, Mrs Orth joined the European Parliament, where she was extremely active in the Committee on Agriculture and the Committee on Public Health and the Environment. A convinced European, she accomplished her duties with great conscientiousness and, right until the last few weeks, threw herself into the work of this Parliament and regularly attended its meetings despite all the inroads on her health. You will remember the numerous reports she presented to this House, particularly on consumer protection — a sector in which she was especially active — on safety measures in the iron-and-steel industry and on problems of public health.

As soon as we learnt the painful news of her death, we sent on your behalf telegrams of condolence to her family, to the Socialist Group and to the SPD.

In memory of our friend and colleague, I ask you to observe a minute's silence.

*(The House rose and observed a minute's silence)*

#### 3. *Oral Question with debate: Commission investigation into alleged illegal payments*

**President.** — The next item is the Oral Question, with debate, put by Mr Prescott, Mr Glinne, Mr Lange, Mr Broeks and Mr Hansen, on behalf of the Socialist Group, to the Commission of the European Commu-

## President

nities on the Commission investigation into alleged illegal payments by multinational and national undertakings (Doc. 79/76):

1. Does the Commission have any knowledge of payments by multinational or national enterprises of either political organizations or other bodies with the express purpose of influencing decisions to their advantage and the detriment of public interest?
2. Is the Commission confident that such allegations do not constitute a breach of any of the regulations in the Community's three treaties:
  - a) Treaty establishing the European Economic Community
  - b) Treaty establishing the European Coal and Steel Community
  - c) Treaty establishing the European Atomic Energy Community?

I call Mr Prescott.

**Mr Prescott.** — The purpose of the question is to ask the Commission whether it has any knowledge of payments by multinational or national enterprises to political bodies to influence their decisions to their advantage and to the detriment of the public interest, and, furthermore, whether such acts in themselves constitute a breach of the Community's three treaties.

The reason for such a question is the revelations by the Senator Church Committee in the United States Congress where evidence given under oath by many people, including the chairmen of the corporations involved, showed that payments of such a nature have been made, in particular by aircraft and oil companies. These revelations have already had fundamental consequences for the economic, social and political life of a number of nation States.

At the outset of this debate we wish to distinguish between what some companies are calling 'grease money' or 'legitimate bribery' and that which constitutes clear corruption. It is a sad fact, apparently, that many of our corporations, and the world's business, depend upon the passing of money from one agent to another, to make the wheels of business turn round.

The statements by these companies have in some cases been to the effect that such payments are not illegal. The payments are certainly improper and the money has been handed over to influence decisions which in themselves constitute acts which are in clear conflict with the Treaty, and if they are in conflict with the Treaty they constitute an illegal act.

Mr Borschette, the Commissioner, has received evidence from myself on behalf of the television 'World in Action' team. That team accumulated the evidence of payments, particularly by the oil companies in Italy. We hope that the Commissioner will give proper study, as I am sure he will, to that

evidence and then discuss the consequences of his studies at a later date. The fact is that the oil companies in Italy made such payments in the period 1969-70 to 1973. By my definition they conspired to make millions of pounds and dollars available to government parties based on a clear understanding that the payment to the political groups was to be as a proportion of the money returned to the companies by legislative favour. By any definition, that is an act of political corruption. It is not that these huge corporations have no choice, as they would have us believe. They certainly enjoyed the benefits and their organizations negotiated those benefits. It was a conspiratorial act with all the signs of cartelization at work, operating through subterfuge, secret accounts, third party agents and codes to hide the so-called 'non-illegal' acts. British Petroleum, the majority of whose shares are held by the British Government, still maintains its hypocritical, downright dishonest posture of having done nothing illegal or improper, and has continued to make such payments in seven other countries.

It is interesting to compare the actions of Shell Oil Company which has been involved in the same action. On investigation Shell said that illegal payments were made, that those payments were improper and that they had now ceased. But British Petroleum, in the same consortium, making the same sort of payments, under the same deal, argued that its actions were not illegal or improper. There is thus a difference of opinion between two corporations involved in the same act. I hope that today or tomorrow the British Government will clear up their position by disowning the acts of oil companies which have directly contributed to the fall of a European government in Italy. It is with the consequences of those actions that we, as parliamentarians, must concern ourselves.

We understand that individual acts of corruption are the legitimate concern of the nation State, but within those acts there are actions which, if they prejudice the Treaty, clearly come within the competence of the Commission. My belief is that the evidence which is available clearly shows that, and we await the Commission's report on that evidence.

Of equal concern are the consequences of these actions, and I wish to analyse them in two aspects. I will take, for example, what happened in industry. The obligations are made clear in the competition Articles 85 and 86 of the Treaty. On the available evidence, the oil companies abused their dominant position, distorted competition, withheld supplies and possibly committed a breach of the Euratom Treaty.

I will take, secondly, the aircraft industry. The European aircraft industry is in a critical position, increasingly dominated, as reports have shown, by the American aircraft companies. Sixty per cent of the financing of military aircraft in America is govern-

**Prescott**

ment money, and decisions are made by politicians. If that trend continues, as the reports show, it will be disastrous for the European aircraft industry. Investigations have revealed the payment of a vast amount of money by American aircraft companies, particularly Northrop and Lockheed. According to statements made under oath by the chairmen of the companies and other people in a position to know, before a committee of the American Senate, these moneys were used to influence decisions to purchase American aircraft, some of which were not wanted and could not fly. That certainly happened with the Starfighter, which is known as the 'flying coffin'. The cost may have been even greater than the money costs involved because money was paid to influence decisions. Those decisions were not arrived at on a competitive judgment but on the basis of who pays the highest to the right people to overthrow decisions based on the capability of the aircraft. The Commission has the responsibility, with DG 4, to investigate. The growth of the multinationals poses a considerable problem. The multinationals are growing at a faster rate than are nation States and accumulating wealth and power. Their economic influence is tremendous on investment, jobs, prices and the balance of payments. The social effects and consequences of multinational companies are considerable.

Now the multinationals are having a much more deadly effect in political terms. 'Slush money' is available, but in many cases the boards of the companies do not know about the payment of this money. Secret accounts and agents are used, and the operations are conducted on the basis of 'pay whom you like, how you like, as long as you get the orders'. Such paymasters have infiltrated the higher areas of decision-making and such money has been used to overthrow democratic government—as in Chile—the maintenance of dictatorships—as in South Korea—and now it has influence here in Europe.

Allegations are made in Germany against the Christian Social Union in respect of the purchase of certain aircraft. Allegations are made in Italy of the payment of vast sums to the government party. The justification for this is that the companies do not pay money to extreme parties. Payments are always made to government parties, to the people who make decisions.

The justifications given by the oil companies cause more alarm than do their actions. The chairman of Shell in the United Kingdom says that this is what makes the wheels go round. Whatever the reasons, the actions are well planned, and executed with the utmost secrecy and subterfuge, sufficient to justify a claim of conspiracy against the democratic fabric of our society.

These twentieth-century freebooters have to be made accountable. This is an international problem, and we

in this Assembly and the Commission should take the first steps. These are, first, the investigation of the facts by DG 4 without fear or favour, despite the obvious collusion of governments with the multinational companies. Second would be to formulate a Community minimum condition for control and for essential information to be made public, legally enforceable, and not a code.

Thirdly, political payments, whatever the country, should be recorded in the accounts of European multinationals, stating also to whom they are paid.

Fourthly, all aircraft contracts should include details of the commission fees and state to whom they are payable.

Fifth would be to negotiate with, and put pressure on, Switzerland to press for the control of the use of secret accounts for such activities.

Finally, very little is being done in the national parliaments. For one reason, they have problems of investigation. However, a Senator Church Committee could be established here with the power of subpoena as in the American committee, with that power taken from the Treaty, as now given to the Commission, allowing us to investigate in that role.

Clearly, if we do not make these huge corporations accountable to us, governments and states will be made accountable to them and so destroy democracy.

Let us take those first steps towards making these huge corporations accountable to us.

*(Applause)*

**President.** — I call Mr Dalyell on a point of order.

**Mr Dalyell.** — Mr President, there is a slight problem here. I understand perfectly well why Mr Prescott felt that he had to speak so quickly, but, frankly, much of what he said did not come through in the interpretation. This was not the fault of the interpreters.

My point of order is to ask that Mr Borschette's reply on these delicate matters should be given fairly slowly so that Members do not miss the purport of his words. There is a problem on an issue like this when people speak quickly.

**President.** — I call Mr Borschette.

**Mr Borschette, Member of the Commission.** — *(F)* Mr President, I shall do my best to satisfy the honourable Member.

A few days ago, Mr Prescott, accompanied by a television team, did in fact hand to me documents concerning bribes paid to political parties in Italy.

As is its custom, the Commission will scrutinize these documents with the greatest possible care and draw the appropriate conclusions. These it will notify to your Parliament.



**Borschette**

Today, however, I should like to concentrate on the question of principle and not on specific instances.

The Commission has learned from press reports that payments of the kind have apparently been made. It considers that the reported facts are essentially a matter for the application of national penal law and do not therefore automatically fall within the scope of the Treaty.

However, I do not rule out the possibility that matters which are punishable under national penal law may also constitute, at the level of European law — here I am speaking in general terms — at least one element to be taken into consideration when the Treaty or Treaties have been violated.

This latter hypothesis may arise in the area where the Treaties lay down rules which are directly applicable to undertakings; this is the case with European law on competition.

The rules on competition have not been laid down with a view to taking the place of national penal provisions which prohibit illicit payments covered by the term corruption. The Commission therefore rejects the idea of artificially creating a link between an offence of this kind and a violation of Community law; as I have already said, such offences fall under the relevant national provisions, which seem to me perfectly adequate to suppress occurrences of this kind.

The same applies to illicit practices which are covered, for example, by national rules on unfair competition. Normally the interests of competing firms and, where appropriate, of users or consumers whose interests are harmed will be protected by the possibility open to them either of instituting criminal proceedings against the author of the offence and then claiming damages, or of taking action on the grounds of default.

What I have just said does not, however, rule out the possibility that acts falling within the provisions of criminal law may also be covered by the rules on competition. That would be the case if illicit payments lead to an agreement on prohibited concerted practices or are made by an undertaking in a dominant position whose infringement of the rules of fair competition would be covered by Article 86. It is also not impossible that acts involving competition may distort competition in the sphere of public affairs. In the case at point, these acts require in the first place correct application of national penal and administrative law.

**President.** — I call Mr Notenboom to speak on behalf of the Christian-Democratic Group.

**Mr Notenboom.** — (NL) President, I shall begin by thanking the authors of this question and the Commissioner who has given us an answer. As regards the actual question, my group has studied it carefully and reached the conclusion that it is couched in

unusually general terms. We can only guess what is meant. In his explanatory remarks, Mr Prescott quoted a number of examples and referred to a great many events of recent months.

In the question itself only the word 'multinational' is clear; all the other words are vague and ambiguous and, put in this way, the question can be treated — although I am convinced that this was not the intention of the authors — as one of the series of attacks on multinational companies.

Let there be no mistake about one thing: if sums of money are given to achieve ends which should normally be reached through open and objective discussion in the general interest, my group considers that state of affairs unjust, undemocratic, reprehensible and indeed punishable. However, these matters must — as Commissioner Borschette has just said, and we share his views — be tested nationally not only against the provisions of criminal law but also against public opinion and public political opinion. That must be done, it is being done and must continue. As far as I can judge, the EEC is not involved.

Mr President, let me say categorically that gifts made by enterprises, whoever they may be, to political parties with no strings attached are an entirely different matter. I can imagine a reasonable and more acceptable way of financing political parties which should be aimed at, but the making of such gifts has, or should have, nothing whatever to do with corruption.

I subscribe to the view that gifts which do not comply with normal rules may encroach upon the proper functioning of the free market economy because the form of production which is not the least expensive may then gain the best chances in the economy. In that sense I share Mr Prescott's concern about the proper operation of productive undertakings, although our colleagues did not refer specifically to that.

The explanatory remarks clearly showed that the authors of the question are concerned with possible conflicts with the provisions of the European Treaties on competition. Mr Prescott also referred in vague terms to other provisions, but he placed the greatest emphasis on competition provisions and Commissioner Borschette also referred particularly to them. As far as I can judge, my group will be able to give its full support to Mr Borschette's answer. Corrupt practices must indeed be tested against national penal and other provisions; I cannot stress that point too highly. After studying the question last week, my group was, however, unable to see any legal connection between payments to political parties and politicians and possible distortions of competition which may conflict with the provisions of the Treaty. However reprehensible some of these actions may be, the legal link is not clear to us. It seems to me that the Commission also fails to see the link.

### Notenboom

Mr President, I am grateful to the Commissioner for his answer and also to the authors of the question for the initiative they have taken. But I would ask that if in future there is reason to refer to similar cases, a more precise and clearer indication should be given of the legal and Treaty provisions which appear to have been infringed instead of putting questions couched in very general terms; otherwise we have the impression of an attack on a certain group of undertakings, the multinational companies, which seems to me the wrong way of testing certain actions against the provisions of the European Treaties.

*(Applause from the right)*

**President.** — I call Mr Fellermaier to speak on behalf of the Socialist Group.

**Mr Fellermaier.** — *(D)* Mr President, ladies and gentlemen, I turn first to my colleague Mr Notenboom: give me the names of companies which are not multinationals but have behaved in this way on the markets and put millions to corrupt use! Name one medium-sized firm to me instead of Shell, Lockheed or BP! We are not making a bogey of the multinationals. The conduct of certain multinationals themselves on the market has been such as to warrant public criticism here in the European Parliament, because we stand for a clean European market.

*(Applause)*

Mr Notenboom, I do not consider it particularly appropriate for you to insist on enquiring whether there is a legal relationship between a possible distortion of competition on the European market and the making of gifts running into millions to political parties. We are not concerned with legal categories, Mr Notenboom, but with the separation of politics and business. That is what we in the Socialist Group are demanding.

Now for Mr Borschette's answer. They were in fact typical of a collegial body like the European Commission. I am therefore unable, Mr Borschette, to express the unlimited thanks of my group to you, as Mr Notenboom, has just done. I concede that you are in a very difficult position of having to weigh up what you might know as the Commissioner responsible for the rules on competition but might not yet be able to divulge because you are subject to the rules of a collegial body in which replies of this kind intended for the European public must be defined. We were, however, rather surprised to hear you say that the Commission learned from the press that there were such instances of corruption in business life.

Mr Borschette, did you really learn that from the press? Do you still stand by that assertion? Do your offices not have entirely different sources of information? Have you not instructed your permanent EEC representation in Washington to evaluate carefully the results of the Church committee of enquiry and draw conclusions, which coincide precisely with the ques-

tion put by my colleague, Mr Prescott, as to whether rules of competition contained in Articles 85 and 86 of the EEC Treaty might not be, or have not been, distorted by such actions on the part of an American concern? You will surely agree with the legal view, which has meanwhile been confirmed by rulings of the European Court of Justice, that enterprises which do not have their registered office in the territory of the European Community are nevertheless subject to the jurisprudence of the European Court of Justice and hence also to control by the European Commission? Your reference to the all-embracing competence of national criminal courts is a rather superficial argument. I am putting this in precise terms to give you an opportunity, Mr Borschette, to develop this argument further — namely, the argument that the Commission has a great many possibilities for intervention in the economic sector.

It has often shown courage, and we congratulate it on that courage, when dealing with persons who have not complied with the rules of the Rome Treaty. We should like it to, show more evidence of that courage than simply to use the formulation which ran through your entire intervention when you said that the national criminal courts are competent, while not ruling out the possibility of action by us if EEC law has been infringed. But your first statement, which gave us some hope, was watered down again in the second part of your speech when you said: 'rules of competition do not replace penal law.' Of course rules of competition can never replace penal law.

But might it not be the case that rules of competition help to create such a degree of fairness on the markets that criminal laws are no longer necessary? We will certainly agree in considering that the application of criminal laws in economic policy must be a last resort, which leads to the question — and this is the corollary that I now put to you, Mr Borschette: after what you have unfortunately so far only learned from the press (I would add that with the excellent cooperation which prevails between the Commission and the national governments you should surely have some access to sources in the national governments), are the present rules on competition sufficient? Are they sufficient in view of what my colleague, Mr Prescott, has described? And if they are not sufficient, is it not duty of the Commission as the guardian of the Rome Treaties to ensure, in the light of market phenomena, that the rules of competition contained in the Treaties are brought up to date?

You yourself introduced an extremely interesting factor into the debate when you said that enterprises with a dominant market position might easily cause distortions of the market in the sector of the award of public contracts. Do you not consider, Mr Notenboom, that these multinational concerns are precisely those which have a dominant position on the market when it comes to winning public orders?

**Fellermaier**

We have known for a long time that conjunctural fluctuations can be influenced directly and indirectly through the award of public contracts. During the recession we saw that by Commission proposals and measures taken by the national member governments through the award of public contracts, a stimulus could be given to the economy. That is the decisive point: if undertakings — I am not even using the word multinational — which have such power on the markets are not subject to more stringent controls of the kind outlined by Mr Prescott in his last five points, then there is a risk of impermissible forms of influence which may even go so far as corruption. We can accept neither influence nor corruption. In both cases European parliamentarians have a responsibility for ensuring a cleaner state of affairs on the market.

*(Applause from the Socialist Group)*

**President.** — I call Mr Scott-Hopkins on a point of order.

**Mr Scott-Hopkins.** — Mr President, may I take it that in view of the importance of this debate you have changed the rules of speaking and that every speaker will now be allowed to have ten minutes, as Mr Fellermaier has just taken? Is that right?

**President.** — In this debate, I think that speakers on behalf of the political groups may be allowed a speaking-time of 10 minutes, but other speakers will continue to be confined to 5 minutes.

I call Mr Normanton to speak on behalf of the European Conservative Group.

**Mr Normanton.** — The House has listened this morning with rapt attention to the damning indictment which has been reeled off by Mr Prescott and his friends, particularly in the speech with which he opened the debate. However, to adapt Shakespeare's Mark Antony at the funeral of Julius Caesar, 'We are all honourable men' here in this House, and we are all motivated by a passionate desire to display our unqualified impartial support for the principles of morality and virtue. But let us not equate virtue with blindness, let us not equate morality with the operation of dual standards. This House will, I hope, never allow itself to be duped by political verbiage, from whichever direction it might come, which is wilfully and mischievously oriented—where it presents, for example, a one-sided, distorted, perverted travesty of the truth concerning the way in which, in this case, international trade is said to be conducted by multinational enterprises.

*(Mixed reactions)*

After listening to the lecture from the lips of the proposer of the question, any dispassionate observer might be forgiven for reaching the conclusion that multinational enterprises were by definition vampires which

sucked upon international commercial activities ignoring all rules and operating according to laws which they set for themselves.

Bribery in any form is not a moral principle to which this House or any of us in this House will subscribe. But is this House to be led — or, rather, misled — by the nose to believe that this is exclusively the malpractice of the multinational company? What of the trading practices of the state-trading companies behind the Iron Curtain? What of the sleazy ...

*(Cries from the left)*

... I must have touched the sensitivities of honourable Members to my right ... what of the sleazy, surreptitious devices by means of which all trade and all privileges are obtained in those areas behind the Iron Curtain: the promise of holidays at Black Sea resorts

*(Interruption)*

Oh, yes—the promise of power to even more despicable individuals in return for favours, of course in this context political favours, to be rendered at some date or on some occasion in the future?

How many so-called representatives of the working class—that over-hackneyed and abused term—in the free Western world have sold themselves and their trust to political masters where freedom in any form is a word of abuse?

*(cried from the left)*

How many tons of political vitriol from *Pravda* are flown every week by Aeroflot from behind the Iron Curtain, propaganda which has as its sole objective the destruction of the political, social and economic institutions of the Western world? Is this not interference with the internal domestic affairs of the countries to which it is directed? Or does Mr Prescott expect us to see this as the light, the truth, the dawn to herald in a new world of virtue and morality? He must think that honourable Members in this House have taken leave of their senses if he thinks that we can see but one side of the coin which is presented to the House today ...

**Mr Prescott.** — Ask the Italian Government! ...

**Mr Normanton.** — ... Will Mr Prescott, or his honourable friends in the Communist Group, tell the House what bribes for favours were demanded by them from these very self-same oil companies or, indeed, from many companies which have no connection with oil? How much was exported by the Russian-backed MPLA in Angola? If bribery is a crime—and to me and my honourable friends it is seen as a moral affront—there must be two parties to each deal, the donor and the recipient. I find it extremely difficult to differentiate between the morality of either of the two parties.

### Normanton

In Mr Borschette and his staff, and I believe in his colleagues and the staff of the Commission, we have a standard of integrity of which my honourable friends throughout the House are or should be rightly proud. The blunt instrument—the flail—which Mr Prescott wielded in this debate, was and is clearly intended to wound regardless of truth and innocence.

*(Cries from the left)*

Adolf Hitler in *Mein Kampf* warned the world of the effectiveness of the policy of the slur, the innuendo and the wild statement when he wrote—‘If you sling enough mud some of it will be bound to stick’. Mr Prescott might have been well advised to recall the parable of the beam and the mote when he opened this debate today.

*(Applause from the right — Protests from the left)*

**President.** — I call Mr Hougardy to speak on behalf of the Liberal and Allies Group.

**Mr Hougardy.** — *(F)* Mr President, when I read press reports and interpret and analyse the current propaganda campaign against the multinationals, it seems quite clear to me that if those companies did not exist all our troubles would be at an end. There would be no more unemployment; everyone would work; everyone would be happy and there would be no more financial or monetary problems.

Mr President, I listened closely to Mr Prescott’s statement I also listened with great attention to the words of Mr Borschette speaking on behalf of the Commission.

This morning the Commission representative made a very firm speech in which he showed his resolve to seek out the truth.

That being so, we place our confidence in the Commission and approve Mr Borschette’s statements.

**President.** — I call Mr Bordu to speak on behalf of the Communist and Allies Group.

**Mr Bordu.** — *(F)* Mr President, ladies and gentlemen, I think it is desirable for this debate not to degenerate into a state of confusion; we should maintain the measure of dignity necessary when studying a problem which has received widespread international attention.

It would seem, then, that petty bourgeois cant is out of place in this Parliament. Not only do the great industrial and banking corporations have a dominant position, but the states themselves are also constantly giving in to their demands by agreeing to rises in prices to the consumer because taxes on fuels are a useful source of revenue for governments. Consequently the interests of the multinationals and of most countries which profit from some of these practices coincide. When it comes to considering bribes, we must ascertain how much political determination there is to intervene.

We were already familiar with the interventions of the CIA, which were more subtle and sophisticated. Now we have economic and political interference by the multinationals. This question is now coming up for discussion in certain countries because it has become a matter of public interest.

There is no question of seeking to moralize profit. Profits know no morals and have always been corrupting in their essence and in what they represent. That is why we must not waste time on discussions which would lead nowhere and have no effect on the further dealings of these big corporations. These companies resort to economic corruption and to political interventions which might, if need be, even against the will of the peoples themselves.

Do we or do we not, as parliamentarians have the right to be better informed on matters which have escaped the Commission’s attention and consequently have been omitted from its report? Are we as parliamentarians entitled to information on the price practices of the big companies?

In our view this is sufficient to justify the formation of a parliamentary committee of enquiry. We have already proposed this; the Communist Group has asked the French government for an enquiry into the problems posed in France by all the companies involved in the scandals which have taken place in France, Italy and elsewhere. We want to know the truth. It would therefore be appropriate for this Parliament also to decide on a parliamentary enquiry to give us a better understanding of the facts. This is not the time for speculation about ideas but solely for seeking out the truth.

In our view, this is all the more necessary as there is a tendency in certain quarters to bury all reference to existing illicit concerted practices. It would be regrettable if this problem were to be swept under the carpet. That would leave behind a feeling of bitterness among those who defend European policy but would then appear to be defending the multinationals at all costs.

You will understand that the communists are in an easy position on this question because their hands are indeed clean, as everyone here can testify. We have reached a time when clarity has become necessary and when the heads of state, multinationals and the CIA are concerting their pressure against the rise of progressive forces in this part of the world.

When money is held by the great industrial and banking powers of our age it remains corrupting; the multinationals corrupt the economy just as they corrupt certain statesmen or members of government.

We must move towards a healthier situation in this area. That is why we support the proposal for a parliamentary enquiry by this Assembly: we must seek out the whole truth.

**President.** — I call Mr Stewart.

**Mr Stewart.** — Mr Normanton's speech was based on the assumption that the question referred merely to multinational organizations. If one reads the question one sees that that is not so, for it says 'multinational and national undertakings.' That would include state undertakings of the kind he had in mind. In my honourable friend Mr Prescott referred in particular to British Petroleum. Therefore, before Mr Normanton next addresses us, he should read the question about which he is talking and listen to the contributions which have been made earlier in debate.

Our main concern now is not with the British Conservatives' desire to defend corruption but with the problem of the Commission in this matter. May I put it like this? The aim of the competition clauses in the Treaty of Rome is to ensure that work is done and goods are produced in those places and by those people can they can be most efficiently produced for the benefit of the consumer. That presumably is the intention.

The intention of these illegal payments is to ensure that work is done by people who can offer the biggest bribes to get the contracts. Clearly those two things are in opposition. We notice also that occasionally governments— member countries of the EEC— are tempted to breach the rules of competition. They may do so sometimes for quite creditable reasons.

They may be concerned about the full impact of competition on certain groups of workers in their country or on certain regions. But if they do that, what happens? They are required in any such action to keep strictly within the framework of regional policies approved by the Community. If they go outside that, sometimes as we know, they get away with it. But nobody approves their getting away with it.

The Commission regards it as part of its duty to point out and least to deplore breaches of the competition clauses of the Treaty of Rome by national governments even if those breaches have a public-spirited motive. Are we to say that breaches of the rules of competition by governments concerned about social matters must be strongly condemned, but breaches of the rules of competition by powerful companies, national or multinational, for their own purposes and the benefit of their own pockets are not the concern of the Commission? That is what is at issue.

It is there surely that the response of the Commissioner — and I must tell him this — was disappointing. Granted, there is the criminal law in each country. But surely, for the reasons I have advanced, this ought to be a matter of the greatest concern to the Commission.

We are glad to note that, at any rate, the evidence is to be most carefully scrutinized. However, in this matter that the Assembly is discussing — although it will be

right to scrutinize the evidence — some of the facts are not in dispute because they are openly admitted by the persons against whom they are charged.

What was lacking in the Commissioner's speech was a realization that we are up against a breach of the principles enshrined in the Treaty of Rome. It will be a matter of very great concern if, as I say, we deplore such breaches when they are committed by governments but apparently regard it as of minor concern if private persons with unworthy motives can do exactly as they please. I urge the Commissioner to take this matter more seriously than the first contribution to the debate suggested.

*(Applause from the left)*

**President.** — I call Mr Klepsch.

**Mr Klepsch.** — (D) Mr President, had I not followed Mr Stewart's request to us to listen to all the statements attentively I should not have asked to speak. I listened closely to what Mr Prescott had to say. And I must admit that Mr Prescott's introductory remarks were not of the quality and standard which Mr Stewart would like to see. That is the only reason why I have asked to speak. We have already held an exchange of views on the subject in this House.

But I must say that the level of seriousness of Mr Prescott's remarks has struck rock bottom.

**Mr Fellermaier.** — (D) Incredible! Are you a moral censor?

**Mr Klepsch.** — (D) You are speaking out of place, Mr Fellermaier. I shall quote you two examples, one of which at least will certainly convince you. In his speech in our earlier debate, Mr Prescott launched the same unsubstantiated and general accusations as today. On that occasion I put the record straight, but today he has repeated his suspicions with even less substantiation.

I refuse to turn this House into an institution for propaganda. Mr Prescott spoke of accusations against the Christian-Democratic Party in the Federal Republic in connection with the Lockheed affair. Those accusations exist only in his head. On the last occasion I said that his observations were slanderous and he did not reply. But today he has returned to the attack. That method is not worthy of this House. On the previous occasion I called upon to him substantiate his assertions. He failed to do so. He has not done so today. He has simply repeated the same old gossip.

But there has been a second occurrence which should give Mr Fellermaier food for thought. Another kite has been flown with this talk of the Starfighter, the 'flying coffin'. Your colleagues in the German Social Democratic Party clearly considered your remarks so uninteresting, inaccurate and unimportant that they

**Klepsch**

even applauded you. Imagine the responsibility which Mr Schmidt and Mr Leber have been taking upon themselves for all these years if your theory were correct in continuing to operate these apparently useless aircraft! That shows just how much your statements are worth. The subject is quite simply too serious to be dealt with in the manner in which Mr Stewart has chosen. But I have the impression that certain people wish to use this chamber as a forum for propaganda. That is the only reason for which I have asked to speak. For the rest I fully endorse what my colleague, Mr Normanton...

**Mr Fellermaier.** — A revealing slip of the tongue!

**Mr Klepsch.** — What Mr Normanton said was also very interesting... but I had intended to say that I fully endorse the observations made by Mr Notenboom on behalf of my group. I also found Mr Borschette's remarks on behalf of the Commission very interesting.

I believe that the multinationals must be looked at closely: These are not simply private establishments, as Mr Stewart has already said, but generally bodies with a very high level of government participation or even wholly owned by trade unions — the 'Neue Heimat' is an example, if I may bring this aspect into the discussion.

I do not propose to look at the substance of the matter; allow me to say quite simply that Mr Notenboom's observations meet with my full approval.

*(Applause from the right)*

**President.** — I call Mr Fletcher.

**Mr Fletcher.** — I am glad that members of the Socialist Group who followed Mr Prescott have appreciated that this question cannot be confined to multinationals only, otherwise they might convey the impression that illegal practices may be peculiar to those companies only. If that were the case, the charge of hypocrisy would have to be made, and it would have to be made to stick against Socialist Members.

Unfortunately for the Commission, and anybody else looking at the practices of industry generally, there is no limit to the number and types of organizations that must be included if this question is to be pursued in a comprehensive manner.

Mr Stewart in his speech took the words of the question to mean organizations other than multinationals. He might have gone further to explain just what was meant by those words and to say, for example, that our experience in the United Kingdom has shown corruption and illegality in nationalized industries, in trade unions and in local government to a quite horrifying extent, all justifying the freebooting language that Mr Prescott used when he confined his remarks to multinationals only. If multinationals are freebooters in their trade practices, I suggest that Mr Prescott is a freebooter in the use of his language...

**Mr Prescott.** — I am a prosecutor.

**Mr Fletcher.** — ...In fact, any attempt to restrict these criticisms might embarrass the Socialists here as it would leave them open to the charge that they were indulging in some kind of selective morality aimed at damaging public confidence in German, British, Dutch, French and American companies and companies based in other countries.

I hope that the Socialists will ask the people whether they prefer the enterprise of multinationals or the enterprise of the state. I know what answer the Socialists will receive.

I hope that Parliament will take an early opportunity to acknowledge the fact that multinationals, whatever their failings, make a vital and outstanding contribution to investment and employment throughout the Community and throughout the world.

If we accept the very positive contribution that these companies make, then I believe that it puts us in a stronger position to make criticisms when they are called for.

What is needed in the case of the specific criticisms raised in the question is an attempt to eliminate the recurrence of these practices. That will require more than mere guidelines of behaviour or an international code of practice. It is essentially a matter of finding an international agency capable of overseeing the relations between multinationals and other companies and governments.

I know that multinationals would welcome a very strict code of practice for this purpose. They would like more than that: they would like some kind of international referee to whom they could complain when undue government pressure has been exerted upon them, just as governments could complain if undue pressure was exerted on them by a multinational company or any other type of corporation. I am sure that Members of the Assembly, including Socialist Members, will acknowledge that governments are just as likely to exert pressure on multinationals as are multinationals likely to exert pressure on governments.

Therefore, I hope that the Commission will address itself to that aspect of the question, because this reaches the heart of the matter much more effectively than the extension of petty government control in the day-to-day operations of any type of business. Governments do not run enterprises very well. State corporations are much less popular with their employees and with the general public than are the multinationals, which owe their market success — and I address this remark to Mr Fellermaier — to good employee and good customer relations. Ask the people.

*(Applause from the right)*

**President.** — I call Mr Leonardi.

**Mr Leonardi.** — (I) Mr President, my remarks will be addressed primarily to the Commission. We consider the reply given by Commissioner Borschette to be totally unsatisfactory, as indeed has been all the Commission's activity in this sphere.

We do not wish to transfer our national problems to this House. However, it is a fact that in our country certain oil companies have been guilty of acts of corruption. This has seriously influenced Italian choices in the sector of nuclear policy and the utilization of public funds.

In particular, the creation of refinery installations whose capacity far exceeds the requirements of the country has been encouraged, thus causing serious damage to our country, and the distribution network has been developed on an altogether inflated scale, thus causing enormous wastage. Responsibility for all this clearly rests with the Italian governments. In this connexion we shall seek to intervene at national level and we are sure that all the parties in our constitutional system — including those implicated in the scandals — will do their duty in defending the country's interests.

I repeat that we do not propose to transfer our national problems to this Assembly. However, let me put one question. What has the Commission done about all this? While these events were taking place, the Commission stated in its report on 1973 that there had been nothing abnormal about the behaviour of the multinational oil companies. The report on the problem of the crisis — perhaps because it was cut — was therefore of only marginal interest and contained for example the observation that the internal transfer prices are unimportant, although we all know that they are an outstanding means of fiscal evasion and therefore an instrument by which the multinational companies can engage in operations which are totally incompatible with the idea of fair competition.

We therefore consider the Commission's action altogether unsatisfactory and draw attention to the fact that one of the tasks of the Community, and hence of the Commission as the guardian of the Community Treaties, is to ensure for the Member States protection at the multinational level against the actions of private companies which operate precisely at that level and consciously or unconsciously bring economic interests into the political arena. Protection of our countries at this multinational level is an objective necessity, and the Commission has shown itself unable to discharge its duties here in an adequate and satisfactory manner.

(Applause)

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — We should not wash our domestic political laundry in the European Parliament, but it has to be asked of Mr Normanton: who accepted Aeroflot holidays and when? Will he either substantiate what he says or withdraw it with apology? Those of us who have the privilege of coming to the European Parliament should speak with care. Until I read the text I do not know precisely what insinuations or conclusions we were supposed to draw from the reference to *Mein Kampf*. Anyone who refers to that book is using emotive phrases and, presumably, has a purpose in so doing. We shall study the text of what Mr Normanton said very carefully and react accordingly, but we do not propose just to leave it. This is a development which is relatively new in the Assembly, and it is highly undesirable.

I should like to ask Mr Borschette three precise questions. He said that the consequences would be made known to the House. I should like Mr Borschette to undertake that at the next part session in Strasbourg he will give an interim report. In parenthesis, I should like my colleague Willie Hamilton and the Committee on Rules of Procedure and Petitions to look at the question, which I am sure they are already considering, of a hearing of some kind. Clearly, it is better that this complex issue should be given a hearing rather than be discussed at a plenary debate. If Willie Hamilton speaks, perhaps he will comment on how he thinks the committee should deal with such matters.

Secondly, Mr Borschette said that this matter was not within the ambit automatically of the Treaty. Surely this cannot be such a grey area. Either it is within the Treaty or it is not. If Mr Borschette is shaking his head, he had better explain precisely what he means when he says that it is not automatically in the ambit of the Treaty. Some of us think that it would be seen as odd by the people who send us here that the European Parliament and Commission do not have some responsibility in the matter.

Thirdly, Mr Borschette said that national provisions are adequate to deal with the issues. Was he simply referring to corruption? If so, it seems to us that national provisions are not adequate and it is up to Mr Borschette to substantiate the case that they are.

I have a constituency interest, as at least 700 of my constituents work at the huge BP refinery at Grangemouth. The trade unions and many of those who work there in middle and senior management are profoundly disturbed by what we have seen on television from Italy, on the BBC and Independent Television. Some of us come here in the knowledge that we are under an obligation within the next month to report back. I have to face constituents who will want to know what I am doing about it here in the European Parliament, and that is why I speak as I do.

## IN THE CHAIR : MR SANTER

*Vice-President*

**President.** — I call Sir Brandon Rhys Williams.

**Sir Brandon Rhys Williams.** — For all who are seriously interested in company law reform, I am afraid that this has been an unhelpful debate about a serious matter, largely, it has to be said, because some of our Socialist and Communist colleagues have been seeking political effects and not recommending positive remedies. They have had a chance to throw mud at big business in front of the cameras and they have taken it.

Of course, the recent revelations show a deplorable state of affairs — yes — but the problem of corruption is not a new one. Corruption existed long before the 20th century. It is a weakness of all systems which put huge responsibilities in the hands of people on low salaries with high taxation on their marginal earnings and small opportunity to accumulate personal savings, or on people who derive no self-respect from their work. To that extent, corrupt influence is particularly a sickness of bureaucracy unsupervised by active, free democratic forces or badly rewarded and encouraged.

The European Parliament has a duty to insist upon the highest moral standards but also to see that situations do not arise in which businesses are brought under pressure to make undercover payments. Company officials do not want to get involved in risky, smutty deals unless they have to do so.

Mr Stewart said that unworthy motives were involved. That is not necessarily the case at all. Officials of companies who find that the atmosphere in which they are working is an atmosphere of corruption can only stand to lose business and reduce employment and profitability for their companies unless they go along with the conditions of business in the country where they are involved. We have a responsibility as politicians to ensure that these situations do not arise. It is by no means an easy problem.

Of course, our Socialist and Communist friends have used the opportunity this morning to pick on multinational companies, but they ought also to redress the balance. These great companies which are active in Western Europe are a huge source of funds for investment. Their research brings rapid technological change. They bring new opportunities for employment. They introduce an altogether wider range of choice for consumers with better guarantees of continuity of quality. But our varied and in many cases obsolete systems of company law — I think particularly of British company law but of other countries in the Community also — do not provide an appropriate framework for modern business enterprise, whether public or privately owned. Our responsibility as parlia-

mentarians is to work out quickly and, I hope, calmly, suitable legal formulae for the multinational companies but not to pander to ignorance and prejudice about the way they work.

**President.** — I call Mr Glinne.

**Mr Glinne.** — (*F*) Mr President, ladies and gentlemen, several red herrings have been introduced into this debate, clearly to divert us from its main object. Reference has been made for example to Angola. But what has Angola got to do with this problem, unless we are talking about the attitude adopted in the Cabinda enclave by the subsidiary of a multinational oil company? I fail to see how the existence and activities in the Federal Republic of an association with union backing whose aim is to promote the social interests of its members have anything to do with this item on our agenda. Reference has been made to the status of workers in public undertakings on the pretext that this status is subject to lively criticism on the part of those covered by it. We have voiced stronger criticism of British Petroleum, a public company than of any multinational in the oil sector. What we have to do however is to assume our responsibilities in this part of the world, in our Community, and to bring the exercise of these responsibilities a degree of political ethics — ethics which are universal.

Mr Prescott referred just now to the documents of the Church Committee of the United States Congress and other speakers have alluded to the enquiries now under way in Italy. I might add that there is also a problem — and not the least important — in the Netherlands.

Mr President, I wish now to address a critical observation to Mr Borschette and to put a question to him.

Work has been under way for several months in the OECD in Paris on the problem of the multinational companies and on the methods which should be used by our governments in particular to put an end to the corruption which has often accompanied the operations of these transnational companies.

In some parts of the world commissions are paid in a manner which closely resembles corruption and will be fairly difficult to eradicate. But in those of our countries where, happily, concern for clarification and political probity is maintained and developing, our governments might oblige transnational companies which are wholly or partly under their authority to observe certain rules of conduct.

During the discussions at the OECD in Paris, representatives of the American government themselves proposed formulae aimed at combatting attempts at political corruption made in particular by transnational companies. I might also mention the activities of a UN Commission on transnational companies. There is now a special UN body in New York responsible for studying the activities of these companies.



## Glinne

That being the case — and herein lies the point of my criticism of the Commission — how are we in the Community to concert the position of our member governments in regard to the activities of the multinational companies responsible primarily to our national authorities and secondly to Community authority when there are fundamental distortions? Mr President, we see an evident correlation between the existence of the multinationals and recourse to illicit practices. Not all multinationals are perhaps guilty of the same reprehensible actions, but many have been, and remain guilty. That is the point we wished to stress this morning once again.

As regards restrictive commercial practices, this morning Mr Gaston Defferre stated in a southern French newspaper — reported on the radio at 9 o'clock this morning — that the dossier on the French oil companies has come into the limelight again following new revelations indicating a sharing out of the market in oil products in the south of France in a manner which infringes the rules of fair competition.

Mr President, we in the Socialist Group are very proud to belong — although not alone, because we know that others also take a keen interest in political morality — in the forefront of those who seek clarity, because in doing so we are also seeking to consolidate political democracy.

## IN THE CHAIR : MR MARTENS

*Vice-President*

**President.** — I call Mr Osborn.

**Mr Osborn.** — This is a difficult debate, but I consider that the remark of Mr Michael Stewart that Mr Tom Normanton, who spoke for the Conservatives, was defending corruption, was unworthy of him and I hope that he will have second thoughts about it.

Morality in business has concerned people in business for ages, because, where there is immorality, morality does not provide jobs, trade and employment. This has been a factor facing all those who are responsible for employment in their own factories, including Lockheed in the United States of America.

Last week I attended the annual dinner of the Cutlers Company in Sheffield. These dinners have been going on for more than 300 years. The Archbishop of Canterbury was a guest of honour. He took as theme of his speech 'Guidelines to health'.

Some of the young people in the audience who obviously shouted against Mr Normanton should know that a large number of people in business — in management — are concerned about a code of ethics, and quite a few of them have chosen to attend St George's at Windsor and the Industrial Mission to

discuss religious issues, for morality is not unconnected with religion. In their day-to-day business perhaps they have failed over the years, but what they are now doing should be appreciated in this age.

I could say quite an amount about Mr Prescott's approach. His friendship and his understanding of morality are somewhat lacking. In this age it is very easy to be pious and platitudinous. Over the years I have spoken to many salesmen, mainly British salesmen, who have had to export into Africa, Asia, India and South America. On behalf of a variety of companies I have met people who have encountered some of the problems which arise when one's competitors are providing bribes and one is not.

May I tell a simple story? Four or five years ago I took my small daughter to the home of an export-import agent. She said 'Daddy, is not this gentleman employed by your company?' I said 'No, he is an agent.' She said 'But daddy, he has wonderful pictures and a villa. Why is it that he is better off than you are?' I said 'My dear, I am a director of a manufacturing company. He is a merchant.' Over the years from 'The Merchant of Venice' and Shylock merchants have played an important role, and many have benefited.

In the companies that I have been associated with — in the British Institute of Management and others — there are those who are trying to establish a code of business practice for the guidance of all those employed by their firms. We should have more than this. Some 25 years ago I was selling in Britain for a company that employed me. I have met many salesmen selling in Britain and I have related to them the problems that I had with local government, the Defence Department and, above all, the nationalized industries, which invariably were monopoly buyers. These are the same today.

We must not forget for Pottinger-Poulson case. People have been tried and found guilty. The courts have a role to play where corruption is big enough and it has been found out, whatever the justification.

I should like to tell another story. When I was responsible for developing a new process involving technical sales I persuaded a customer to go over to a new line of production to cut out much peripheral work. In due course I learned that the buyer of that company was getting married. My industrial competitor had offered him a television set. The salesman of my company asked whether I would provide the refrigerator. My company did not. Three months later my company had suffered bitterly from loss of orders and I had good reason to wonder what the value of morality in business was. However, the company which had ceased to buy the product that I was making at that time was in a much worse mess. That buyer suffered. He was released from his service with ignominy, but many lives were affected by what happened.

## Osborn

The Purchasing Officers Association guides buyers on how to conduct themselves. We have plied a question to Mr Borschette who has spoken about the protection of consumers. I support him and Mr Notenboom. Much must be done by national governments.

The multinational company is not the only company that presents us with a challenge. I do not seek to defend Shell or British Petroleum or even Lockheed in recent years, but the multinational company is a catalyst, and in new areas — developing areas — a subsidiary of an established manufacturing company can provide employment and prosperity in the new world to a degree which no other catalyst can. Therefore, condemnation of the multinational is unjustified.

There is, of course corruption—there has been for years—in government, local government and state industries. We have to find ways of eliminating it. There should be rules of competition and a code of business practice, of course. The Commission can play a role. However, professional management — professional engineers — have their code of conduct too.

I support the argument of my colleague Sir Brandon Rhys Williams that we can do much more in the field of company legislation and national legislation. If this debate established national codes of practice as well as European codes, if national practices result from this through the World Bank and international chambers of commerce, I shall welcome it. Of course, there must be greater strength for those in management to ensure better codes of practice in business. To that extent I welcome the debate. I regret Mr Prescott's vitriol.

### 4. Greetings

**President.** — Before calling Mr Giraud, I wish to welcome Mr Califice, formally Member of this Parliament and now Belgian Minister for Employment and Labour, to the Council benches. It gives us a special pleasure to see him with us.

I also extend a welcome to the delegation from the Belgian Parliament, Chamber and Senate, led by the president, Mr Nothomb, whose visit to this Parliament does us particular honour. We for our part hope that the delegation will find its visit useful and informative and will have a pleasant stay in Strasbourg.

### 5. Oral Question with debate: Commission investigation into alleged illegal payments (contd)

**President.** — I call Mr Giraud.

**Mr Giraud.** — (F) Mr President, we heard a chorus of alternating views for the past hour or so, and it might seem surprising that France has been better represented, if only to bring matters back to their true

proportion. My friend Mr Glinne, spoke just now of a diversion. I believe that there has indeed been a diversion, because if my knowledge of French is adequate and I have some practice in reading the language the question put by the Socialist Group and in particular by Mr Prescott was particularly clear and particularly precise. It referred to the Commission's enquiry into illegal payments purportedly made by multinational and national companies.

We are not, then, today dealing specifically with the bureaucracy, to which some speakers have referred, with company law, of which others have spoken, or with the doubtful virtues of the multinational companies and their superiority over private or public national companies; we are simply looking for a reply to a specific question put to the Commission about illegal payments.

How does this interest us as members of the European Parliament? In the first place, we have reason to think that the consumers whom we are supposed to represent may be the victims of these practices. Secondly, they may distort competition between companies; thirdly, as our colleague, Mr Leonardi, said, we have some reason to think that the prodigality of certain companies may have had consequences which we are entitled to consider detrimental to the energy policy of certain Member States.

Consequently, we are not seeking to act as public prosecutors. We are merely asking for clarifications and for detailed information on certain illegal payments. That is the purpose of the question by the Socialist Group, and I am sorry that some of my colleagues have sought to cloud the issue by leading us away from the precise question which has been and which warrants an equally precise answer.

*(Applause from the left)*

**President.** — I call Mrs Ewing.

**Mrs Ewing.** — I should like to identify myself with the speech made by Mr Michael Stewart and particularly associate myself with the reasonable way in which he said that certain of the facts are not in dispute. The Conservatives are trying to change the question. They do not seem to like the question which is before the House and, instead, are talking about selective morality. That is not the question. The question with which we are specifically concerned is selective immorality.

No whitewashing can wash this out. Perhaps I have just a Glasgow lawyer's approach, but in a court of law if someone up on a charge of bribery were to say that he had a good motive and that what he did had resulted in more jobs being provided, or if he said that his competitors had done what he did, the judge and the court would not be impressed. That is not a plea in mitigation and it certainly is not a defence.

## Ewing

I find it extraordinary that a Member of Parliament should quote Adolf Hitler. We could do without that. I hope that I can live through my life without having to quote Adolf Hitler.

In the United Kingdom we require companies to disclose political contributions. That is done, and is accepted by all parties as reasonable! Those in political life are required to declare interests, and we accept that as good and reasonable. I should welcome information on whether the law of other countries may need to catch up with our law. Perhaps we have something to offer here in company law.

I am sympathetic to Mr Fletcher's idea that there should be an international agency. But there is not one, and we have this problem with us now. This forum is an international agency. If we cannot regard such a serious matter as within the ambit of the Treaty, there must be something wrong with the Treaty. If this does not constitute a breach of the Treaty it should do so, and the Treaty should be changed forthwith, otherwise I am wasting my time in coming here.

I also have a constituency interest in BP. Like Mr Dalyell, I have to report back what happens here. My constituency is involved in oil exploration. BP has enough money to go round to all the chambers of commerce and universities in an organized and expensive way pleading for sympathy every time it finds a dry hole in the North Sea. That has happened to such an extent that the Scottish National Party has named the oil companies 'the political party called Shell' and 'the political party called BP'. The oil companies have enough money for that, but they do not have enough money for contribute towards the infrastructure of Scotland in areas that are being wrecked by the mad lust to get oil out of the sea as quickly as possible and the Devil take the hindmost. The oil companies have not enough money for infrastructure, they have not yet made a major social contribution in Northern Scotland to make up for the rape of the fair lands of Scotland, but they have enough money to indulge in bribes. We are talking about admitted matters, not about what else we may discover if we look further.

The question is eminently reasonable, and I hope that we shall get a more specific answer. I should like an answer to my question about the possibility of improving company law structure in all Member States.

*(Applause from the left)*

**President.** — I call Mr Ellis.

**Mr Ellis.** — I can agree with Sir Brandon Rhys Williams in at least one thing. It has not been a helpful debate. I go further and say that in some respects it has been a very depressing debate indeed. I think that the main reason for this is that honourable

Members speaking from this side of the House have tried to speak to the point — indeed, latterly more and more of us have risen simply to refer the debate back to the point — whereas speakers on the other side of the House have constantly tried to get away from the point and introduce all kinds of smoke-screens. I shall not apologize yet again for being a speaker who tries, as it were, to point out what the point is.

Some honourable Members who have spoken on the other side of the House were, I should have thought — I mean no reflection whatever against the Chair — completely out of order. As I understand the rules of debate, one is obliged to talk to the point. As my friend Ernest Glinne said, what has Angola to do with it?

I believe that the real reason why people on the other side of the House have spoken as they have done is that quite cynically they think that we have put down the question because somehow we shall get some kind of party political advantage out of it. Indeed, Sir Brandon Rhys Williams said explicitly that we were playing party politics. He went on to talk about the virtues of multinational companies. They may have virtues, but we are not talking about balancing the virtues against the vices of multinational companies.

My friend Mr Dalyell has dealt with Mr Normanton perhaps more harshly than I would. I thought that Mr Normanton's speech was a bit of *opera buffa* to be treated only as *opera buffa*.

Mr Fletcher provoked me to put my hand up. He brought out a complete smokescreen. He talked about the freebooting language of my friend Mr Prescott. One of the disadvantages when one has written out one's speech beforehand is that one seems obliged to stick to what one has written. As for the words used by my friend Mr Prescott, I would have thought that the word to use was not 'freebooting' but 'forensic'. It was a carefully considered and studied speech. I recommend to Mr Fletcher — unfortunately, he is not present — that in future he should not write out his speeches beforehand but should listen to the debate and then respond to it.

Mr Fletcher devoted a great deal of his speech to corruption in Britain, in the state industries, in local government and in private industry in Britain. Of course there is corruption in Britain. Many people are in gaol for practising that corruption. That, however, is not the point.

**Mrs Ewing** — I am sorry to have to disagree with her — said that she was aware that something had gone astray and that we were not talking to the point. She said that the point was not morality but was selective immorality. It is not. She spoke a great deal about what was happening to Scotland. I want to emphasize that the point is, what is the Commission doing?

**Ellis**

That is the point. I have got up simply to say that. What is the Commission doing?

It seems to me to be a rather shocking thing that the assiduousness of my friend Mr Prescott and a television company has had to be brought into play to bring about this debate when the whole thing should long since have been under the care and control of the Commission.

*(Applause from certain quarters)*

**President.** — I call Mr Noè.

**Mr Noè.** — *(I)* Mr President, I shall carefully avoid any diversion, as you will see from the proposal I intend to make concerning the Commission.

But first allow me to correct a statement made a short while ago by Mr Leonardi, because this is a delicate matter and one on which the truth must be brought to light. My correction consists in maintaining that any untoward events which may have occurred in Italy have had absolutely no bearing on decisions regarding the rate at which nuclear power stations were to be built in our country. The reason is very simple: This development occurred at the level of the chairmanship of the board of directors of ENEL, while decisions on the rate at which nuclear powerstations should be constructed have always been taken at the level of the directorate-general and technical directorate. I say this because I have known for a great many years the people who have taken these decisions, the reasons for which I shall now explain briefly.

Since 1941, I have worked for Montedison, which provided the supervisory staff to manage the powerstations. I therefore followed the preparatory work leading up to these decisions, which was guided solely by the fact that since there were three nuclear powerstations in Italy (two based on one reactor system and the third on another) it was felt better — as seems readily understandable — to wait for another ten years or so before committing ourselves to an expensive programme of construction pending possible improvements to the technologies involved.

In 1970, I met in Paris Mr Ailleret, a well-known engineer who defined the rule of the doubling of electrical energy every ten years. He said to me: 'You are lucky not to have committed yourselves prematurely to an overambitious programme as France and Britain have done, using reactor systems which have then had to be cut back by half and have represented a negative investment.' Mr Ailleret said that to me and went on to approve the decisions taken by Mr Angelini, the ENEL director, who, with his engineers, bore no responsibility. The decision on the programme to build nuclear powerstations thus depended on other factors.

Having said that (and those colleagues who have said that we must stick to the subject are right), I wish to

make the following constructive proposal to the Commission: the Commission should in future ensure that for all operations involving substantial investments in this sector open calls for tender are published in which every company may participate. This would avoid private agreements, which may, although not necessarily, give rise to corruption. If, then, the Commission could ensure that for all these large and important contracts Member States always use the public tender system, it would contribute to greater transparency of certain choices enabling, as far as possible, events such as those we have experienced, and which we all deplore, to be avoided.

*(Applause)*

**President.** — I call Lord Castle.

**Lord Castle.** — At this stage in any debate I believe that a speaker can only reinforce some of the pleas which have been made before he has spoken.

I am grateful for the opportunity to speak in the debate to reinforce — and I believe I speak here for all my colleagues on these benches — our desire that there shall be, at Commission level, an inquiry on behalf of the European Community. My impression, having listened to the Commissioner, was that inquiry would be no more than the gathering of details and the confirmation of statements that have been made. That is not sufficient.

As a result of the facts already known about the operations by finance organizations whose opportunities and powers stretch across frontiers, I believe that an opportunity should be taken by a body whose powers stretch across frontiers to make an inquiry and, if necessary, to make accusations and to pass sentence. The relevance of this debate is whether or not we as a Community are competent to do that.

The second point I wish to reinforce concerns the need demonstrated by the debate for much stricter adherence to the rules of relevance.

I taken this opportunity to inform spectators, visitors, parliamentary colleagues from Belgium and the Press that I do not believe for one moment that any Member of the British Conservative Party condones corruption on the scale revealed. However, such was the advocacy of the Conservative case, and such was the irrelevance of what was said by Mr Normanton, that people might be misled into believing that they would condone such practices.

I am, therefore, grateful to Mr Osborn for having spoken to defend his colleague but, in effect, having had to disown him. We in our country with all our faults know that we cannot tolerate from corporations, public men, private enterprise or corporate enterprise any suspicion of corruption and bribery as an instrument of commercial success.

**Lord Castle**

I deplore the fact that more colleagues from the British Conservative Party have not spoken in those terms instead of attempting to disguise their innermost feelings by an irrelevant smokescreen of accusations which have nothing whatever to do with the question before the Assembly.

It is a very noticeable fact that during the speech of the Member whom they had chosen to speak for them in the debate — a man of admirable qualities, I ought to say, and a most likeable person outside this Chamber — their leader, their deputy leader and their entire Centre and Left Wing were absent from the Chamber, presumably in order to dissociate themselves from the views that he was expressing and the misuse he was making of an opportunity to put their case...

**Mr Scott-Hopkins.** — I was here all the time!

**Lord Castle.** — I am sorry that I did an injustice to Mr Scott-Hopkins, who *was* present in the Chamber and applauded the irrelevancies of his colleague.

**President.** — I call Mr Jahn on a point of order.

**Mr Jahn.** — (D) Mr President, ladies and gentlemen, I have asked to speak in order to propose that the 'European Parliament — USA' delegation which has been looking into the question of the multinationals for three years now should forward to Parliament all the documents concerning our hearings in Washington and Munich with the multinationals, in order to place the debate on a more objective plane next time.

**President.** — I call Mr Borschette.

**Mr Borschette, Member of the Commission.** — (F) Mr President, so as not to cloud the issue, as Mr Giraud said, I shall confine myself to a few precise remarks.

I am here today not to judge or condemn the multinationals or on the contrary to praise them. Incidentally, I have already told you what the Commission's position is on the subject of competition and the rules of competition.

Certain multinational companies play the game, while others do not. If these companies fail to play the game, the Commission must apply the rules of the Treaty.

I am here today to answer the question whether corruption, particularly in the political sphere, can fall under the rules of competition.

It was said just now that I had not been very precise. I shall try to be so now while summing up my position. Corruption, particularly in the political sphere, is a criminal offence against which criminal proceedings must be taken by the national authorities; but if enquiries conducted by the national penal authorities show that there have been infringements of the Treaty

— for example, if there are concerted practices, share-outs of markets or abuse of dominant positions — the Commission can and must intervene.

I would also stress that the Commission did not wait for this debate to take appropriate action. More than two years ago, in a penal case concerning a Member State, the Commission contacted the national authorities and asked them to communicate to it all facts or documents revealing infringement of the Treaty rules.

Secondly, if some of you deplore the fact that national rules against corruption are not stringent and severe enough, it is up to you as members of the national parliaments to seek to strengthen that national legislation.

I have also been asked whether rules of competition could genuinely cover all aspects of an infringement, particularly in the case of political corruption. In my view it would be a severe distortion of the Treaty to seek to bring political corruption into the ambit of its provisions. It was said just now that the Treaty should be amended. I must state quite categorically that I shall never agree to this Treaty becoming a penal treaty on certain matters. That was never the intention.

I was particularly hurt by Mr Glinne's words when he criticized the Commission for doing nothing in the OECD or in the UN special committee. I believe, on the contrary, that the Commission is doing a great deal in connection with the good conduct code which is being drawn up in the OECD, and the Commission has repeatedly given evidence to the UN committee of experts. I think, then, that the Commission is playing its part, particularly as regards a code of conduct against corruption in the political and other spheres.

Finally, I am not sure what specifically Mr Dalyell was asking me to provide. Did he want an interim report on the documents Mr Prescott handed to me a few days ago? If those documents contain important elements of information and if Mr Dalyell wants us to act, I would ask the honourable Member not to call upon me to apply a procedure for which there is no provision anywhere and which might be a violation of the normal procedure as laid down in the Treaty and Community regulations.

The same goes for Lord Castle's request for an enquiry into political corruption. What could its basis be? In pursuing this end we should be arriving at means which were contrary to the Treaty and national legislation. I share your view: political corruption is an extremely disturbing phenomenon; it is a scandalous phenomenon which is liable to put an end at some stage to parliamentary democracy and economic democracy. But it is a phenomenon which cannot be abolished by the rules of competition as at present embodied in the Treaty.

(Applause)

**President.** — I call Mr Prescott.

**Mr Prescott.** — To give an immediate reply to Mr Borschette, one understands his difficulties, but the need has been demonstrated for an examination and an inquiry, and the Commissioner must not get himself too caught up with the argument of corruption.

The evidence we have given to him on which we hope to report back at a later stage deals with matters which are an infringement of, and in conflict with, the Treaty. It is a matter of legal judgment whether that has been justified, but if it is justified later, action can be taken. He asked what we can investigate, but the Assembly requested the Commission to inquire into the activities of the oil companies during the Israeli war and to investigate whether they exploited that position. There is more and more speculation in the Press that pricing evidence was taken out of the Commission's report. Today we have learned that the reporter who wrote this story has been dismissed from the newspaper for doing so. Accusations and speculations of that sort increase the concern that is felt that these organizations should be accountable to public institutions and Parliament. We shall be pressing for that, and the political groups will wish to consider the possibility of a further report into the matter in view of what has been said today and the available evidence.

It is incumbent upon me to put forward my arguments. I had the feeling that the speeches made by some of my Tory opponents were written before I had made my speech. I kept my speech on a low key and related it precisely to the available evidence, which, as Mr Michael Stewart said, has been admitted by the chairmen concerned under oath to the American Senate Committee. I do not make accusations lightly. They are admitted by the people who paid the money and in some cases by the people who received it.

Clearly, there is sufficient evidence at least to rate an inquiry. That is the least we can do. It is evident that inquiries are not taking place in the various countries. A fairly lengthy period has elapsed since the events occurred in Italy. Although the evidence has not been finalized either in a court or in a parliamentary committee, who can deny that the matters involved in some of the accusations will play a fundamental part in the coming election in Italy and played some part in the removal of the Christian Democrat Government from office? The evidence is here in the Commission report.

In Germany, accusations have been made by directors of the company concerned and by Mr Klepsch's personal friends. I understand that in Germany evidence is awaited from the American Senate before consideration is given to setting up an inquiry ...

**Mr Jahn.** — (D) The enquiry is over. There is no evidence against Germans.

**Mr Prescott.** — ... I am going by what my colleagues have told me. There is also the position of the Dutch Government. Many countries are concerned about an inquiry. I have been pressing for an inquiry into BP's action, but I am not making a national point.

It has been said today that this is an international Assembly. This is an international problem to which an international solution is required. In my 10-minute introduction I was unable to refer to the excellent work done by the Americans and Members of this House in producing the Lange report proposing an international agency. These are proposals which have been made by members of the Socialist Group. I did not refer to them because I expected Members to be conversant with that information.

We feel that an international convention is necessary for the control of multinational corporations. The multinational corporations would probably also like some control to be imposed. I well understand that argument. It was said that in my country public institutions and public figures have been involved in the commission of offences. But they have been prosecuted. That is the key. Mr Normanton in a disgraceful apologist speech supported by the majority of his colleagues, as Mr Michael Stewart said, was a defender of corruption. That is what has been done today. I can understand why.

**Mr Normanton.** — That is a damnable insult! The honourable Member knows it and should withdraw it. I have never said that and never will. It is an insult, typical of what is going on.

*(Mixed reactions. Cries)*

**Mr Prescott.** — The judgment will be found in the speech. Let honourable Members make their judgments by reading the speeches tomorrow.

The question I proposed was in the nature of an inquiry. The Commission has received evidence and we await a report. At the end of my speech I set out certain actions which the Assembly could take as first steps towards bringing multinational corporations to public accountability. That was my obligation, and I fulfilled it. The debate has shown the necessity for the question, and I hope that today we have taken the first step towards making multinational corporations publicly accountable.

**President.** — Does anyone else wish to speak?

The debate is closed.

I call Mr Scott-Hopkins on a point of order.

**Mr Scott-Hopkins.** — Mr President. This has nothing whatever to do with the debate but is something entirely different. I have just received notice of a meeting at 6 o'clock this evening of the Committee on External Economic Relations. As you know, Sir, the ruling of the President many times has been that these meetings are to be deprecated during the plenary sittings.

My reason for raising the matter is not only that I deprecate the shortness of notice of the meeting, but I observe that under item 5 of the agenda for the meeting we shall be appointing a rapporteur, hoping to come to a decision on an issue which is on the agenda of the plenary sitting for Friday. It is monstrous to start behaving like this. It makes the whole thing a farce.

I raise this as a point of order because it is quite ludicrous that we have not even appointed a rapporteur. We are to have a special meeting this evening to do this and then try to adopt a report on proposals from the Commission to be debated on Friday. This simply will not do.

I am not asking you, Mr President, to take any particular action at the moment — I do not think there is anything you can do about this — but I hope that it will not happen again, and I shall do my best as senior vice-chairman of the committee to try to block this matter this evening if the committee meets at 6 o'clock, which I hope it will not. I draw it to your attention as being absolutely monstrous.

**President.** — Mr Scott-Hopkins, I am sure you have good reason for making these observations. Nevertheless, I must point out that in this case it is an urgent matter and that for this reason the committee has been called for 6 o'clock this evening.

**Mr Scott-Hopkins.** — This item, No 104, was on the draft agenda sent out to Members in the middle of last week. In other words, it was printed the week before last. We knew about it then. Why was not something done about it? It is not the fault of the chairman of the committee. The whole machinery has gone wrong.

I ask you, Sir, on behalf of the committee and its chairman, to look into this because it is a monstrous thing to have happened. Your Secretariat knew about it two weeks ago at least but it has only now come forward as an urgent meeting.

**President.** — I am sorry, but all I can do is to convey your protest to the President of Parliament in the hope that such cases will not recur in future.

#### 6. Oral Question with debate: Aid to small and medium-sized undertakings

**President.** — The next item is the Oral Question, with debate, put by Mr Cousté and Mr Kaspereit, on

behalf of the Group of European Progressive Democrats, Mr Normanton, on behalf of the European Conservative Group, and Mr Bangemann, on behalf of the Liberal and Allies Group, to the Commission of the European Communities on aid to small and medium-sized undertakings (Doc. 75/76):

In view of the important rôle played by small and medium-sized undertakings in the economic life of the Community, can the Commission state what steps it has taken to assist them?

I call Mr Cousté.

**Mr Cousté.** — (F) Mr President, when I opened the newspaper *Dernières Nouvelles d'Alsace* this morning, I realized at once that our agenda today would be dominated by the debate on multinational companies which has just come to an end.

Let me say publicly how much I deplore the fact that, as regards not only the journalists but also our colleagues, to judge by this almost empty chamber — I say this for the record —, the problem of small and medium-sized undertakings does not seem to attract the attention which it warrants from every angle.

**Mr Laudrin.** — (F) Hear, hear!

**Mr Cousté.** — (F) Mr President, this is all the more regrettable as this question has been put not only on behalf of my group but also on behalf of the European Conservative Group, the Liberal and Allies Group and even at the initiative of Mr Schwörer on behalf of the Christian-Democratic Group, although this is not mentioned in the heading to the question.

Mr President, to my knowledge, outside our work in committee this is the first time in the European Parliament's history that we are holding a general debate on the specific subject of small and medium-sized undertakings. There are many factors which justify this question, and I am pleased to note that the answer will be given by Mr Spinelli, the Commissioner responsible for industrial policy.

Ladies and gentlemen, you are no doubt aware that in the Community of Nine these enterprises employ some 27 million men and women and represent some 300 000 industrial, commercial or service enterprises with 10 to 500 employees.

This demonstrates the economic weight of these undertakings, their geographical distribution and their strength derived from the fact that very often they are led by responsible owners or families. We are in the presence of problems specific to these undertakings, and I wish to draw your attention to five essential features.

First these small and medium-sized undertakings in the industrial, services or commercial sector have a relatively high labour coefficient. They create more jobs than others at the places where the workers live

### Cousté

and not where they have to emigrate. I would add that more than others they have experienced considerable increases in wage-bills in recent years.

Secondly, and this is a weak point, they have difficulty in gaining direct access to the capital market. In general, they must even be content with credit conditions less favourable than those granted to the major undertakings. According to surveys conducted in Britain and France, the obtaining of long and medium-term credit is their most difficult problem. They need access under equitable conditions not only to the financial market but also to liquidity facilities, which are essential in our modern age.

Thirdly, these small and medium-sized undertakings not only have difficulty in gaining access to the capital market but also find it difficult to adapt to the latest management methods. In this connection, I was struck by the comment of the ASU leaders that the principal problem of small and medium-sized undertakings in Germany was to introduce the most efficient management methods,

The fourth feature is that they have difficulty in forming groupings, and are very often at a disadvantage as regards procurement because of their limited means for entering into contracts with suppliers. They experience the same difficulties in the sales sector when it comes to exports, not only within the Community but also outside Europe.

Finally, and this is the last feature I wish to stress, Mr President, they are widely dispersed. By that very token they do not represent a force of persuasion, let alone pressure, equivalent to that of the big groups, to which reference is so often made in our Assembly.

This brings me naturally to our question — and Mr Spinelli is familiar with my anxiety in this connection; let me remind you of its wording: 'In view of the important rôle played by small and medium-sized undertakings in the economic life of the Community, can the Commission state what steps it has taken to assist them?'

What in fact can these small and medium-sized undertakings expect of the Community? Quite certainly a large number of points could be found for the application of a coherent Community programme. Here again I shall confine myself to essentials and list only eight main points. Firstly, I believe that small and medium-sized undertakings are suffering from a lack of information in the form of comparative European statistics as between Member States. To my mind they are also suffering from excessive rigour with regard to competition policy, to which Mr Borschette referred just now during the debate on multinationals. When they try to form groupings, particularly for purchasing operations, they face difficulties and even criticism, but, far from restricting competition, such groupings generally reflect an increase in competition, because

the contractual strength of a purchasing group is clearly greater than the contractual strength of each individual enterprise belonging to the group.

In the fiscal sector, and this is my third point, I believe that as we move towards a harmonization of legislation on indirect taxation and in particular on value-added tax, the Commission should try to provide a better answer to the aspirations and preoccupations of the small and medium-sized undertakings, in particular as regards provisional exemption from these taxes when turnover is very low. Quite clearly, while national legislation has already taken account of this situation, although sometimes only inadequately, the problem remains untouched at the Community level.

From the angle of social security, there is not only the problem of social security for workers, which is not different simply because the size of the undertaking is different, but also that of social protection for the small entrepreneur and shopkeeper. At national level, particularly in France, considerable efforts have been made, but in the Community at large there has been no harmonization at the level which should be achieved in a Community preaching economic and social progress for all.

My fifth point concerns vocational training.

There is certainly a need for attention by the national and Community authorities not only to the personnel of these undertakings but also, let me say this quite clearly, to their heads. That is a necessity today.

Let me add that in regard to company legislation it is highly satisfactory that we are moving towards a European limited company whose statute may or may not be applied. But what has been done about a European statute for smaller companies? Nothing! What has been done for the European Cooperation Grouping to see the light of day and allow the, sometimes temporary but always essential, combination of certain activities of small and medium sized undertakings? Here again the answer is: nothing!

Again, as regards credit conditions, the Commission must make sure that interest terms are the same regardless of the size of the undertaking. It is inadmissible for the most powerful undertakings to enjoy the lowest interest rates.

I would add that as regards sub-contracting, which is an essential function of small and medium companies in the processing sector, European coordination is needed; there should be a genuine exchange market and knowledge of the requirements to ensure that these undertakings are not the hardest hit by recession.

My last remark, Mr President, relates to the effort made by France in favour of small and medium-sized undertakings. A programme of action has been drawn up and an official placed in charge of it.



**Cousté**

I would like to echo the decision and guidelines adopted and also the solemn appeal published on 2 April by the liaison committee of small and medium-sized undertakings in the Community countries. At Community level, the committee called on the European Investment Bank to give its attention to the small and medium undertakings rather than to their large counterparts.

Let me quote just one figure : in its general report for 1972, on page 29, the EIB recognized that global loans create four times more jobs than direct industrial loans ; but in 1975 the share of global loans fell to practically its lowest level, from 132 million to 10 million u.a., i.e. from 13.2 to 1.01 % of financing operations by the EIB. In relation to all loans to industry, global loans to small and medium-sized undertakings fell from 40 % to less than 8 %. According to the Commission, global loans were intended specifically to assist small and medium-sized undertakings. Paradoxically it is those who create the greatest number of jobs and have the greatest need of these loans who receive the least.

Finally, as regards coordination between the Community and industries, employers and wage-earners are consulted but the self-employed, small shopkeepers and small and medium-sized undertakings are forgotten.

Yes, Mr Spinelli, you can show a spirit of progress in this sector ; in so doing you will acknowledge the fact that small and medium-sized undertakings are an integral part of our civilization which sets out to be human, i.e., to respect freedoms — all freedoms for all men.

*(Applause)*

**President.** — I call Mr Spinelli.

**Mr Spinelli, member of the Commission.** — (I) Mr President, I am grateful to Mr Cousté for this question, which relates to an important aspect of the economic life of our countries. I wish to say that the Commission has always been aware of the importance and rôle of small and medium-sized undertakings in the economic life of the Community, of which they constitute the basic fabric. Therefore, within the limits of the powers granted to it by the Treaty and the resources at its disposal, it will continue to give those undertakings its assistance. Nevertheless, I must say at once that the limitations are severe and our powers restricted.

The Commission has set up a division for small and medium-sized undertakings and craft trades, with the task of looking after the interests of these undertakings whenever provisions or proposals are drawn up on which the Commission has to decide. As an example, we intervened in the proposals concerning the slackening of rules of competition as requested by Mr Cousté ; we intervened in the proposals for the sixth Council directive on the uniform basis of assessment of VAT ; we intervened in the proposals for the fourth Council directive on the balance sheets of joint-

stock companies, and, finally, we intervened with proposals concerning limited-liability companies.

All these and many other proposals are now before the Council, but no significant progress has been made as yet. The Commission is also making sure that the five principal Community sources of finance — the EAGGF, the Social Fund, the Regional Fund, ECSC financial aid and the EIB global loans — are open to small and medium-sized undertakings as well as to large companies. In order to make smaller undertakings better aware of these Community sources of finance, we have prepared documents for their specific use.

It is true that the percentage of global financing fell dramatically in 1975, but this was due above all to an event beyond our control : it is attributable to the fact that exchange difficulties became so serious that many intermediate bodies avoid using this system ; clearly, the collapse of the international monetary system is a serious obstacle, especially to the smallest and weakest companies.

Continuing this survey of the action we have tried to take, I would stress that in April 1975 an information day was held to which representative bodies were invited, including agencies which have regular contacts with the small and medium-sized undertakings, e.g., specialized banks, information centres, national productivity centres, in order to meet the need for information of which Mr Cousté spoke just now.

Furthermore, to facilitate and encourage cooperation and associations between small and medium-sized undertakings, in May 1973 the Commission set up the Office for liaison between companies, better known as the 'marriage bureau,' with a view to facilitating transnational relations between small and medium-sized undertakings. The Office has already dealt with more than three hundred practical projects for transnational cooperation, thirty of which have so far been implemented, and performs a permanent advisory and information function on legal, fiscal and administrative problems which the small and medium-sized undertakings have to solve in their transnational relations within the Community.

As you know, Mr Cousté, when establishing that Office we allowed for a running-in period of three years. Today it is therefore too soon to say whether the Office in its present form genuinely meets the purpose for which it was set up. Only at the end of the running-in period will it be possible to say whether it should be maintained and perhaps developed further.

Among the various problems which directly concern the categories of undertaking now under discussion, there is that of sub-contracting. The Commission has arranged a study on the organization of sub-contracting in the Member States and also held an exchange of views between all the organizations which at regional, sectoral and national level in the Community have the task of providing practical assistance to

### Spinelli

small and medium-sized companies on the problems arising in this sector.

Undoubtedly, the basic problem facing the small and medium-sized undertakings resides in the difficulty of obtaining finance. Aware of this, the Commission has called for another study on the need for sources of risk capital in Europe and has followed a policy of support to small and medium-sized industries, covering vocational training and other sectors. Among its other initiatives, one division of the European Vocational Training Centre, recently established in Berlin, will deal with the problems specific to small and medium-sized firms and the craft trades.

In addition, the Commission subsidizes European craft competitions organized by the Union of Craft Trades in the European Community, in order to place greater emphasis on the activities of certain professional sectors. So far there have already been three competitions of this kind.

Finally, in order to assist small and medium-sized industries, the Commission has put forward proposals relating to a European Cooperation Grouping designed to facilitate cooperation between the various undertakings, and has proposed, for several years now, Community industrial development contracts. These proposals, in common with many others, have simply been shelved by the Council without a decision being taken one way or another. Unfortunately, it should, however, be pointed out that the budget heading intended to cover the Community contracts, should they be approved, has been cancelled.

Mr Cousté, I fully agree with you in stressing the importance of the small and medium-sized industries and can only add that they include the highest percentage of innovative industries. Since industrial innovation is a highly important factor in combatting unemployment, it is easy to conclude that what we have done and what we are able to do with the resources now at our disposal will always remain below the present requirements. Our action must be developed; this implies an overall policy which it is our responsibility to encourage) and the availability of much greater financial resources than those we have at present.

At all events, the intentions of the Commission and its proposals are aimed in this direction, convinced as we are that their implementation would be a substantial benefit to the small and medium-sized undertakings.

*(Applause)*

**President.** — I call Mr Schwörer to speak on behalf of the Christian-Democratic Group.

**Mr Schwörer.** — *(D)* Mr President, ladies and gentlemen, the Christian-Democratic Group is grateful to Mr Cousté for calling at long last for a

fundamental debate in this Assembly on the problems of small and medium-sized undertakings. It is interesting to note that, now that the debate on the pressing issue of the multinationals has come to an end, those Members, especially from the Socialist Group, who took such a lively part in it apparently have no further interest in the subject of how more could be done for the small and medium-sized undertakings.

*(Applause from the Christian-Democratic Group)*

Ladies and gentlemen, this is the first fundamental debate on this topic in our Parliament, even though the overwhelming majority of workers are employed in small and medium-sized undertakings. In the Federal Republic of Germany, 60 % of all workers are employed in undertakings of this kind. Only 0.4 % of German enterprises are large undertakings; close on 99 % therefore, belong to the small and medium-sized group, which is the subject of our debate today. This proportion will not greatly differ in other countries of the Community.

This debate is highly topical, because in every debate on questions of economic policy we are concerned with maintaining existing jobs and creating new ones, especially for the younger generation. The small and medium-sized undertakings have continually made possible the creation of new jobs, which in fact provide for wage-earners the only possibility of setting up in business on their own.

This necessary regeneration of our entire economy is not possible without a flourishing small and medium-sized undertaking sector. I therefore believe that we in Europe, where this regeneration is so necessary, should take an especial interest in the problems of this branch of the economy, because I venture to assert that, without, flourishing small and medium-sized undertakings, Europe has no economic future. We know that innovations, inventions and adaptation to new problems and structures have always been a strong point of medium-sized companies and not primarily of big business.

I am therefore astonished to note that the Tindemans report says nothing about this sector, although thorough discussions on these problems had already taken place, for example, with European Craft Representatives, one of the biggest organizations in this sector. I readily understand why that big organization was very disturbed to note that none of the previous conversations were reflected in this fundamental report by the Council on the future shape of Europe. Now we must ask, as Mr Cousté has already done exhaustively and clearly, so that I am able to subscribe in large measure to what he said: What can Europe do, what can the Commission propose to the Council during the next months and years, to bring about improvements here?

**Schwörer**

1. The efficiency of this sector should be enhanced by examining, whenever a new EEC regulation is issued, whether it strengthens or weakens the prospects of small and medium-sized undertakings, and especially whether it affects their equality of opportunity on the European market.

This applies above all to the social sector. A few months ago, at the initiative of Mr Terrenoire we held a debate on textiles and discussed in particular the problems of this sector in the social field. We know how difficult it becomes for the wage-intensive sector of small and medium-sized industry when new expenditures are incurred which are not reflected in prices. The consequent weakening of these undertakings inevitably leads to the loss of new jobs.

2. Suitable mechanisms for individual capital formation are needed. The inadequacy of capital resources has had dangerous consequences in the recent years of economic recession. Interest charges and the lack of credit opportunities have ruined many small and medium-sized undertakings. The European Investment Bank must work out special programmes here.

3. Tax disadvantages must be abolished.

4. Any reform of tax-law must take into account the needs of the small trader.

5. Fundamental controls under competition policy must prevent production from becoming more and more concentrated. A financial impetus should be given to increasing the number of independent traders.

6. Professional training and re-training for small traders should be promoted by the European Social Fund.

7. Export assistance in the individual Member States must be coordinated. Consideration should be given to setting up a European Export Credit Bank with the object of dealing with the export problems of small traders in particular.

8. A large European small-traders' organization has proposed setting up a special programme for small traders. The participation of the major European small-traders' associations would be sought and the programme would then be discussed in a special meeting of the Council of Ministers.

9. The Commission department responsible for the problems of small traders must be expanded and upgraded. We are naturally sceptical of bureaucratic growth, but in this case enlargement of the service is essential for its effective operation.

10. The same organization proposes that small and medium-sized enterprises should be invited to participate when concerted action is undertaken. I feel that not only the trade unions and the large firms should take part in this round of Community talks with the Commission, but that the small-traders' organizations should also be represented. This should not, of course, lead to the formation of a mammoth-sized body that is incapable of action.

11. Consideration should be given to the production of a report by the Commission, after a period of 1 or 2 years, on the situation in the small-trading sector. This might, perhaps, cover the three major categories of crafts, trades, and small and medium-sized industries. This should not simply add to the already vast quantities of paper that have been produced, but should give a lively account of this extremely important sector of our economies. It should also contain up-to-date proposals on improvements in problem areas.

The motion for a resolution asks the Commission to report. We fully agree with this. These topics, and those raised by the other honourable Members, in particular by Mr Cousté, should be reflected in the report, and we should then discuss them in depth in the Committee on Economic and Monetary Affairs. I hope this will ensure that all the possibilities offered by the Community will be used to ensure that the largest possible number of efficient small and medium-sized undertakings is maintained. This does not mean that we want them treated like a protected species; nor do we wish to prop up outmoded structures. We are concerned here with solving one of the thorniest problems of a free economic and social policy. Small-trading policy in this sense will go far beyond what are usually considered its boundaries. It will help to maintain a way of life that contributes in the best possible way to a fundamental objective of the Community, the improvement of the living conditions of all its citizens.

The Christian-Democratic Group approves the action taken by Mr Cousté and the resolution.

*(Applause)*

**President.** — I call Mr Broeks to speak on behalf of the Socialist Group.

**Mr Broeks.** — *(NL)* Mr President, I am sorry that Mr Schwörer thought fit to make a number of unfriendly observations about our group.

We are pleased to assure him of our keen interest in the problems of small and medium-sized undertakings.

Mr Lange was to have spoken on behalf of our group. But as he is not present we have had to appoint another spokesman.

I am sorry that the resolution now before us — I see that Mr Cousté is not listening, but perhaps he will be so kind as to do so — does not deplore the fact that the Council has so far left on the shelf a number of proposals concerning small and medium-sized undertakings. Mr Cousté knows that my group has been concerned about this problem for a long time. At the end of this half-year, we shall be receiving a list showing all the proposals submitted to the Council but on which it has not yet taken any decision. In the

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last half-year, the number was 235, unfortunately including provisions relating to small and medium-sized undertakings.

If we adopt the motion for a resolution, it would be quite wrong to suggest that all the fault lies with the Commission. After all, it is the Council which fails to decide.

We completely agree that the Commission should institute a study. The position of small and medium-sized undertakings is particularly bad. In my country these undertakings are primarily threatened by big business. In the case of small shopkeepers, this does not only apply to those who are being forced out of business by their big competitors; it also applies to a whole range of other shopkeepers for example, in the Netherlands, to cigar-dealers, unlike France, where the position of dealers is unfortunately quite different.

In our country, we are lucky enough to have a Council for small and medium-sized undertakings. The progressive government which has been in power there for three years — I hope Mr Schwörer is listening — has done more for the small and medium undertakings than in the whole of the past twenty years. The position of these undertakings is jeopardized today. But their position is particularly important to the whole economic life of a country, especially employment opportunities, and it is evident that measures must be taken. We are bound to welcome a report to which the Committee on Economic and Monetary Affairs must give the necessary attention. I am sure that the chairman of that committee shares my view.

I am rather disappointed by the way in which this question has been put. In our view, its formulation is too general. After hearing the Commission's reply, it is difficult to maintain that the Commission has done nothing and failed, or been unwilling, to give attention to the matter.

Parliament's committee should look into the whole subject in greater detail and determine what further action it would like from the Commission.

We cannot subscribe to the underlying tenor of Mr Cousté's remarks namely, that nothing has been done in this area in Europe. A great deal has been done in the way of national measures in a number of countries such as my own, but happily, too, the Commission has also not been inactive. However, there is still room for a great deal more to be done. I believe that we could better express this need in a resolution.

In such a resolution we could indicate our satisfaction with the action taken by the Commission while also stating the need to study what further measures can be taken and expressing our disappointment with the Council's failure to reach decisions on the matters placed before it; we should urge rapid action by the Council and in general draw attention to the impor-

tance of the position of small and medium-sized undertakings to our economy and point out how difficult that position now is because of the rôle of big business.

**President.** — I call Mr Normanton to speak on behalf of the European Conservative Group.

**Mr Normanton.** — On behalf of the European Conservative Group, I congratulate Mr Cousté on the excellent way in which he introduced the debate and, indeed, on the fact that he was responsible for the inclusion of this item on the agenda of this plenary sitting.

I shall avoid picking on or commenting upon the invaluable points made by Mr Cousté in his introduction. However, it is a great pity that there appears to be far too little interest in the debate, a point which was made also by Mr Cousté and Mr Schwörer. Nevertheless, outside Parliament, even if it is not visible inside Parliament, there is growing concern and evidence of deep anxiety about developments which increasingly affect the existence and the future of small businesses and small firms throughout Europe, although perhaps more in some Member states than in others.

I pose the question whether or not it is a coincidence that the decline is greater, the higher the rates of taxation go and also the more pressures mount to achieve progress towards the full socialization of industry and of commerce.

We as politicians bear a very heavy responsibility for what has happened in the past and might well continue to happen in the future. I therefore make four points which we should take into account as politician representing governments and the Community.

First, we must recognize the importance of taxation policy and its impact on smallfirms in particular. They do not have the availability of a stock exchange for producing and collecting initiating capital or, indeed, supplementing working capital as business expands. They can only draw upon profits net after tax as a source for their financial solvency. Therefore, corporate taxation for small companies and small traders must reflect the vital need of these institutions to have access to the accumulation of capital.

Secondly, in most, if not all, Member States, we are today witnessing a phenomenal rise in bureaucracy. Bureaucracy has one thing above all to its credit: it is the creator of paper and of the filling-in of forms and returns to be made for all sorts of fatuous, useless purposes. The impact on the big firm may be minimal, but the impact of this paper war on the small firm can be crucial.

As a politician, and one who has had a long involvement in industry, I believe Parliament should note that most of this form-filling is a waste of human effort and is felt and seen as such by smaller firms

## Normanton

because of the significance of the impact upon their work-load.

Thirdly, legislation at all levels—Community, Member States and local government — bears more and more on the lives of all of us but nowhere more than on industry, of whatever size. Let me take one example in industrial relations. To impose on an industrial company the obligation to establish formal machinery of works consultation may be significant in the giant corporation, but in the smaller business it is not possible to establish peace and work satisfaction by institutions. That can be done only by people. In that sector of the industrial economy can be seen the finest examples of human and industrial relations.

Fourthly, small firms do not seek financial aid as if they were supplicants, or as if they were a depressed area clamouring for subsidies. They are not. They want greater freedom from the stultifying dead hand of bureaucracy. They want less, not more, government intervention. They want from government the recognition of the important contribution they make to the economy as a whole, especially to those who work in them. They want a competitive economy in which to work. They want reinforcement by the Commission and governments of Member States of the rules of competition. They want an end to monopolies and restrictive practice from private, public and State undertaking alike. They want to prosper. They want to deploy their initiative, enterprise and vitality — three qualities which are conspicuous by their absence as corporations and institutions become greater.

**President.** — I call Mr Bordu to speak on behalf of the Communist and Allies Group.

**Mr Bordu.** — (*F*) Mr President, the crisis we are experiencing is having a serious effect not only on workers but also on small and medium-sized undertakings. A rapid survey shows that there were 8 000 bankruptcies in the Federal Republic of Germany in the first ten months of 1975, a figure never experienced since the war. In France, there were close on 12 000 bankruptcies in 1974 and nearly 15 000 in 1975. These are high figures. The worst-affected sectors were industrial activities, building, public works and commerce.

The fate of the small and medium-sized undertakings clearly has a considerable effect on workers, leading to an increase in unemployment and pressure on standards of living. That is not surprising. It is a direct consequence of the policies which have been and will be pursued for the exclusive benefit of big-capital interests by our governments.

A preparatory document for the seventh plan which is to be debated in our country contains a chapter headed 'Strengthening of dominant positions, reduction in the role of small and medium-sized undertakings.'

In a study by the Economic and Social Committee, it was felt possible to characterize small and medium-sized undertakings by the independent nature of their management. But their management is not independent. Nationally and throughout the Common Market, big industrial and financial undertakings determine the activities and survival of their small and medium-sized counterparts. At the national level, French monopolies are making the maximum possible use of these small and medium-sized undertakings while keeping them under tight control. In the Community, the policy of the Member States is similar. Credits are controlled, loans being granted only to major undertakings, a strict price-policy is pursued and sub-contracting encouraged.

In the Common Market, the same policy favouring the same interests can be observed. For example, a recent report pointed out that three-quarters of the loans from the European Investment Bank were granted to the biggest undertakings. The Common Market is fertile soil for industrial and bank capital; it has led to concentration and centralization, thus tightening the stranglehold on small and medium-sized undertakings.

These undertakings have a vital rôle to play in the economy and in social life in general. Georges Marchais made this point at the congress of the French Communist Party:

'A knife is being held at the throat of most of these small and medium-sized companies, not by the legitimate claims of their workers but by the policy of big companies, banks and the public authorities. This is where their main adversary is to be found. Their interest is therefore precisely to see the triumph of the democratic reforms which we advocate. These reforms will break the all-powerful position of the monopolies and allow them to continue their development.'

Some Members are asking the Commission for aid to small and medium-sized undertakings. But how can such aid be requested while at the same time approving austerity measures designed to freeze public consumption, as recommended by the Commission, the European Council, Mr Schmidt, Mr Tindemans and many others?

In our view, helping these undertakings means taking the overall economic, social and monetary measures — which we advocate — and not granting isolated aid which contradicts the whole policy of austerity, support for concentration and accumulation by the biggest interests; it means the need for an incentive to public consumption and an upgrading of living standards, thus allowing small and medium undertakings to move ahead effectively.

We call for the development of the industrial sectors in which small and medium-sized undertakings can make an essential contribution, not in the present

**Bordu**

form of sub-contracting, which holds them at knife-point, but taking account of their own capacity to promote high-quality products and contribute to the systematic creation of jobs.

We advocate the integration of these undertakings in the development and diversification of our external trade. This presupposes an entirely different policy, especially in the credit sector. In France, we want to see the bank and financial system nationalized so that, far from opposing the small and medium-sized undertakings, it will be possible to promote a credit policy and hence the development of these undertakings.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — There are two questions on which I hope that Mr Spinelli will reflect during the luncheon break. First, we are, of course, concerned about the smallest firms and about the weakest firms, but I am asked questions about the newest firms.

I quite agree with the Commission that the innovative process often takes place by a small group of people or one or two individuals hiving off from a giant. I need not go further into this than to remind Mr Spinelli of the whole Herb Holloman thesis of the Americans in the late 1950s and early 1960s.

The precise question is this. What criteria does the Commission use to help firms that are by definition new, hiving off from a larger entity and by definition unproved?

My second question concerns the European Investment Bank. When we visited the European Investment Bank at Luxembourg, I think that some of us were a little concerned about its complacency on the matter of risk. 'Ah', we were told, 'we have had no failures at all and our policies are such that we never back a loser'. It is fine at one level never to back a loser, and I am not suggesting that it is the business of the European Investment Bank to lose money; that is not the argument. On the other hand, it tells us something about its attitude to risk. I wonder whether it is geared to innovative procedures. If we are to help innovation, is the European Investment Bank the right vehicle for it?

I couple that with one other query. I am the rapporteur of the Committee on Budgets on the proposal for a European Export Bank. I should like to know the Commission's feelings about how its proposed export bank can help very small firms, because when it comes to export it may be the small firms in the Community rather than the great giants which need help.

I would like to leave those questions at that over the lunch hour.

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

The House will rise.

*(The sitting was suspended at 1.10 p.m. and resumed at 3 p.m.)*

## IN THE CHAIR : MR YEATS

*Vice-President*

**President.** — The sitting is resumed.

We continue the debate on aid to small and medium-sized undertakings.

I call Mr Osborn to speak on behalf of the European Conservative Group.

**Mr Osborn.** — Mr President, frequently I receive letters from small businesses in my constituency. I received one last year which said :

We are a small firm of bakers. I work from 1 a.m. to 4.45 p.m. daily, an average of 100 hours per week.

Perhaps those concerned about hours of work will condemn this, but this man wrote to me and said that he was desperate: rates and wages had risen, the requirements of bureaucracy had increased, and he was faced with a receiver and liquidation.

We have already heard in the debate that throughout Europe — Britain is no exception — the liquidation and bankruptcy rate has reached an all-time record. In Britain I could blame the present government for this, but the trend has been upward for more than the past two years.

The resolution before us is precise and asks: what can the Commission do to aid small businesses? Many of us have seen the results of a study by the Economic and Social Committee on the situation of small and medium-sized undertakings in the EEC. As a Conservative spokesman, I think I can say that I join many other industrialists and Conservatives in deploring the excessive growth of large industrial units at the expense of small businesses.

I had better qualify that. As an engineer and an industrialist involved in the steel industry, I accept that, technically, size does have its merits but it brings with it complications in industrial relations that might well be the devastation of Europe, including Britain.

Many millions of years ago the prehistoric monsters, the dinosaur being a good example, became extinct because of their inability to adapt to a dynamic age. It could be said today that, where the dinosaur is a state monopoly, it is kept alive in an intensive care unit. Where the dinosaur is a large national or international company, for prestige reasons a state may care to keep it alive, one such example being British Leyland in the United Kingdom.

On the other hand, some such complexes have found that they themselves have been able to keep alive by rationalization and the use of modern techniques. A good example in Britain is, perhaps, GEC, of which AEI and English Electric became part.

**Osborn**

Therefore, perhaps the most important aspect of our industrial age is that size becomes collective and size becomes impersonal. In industrial management, when a company becomes so large that it is not possible to identify the head or figurehead of that company or even the manufacturing unit, it starts to operate at a disadvantage.

I remember discussing the whole question of size 20 to 25 years ago. I had the privilege of operating a unit that was indeed much smaller. I have worked in units where the head has stayed for some time and has known everyone on the plant. At the Duke of Edinburgh's Conference on Industrial Relations in the Commonwealth, this was called 'paternalism'. Perhaps in this modern day some 20 years later it is a pity that we do not have more of that paternalism, because people do not belong in a large unit. Therefore, the small entrepreneur has a dynamic and vital rôle to play in our society. It is the small entrepreneur who promotes new ideas.

If I may speak against my company and two other large companies in Sheffield, at about the time of the last war three young metallurgists discovered and worked on new techniques for the development of sinter carbides and, subsequently, ceramics. They went to the laboratories of three large companies, but the boards of those companies would not take the risk and were not interested in the discovery. Before I entered it, my company was one of those companies. That company was sold a few years ago on the market for, I calculate, 100 000 times the value of the original money that was borrowed from the bank by the three metallurgists.

Throughout society there is example after example of people in a small way of business being innovators. In Britain the figures suggest that 80 per cent of new ideas come from small businesses. The Bolton Inquiry reported on the rôle of small businesses of 200 employees or less. In 1935 small businesses accounted for 38 per cent of those in employment. The latest figure is 19 per cent.

I summarize the advantages of small businesses as follows. The manager is able to build up a personal relationship with everyone in the business. A good example of that is Sheffield craft business, where master and employee work together. There are many factors which the Commission should investigate.

My time is up. I could have dealt with the question of size, financial expansion and competition. I ask the Commission to ensure that we have a common terminology for business matters and to encourage national governments to help the small man to stay in business.

*(Applause)*

**President.** — I call Mr Noè.

**Mr Noè.** — *(I)* Mr President, I shall speak briefly to express my appreciation of the activities of the department referred to this morning by Commissioner Spinelli and commonly known as the 'marriage bureau.' I have already had contacts with that small office, which is still in its initial phase, as the Commissioner said, and I have been able to see for myself that it works efficiently and flexibly, i.e., with the qualities needed to meet its aims. I wish, however, to put a proposal to Commissioner Spinelli. At present this office is concerned with possibilities for cooperation between healthy companies in different Member States, in other words, between companies which are not facing difficulties. I have no intention of asking for this office to become a body like the GEPI, a kind of hospital for sick companies, but when we are moving out of a crisis, as is happening at present, the undertaking in a different country. That is a possibility which in my view should not be neglected.

My proposal is therefore as follows: let us examine the possibility of granting this office, once it has become firmly established, this additional rôle, which from the social angle would be of great importance, because it might help certain companies facing a crisis not to go into bankruptcy or liquidation.

I welcome the formation of this office, and hope that a study will be made of the possibility of directing its activities along the lines I have proposed.

*(Applause)*

**President.** — I call Mr Cousté.

**Mr Cousté.** — *(F)* Mr President, in a lengthy introduction I outlined the problems of small and medium-sized undertakings; at this stage in the debate, after hearing the Commissioner responsible and a number of our colleagues, I wish simply to point out that, like Mr Broeks, I believe we must not underestimate the action already taken by the Commission and recapitulated by Mr Spinelli, nor the fact that the Council has not thought fit to take a number of decisions on proposals put by the Commission.

It is in the spirit of those two observations by Mr Spinelli and Mr Broeks that I would like our resolution to be adopted. Mr Spinelli confirmed my view on one basic point. We agree on the fact that the European Investment Bank did not in 1975 grant sufficient credits to small and medium-sized undertakings, but on the contrary reduced the volume of its global loans to those undertakings from 132 to 10 million u.a., i.e., from 13 to 1 % of the total financing. This is altogether inadmissible, especially as we know that global loans to these undertakings create on average four times as many jobs — I repeat: four times as many jobs! — as those granted to very large and already highly concentrated units.

**Cousté**

I note the fact that Mr Spinelli and I are in complete agreement on this point, not to derive some kind of intellectual satisfaction from it, but to address a pressing invitation to the Commission. I have not forgotten that the European Investment Bank is subject to the control and initiative of the Commission. It is important to ensure that a phenomenon which was perhaps only conjunctural, to borrow Mr Spinelli's words, does not become structural in 1976. Aid to small and medium-sized undertakings, through medium and long-term investments, must be resumed, because all possible action must be taken against unemployment. Regardless of their size, undertakings, especially those employing fewer than 500 persons, must be helped to create new jobs. In this way, economic initiatives to create new investment will fit in with our great aim of ensuring that social progress and the creation of jobs are not confined to the paper of our resolutions but become a reality in the economic life of the European Community.

*(Applause)*

**President.** — I call Mr Spinelli.

**Mr Spinelli, Member of the Commission.** — *(I)* Mr President, I wish simply to answer the questions put to me.

In reply to Mr Dalyell, I would point out that the European Investment Bank is not, of course, the only or the best body to provide aid to small and medium-sized undertakings, since it lacks intermediate agencies.

To overcome this difficulty, the EIB has developed the formula of global credits, on the basis of which a loan may be assigned and distributed to small and medium-sized undertakings through banking institutions which have more direct contacts with industry. Of course, when the intermediary banks are hesitant for a variety of reasons (in the past year, the main reason has been fear of monetary disorders), this instrument fails to fulfil its purpose.

The Commission has proposed, and is proposing, to aid small and medium-sized undertakings by other means as well, especially by promoting cooperation between them. This problem has been brought to the attention of the Council. In this connection, I am grateful to the authors of the motion for a resolution for having referred to this shortcoming, which is not attributable to the Commission but to the Council, on which pressure must be brought to bear in so far as that can be useful.

I also owe an answer to Mr Noè: the Liaison Office cannot, of course, look after industries facing a crisis. Nevertheless, if any such industry is shown by objective study to be in a position where it can be aided by better links, that office may provide the best channel.

I must, however, point out that it is only entitled to receive requests and information and not to initiate them. However, to the extent that recourse to this office can prove useful, it will be arranged on these lines.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — Will any sums lent through intermediary banks or the European Investment Bank be earmarked for the use of small firms which are taking risks? Will there be an earmarked allocation of funds?

**Mr Spinelli, Member of the Commission.** — *(F)* Mr Dalyell, the funds granted by the European Investment Bank under global contracts to an intermediary bank are intended to be loaned to small and medium-sized undertakings, and this also applies to risk capital.

**Mr Dalyell.** — I accept the good intentions, but some of us will be pursuing this matter in our own countries.

**Mr Spinelli, Member of the Commission.** — *(F)* The good intentions ... of the Bank!

**President.** — I have a motion for a resolution tabled by Mr Cousté, Mr Bouquerel, Mr Laudrin, Mr Krall, Mr Jakobsen and Mr Normanton on this debate.

This motion for a resolution has been printed and distributed under No 106/76.

Pursuant to Rule 47 (4) of the Rules of Procedure, the authors of the motion have asked for a vote to be taken immediately without reference to committee.

Are there any objections to the request for an immediate vote?

An immediate vote is agreed.

I call Mr Cousté.

**Mr Cousté.** — *(F)* Mr President, following conversations outside this Chamber but with a direct bearing on this motion, I wish to complete the text.

The first paragraph would read as follows: 'should grant special attention to small and medium-sized undertakings.'

The second paragraph — this should not present any problem — would begin with the words: 'thanks the Commission for the initiatives already taken and invites it to study the situation.'

There would then be a new third paragraph: 'regrets the fact that the Council has not so far reached a decision on the proposals already formulated by the Commission and invites it to do so at the earliest possible date.'

The existing paragraph 3 would then become paragraph 4.



**Couaté**

I hope that Parliament will accept these modifications, which I am proposing in a genuine parliamentary concern to take account of the tenor of our debate.

**President.** — Are there any objections to the type of verbal amendment that Mr Couaté has sought to make?

I call Mr Laban.

**Mr Laban.** — (NL) Mr President, I agree with Mr Couaté that it may be possible to amend a resolution already submitted in the light of Parliament's debate, but when Members of Parliament put an oral question with debate it is to my mind proper for them to inform themselves beforehand of the action already taken by the European Commission in the area to which the question relates. If the authors do so, they will not be faced with the surprise discovery that they have to adjust their motion during the debate.

Although I therefore have no objection to voting on this motion for a resolution at the present time, I would ask the authors in future to prepare themselves properly and to find out what the Commission has done, so that we do not need to hear this in plenary session.

**President.** — I call Mr Couaté.

**Mr Couaté.** — (F) Mr Laban's intervention gives me an opportunity to tell him that I prepared these amendments in consultation with Mr Broeksz, who spoke previously. Since he belongs to the same group as Mr Broeksz, I trust Mr Laban will see no further objection to the adoption of the motion. I am therefore grateful to him in advance for adding the votes of the Socialist Group to our own.

**President.** — I call Mr Hougardy.

**Mr Hougardy.** — (F) My group will vote in favour of this resolution amended by Mr Couaté. However, I should like to express a hope — perhaps a pious one. There can be no doubt that it is the small and medium-sized undertakings which are the least receptive to the European idea, because only too often they see themselves as the poor relations and do not consider themselves important enough for the Commission and Council to take an interest in their problems.

But as you know only too well, all over Europe the greatest number of bankruptcies and liquidations are affecting small and medium-sized undertakings.

I hope, Mr President — and I can only express this hope verbally — that the European Parliament's information services will attempt to make the small and medium-sized undertakings aware of information concerning the resolution before us today in order to prove to them that they have not been forgotten.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — Before I say anything on what Mr Hougardy has said, may I say that particularly those of

us who were questioning him are extremely sad to learn of Mr Borschette's illness and would like to wish him the most immediate recovery that is possible.

To get back to the point made by Mr Hougardy, what bothers us is the figures given in the *European Report* of Saturday of 877 m u.a. to big clients and 10 m u.a. on global loans. Global loans are to small firms. It is this order of magnitude that bothers us in relation to what he was saying.

**President.** — Since no one else wishes to speak, I put the amended resolution to the vote.

The resolution is adopted<sup>1</sup>

7. *Oral question with debate:*  
*European Schools system*

**President.** — The next item is the Oral Question, with debate, put by Mr Walkhoff, Mr Laban, Mr Broeksz, Mr Mitchell, Lady Fisher of Rednal, Mr Knud Nielsen, Mr Suck, Mr Thornley and Lord Ardwick, to the Commission of the European Communities, on the European Schools system (Doc. 492/75):

1. What steps has the Commission taken, or does it intend to take, to pursue the resolution on the European Schools system adopted by Parliament on 22 September 1975, with particular reference to:
  - a) the opening of the schools to include the children of migrant workers;
  - b) the educational reforms necessary to ensure equal opportunities for the children of migrant workers in the European Schools;
  - c) the improvement of the decision-making process?
2. What has been the attitude of the Governing Board to these proposals?
3. Can the Commission give details as to what additions or modifications to the staffing establishment it believes necessary?
4. Does the Commission believe that the Inspectorate of the European Schools is in a position to fulfil the tasks assigned to it, at present and in the future, in the light of the likely increase in its rôle?

As we have heard with the greatest regret, Mr Borschette has just been taken seriously ill, and I am sure that every Member will wish him a speedy and complete recovery. In the absence of Mr Borschette, his place will be taken by Mr Brunner.

I call Mr Laban, who is deputizing for Mr Walkhoff.

**Mr Laban.** — (NL) Mr President, I, too am sorry to hear that Mr Borschette, who was with us only this morning, has fallen ill, and on behalf of my group I would join with you in wishing him a speedy recovery.

<sup>1</sup> OJ C 125 of 8. 6. 1976.

### Laban

On 22 September 1975, this Parliament adopted, after a lengthy debate, a resolution on the European Schools system. The most important points in this resolution were the improvement of the decision-making process, simplification of the administrative structure and increased co-decision by teachers, parents and pupils in those areas where it was possible. All these things could, in our view, have been achieved fairly quickly. The Parliament also called for educational reforms, to adapt tuition at the European Schools more to the specific requirements of individual pupils. Another important point was the investigation of the possibility of admitting children of migrant workers to the European Schools.

I am aware that the Governing Board has since set up an *ad hoc* working party to study the resolution adopted by the European Parliament.

The questions put by Mr Walkhoff and other members of the Socialist Group give the Commission the opportunity to state publicly what has so far been done or decided by the Commission or the Council with regard to the European Parliament's resolution.

The Commission could, perhaps, also tell us what progress the Governing Board's *ad hoc* working party has achieved so far and what recommendations, if any, it has made. We should very much like to hear Commissioner Brunner's answer to our questions and any additional information he can give, before discussing this question in detail.

**President.** — I call Mr Pisoni to speak on behalf of the Christian-Democratic Group.

**Mr Pisoni.** — (*I*) Mr President, Commissioner, the Christian-Democratic Group also supports this question on the action that has been taken on these problems and how far we are towards a solution. We thank Mr Walkhoff, Mr Laban and the others who put down this question, and we support their initiative, which will help to strengthen Parliament's power of control.

We frequently find ourselves having to approve a series of documents, resolutions or decisions and then we do not know whether or how they have been applied, or with what degree of commitment the Commission and Council are working towards their application: all too often, therefore, Parliament remains in the dark as to what action has been taken on its recommendations.

This resolution was adopted last September and, as Mr Laban has already pointed out, paragraph 20 invited the committee responsible to follow developments in the European School and subsequently report on what it had found. Well, we have heard absolutely nothing up to now.

In particular, we are interested to find out whether and to what extent the Governing Board of the European Schools and the Commission have tried to imple-

ment Parliament's request to admit to the schools the children of migrant workers. At the time we complained that this was an élite establishment intended solely for the children of officials, having within it a social stratification bearing no relation to the world in which the pupils live and work; the conditions that prevail are therefore artificial. What we wanted was for the school to reflect, at least as regards its social makeup, the environment in which its pupils live and not to be a sanctuary of privilege for a single group. Specifically, we should like to know what is proposed and what has been done with a view to accomplishing this object. We noted at the time that the economic commitment to the European Schools is considerable, and could be repaid only if the schools were open to all.

The other problems which were raised then and to which we return in this oral question concern the recruitment of teachers, the democratization of the decision-making system, and use of the latest teaching-methods and other findings in these fields.

There are also issues on which we know nothing, and on which we are awaiting not only with curiosity but with great interest the Commission's reply. We attach — as my remarks have made clear — a great deal of importance to the rôle these schools can fulfill. We know very well that, as regards filling school needs, they can play, percentage-wise, only a very modest part — there are, after all, only about ten of them; but what is essential, at least, is that they should be able to serve as models able to provide the inspiration for a European Schools policy.

(*Applause*)

**President.** — I call Mr Meintz to speak on behalf of the Liberal and Allies Group.

**Mr Meintz.** — (*F*) Mr President, I regret first of all that the repeated appearance on our agenda of the European Schools system, which we have not succeeded in studying exhaustively, has given the impression that we shall go on discussing this matter indefinitely. Indeed, some Members have been somewhat surprised by the fact that this system is still being called into question.

Last September, however, my group emphasized the merits of the European School, pointing out that the reason for raising the matter — at least I think that was the reason — was to give added drive to a system which has proved its value in other respects. I shall not examine in detail the questions which have been put, since we have already discussed Mr Walkhoff's excellent report at length. We must, however, be cautious. My experience of teaching has taught me that the school is a body which grows slowly and which cannot be changed overnight. The reason why the matter was raised was that — at least as far as Mr Walkhoff was concerned — it was expected that changes would take place within a single year.

**Meintz**

We should like to know how far the various bodies have got and what has been achieved so far.

On behalf of my group I should simply like to make two comments and highlight the question of transforming the present Board of Governors of the European Schools into a Community Institution. Mr Pisoni has just said that we must increase our supervisory powers. We fully agree, but if we are to have supervisory powers the matter must fall within our terms of reference. At the moment, however, the European Schools, which are controlled by the Board of Governors of the European Schools, do not in fact fall within anyone's terms of reference.

That is why last September we stressed the need to transform this Board of Governors, without modifying its composition, into a proper Community institution, by turning it into a Council of Ministers for European Education, instead of a separate Council not directly concerned with our problems.

I would also point out that paragraph 16 of Mr Walkhoff's original resolution, worded as follows :

considers it important for the pupils to be given systematic career guidance which is not restricted to local arrangements and opportunities.

has assumed greater relevance in recent months. Such guidance is not only of the utmost importance for the children of migrant workers; it has become even more important in view of the current problem of youth unemployment, since the pupils of the European Schools in the various countries are not limited to the labour market in the country in which they go to school, whose guidance services, both educational and vocational, might well become the prototype of educational and vocational guidance at European level. These services must therefore make information available to the pupils regarding the European Territory as a whole, since I believe — and I shall have occasion to come back to this — that proper educational and vocational guidance is one of the most effective means of combating unemployment among young people, inasmuch as it directs them along the right path.

Thus we, too, would be very interested to know what the various institutions have done with the report which was adopted here in September. We eagerly await Mr Brunner's statement.

**President.** — I call Mrs Kellett-Bowman to speak on behalf of the European Conservative Group.

**Mrs Kellett-Bowman.** — The oral question has unfortunately selected from the resolution on the European Schools system adopted by Parliament last September precisely those items that we in the Conservative Group least wish to see implemented. Moreover,

the question, wittingly or otherwise — and I wonder whether Members have studied this — has gone considerably further than the original resolution on which it purports to be based.

In paragraph 6 of the resolution, the European Parliament 'Considers that the European Schools should be more ready to admit the children of migrant workers from Community Member States.' The oral question before us today, however, asks for 'the opening of the schools to include the children of migrant workers', who could, of course, be from third countries, Greece, Turkey, Spain, Portugal — anywhere !

We feel that those who framed the oral question are losing sight of the very practical purpose for which these schools were set up. They were not set up primarily as an experiment in European education. They were set up at the urgent insistence of officials of the European Institutions to provide their children with an education which could enable them at any time to rejoin the mainstream of education in their home country should their parents return thither during the course of their education in their country of origin without being put at a disadvantage as regards either qualifications for admission or the knowledge required to follow the general corpus of their choice.

Mr Merten, in his report to Parliament in 1966, wrote that the European Schools were primarily designed to offer education for children who would not be taking up employment in the Member States in which their father was temporarily employed. There is just as great a need for this function today as there was when the first school was opened in Luxembourg in 1957.

The purpose of enabling children to return to the educational system of their home country is reflected in the curriculum of the schools. If so-called 'educational reforms necessary to ensure equal opportunities for the children of migrant workers in the European Schools' were to be carried out, they might well frustrate the very purpose for which these schools were set up.

If the needs and aspirations of the children of officials and migrant children were identical, there would be every reason to admit all equally to these schools. But, if this were so, the European Schools would not have been necessary in the first place.

In general, children of officials still return to their country of origin when their fathers return, whilst children of migrant workers in general wish to integrate into their host country. This may not always be so, but it is at present, and we are living in the present. Members would be wise to reflect that they might well lose, or fail to gain, the services of able men and women who would otherwise be happy to work for the Community Institutions outside their own coun-

**Kellet-Bowman**

tries if to do so were to deprive their children of the chance of returning home at any time to continue their education.

However, if it were desirable to open the European Schools to migrant children even without restricting this to children of EEC migrants, making the loaves and fishes feed five thousand would be as nothing compared with cramming a million children into schools or, at this time of financial stringency, facing the prospect of having to build literally thousands more schools.

Indeed, if the questioners wish new European Schools to be opened in order to cater for migrant children, this could happen only in a few places if they are to retain their original *raison d'être* of providing education for the children of officials employed in the European Institutions.

If not, and they are built in places where there are no officials, the 'new' European Schools will be merely national schools with a large migrant intake, and might well become ghetto schools. Moreover, I cannot believe that Members have thought out the full implications of paragraph 9 (b). If children are to be assigned to classes according to attainment, migrant children will be at a disadvantage because of their language disability, and I doubt whether teaching the language of the host country at primary schools would offset this.

Many migrant children would find it far more disrupting to attend a multilingual school than to attend a school where the educational system was that of their host country. A few might benefit, but many others would be condemned to the lower classes of the school and become second-class pupils — a thought horrible to us all. When we last debated the European Schools, we did not have before us the proposal of the Commission for bi-cultural education. Although we consider that it would be very difficult to implement this, we believe that, with parental consent, it would be more in the interests of migrant children and there could be a greater concentration on their problems than in a true European School.

The Walkhoff Report also called for a reform of the administrative structure of the schools system. Paragraph 18 echoes this call. Here at least I am happy to say we are in agreement. The single Board of Governors, meeting twice yearly, is too remote from the affairs of individual schools, and we would like to see individual boards of governors for each school on which parents and staff were represented. I agree, too, that the method of secondment of teachers should be altered so that there is a common system in all Member States, and the practice of seconding teachers to the European Schools for a limited period should be ended.

I believe that these last two reforms can, and should, be introduced immediately in the interests of the schools and of the pupils who attend them.

**President.** — I call Mrs Caretoni Romagnoli to speak on behalf of the Communist and Allies Group.

**Mrs Caretoni Romagnoli.** — (I) Mr President, I do not think that we should be reopening a discussion on the resolution which we adopted last September, but that we should stick strictly to the question put by the Socialist Group.

I should like to say at once that I fully agree with the form of this question. It strikes me as important for two reasons. The first is a procedural reason. As Mr Pisoni pointed out, we adopt a large number of resolutions which involve a great deal of hard work — at times we even talk for hours to reach agreement on a single word — and then we have no way of knowing what actually happens as a result of what we have done. It is therefore right and proper that we should use whatever methods our limited powers permit us to exercise a minimum of control.

Secondly, I should like to recall that when we discussed the European Schools at the time, we called for a change of policy as regards the schools. What we want to know today is whether or not this change of policy has taken place. What we are calling for is the transformation — if only partially — of what everyone agrees is an élite school system to a school system open to all; not only, Mrs Kellett-Bowman, to benefit the children of migrant workers — because, as I shall explain in a moment, such a change in policy would not solve the educational problems of migrant workers' children — but to help the pupils who at present attend the schools and who are being virtually educated behind glass, since they are cut off from present-day reality. Our resolution, therefore, had not only the migrant workers in mind, but represented a considered judgment of this type of school as such.

We are now asking the Commission just where we are and what action has been taken on our resolution. At the time we took important decisions and said clearly — I shall repeat it here — that allowing migrant workers' children into the European Schools would not resolve the migrants' problems, but would turn the European School into a more democratic institution by getting rid of a discriminatory barrier which is simply not acceptable between citizens who have the same rights. We also said that the more general problem of schooling in the Community — that is to say, the creation of a proper Community school, which is our long-term aim — could not be expected to result from this change in policy; what we did want to do with our proposals, however, was to set the European Schools moving along a particular path.

As I see it, the real catalysts for a change of policy have come from other documents, such as the Commission's paper on schools for migrant workers. This dealt with the problem in a wider sense from an

**Carettoni Romagnoli**

educational point of view — and in this connection I should like to support what Mr Laban has said — and looked at the links — a very delicate point, this — between national traditions and the creation of a European awareness, not to mention the problems connected with the vision of the future development of Europe, which is not assimilable — if you will excuse the neologism — to other problems.

As I see it, it is not acceptable that, for example, the issue of the European Schools and the education which is given to European citizens, whether they are migrants or not, should simply be assimilated under the heading of social problems, because if it is true that education plays a major rôle in social affairs, it is also true that it plays an independent part on the ideological level as regards the sort of philosophy with which we want to approach the building of the Community.

I therefore consider it proper to take this opportunity to get this discussion back within sensible limits, as our Socialist colleagues just proposed, bearing in mind at the same time that the points which we are considering cannot lead to a solution of the overall problem. Other aspects, to which I have alluded, should make it possible to consider more clearly the major problem of education in the Community as a whole. — And when I say the Community as a whole, I refer to all Community citizens, because I cannot make a distinction, at least in this field, between migrant workers and workers who happen to be of the nationality of the country where the school is located.

**President.** — I call Mr Brunner.

**Mr Brunner, member of the Commission.** — (D) As you have rightly said, we do not want to reopen the debate on the children of workers employed in countries other than their own. We are now dealing with the particular social problems to which this gives rise, and we are not having a general debate on the content of a European educational policy, the extent to which this policy should attempt to achieve harmonization or the extent to which it must respect and tolerate the differences of the various systems or traditions.

Your questions and your debate have concentrated on the practical aspects. You ask what has happened since the last debate and what the position now is as regards the European Schools.

In the meantime we have had two important meetings, including one of the European Ministers of Education in December, at which an action programme was adopted. This action programme also touches on the question of the European Schools, since it places particular emphasis on education in the context of different language systems. I was also decided to create an Education Committee. This committee is a major innovation and will make it possible for the Member States and the Commission

to discuss together any practical questions that may arise. We thus have a coordinating and planning instrument we did not have before. It will also make it easier for the European Schools to continue their development along the lines you have proposed. In addition, it will enable us to speed up the work.

Since your last debate, therefore, we have made progress, but not a great deal. We are still far from being able to say that we are now opening up the European Schools as Parliament wishes. We are still far from being able to say that we have changed the procedures to facilitate the admission of children. We are in the process of trying this. Nor can we yet say that we have changed the curricula so that full account is taken of Parliament's resolution. But we are working towards this, and a meeting of a working party of the Governing Board took place in December and some initial results were achieved.

Those, then, are the two practical steps forward that have been taken: the meeting of the Education Ministers and the adoption of an action programme in December, and the creation of this *ad hoc* working party and the meeting it has held. It has also made contact with Mr Walkhoff, and I hope that in future close contact can be maintained with Parliament. At all events, we shall forward to you in good time all documents to do with the European Schools. We shall be setting up a system for liaison with you and also with the parents' associations to make things easier for us.

In your resolution you called for more to be done for the children of migrant workers. During this debate, it has been said that this can be done, but the European Schools are not the proper place for this.

That is true. The European Schools can be opened up, must be opened up, but this does not mean that this is the way to solve the problem of including classes for the children of foreign workers. It does not mean that this is the way to solve the urgent problem of recruiting more teachers for these children, and it does not mean that this is the way to solve the problem of larger budgets for the school administrations to facilitate the admission of children of foreign workers. Although these problems are related to the question we are discussing, they do not form part of the question itself.

The extent of the problem of migrant workers' children is illustrated by two simple figures: there are today about 7 000 pupils at the European School in Brussels, as compared with 120 000 children of foreign workers in that city. You can imagine that the problem of educating 120 000 children can never be solved with school facilities designed to cater for 7 000.

Does this mean that we intend to do nothing through the European Schools? I feel that this would be just

### Brunner

as wrong. We must open them up. We must see to it that the admission procedure is made easier. We must find new solutions and perhaps get away somewhat from the procedures which to some extent have turned the European Schools into schools for an élite.

Are we doing anything? Yes, we are. Already 27 % of the pupils at the European schools are not children of officials of the European Community. The Schools have, then, been opened up to some extent. But we want to do even more. When new European Schools are built, we intend to ensure from the outset that they are more open, in other words we intend to preclude at newly created schools problems we have had at the old ones. This is why, for example, we have decided from the outset to take account of your resolution as regards the European School now being set up in Munich in connection with the installation of the European Patent Office there. From the beginning this school will include the largest possible number of children of foreign workers. We have therefore persuaded the Board of Governors to agree to the creation of a special group for this school so that it is clear from the outset that it will admit not only the children of officials of the European Patent Office, but other children as well. In addition, we have reformed the pedagogical side somewhat.

I can therefore say that we have made progress in two respects: On the one hand, we have formed a working party of inspectors, which is now looking into the specific problem of migrant workers' children in European Schools. This *ad hoc* working party will be working quickly, and we hope to be able to give you details of definite results very soon. The first definite results must concern the primary school.

Secondly, we are now in the process of taking a very close look at and evaluating the statistics we have on this subject. Without good statistical material, the *ad hoc* working-party would be operating in the dark. We shall therefore be forwarding to you, too, this statistical material as soon as it has all been evaluated.

What else have we done? We have also improved the procedures for admitting children to the Schools, speeding them up and extending them to include children other than those of officials. Here, too, the flow of information plays a part. It is an advantage to have close contacts with the parents and also with the local authorities so that it becomes known that the children of people who are not officials of the European Communities, are also admitted to the Schools.

In your questions you then asked how the Governing Board reacted to all this. I can tell you that it reacted positively. The working-party I mentioned has already met and discussed a number of points such as migrant workers' children and also the secondment of staff.

The conclusion reached was that we must ensure a reasonable notation of staff. But the staff must also

have some prospects of continuity. If possible, we therefore want to have a four-year rhythm. During the four years we want to give the staff an opportunity to develop their capacities, and we want teachers seconded to the European Schools to be fully aware of the fact that this secondment is for a limited period only. But they must also feel that their secondment will not be a disadvantage for their professional careers, but will be recognized. That is why the Member States must make absolutely sure that these teachers suffer no disadvantage. As a Parliament you can do a great deal to ensure that these rules, once they have been developed, are strictly observed in practice by all the Member States.

In your questions you asked whether a European Pedagogical Institute should be set up. We have looked into this and believe that in view of the small number of European Schools it would at the moment be premature to create a study and planning institution for them. We feel this would be expensive and that the funds needed should be spent on the schools themselves that is, on the staff and on teaching materials.

You have also asked about changes in the curriculum. Here again the working-party has primarily recommended that the school-leaving examination and teaching in the upper school should be changed. The Pedagogical Committee has been instructed to work along these lines.

The committee is also to look into the question, to which reference has been made today, whether the language of the host country might not be put to greater use than is at present the case, as a *lingua franca* in addition to the languages used in this way in the European Schools.

Finally, you asked whether the Commission could say what changes it is considering making to the staff statute. We feel that the present provisions — as I briefly mentioned in my previous answer — are not bad. What is important is that they are strictly observed by the Member States. Above all, a clear-cut staff secondment system must be developed. We feel, however, that it is just as important for the headmasters of the Schools to be involved in the selection of teachers, and we believe that it is also important for them to be able to use their influence to have teachers removed if they do not meet the requirements.

Moreover, it is our opinion that the assistance of the national seconding school authority must be sought pursuant to Article 39 of the Statute if at the end of the probationary period — one year — a teacher has proved that he is adaptable and has not complied with the work standards laid down in the European School System. In addition, we must develop a straight forward system for replacing teachers. I believe that valuable progress can be made by the working-party in this respect.

**Brunner**

You also refer in your question to the Inspectorate. We believe that the inspectors should devote more of their time to their specific assignment. We do not, however, feel that they should function as full-time inspectors for the European School System. It should be possible, under the system we now have, to ensure that the teachers acting as inspectors are given the opportunity by their national administrations to devote more of their working time to this particular activity. We believe this is important, because these inspectors should maintain contact with their national school system. They should not be working within an abstract system in Europe on the basis of criteria which have not been measured in any Member State against the actual requirements and traditions of the place concerned.

I have to admit that my answers to your questions have been rather brief. I would apologise once again for not being able to go into greater detail. We learnt only three-quarters of an hour ago that Mr Borschette had fallen ill.

*(Applause)*

**President.** In spite of Mr Brunner's final remarks, I congratulate him on his full and detailed reply after having taken up this matter at such short notice.

I call Mrs Ewing.

**Mrs Ewing.** — I asked several questions about the European Schools, to which I have received some answers, but others are hanging fire, although Commissioner Brunner went some way to answer them. My questions are directed to that part of the motion for a resolution which is concerned with the improvement of the decision-making process.

I have been in contact with many parents who have pupils at the schools. They feel that, for instance, they cannot form parent-teacher associations. They understand that teachers have sometimes been under the impression, rightly or wrongly, that they are prohibited from joining or forming such associations. Will Commissioner Brunner comment on that?

Parents are thrown back into a feeling of hopelessness when they seek information. I think most of us would agree that that is bad, especially when the schools are such a bold experiment.

We know from the reply to a question raised by Mrs Kellett-Bowman why the schools were set up, but I see no reason why they should not evolve into schools which can be regarded as a bold experiment and which take in migrant workers, as has been suggested.

I was told in answer to one of my questions that the Boards of Governors, which is the supreme authority of the European Schools, is a 10-member intergovernmental body, one member of which represents the Commission. His influence on the Board's decisions is necessarily limited.

Commissioner Brunner did not think that the time was ripe to set up the schools as a separate Community institution. Perhaps that is so, and it can wait until there is a further chain of schools to cope with the migrant-worker problem.

Will Commissioner Brunner give consideration to one question which is hanging fire? I asked whether the Commission was satisfied that the present administrative structure is the best method. Does he consider that the Commission should have greater influence and control? There is a vacuum of accountability at the top. For instance, one of the questions I asked was based on the fears of parents about the fairly strict system of examinations, which causes many of the children to be exceedingly nervous. Perhaps understandably, failures result in almost immediate repetition of a year. This makes children exceedingly nervous. They are already up against many difficulties of adaptation to another environment.

It seems very desirable that parents should therefore have open access to information or at least, if we cannot get information, that the Commission should take more of a hand in it, because there must surely be accountability somewhere if Community funds are involved.

I could not get the information for which I asked statistically about failure rates, at least not yet. This highlights the point I am making, because I was able to get answers on other matters in the same time-span from 26 March. When, however, I asked for information about the actual inside of the school, as it were, I was told that it would have to be obtained from the appropriate authorities.

I therefore suggest that the Commission should look again at exerting a greater influence—for instance, in the question of who is to be appointed in place of Levarlet. Are we to be sure that it will be a distinguished educationist and not an administrator? I think that it should be as distinguished an educationist as he was himself.

A point of principle is involved here for all of us. There must be greater accountability or more open access to the decision-making process, and there must be greater access to information on the part of parents.

**President.** — I call Mrs Dunwoody.

**Mrs Dunwoody.** — It is only fair to thank Commissioner Brunner for the sensible and helpful contribution he has made to the debate, but I hope he will not be altogether surprised if we tell him that there are still certain areas in which we have considerable feelings of disquiet, not least the definite feeling that the European Schools system is still far too rigid in some of the ways in which it is administered.

### Dunwoody

The wording of the question, which seems to me to be eminently suitable and very tolerant, has at least done one thing. It has brought forth as only tolerant thought can do the normal defence of privilege which we have learnt to expect from the Conservative Group. Indeed, if I may take issue with Mrs Kellett-Bowman, I would point out to her that the wording of the resolution states that what are needed are 'educational reforms necessary to ensure equal opportunities for the children of migrant workers in the European Schools'. We know, of course, that the Conservatives believe in equality. It is simply that they believe that some people are more equal than others. This is precisely the attitude which, it seems to me, will lead to even greater difficulties inside the European Schools system.

I know that I do not need to remind Commissioner Brunner that children are not born with prejudices: they acquire them. They are not aware whether they are the children of migrant workers or of highly-privileged civil servants in the European system. They acquire those feelings after they have been given a certain amount of conditioning.

This is an area in which something practical, something demonstrable and something very progressive can be done towards showing how Europe can progress together. It seems to me that what the Commissioner has outlined today represents very sensible and rather limited reforms, although I hope he will forgive me if I say that it has been my experience that when one does not particularly want to do anything too soon one sets up an enormous committee and then, with any luck, one does not have to come to any awkward decisions because it is possible to keep the agenda going for a very long time. I acquit the Commissioner of having any thoughts like that, but it seems to me that we have evidence that as regards the attitude towards examinations particularly and the maintenance of barriers that still exist between the children we have a long way to go.

I accept that there is never enough money to spend on education, but if the Commissioner were to come here and ask this Assembly to vote a few more million units of account for something which was for support within the commercial field he might find a great deal of sympathy. Why is it, therefore, that in this one very important field we have to talk about the fact that the budget is not large enough, that we do not have enough teachers and that we are faced with considerable pressures if we endeavour to take in all the children of migrant workers? This is the one job which we could be doing now—the job of education, the job of opening people's minds at a point at which they really have no preconceived ideas to prejudice them.

I would like to see us not have this subject on the agenda next year or the year after. I would like

Commissioner Brunner to come here and say with complete pride: 'What we have seen in the last 12 months has been such an enormous advance concerning the European Schools that we are creating the new citizens of Europe in the stamp and on the basis of the real freedom of democracy and thought that Europe really should be about'. That is what we should be discussing in this Chamber today.

**President.** — I call Mr Mitchell.

**Mr Mitchell.** — I hope that eventually the European Schools will become a proper Community Institution. I think that if they were to become so they would be far better run and far better organized than they are at present. In the meantime, there are a number of things that we should do.

The key part of this Oral Question is paragraph 1 (c), which asks: what improvement has been made in the decision-making process? Although I thank Commissioner Brunner for his excellent remarks, I do not think that he gave us any evidence that there has been any improvement in the decision-making process as such. We still have this rather remote Board of Governors, intergovernmental with a Commission representative. We want some form of governing body for each individual school with representatives of teachers and parents on that governing body. Until we get that, there will be increasing frustration amongst parents and teachers because nothing happens to any reforms that they suggest. We get this complaint repeatedly when we talk to the parents and teachers. They say, 'I have put forward all sorts of suggestions, but somewhere along the line they get blocked.' Presumably they get blocked in this ultimate body. I therefore hope that we can get a far more democratic system.

One thing that horrified me when visiting the schools was the lack of decision-making powers that the headmaster himself has. This was foreign to what I had been used to in British schools. When I asked the headmaster what changes he would recommend in the curriculum, for example, he said, 'That is nothing to do with me.' This seems very strange to those of us who were brought up in the British educational system.

I want to make a few references to the curricula in the second part of what I want to say. Commissioner Brunner said that there had been a meeting of the Board of Governors working-party, or that a working-party had recommended that the *baccalauréat* be reformed. He then stopped there; he did not say in what way the working-party had recommended that the *baccalauréat* should be reformed.

I raise this question because I am horrified by the academic rigidity of the secondary sector of the European Schools. When I walk into a school and find that at the end of the second year in the secondary school art and music are dropped unless they are to



**Mitchell**

be examination subjects, I start getting very worried. I know that a number of children who have come from equivalent schools in Britain and who have transferred to the European Schools are finding it very difficult indeed to meet the curricular rigidity to be found there.

I hope that the whole question of the reform of the curriculum will be seriously examined, remembering that we have a multinational school which in itself provides considerable differences.

Those are the two key issues I would stress at the moment. The question of migrant workers is a long-term and much bigger problem. The two key matters that need to be tackled at the moment—I urge that they be tackled quickly—are the decision-making process, to see if it cannot be made more democratic, with teachers and parents brought into the process, and, secondly, the curriculum, to see whether it is suitable for modern education.

**President.** — I call Mrs Kruchow.

**Mrs Kruchow.** — (DK) I think we should thank Mr Brunner for his explanation and for saying that something is being done so that we have an end in view.

Apart from the pedagogical problems mentioned, which are widespread in the European Schools, I feel that we are mixing up some principles. I would like to have an explanation and perhaps Mr Brunner can give one. I think everyone in the Chamber agrees that, whether children in the Communities come from one of the member countries or from countries outside the Community, we are obliged to offer them the same opportunities for learning what they need to. But that little phrase, 'they should have the opportunity of learning what they need to', is decisive for me. Not all children have the same needs, and children in the European School have so far had special needs, since, apart from being introduced to the culture and language of the host country, they have been able, and their parents have expected them, to be taught their mother tongue and native culture, since it is expected that they will return to their own country in a few years and they should feel that they belong there.

The situation is quite different for the children of migrant workers. Their parents often want the whole family to be integrated into the host country. They thus have completely different needs, and I therefore think it is rather unreasonable suddenly to say that the European Schools and they alone are a type of élite school. In the Member States there are many different schools, and some of them could be called élite when compared with others.

It is a question, then, of allowing the children of migrant workers to attend schools in the country they live in that meet their real needs, and that is quite different from saying that the only solution is for them to attend the European Schools and that

perhaps the European Schools systems should be changed as a result.

I strongly emphasize that I want all children in Europe to have the best possible education, but it must be the education they need, and attendance at the European Schools should by no means be regarded as a particularly good thing for the children of migrant workers. Mr Brunner meant the same when he said that the European Schools are not always the proper answer. They certainly are not. As far as I am concerned the children of migrant workers may certainly be admitted in some cases, but it should not be regarded as a marvellous objective.

I think we should add that it is up to the parents of the children, regardless of nationality, to decide whether their children should keep their mother tongue or not. It is also conceivable that there might be some children who were entitled to go to the European Schools under the old rules but just did not want to attend them because they would much prefer to learn more French than German if, for instance, they came from Denmark. I therefore think we should be very careful about presenting the European Schools as the only possible solution and therefore changing them so that they have a much broader intake. I therefore strongly recommend that we lay down certain principles and try to follow them.

(Applause)

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — May I ask one rather practical question of Mr Brunner? He told us that it was up to us as members of national Parliaments to go home and sort things out a bit in certain respects. I had understood from the Scottish Office, which deals with all educational matters in Scotland, that in fact the whole issue of secondment to European Schools worked without any kind of hitch and that there was really very little trouble.

If this is not so and if there are difficulties about the promotion of teachers or in what Commissioner Brunner called the rhythm of teachers, I think that he should tell us, because we should like to get this on a sound footing. Speaking for myself, I thought this was a scheme that worked almost perfectly. If I am wrong, we should be told.

**President.** — I call Mr Brunner.

**Mr Brunner, Member of the Commission.** — (D) Mr President, I shall take the questions in reverse order, beginning with the question by Mr Dalyell.

It is true that in some Member States the secondment of teachers works very well. In other Member States there are certain delays and difficulties. That is because in some Member States the government does not have as much influence in connection with the

**Brunner**

secondment as might be wished. It is also because in some Member States the conditions of employment of teachers are a purely private affair. In such cases, we simply have to ensure that the government of the Member State in question acts as an intermediary and to some extent enters the employment market. That is not easy, however; in many cases the system does not work completely satisfactorily. I think that in such a debate as we are holding today these weaknesses in certain Member States should be pointed out — as I have said, this does not apply to all Member States.

I share your view. Mrs Kruchow, that the two ideas should not be considered as identical. Of course, the subject of the children of migrant workers and access to the European Schools is to some extent also that of equal opportunities. However, we should not go too far. However open the European Schools are — and I am in favour of them being very open — they cannot solve the problem of the children of migrant workers. We must do far more than that: we must use all the means at our disposal, we must allow the action programme of the Ministers of Education to become reality. I think you should all take action at home to ensure that the modest proposals which the Commission has made — the directive on the children of migrant workers — have a good chance of succeeding. If they do not, we shall have failed. We should not assume that failure in this matter would leave the public unmoved. That is simply not the case. In Europe today we are experiencing a migration such as we have never known before. As governments and as European Institutions, we must show that we are capable of taking into account this modern migration and arriving at the right solutions. Unless we do so, we shall have failed.

Mr Mitchell asked what improvements had been made in the decision-making process. In this connection, we have obtained valuable experience at local level. I have heard, for example, that things are working well in Brussels. We must take steps to achieve an improvement in the other places too. There is not yet an adequate degree of co-decision everywhere. I think that we, the Commission, can base our action to achieve that on such a debate as the one we are holding today. The fact that you are raising this question, that you are pointing out that here and there weaknesses exist, is very valuable for us, because we, who have only one seat and one vote on these bodies — do not forget that we do not take the decisions but have only the right of co-decision — can refer to what you have said here. For that reason I am grateful to you for your observations.

In many places, as has been said, the participation of teachers and pupils is exemplary. We are now extending the meetings between these persons. There are now monthly meetings to prepare for the High Council. We are now doing more and on a broader basis than before.

Mrs Dunwoody acquitted me of wishing to cause delays. I am glad she did so. I am glad that she also acquitted me of not having any intentions of that type. I think the fact that we are now making a general debate out of the answers to your questions does not mean that we are slowing down the whole process. On the contrary. I have attempted to extend your questions on the problems of the European Schools and the present procedure because I believe this can lead to more rapid improvements. If we had kept strictly to the matter in hand, one aspect or another could easily have been overlooked. The way this debate is being run assures it of great political significance. I am convinced that we shall quickly achieve improvements and be able to inform you of them. You must speed up your consideration of our material so that this dialogue can be continued further.

At the beginning of her speech, Mrs Ewing asked about the influence of local bodies and the influence of the Commission. I have already said that the Commission has only one seat and one vote. The Commission can exert influence, but cannot take decisions. I do not think that situation ought to be changed. If you were to deduce, from the fact that these schools are financed mostly from the budget of the European Communities, that we should also be the decisive political authority on education, these schools would be even more divorced from their natural local context. Like Mrs Ewing, I believe in the principle of decentralization and regionalization. In the European Schools we also have the problem of devolution, as it is called in your country. I believe that we, the Commission, should wherever possible hear the voice of the appropriate people at a local level; we should not aim at uniform solutions but should base our constant dialogue with these local bodies on the broad guidelines worked out by Parliament in this debate. If we do so, perhaps we shall not achieve progress as quickly as we would like in some places, but we shall have achieved something of great value: we shall have given all concerned the feeling that these European Schools are their own schools, that the European Schools are not built on an abstract principle of education but adapted to local needs and that in the end they should benefit the children in the various localities according to their varying needs.

**President.** — I call Mr Laban.

**Mr Laban.** — *(NL)* Mr President, on behalf of Mr Walkhoff and as one of the authors of the question, I should like to express my views on what Commissioner Brunner has just told us. I needed barely one minute to move this question in the usual way. I anticipated being given the opportunity, once the Commission had answered the question, to put a few additional questions to Mr Brunner, I should like to do so now, since I have so far probably used up only two of the twenty minutes available to me.

## Laban

I realize that Mr Brunner could not go into detail on every point at such short notice. He will, however, understand that I am not entirely satisfied with his answer, and particularly with his reference to the action programme adopted by the Council, the improvement of language tuition by introducing a second foreign language, and the setting up of an education committee. These questions are, in a broad context, of some importance to the European Schools system, but I should prefer to concentrate on the implementation of the resolution adopted by the European Parliament on 22 September. I realize that the resolution calls for action in so many fields that in some areas progress is bound to be slow. I am pleased to hear that the Governing Board has set up an working-party. I wonder if Mr Brunner could give me a few details ad hoc concerning the composition of this working-party, and in particular the status and qualifications of the members from the various Member States.

I should also like to know what part the Commission is to play in the implementation of this resolution.

I would point out that the situation is unclear as regards the chairmanship of the Governing Board. Mr Borschette mentioned this question on 22 September and underlined the need for a stronger secretariat under the authority of — or so the Dutch has it — a permanent chairman of the Governing Board. The French version of the debate speaks of a '*présidence permanente*'; the English version states simply 'under the authority of the Governing Board', and the German version '*unter der Leitung des Oberssen Schulrats*'. I should like Mr Brunner to tell me just exactly what that means. If we are really contemplating the idea of a permanent chairman of the Governing Board, which I for one would welcome, I should like to see the Commission assume this permanent chairmanship. In my view, this would be in the interests of continuity as regards both policy and administration. Is the Commission prepared to assume this function?

A second point is the question how the Commission intends to 'strengthen the secretariat' and what criteria is proposes to apply as regards the qualifications and training of the additional staff required.

I agree with my colleague Mr Mitchell that educational reform and the question of admitting the children of migrant workers are long-term problems.

The achievement of a certain decentralization of the administration is an urgent matter; far greater responsibility and autonomy should be given directly to the individual schools. This would help to speed up the decision-making process and reduce much of the bureaucracy involved. I ask Mr Brunner to use his influence to the utmost to ensure that this decentralization of decision-making, this democratization, is achieved quickly.

It really is absurd that the administration, the parents, the teaching staff and even the older students should have no say whatever in those areas which concern them, such as the recruitment of teachers, the planning of the school curriculum and various other matters. I feel that such problems in particular could be solved within the very near future.

I understand that the *ad hoc* working-party has begun its work, and that an observer from the European Parliament is allowed to attend. The Commissioner referred rather guardedly to a number of points raised by the working-party. My information is that the *ad hoc* working-party has drawn its a memorandum commenting on a considerable number of the points raised in the European Parliament's resolution. I do not wish to prolong the debate unduly, but if such a document exists, and I am under the impression that it does, I feel that it should be sent for information to the Parliament's Committee on Social Affairs, Employment and Education. The members of this committee could then take note of this document and learn the working-party's views on various questions.

We are still faced with the peculiar problem of the budget of the European Schools. The Governing Board adopts this budget in May. The budget runs from the beginning to the end of the school year, whereas the European Parliament budget follows the calendar year. In practice this means that the European Parliament, which would like to make use of its powers of control over the European Schools, is only consulted in November, six months after the budget has been adopted and three months after it has already started being implemented. Parliament is really being put before a *fait accompli*. What can the Commissioner do to ensure that the European Parliament is given the opportunity to exercise its budgetary powers at an earlier stage?

I should like to say a few words to Mrs Kellett-Bowman in support of the speech made by my colleague Mrs Gwyneth Dunwoody. With regard to the problems involved in admitting the children of migrant workers to European Schools, I should like to point out to Mrs Kellett-Bowman, who chose to caricature our beliefs, that we by no means believe that the solution of this problem will mean the end of all problems. Less stringent criteria of admission will ensure that pupils at the European Schools are more representative of conditions in our society today. The European Schools must not become an élitist ghetto; otherwise, there is the risk that they will produce rather unrealistic people without any notion of what real society is like. This is an important consideration which deserves greater attention from the Conservative Group and from members of Conservative parties, who would seem to include a large number of unrealistic people, judging by their speeches and press statements.

**Laban**

A short while ago, we approved a draft directive laying down special measures for the children of migrant workers, to be implemented at national level with the aid of the European Community. So far as I know, this draft directive has still not been adopted by the Council. I do not know what the problem is. The Commissioner can, perhaps, tell us what has happened to this document, which, although it might have been submitted earlier, should still help to ensure at the national level that migrant workers' children have access to the normal educational system.

**President.** — I call Mr Brunner.

**Mr Brunner, Member of the Commission.** — (D) Mr President, if I may one again begin with the most recent question: this directive on the children of migrant workers is to come before the Committee of Permanent Representatives next week. We have had difficulties with the harmonization of conditions. We debated the subject recently in this Parliament. The difficulties facing the Permanent Representatives are the same as those which arose here.

The questions are these: what about the reception classes? What about education in the children's mother tongue? Integration or not? Will the children later return to their country of origin or not? What about the extension of the system to cover the children of migrant workers who are nationals of the Community? What are the budgetary consequences? What local differences are these? Do they encourage or restrict harmonization? In other words: what is the minimum level of harmonization which is necessary to help these children? I hope that we shall make progress here, and, if necessary, there should be another debate here to emphasize the point.

You asked about the composition of the committee. It is composed of nine representatives of the Ministers, one representative of the Commission, one representative of the parents one representative of the teachers and one headmaster.

You also wanted to know the chairmanship, I will say quite openly that we would have preferred the solution which you mentioned, Mr. Laban. We would have liked a permanent chairman, but that cannot be done with this group. The group wishes to work on the principle of rotation, with each country holding the office of chairman for one year.

You asked about the secretariat and whether it will be strengthened. Yes, it will be strengthened. We shall allocate to the secretariat colleagues with teaching ability as well as secretaries so that it can work more effectively.

You asked about the memorandum which is being prepared. It will be sent to the High Council at the end of May. We are prepared to forward this material as soon as possible to your committee.

You also asked about Parliament's involvement in the drawing up of the budget. This is a question of synchronization. Generally, we draw up the budget in September, when we know how many pupils and how many teachers there are going to be. We are certainly prepared to involve Parliament — several times if necessary — so that you are able to play in the fixing of the budget the full and satisfying rôle which is your right.

Finally, you said that the European Schools were still not open enough.

I agree. However, I did say at the beginning that the proportion of pupils who are not children of officials has risen to 27%. There are certain schools where the percentage is much higher. I would point out that in the European School in Karlsruhe, 63% of the children are not children of officials of the European Community.

**President.** — Does anyone else wish to speak?

The debate is closed.

#### 8. Community policy on the reprocessing of irradiated fuels

**President.** — The next item is the report drawn up by Mr Noè, on behalf of the Committee on Energy and Research, on the need for a Community policy on the reprocessing of irradiated fuels and materials (Doc. 69/76).

**Mr Noè, rapporteur.** — (I) Mr President, members of the Commission, honourable colleagues, about a year ago I was asked by the chairman of the Committee on Energy, Research and Technology, Mr Springorum, to draw up a report on the subject we are now about to deal with. The request was made for the following reason.

In traditional hydro-electric and thermal-electric power stations the problems occur before production, not afterwards. Let me explain: in the case of a hydro-electric station the water has to be conducted through tunnels towards the station; if the flow is irregular reservoirs need to be built to release the water consistently and in sufficient quantities throughout the year. These, as I said, are problems which have to be tackled before production, but once the water has flowed through the turbines it is returned to its natural course and there are no further problems.

The situation is more or less the same for traditional thermal power-stations, apart from the problems caused by the residual ashes. However, once the oil or coal has been obtained to fuel the power-stations, these problems disappear: during operation there is a certain amount of pollution through sulphur dioxide, but when operations are shut down the pollution disappears.

## Noë

Compared with these traditional forms of producing energy, nuclear power-stations are very different indeed: once the operation is complete, and the usefulness of a given fuel has been exhausted, the fuel remains and we cannot ignore it. That is the difference.

We have already dealt with this problem in this House, and the problem of what to do with radioactive waste in general, but we have never dealt in depth with the problem which appears on the agenda today: I refer to the reprocessing of irradiated fuel.

Considering the problem, we find essentially two reasons for the interest in reprocessing fuels. The first reason for the need to take action in this field emerges from the fact that each cubic metre of irradiated fuel extracted from a power-station after serving its purpose — that is, when it is virtually exhausted — can be reduced to around 50 litres of long-lived radioactive material. There is a huge difference between a cubic metre and 50 litres of material which has to be dealt with. From an ecological point of view this is a result of vital importance, because safeguarding 50 litres is a very different matter from safeguarding a cubic metre.

The second reason is that from these spent fuels, consisting of materials which have absolutely no value, we can extract uranium and plutonium, and therefore new fuels. We can thus reduce our imports of uranium for present-day power-stations, and obtain plutonium for the fast-breeder reactors of the future. Reprocessing therefore has an ecological aspect, by reducing the quantities of energy, as I have just shown.

These two reasons (which are highly political in character and are always being cited by politicians as worthwhile objectives) are sufficient in themselves to show the usefulness of fuel reprocessing and could in some ways be sufficient in themselves to convince the House of the importance of agreeing to this motion.

But I would not consider my duty done if I were to conclude my remarks here, both because I think it is right that I say something on the fundamental principles of the reprocessing procedure and because there are a number of other unresolved problems which we have as yet analysed (for reasons that I shall state shortly) but which are likely to interest this Parliament in the near future.

That said, I will add at once that an industrial reprocessing plant requires a certain annual quantity of material to be reprocessed, because otherwise the plant itself, in view of the dimensions it must necessarily possess, could not support itself. We might thus find ourselves with a recurrence of the situation of certain uranium enrichment plants, particularly those employing gaseous diffusion, which require a minimum quantity of material annually.

The result of this situation is that, after two small experimental plants (one in Belgium and one in Italy) had

been set up, time was lost. Consequently, there are now only two industrialized plants in a state of competition, one at La Hague, in France, and one at Windscale, in England.

Let us look now at some of the aspects of the reprocessing procedure. Once the fuel has been received from the power-station, it is first of all separated from the sleeve which contains it, which may be made of stainless steel, zirconium or graphite (in the case of gas reactors). This procedure is carried out by means of indirectly operated mechanical shears operating in a pool of water.

Once the metallic covering has been separated from the fuel itself, the Purex process begins, by which the fuel is subjected to the action of solvents with a view to separating the uranium, plutonium, transuranium elements, fission products and, finally, pieces of cladding and fragments resulting from the chemical treatment: the latter are of no great importance and can be put into 'second-class' storage, since they are not highly radioactive.

I referred to the transuranium elements (the elements, that is, which have a higher atomic number than uranium) and fission products separately, even though they are at present extracted together, since we do not yet have the means to separate them and we are not yet certain what is to be done with the transuranium elements. In this connection I might mention that, on the initiative of the chairman of the Committee on Energy and Research, we were able last Monday to visit the Karlsruhe Transuranium Institute, where we had an opportunity of discussing the question of possible separation of the transuranium elements from the fission products. The essential point is that, amongst the transuranium elements, there may be (although not definitely) elements useful to man or elements with a long half-life, whose radioactivity could, however, be reduced to enable the production of new fuel elements for re-use in reactors. This idea was conceived in Karlsruhe, and the Commission has now requested the British authorities at Windscale and another specialized institute in the Netherlands to carry out research along these lines. It is thus possible (although it is as yet impossible to say anything for certain, because there is a good deal of work (still to be done) that in future one of the ways of getting rid of transuranium will be to transform it into fuel elements for re-use in reactors, thus considerably shortening its half-life.

I should add in this connection that this new type of fuel would reduce the efficiency of present reactors, whilst increasing that of future fast reactors. Moreover, transuranium has special characteristics. It has been discovered, for example, that californium, placed in appropriate metallic containers and placed on the seabed, gives off radiation which facilitates the loca-

## Noè

tion of certain minerals, such as manganese. This might thus be a further use for transuranium elements.

But let us now turn to the point of major interest. The organic solvents which are used in the Purex process have the effect of separating the nitrates of the heavy elements (i.e., of uranium and plutonium) from the fission products. Then, the uranium and plutonium are separated from one another and can be put to one of the uses to which I have referred already namely, the creation of new fuels for reactors already in use, in which the plutonium would take the place of enriched uranium, or could be stored pending the introduction of fast reactors.

I should say here in parentheses that, since all these phenomena involve differences in value from year to year (it is difficult to stick closely to the forecasts), there are some who think that when the fast reactors are introduced there will no longer be sufficient plutonium to fuel them unless the reprocessing plants which we are talking about now have been constructed in good time.

In these circumstances, our committee thought it wise to request the Commission to provide for these plants to have sufficient capacity — and for practical reasons they should be in the order of 400, 800 or 1 500 tonnes per annum.

I shall refer only very briefly to the characteristics of the plants — to go into detail would be impossible in the short time at my disposal. The delicate nature of the procedures carried out in these plants is due essentially to two facts. The first is that the environment in which the work is being carried out is radioactive, and for this reason contacts between solvents and solutions have to be limited to brief periods; if these periods are too long, by-products appear which are both troublesome and noxious, and these have to be kept to a minimum. The designers therefore will have to stand on their heads and display great ingenuity to ensure that the contact time between solutions and solvents does remain brief.

The second fact is that some of these materials (uranium 235 and plutonium) are fissile. If solutions are used which are too concentrated, there is a possibility of a chain reaction which, while not giving rise to an explosion may nevertheless lead to changes in the materials themselves. Thus — and this is another handicap — the solutions have to be dilute. However, if dilute solutions are used, the plant has to be very big and is therefore costly. A compromise thus needs to be found here, too.

So you can see, Mr President, that various obstacles arise and the moment one is permanently using remote controls (the technician remains outside the pool; he works using mechanical arms to handle the material) any kind of accident necessitates emptying the pool and washing it thoroughly — we are dealing here with radioactive materials — before repairs can be carried out. It may happen, therefore, that the plant has to be shut down for a period of months.

Another complication (and then I shall leave the subject of plant) is this. We are faced with a wide variety of reactors. We have to ask ourselves whether these plants are suitable for reprocessing the fuel whatever the type of reactor concerned. The sizes of the fuels vary, of course, and we have already seen that the plant operating already at La Hague for reprocessing fuel from gas-graphite reactors requires considerable structural modification, involving the construction of a tall building to cope with newest fuels, namely those from the light-water reactors, which were five metres in length, as compared with only one metre in the case of the gas-graphite fuel; this calls for a completely different reception area with an extremely tall pool so that these fuel elements can be handled with a crane.

The variety of reactor types can thus cause complications. A plant of this kind takes ten years to build; this is another reason which led our committee to adopt a detailed position.

I have no more to say as regards the problem of plants, and would now like to deal with some of the other problems. I ask your indulgence, Mr President, if I am exceeding my allotted time, but I have not yet dealt with all aspects of the matter and I don't want to be accused of having given an incomplete explanation. The committee responsible for these matters has noted with satisfaction — Lord Bessborough was with me and accompanied me on the visit to Windscale — of a very decisive step, namely, the change from storing irradiated fuel in liquid form to doing so in a solid state by means of electrification, a process which was begun by the French at Marcoule and is now being further developed by the British at Windscale. The change in storing long-lived radioactive residues from liquid to solid form has exceptional advantages. I myself, one or two years ago, spoke in Luxembourg about the American and German idea of launching the wastes into space: But a solution of this kind was only tenable as long as the residues were liquid. Now that we have the possibility of vitrification our concerns are far less: the situation is vastly simpler now that one can construct a container of reinforced concrete in which the glass cylinders containing the residues can be placed and cooled by circulating air around them. The motion for a resolution specifically states that we welcome the development of solidification processes, whether in the form of glass or granules, a system at present being studied by the Americans.

There is one last point, and that is the final resting-place for these cylinders of glass or granules — in short, these long-lived radioactive wastes. There has been evidence in this field of what I would not call disinterest but at least a possibly justifiable, lack of concern about the difficulty of finding a rapid solution to this question. In fact, fortunately, we still have plenty of time to consider the question calmly.

Noè

Let me refer now only to the possible solutions. This question of the final resting-place, in the light of the technology to which I have referred, and the transport of all radioactive materials from the power-station to the reprocessing centre and then to its final storage place, should form the subject, in my opinion, of a further study, but without undue haste, since the problems are not urgent.

There is a very wide range of views on this particular subject. One of those most worthy of mention is the German idea of constructing the reprocessing plant itself on top of disused salt-mines so that the irradiated waste could then be stored in the mines themselves: this would not entail any further transport. I was surprised — and I think Lord Bessborough was equally surprised — to learn that at Windscale the British are still studying the possibility of dumping this material on the sea-bed. They are in the process of conducting extremely serious investigations, even analysing the effects on Phoenician anchors after having lain between 1 500 and 2 000 years in the sea depths. So you see, no possibility is being overlooked.

To sum up, I would that we have all the time that we need to find a solution to this last problem. But the important thing — and this has been stated explicitly in the report — is that the Commission should keep abreast of the problem. The year 1977 will see the emergence of a whole range of data: they will come from La Hague, from Windscale and from other centres. By 1985, therefore, the Community should possess the necessary capacity for reprocessing irradiated fuels. Finally, I should like to note that, in all the round-table discussions, in all the press articles, attention has always centred exclusively on the nuclear power-stations. This is a great mistake. In fact, the production of nuclear energy is something which involves not only the power-stations themselves, but also all the places where the fuel is handled; only an overall view, therefore, which takes in all of these plants can finally succeed in answering those who express critical concern at the thought of this type of energy.

*(Applause)*

**President.** — I call Mr Dalyell to speak on behalf of the Socialist Group.

**Mr Dalyell.** — I hope that all those colleagues who a minute ago clapped Senator Noè understood every word of what they were clapping, because, bluntly, I did not. I just wonder whether all these people who clapped him so loudly are nuclear experts of an order who can pass judgement on what he was saying ...

**Mr Scott-Hopkins.** — It is a matter of courtesy.

**Mr Dalyell.** — ... It may be a matter of courtesy, but I would say to Mr Scott-Hopkins that there is a bit of history here, and the history is this. Some of us got a

report in January and, not being nuclear experts, got it checked. The answers that came back, first of all, from Sir John Hill and, secondly, from our German expert colleagues were such as to make it clear that the report should not have gone out in the name of the European Parliament. I do not want to go over that, however, so I shall content myself with a question to Commissioner Spinelli.

My question is this. In the view of the expertise that is available to the Commission, are there any inaccuracies in the report that looks like going out in our name? If the Commissioner can assure us that there are no factual inaccuracies I shall be content, but I want that clear and specific assurance, because I have an understanding that the report gives the impression, for example, that United Reprocessors undertakes the reprocessing work. This is not so. The oxide fuel reprocessing work is done in the plant of the three national firms, and their subsidiary, United Reprocessors, undertakes marketing and arranges transport for it. I give that as an example.

Again, I put a direct question to the Commissioner. The Commission of the European Communities has established an expert working-group to examine reprocessing capacity and to determine the desirability of EEC involvement. Am I right in saying that this expert group has met once on 15 December 1975 and has not yet reported?

It is getting late, Mr President, and I do not want to go on, but I must comment on one thing that Mr Scott-Hopkins said as an aside. He said that it was a matter of courtesy. I do not want to be discourteous to Senator Noè, or any other Member of the Parliament, but he must understand that some of us do not want reports to go out from this Parliament that are by definition read only by people who have expert knowledge at the great German, Italian and French centres and at places like Windscale and Capenhurst, because if we presume to have expertise on subjects about which we may not know very much it devalues our opinion on other things. In speaking like this, my concern is the seriousness of the Parliament.

**President.** — I call Mr Scott-Hopkins on a point of order.

**Mr Scott-Hopkins.** — Mr President, is it not a fact that the only thing that goes out in the name of Parliament is the resolution which is actually passed by this House, that the explanatory statement attached to it is the responsibility of the rapporteur himself and is not in the name of the Parliament, and that in the particular case of Senator Noè's report all that will go out, should the House pass the report, will be the actual resolution — the preamble to it and the 12 paragraphs of the resolution? Senator Noè himself will be responsible for the explanatory statement, which does not go out in the name of this House.

### Scott-Hopkins

Perhaps you will kindly clear this matter up, Mr President, because we do not want to have any confusion about this and perhaps Mr Dalyell, being new to this Parliament, has not quite appreciated the point.

**President.** — The only matter on which the House votes is the motion for a resolution. Of course Mr Dalyell or anyone else is entitled to say that he will vote against the resolution on the grounds that he does not like the explanatory statement.

I call Mrs Walz to speak on behalf of the Christian-Democratic Group.

**Mrs Walz.** — (D) Mr President, ladies and gentlemen, I much regret the intervention by Mr Dalyell — that sort of thing has never happened in this Parliament before. Mr Scott-Hopkins is quite right. We are not interested in the report itself so much as in the motion for a resolution. Mr Noè has justified the report and I think that he is one of our most knowledgeable Members. If we were to do what Mr Dalyell seems to want, we should all have to be experts and none of us would ever dare to speak, since we should all be busy in different fields. In your domestic parliament, however, you do not have to be an expert in all the fields in which you speak. You would be the first Member of Parliament who was.

On behalf of the Christian-Democratic group, I would like to thank my colleague Mr Noè for his splendid and, as always, thorough and comprehensive report, which is worthy of such a distinguished engineer, even though — and I here I agree, Mr Dalyell, — it is not easy for non-technical people and non-scientists to understand. However, the steady trickle of enlightenment wears away the stone of ignorance. Mr Noè, we have learnt a lot from you, even if we have not become atomic experts.

Ladies and gentlemen, how are we involved as politicians in the resolution and the voting on this report? Allow me to put it simply: although the development of nuclear energy is essential in view of the exhaustion of natural resources, if we are to have a constant supply of energy in the medium and long-term, the basis of our prosperity and employment in our highly-developed industrial countries, we must be all the more assiduous in demanding that priority be given to safety-measures in connection with its undoubted dangers and that both state and industry, by which I mean those responsible for production, should be responsible for this, even though there will be high costs which will have an effect on prices. The state must include these in its conditions of approval, it must supervise transportation, reprocessing, intermediate and permanent storage, and it must withdraw authorization if the correct procedure is not followed.

In my report on a Community policy on the siting of nuclear power-stations having regard to their desirability for the population, I pointed out that in future nuclear parks or at least in integrated disposal systems

a number of dangers connected with disposal could be considerably reduced and limited still further by the use of underground stores, which could also be of great significance for military reasons. What must be guaranteed by such an integrated system, including reprocessing, the recycling of carton fuels and the treatment and storage of waste?

- a) waste which is only moderately or slightly radio-active must be permanently stored on the spot for re-processing;
- b) highly radio-active waste must be temporarily stored as a solid product;
- c) solidified highly radio-active waste must be permanently stored in a stable geological structure which can be largely sealed off from the biosphere; and
- d) the disposal of nuclear plants must be included here. It can be extended later to cover the circulation of fuel in high-temperature and breeder reactors.

This integrated system of disposal, which is viewed throughout the world as a suitable solution, drastically reduces transport requirements. That is especially true in the case of plutonium, which in future need only be transported in ready-made fuel elements, i.e., diluted by uranium and as a hard ceramic material in a metal casing. This permanent storage on the spot eliminates the need for transporting radio-active waste produced during reprocessing.

Supervision and security provisions can be dealt with much more effectively. However, not all problems have been solved, although research work on disposal has made a great deal of progress and its basic suitability has been successfully demonstrated in the United States, in France and the United Kingdom, also at Karlsruhe and Eurochemique. In particular, the re-use of plutonium calls for a complicated technology of fuel element preparation — I apologize to the interpreters for the use of that phrase.

In Germany, fuel elements containing plutonium have already been tested in the reactor, and scientists take the view that no new fundamental problems are to be anticipated.

The burn-up in the reactor is able to prevent the increased accumulation of unused, dangerous quantities of plutonium. However, there is no doubt that in future the quantities of plutonium produced will be an international safety risk and that international safety measures are therefore required.

In particular, people fear the radio-active fissile products formed by nuclear fission. This waste must be converted into solidified products capable of being stored in a suitable way, either temporarily or permanently. If the waste is moderately or weakly radio-active, there are tested methods of solidifying it. However, the procedure for highly radio-active waste is still in the process of being developed, although at the end of 1975 the first highly radio-active glass was



Walz

produced in Jülich, and I think the same has recently been done in the United Kingdom. The further development of this process, including the building of experimental plants, will take several years. However, the problem of permanent storage will not then have been solved. It will be necessary to undertake the experimental storage of glasses in salt-plays or other geological formations and then observe very closely the heat reaction in the salt before large quantities of solidified, highly radio-active products can be stored at all.

The disposal system must be taken up without delay by both State and industry and coordinated at Community level. Delays will lead to further dangers to the environment unless adequate facilities for temporary storage are provided. These storage places must be covered in terms of safety technology as well as safety measures. The extension and operation of nuclear power-stations must be allowed only where care has been taken to solve these problems.

Ladies and gentlemen, in our view there is no alternative to nuclear energy, since natural resources are not adequate for a growing world population and alternative forms of energy are not available in sufficient quantity, for the next 20 years at least. We are aware that nuclear energy is a potential source of danger, although no other technology has been researched with so many safety precautions. Even if the operation of nuclear power-stations is as safe today as it possibly can be — for there is no such thing as absolute safety — we still face serious problems with regard to disposal. We should attempt to solve them as quickly and as thoroughly as possible by means of research and then by experiments.

*(Applause from the centre and right)*

**President.** — I call Mr Pintat to speak on behalf of the Liberal and Allies Group.

**Mr Pintat.** — *(F)* Mr President, ladies and gentlemen, the Liberal and Allies Group welcomes the initiative taken by Mr Noè on the reprocessing of irradiated fuels, and congratulates him on the high scientific quality of his report and the excellent documentation it contains.

As an engineer I can assure my colleagues, who might have some doubts, of the excellent quality of his work; it is an honour to our Parliament. He has translated into scientific terms the concern which the Liberal Group expressed just one year ago at its study-meeting in Nice, when it stressed that nuclear power-stations were absolutely necessary if the Community was to meet its energy requirements. It recommended the setting up of a competent Community enterprise, in accordance with the standards laid down in the Euratom Treaty regarding the transport, storage and recycling of radioactive waste. Its chief rôle, in our view, was to stimulate and coordinate the action and experiences of the various national centres, but not, of course, to take their place.

We note that Mr Noè has chosen a more empirical, more gradual path, in conformity with the spirit and method defined in Mr Tindemans' report.

We share his point of view. In view of our confidence in the method chosen by the honourable rapporteur, we shall not be tabling any amendments to this well-balanced text.

As Mr Noè pointed out in his resolution, the reprocessing of irradiated fuel combines two advantages; first, that of limiting purchase of uranium at a time when the market is subject to serious stresses and when there is a danger of a uranium shortage in a few years' time, if breeders do not quickly appear on the market; and, secondly, that of reducing the amount of radioactive waste, stocks of which are growing geometrically owing to the increased use of nuclear power-stations, a trend which understandably gives rise to public concern.

Of the three aspects of nuclear energy which give cause for concern, the abundance of hot water, safety problems and the accumulation of waste, it is admittedly the third which gives rise to the greatest anxiety. It was therefore perfectly natural that Parliament should give attention to this problem.

As a 1000 MW power-station produces about 2 cubic metres of solidified radioactive waste per year, a critical situation is bound to arise in the 1980's if we do not react by encouraging industry to take the initiative. It will in particular be necessary to find a rapid solution for high-activity fission products and highly radioactive waste. It has been suggested that they might be either launched into space or dumped at the bottom of the sea, after sealing them in impermeable containers. There are in my view fundamental and perfectly legitimate objections to both these solutions, which must be ruled out without discussion.

On the other hand, the progress achieved, at Marcoule in particular, in the technique of vitrification would seem to offer a solution. Of course, vitrification must be supplemented by storage in caves, principally in old abandoned salt mines, where there is by definition no water and where the dangers of corrosion are reduced to a minimum.

In this connection, I should like to express my full agreement with the rapporteur regarding the hopes which may be invested in the vitrification process, especially if real cooperation on a Community scale were to be established. This reprocessing method does not involve the same drawbacks as the wet method and the dry method, i.e., the need for a very large volume to be available for automatic operations, which are susceptible to failure, chain reactions in the fissile materials and fouling of existing gaseous fluorine. In vitrification, however, tongs are operated electrically by an operator located outside the glass walls, the safety of staff being of fundamental importance, especially in the nuclear field. That is why this solution is

**Pintat**

so satisfactory. This would seem to be the solution for the future, until techniques develop further — for they are developing all the time — and until it is possible one day to reprocess this waste by putting it through atomic lasers which will reduce its half-life and rapidly make it harmless. It is also thought that progress in very high temperature processing or fusion may one day enable us to reprocess this waste.

In view of the extent of the technical problems which will have to be solved and the acceleration in the development of nuclear energy, we hope that the document which we shall be adopting today will not be left to collect dust on the Council desk.

We must not forget that the use of nuclear power is a phenomenon of world-wide significance. By the end of the century the USSR and the United States will be meeting half of their energy requirements by means of atomic power-stations. The trend towards nuclear power is therefore irreversible. If this transition is to be achieved without traumatizing public opinion, we must solve the problem of radioactive waste, by appropriate storage, but also by the reprocessing envisaged in this report.

This operation is extremely complex, owing to the presence of numerous factors such as cladding and transuranium elements, the difficulties involved in distributing fuel elements and the impossibility of discharging anything into the atmosphere. The matter is thus so complex that it can only be solved by pooling our efforts.

For reasons of safety, it would therefore be desirable to limit to a minimum the construction of large-capacity reprocessing centres. A year ago, our colleague Mr Hougardy stated, in a report drawn up for the members of the Liberal Group, that the problem of how to deal with radioactive waste was the keystone of nuclear energy. He laid emphasis, as Mr Noè quite rightly did today, on the quality of double-walled stainless-steel tanks, which preclude any danger of contamination by highly active residues.

His conclusion was that the cataclysms forecast by the unconditional opponents of nuclear energy were still very remote but that the challenging problem of how to dispose of radioactive waste should be tackled on an international, long-term basis. The permanent nature of the problem means that it must for the time being be dealt with at Community level and then at international level in order to cool passions and remove the political element from the debate. We must direct our efforts at avoiding duplication, exploiting past experience to the full and developing definitive solutions valid at a European level, for this is a problem which knows no frontiers.

Let us hope that the European Community, whose present stagnation is of serious concern, will pull itself together and give priority to a problem which is vital for the development of nuclear energy and urgently

needs to be solved, since by 1980 there will be a considerable shortage of these plants. I congratulate Mr Noè once more on his initiative and hope that the Council of Energy Ministers will deal with this problem on 10 June next.

I conclude with the general comment that the energy problem must become the subject of a common policy and must be tackled beyond the level of mere intergovernmental relations. The problem of radioactive waste should give us yet another opportunity of measuring the political determination of the Nine to agree on a common energy policy.

*(Applause from the centre and right)*

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

**Mr Nyborg.** — *(DK)* Mr President, I agree with Mr Dalyell when he says that there are not many nuclear experts present in the Chamber; but apart from that I cannot agree with him. No one claims that we have to be train drivers before we can discuss the railways, and no one claims that we have to be nuclear physicists to adopt a position on Mr Noè's report. We as parliamentarians must consider the political and security aspects.

When we praise Mr Noè for his report, it is in recognition of the knowledge, energy and thoroughness that he has put into it. I think we have every reason to do so.

If there are further developments in nuclear energy, an effort must be made at the same time to achieve equivalent developments in the reprocessing of irradiated fuels. The reprocessing of irradiated fuels makes it possible to limit the century-long storage of long lived radioactive waste to manageable periods and to make control easier.

It will in the coming years be necessary to introduce new plants for the processing of irradiated fuels to meet increased needs. It would be desirable to draw up a programme for the construction of reprocessing plants so that they could be fairly distributed geographically and reasonable safety measures could be taken at the European level; capacity should also be adapted to actual needs, so that optimum use is made of the plants. It must, however, be remembered that even if irradiated fuels are reprocessed and the storage periods are limited there will still be radioactive waste to be disposed of.

The reprocessing of irradiated materials makes it possible to recover products that are just as scarce and expensive as plutonium and uranium, and in the future to provide the plutonium needed to supply fast reactors. Uranium is a raw material that Europe may run short of in the future because of supply difficulties, and reprocessing is therefore to be recommended for economic reasons too.

**Nyborg**

Since Mr Noè has, as always, presented his motion for a resolution in a very clear fashion with regard to the necessary measures towards a Community policy on the subject, I recommend on behalf of the Group of European Progressive Democrats that we vote for it.

*(Applause)*

**President.** — I call Lord Bessborough to speak on behalf of the European Conservative Group.

**Lord Bessborough.** — Like Mr Nyborg and Mr Pintat before me, I congratulate Mr Noè on his report. I note that he has engineering qualifications, which most of us here have not. He has produced a formidable technical piece of work on the importance of extracting those elements from radioactive waste which are industrially useful, such as plutonium and uranium.

I spent two days with Mr Noè at the headquarters of British Nuclear Fuels Limited at Windscale, and I know the tremendous work which he has put into his report and resolution. I know of his visits to and correspondence with establishments not only at Windscale but also at La Hague and Marcoule in France, at Karlsruhe and Julich in Germany, at Mol in Belgium and Saluggia in Italy. That must have involved many weeks, if not months, of work. It is a most thorough conscientious and useful report, but whether we all agree with it is another matter.

All that was passed unanimously in the Energy Committee, as was made clear by the Chairman of the Energy Committee, was the motion for a resolution, not the whole report. None the less, the report is extremely interesting and there is no reason whatever why Mr Dalyell should not disagree with part of it. Mr Dalyell's name is on the list of those who approved the motion for a resolution. We discussed it at great length on several occasions in the Energy Committee, and after some little controversy it was adopted unanimously.

In addition to reprocessing our own fuel, Windscale does similar work for Italy, Japan, Spain, Sweden, Switzerland, Germany, Canada, the Netherlands and Belgium. British Nuclear Fuels Limited has great experience in this work and also in problems concerning the storage of radioactive waste, including the interesting new technology of vitrification or solid glassification, which is very stable and virtually insoluble.

I agree with Mr Noè that there may be a shortage of irradiated fuels by the 1980s, and it would be expedient, in accordance with paragraph 10 of the resolution, to start building new plants before the end of the decade. In my view, it would be desirable for new building to be planned at Community level or in agreement with other members within the Community — and not only Community-wise but perhaps on an even wider European basis. I welcome the exist-

ence of United Reprocessors, which was formed by Britain, France and Germany, and I think that we may in this way be on the road to effective Community co-operation in this field. I should like to say a word on safety and environmental questions. I have been glad to note in recent months that our own Ministers in Britain, and indeed, other independent experts, consider that the people at Windscale have probably the most protected environment of any industrial workers in the country. They are protected by the most elaborate medical equipment, which may be the envy of other industrial workers. Mr Dalyell will no doubt confirm this, but I think that the trade unions concerned accept this...

**Mr Dalyell.** — That is correct.

**Lord Bessborough.** — ... As to safety and transportation, I agree with Mr Noè that perhaps this is a matter which should be treated separately, and I look to our supporting a resolution on this more limited aspect of the question.

I repeat that I regard this as an excellent report, and I urge my honourable and noble friends in my sector of the House to support the resolution.

As my leader said, it is only the resolution which I am asking them to adopt.

*(Applause from the centre and from the right)*

**President.** — I call Mr Leonardi to speak on behalf of the Communist and Allies Group.

**Mr Leonardi.** — *(I)* Mr President, the resolution drawn up by our colleague, Mr Noè, deals basically, as he himself has pointed out, with the ecological and economic problems involved in the reprocessing of irradiated nuclear fuels. I feel that Mr Noè has succeeded admirably in dealing with these problems, even though he ran the risk that any rapporteur must run when he tackles a subject on which sufficient experience has not yet been gained and on which, therefore, there are divergent opinions. It is nonetheless essential that Parliament and the Commission should direct their attention to these important problems.

My intervention will be a very brief one, because I shall not go into detail. The rapporteur has covered all the ground, while Mr Dalyell in his speech of a short time ago and Sir John Hill in his written memorandum have given their observations, to which we should give careful consideration. The Commission will possibly have further observations to make. In a word, a wide-ranging problem has been raised which will be a very important element in the future energy policy of our Community.

On the motion for a resolution itself, I should only like to point out, though I do not feel that it detracts

**Leonardi**

from the report as a whole, that in regard to point 5 I would not describe the action taken in the matter of uranium enrichment as exemplary. We have already spoken at great length on this matter, but we still have, and will have, much more to say about it. We are not satisfied on this score, and we should like to see the Community taking decisions in this matter of reprocessing and acting along lines more in keeping with the idea of a Community.

Still on the motion for a resolution, some people will probably point out that the recovery of plutonium may be prompted not only by economic but also by military considerations. It is clear, however, that shelving the whole business of reprocessing is not going to solve military problems. I say this only so that it may be realized that we have an understanding of these problems in this House. Nevertheless, I repeat, I feel that the initiative taken by this Parliament through our colleague, Mr Noè, should be supported for the same basic reasons by which it is prompted and because it brings to our attention a problem that is very important and that we would do well to follow up in the future.

**President.** — I call Mr Ellis.

**Mr Ellis.** — I know that my very good friend and colleague Mr Dalyell follows these matters rather more closely than most of us, and I know that he is entitled to ask the Commission at least for comments on the explanatory statement. I am not sure that he can ask for an assurance about its correctness, because, after all, it is not the Commission's report.

Just in case there is any misunderstanding — I am sure that Mr Daylell will not object to my saying this — may I say I think it is the intention of all my colleagues in the Socialist Group, and certainly those of them who have already — as has been pointed out — voted for the resolution in committee to vote in favour of the resolution at the conclusion of this debate.

**President.** — I call Mr Osborn.

**Mr Osborn.** — Over Easter, the Friends of the Earth went to Windscale. This body included many people who regarded nuclear progress as dangerous. So Senator Noè and Lord Bessborough set a precedent which has been followed, but their attitude is entirely different.

We are concerned in this forum with analysing the problems and the dangers, and deciding how we should proceed. I support Mr Noè, because it is only when economists, scientists and experts with a political forum such as this as catalyst analyse a problem that we can decide what is the Community responsibility and, perhaps, the responsibility of the Commission to advise us what to do next.

It was in 1955 that we started the Atoms for Peace Conference. Atomic energy has progressed, admittedly

in fits and starts, everywhere. We are concerned about the problem of nuclear waste. Figures from Windscale show that for every ton that is reprocessed 30 litres of fission-products solution arise. I understand that in 24 years Windscale has processed about 18 000 tons of fuel and the waste has been 700 cubic metres, or the equivalent of a large house. That is the essence of the problem.

This problem has been highlighted by the decision of British Nuclear Fuels to reprocess waste from overseas, including Japan. British Ministers have stated that they are satisfied with the safety provisions and have reassured the British population. Of course, there are others who have not accepted this.

What do we want to know more about? Obviously, we want an informed opinion about how much uranium has to be produced, how much enrichment is necessary, and how much reprocessing is necessary and where this is to be done on a world-wide scale.

I have here a paper produced by Mr Jasani on nuclear fuel-processing plants, but there are many other independent experts reports. We want to have a clear idea of what is necessary on a world-wide scale and in Britain. The United States of America are dependent upon some well-known industrial names—Nuclear Fuel Services, the General Electric's Mid-West fuel recovery plant, and the Allied-Gulf Barnwell nuclear fuel plant, near Barnwell. However, these activities are free-enterprise activities. Mr Noè has referred to the Euratom proposals and to the extent to which fuel processing should be by public companies, such as British Nuclear Fuels, or by free enterprise. Mr Noè suggested that the number of nuclear fuel-processing plants should be reduced, for good reasons, because plutonium can be used for nuclear bombs by anybody, as was discovered in India. If there are too few plants, the transportation problem is that much worse.

The problem is not only a European one. There is a Nuclear Energy Agency. Work on safety is carried out by OECD. I spoke on that work some two years ago in the Council of Europe. There is also the Atomic Energy Agency. The Community countries should work within the international framework.

We must bear in mind paragraphs 1 and 2 of Mr Noè's motion for a resolution. He has pointed out that, according to present estimates, there will be a shortage of irradiated fuel. In paragraph 10, he urges the building of the right processing plants.

We are concerned that safety should be continued, a point raised also by Mrs Walz. We are worried about the correct procedures for storage, whether it be in caves, in the sea or by using the glass processes. We are anxious that Ministers, on our behalf, should conduct themselves responsibly.

**Osborn**

If, as the outcome of this debate and Mr Noè's initiative the Commission gives the Assembly an assessment of the problem using the expertise in all our countries and reminding us of what is going on in the USSR, the United States of America and elsewhere, we may be able to form part of a global strategy to deal with the problem.

However, unless this issue is raised in forums such as this Parliament, the experts will go ahead and the views of the people may not be heeded.

*(Applause)*

**President.** — I call Mr Spinelli.

**Mr Spinelli, member of the Commission.** — *(I)* Mr President, the Commission is well aware of the importance of the problem of reprocessing, both from the political point of view and in all other respects as well. Since reprocessing is by way of being a public service, it must be entrusted to the appropriate bodies. For this reason the Commission is working out proposals which it hopes to be able to submit to the Council and to Parliament before the end of the year, proposals that will set out all the various arguments involved and outline practical solutions to be implemented. The Commission, therefore, regards this debate, so excellently introduced by Mr Noè's presentation of this report, as of the utmost importance, inasmuch as it can help to clarify the problem and lead to a greater awareness of its importance.

As far as the report is concerned, I should like to say straight away that the Commission agrees with the motion for a resolution and has taken steps to get in touch with the rapporteur to examine in advance all the technical details so that we can be sure (both we and the rapporteur himself) that we have collated all the technical data needed for this debate.

I was saying that the Commission is aware of the importance of the problem of reprocessing. As a matter of fact, it takes the view that, apart altogether from short-term considerations, it is essential to reprocess irradiated fuels, both because radio-active wastes must be carefully looked after, thus providing the best guarantees of safety in the long term, and because we must push on with rationalizing our use of uranium resources. Reprocessing is, in fact, an essential condition for the recycling of combustible materials, which in turn, as Mr Noè has so clearly explained to us, is essential for fast reactors as well as reducing the uranium requirements of existing nuclear power-stations. This is why the Commission is gravely worried by the present situation in this sector, where for a very complex series of reasons, there is a far slower rate of development than was envisaged even as recently as a few years ago.

The Commission agrees with the rapporteur's analysis of forward estimates in regard to reprocessing capacity requirements, subject to the reservation that these

forward estimates can undergo marked changes in the light of the speeding up or the slowing down of even one nuclear power-station. However, subject to this reservation, we may accept the accuracy of the long-term prospects outlined by the rapporteur.

In its efforts to help to solve these problems, the Commission is making use of the resources put at its disposal by the Euratom Treaty.

Firstly, with regard to research and development as well as environmental protection, some Community programmes are already under way on waste disposal and on the re-utilization of plutonium, which are the two principal products of reprocessing operations.

Secondly, with regard to the problem of financing investments, including those needed for recycling, the Commission has already submitted to the Council a proposal that recourse should be had to Euratom loans based on Article 172 of the Euratom Treaty.

Thirdly, the Commission is concerned about the problems connected with the geographical distribution of reprocessing plants and of plants for treating plutonium. This subject has already been referred to, and I shall simply add that if we in the Community can bring about a serious coordination in the matter of geographical distribution, it will be possible to concentrate the entire procedure needed for reprocessing in five major centres. If, on the other hand, we should not achieve this coordination, we shall end up by having about 20 plants, with all the consequences for safety and economy that this implies.

Fourthly, as our colleague, Mr Dalyell, has pointed out, in December 1975 the Commission organized a meeting of those responsible for reprocessing in order to obtain information on the present situation, the future prospects and the general problems of the sector. A second meeting has been planned for June of this year, i.e., within a month's time. This should enable practical possibilities for new Community actions both on technological development and on a concerted sectoral policy to be examined.

The Commission feels that the work already done by the Community in the reprocessing sector should be pursued vigorously in the future and brought to full fruition. I would remind you that as far as Western Europe is concerned, the only reprocessing industries are those located in the Community's Member States, and these industries are showing the way to the entire world. This situation should therefore be exploited by means of a harmonized strategy within the Community, which will take account of the priority due to internal requirements, without losing sight of external outlets and the problems related to a general overall vision of the problem.

For all these reasons, the Commission hopes that the resolution that has been proposed will be adopted by the Assembly.

*(Applause)*

**President.** — I call Mr Noè.

**Mr Noè, rapporteur.** — (*I*) Mr President, please permit me to thank those colleagues who have expressed their appreciation of the work I have done in drawing up this report. While I have absolutely no wish to get involved in any quarrels, for which this would not be the most suitable place, I should like nevertheless to say how surprised I was at Mr Dalyell's speech. Having chosen his own time to submit written criticisms of my draft resolution, he then had not the courtesy to be present at the meeting of the Committee on Energy and Research at which I replied to these criticisms for about an hour. Had I been in his place I am sure that I should have behaved differently. What surprises me is that, while he could not be present at the meeting at which I replied to his comments, he continues to make his criticisms in this House. It should also be noted that when a vote was taken on the draft resolution, he did not raise any objections to the various points of the resolution. If our colleague, Mr Dalyell, had been present when I spoke in committee, a further speech from him in this Assembly would have been justified, but since he was not present in committee, it amazes me that he can continue to make further criticisms.

Finally, I should like to say that as far as the final version is concerned, I assume full responsibility not only for the motion for a resolution but also for the explanatory statement.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — The only point at issue between us is whether one can divorce the motion for a resolution from the explanatory statement.

It may well be that Mr Scott-Hopkins and others are correct in saying that the Assembly is endorsing the motion for a resolution only. I regret that I do not see it that way. The Assembly, whether Members like it or not, is endorsing the document. That is why the document has to be correct in fact as distinct from opinion.

I recognize the amount of work that Mr Noè and others have done. I was merely seeking from the Commission a confirmation that this document is correct factually and technically. As I understood Mr Spinelli, he did not give a direct answer to the question, but said he would be contacting Mr Noè in order to go into some detailed technical points. That appears to imply that he is unhappy about certain points of a technical nature in the explanatory statement. He can either confirm or deny it. If he denies it and says that he is happy about everything, I shall be happy. It is as simple as that.

Mrs Walz said that in this Parliament what I was doing was unusual. I assure her that it is not a question of personalities. I have no grudge against Mr Noè,

who has done a lot of work, and I admire his energy. It is simply that some of us must be concerned that what goes out from Parliament can in no way be criticized on factual grounds. People's opinions are their own, but on points of fact, if we presume to launch out into these highly technical fields, we must be sure that what we put forward cannot be criticized by those who are only too willing to criticize us as an institution.

**President.** — Rule 42 provides that

The final report of the committee shall include a motion for a resolution and an explanatory statement.

The report shall state the result of the vote taken on the report as a whole.

In other words, at a committee meeting the committee votes not merely on the motion for a resolution but also on the explanatory statement. Page 1 of the report before us states that the committee

considered the draft report at its meetings of 20 November 1975, 19 February 1976, 15 March 1976 and 23 April 1976 and unanimously adopted the motion for a resolution and the explanatory statement on 23 April 1976.

At the plenary session of Parliament, the matter is slightly different. It is governed by Rule 26, which states that the debate — that is, the debate in plenary session

shall be based on the report of the appropriate committee. Parliament shall vote only on the motion for a resolution.

In other words, at the plenary session, while Members may discuss the motion for a resolution and the explanatory statement, the vote takes place only on the motion for a resolution. I hope that that has made the matter clear.

I call Mr Giraud.

**Mr Giraud.** — (*F*) Mr President, in thus citing the regulations, you have, as it were, taken the words right out of my mouth. Obviously, when we study an explanatory statement in committee, few of us are capable of assessing the scientific quality of such a statement, especially when such intricate problems are involved as those which Senator Noè has had the courage to tackle.

I wish to reassert that the only thing to which objection might be made from outside is the vote on a motion for a resolution. We already know how little notice is taken of them by the world outside. But the explanatory statement is basically concerned with explaining the decision to recommend the motion for a resolution. If we started wrangling over every paragraph in an explanatory statement, which can sometimes be 80 pages long, we should never have done with it and our work would not be of a truly parliamentary kind.

That is the point I wanted to make, Mr President, and I am pleased that you have made it too.

**President.** — I call Mr Spinelli.

**Mr Spinelli, member of the Commission.** — (I) I should only like to make one thing clear: I did not say that we should be contacting the rapporteur, but that we had contacted him and that we had already given him all the comments we felt were needed.

**President.** — I call Mr Springorum.

**Mr Springorum, chairman of the Committee on Energy and Research.** — (D) Mr President, allow me to say a few words on this matter. The field which we are dealing with today is so controversial in scientific terms that we cannot point to absolute truth. We had a letter from an expert, Sir John Hill. We have talked to other experts, who informed us that it was not the opinion of an expert. For that reason, we did not attempt in the explanatory statement to reveal any ultimate wisdom, which we could not have done anyway because no one here is one hundred percent competent in this field. We decided to leave the explanatory statement as it was. It seems all right to us — and the Commission has confirmed this — although we realize that a number of passages are controversial.

However, the committee stands by every word of the motion for a resolution. The committee adopted it unanimously. I believe that here we have a motion for a resolution capable of standing up to any scientific consideration. That was confirmed not only by the Commission but also by a number of scientists. We cannot do any more at this time. As chairman of the committee, I would therefore urge that the resolution be adopted.

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

The resolution is adopted<sup>1</sup>

9. *Conditions for a fresh start in Community research at the JRC — Communication on a common research and development policy*

**President.** — The next item is a joint debate on the report by Mr Flämig (Doc. 49/76), on behalf of the Committee on Energy and Research, on the conditions for a fresh start in Community research at the Joint Research Centre (JRC) and the report by Mr Krieg (Doc. 71/76), on behalf of the Committee on Energy and Research, on the

communication from the Commission of the European Communities to the Council on the objectives, priorities and resources for a common research and development policy.

I call Mr Giraud, who is replacing Mr Flämig.

**Mr Giraud, deputy rapporteur.** (F) Mr President, ladies and gentlemen, I should first like to apologize

for Mr Flämig, who, for perfectly legitimate reasons, cannot be with us today. I want to pay public tribute to him for the excellent work he has been doing in connection with this matter for several months — one might almost say for several years.

The text I am going to read out is Mr Flämig's text, and I shall therefore not be claiming responsibility for it. Consequently it is Mr Flämig who will be speaking through me.

The report which it is my honour to present to you today, on behalf of the Committee on Energy and Research, in fact constitutes the final instalment of a series of four reports dealing with direct Community research.

You will remember that before beginning to analyse, in this report the conditions for a fresh start in direct Community research, the Committee on Energy and Research successively studied the problems related to the introduction at Community level of a scientific and technological policy, considered the proposed revision of the multiannual research programme and made an assessment of the activities of the Joint Research Centre from 1958 to 1972.

When presenting the latter report to Parliament, Mr Flämig, rapporteur on behalf of the committee, stated:

The committee felt that the presentation of this report was necessary for two reasons. First, we thought it useful and interesting to present an assessment of the Joint Research Centre comprising an analysis of its development, pointing out mistakes that had been made and stating clearly where responsibilities lay. Secondly, we felt that this report and the debate on it should prepare the ground in the European Parliament for the Committee's final report, which will analyse the efforts currently being made by the Commission of the European Communities to make the Joint Research Centre a valid instrument of Community research, and to have it recognized as such by the Member States.

That is the stage we have reached today. Before presenting this final report to you, the Committee on Energy and Research spent more than a year discussing and compiling information on all the problems related to research in general and the Joint Research Centre in particular.

During its investigations the committee benefited from the invaluable cooperation of experts outside the Commission. Moreover, while the committee was debating this problem, the Commission submitted to the Council the document entitled *Overall concept for the next multiannual research programme of the Joint Research Centre*. These two initiatives, that of our committee in its final report and that of the Commission in its communication to the Council, were parallel. It was therefore obvious that this report should also specify the opinion of the committee on this overall 'concept'. This 'concept' is, in fact, part of

<sup>1</sup> OJ C 125 of 8. 6. 1976

## Giraud

a wider framework presented by the Commission in its document entitled *Objectives, priorities and resources for a common research and development policy*, which is the subject of the report which our colleague Mr Krieg will be presenting in a few moments.

After this brief recapitulation of the background to this report, Mr President, I shall now deal with its content. In examining Community research, the committee attempted to answer the following questions:

- does the research carried out at the JRC fulfil a Community rôle?
- Is the JRC an appropriate and competent body to carry out this research?
- What is the value to the Community of the projects implemented or proposed in these areas?

The answers to these questions can obviously only be obtained by examining the current multiannual research programme. It seemed equally obvious to the committee that it was also necessary, over and above this analytical aspect, to lay down the broad outlines of the future multiannual programme.

It is not my intention, Mr President, to go over again in detail the characteristics of the current research programme, which, you will remember, expires at the end of this year. I shall confine myself to reminding you of the paragraph titles of Chapters II and III of the explanatory statement (which I would urge you to read carefully):

- lack of a clear-cut basic concept of Community research;
- diversity of the programme;
- lack of flexibility of the programme; and
- the programme's incompatibility with staff qualifications.

(On my own behalf, I would like to stress the last point, which seems to me fundamental).

As far as the management of the multiannual research programme is concerned, the report highlights:

- an excess of bureaucracy;
- an inappropriate budgetary structure; and
- the JRC's lack an 'image'.

Using all these observations as a point of departure, the Committee on Energy and Research has attempted to define suitable ways and means of relaunching Community research. It should be pointed out that, in the opinion of your committee, a research project must not be adopted by the Commission unless it is intrinsically of benefit to the Community. This benefit may stem from three factors:

- either the scope of the research project requires a pooling of intellectual or material capacities at Community level; or
- the research project itself bears a Community stamp, particularly when undertaken as a public service to the Community; or

— it constitutes a necessary support for Community activities.

In the opinion of your committee, the future multiannual programme must be drawn up in accordance with these criteria in order that the specific nature of Community research should be clearly underlined. In accordance with these criteria of benefit to the Community, the committee stressed the need to concentrate Community research on a limited number of topics, to integrate Community research into the society which it is to serve and to define closely the aim of research activities, but with sufficient flexibility to allow adjustment as work progresses.

At this juncture, I should like to make a brief aside and emphasize that the fulfilment of the conditions and criteria I have just described is by no means impossible or Utopian. On the contrary, a delegation from the Committee on Energy and Research noted during a visit last week to the Karlsruhe establishment, one of the establishments of the Joint Centre, that the research programme on the study of transuranium elements, for which this establishment is responsible, is entirely consistent with the framework defined in this report. The object of this research programme is clearly defined; its value is appreciated by all those concerned; and finally, the necessary resources are available to carry it out. It is therefore not surprising that this research programme is advancing extremely smoothly, as the delegation was able to observe.

To close this parenthesis, Mr President, I turn to what should be the content of the next multiannual research programme. Full details regarding the research projects which the committee would like to see included in this future programme are given in paragraphs 27 to 31 of the explanatory statement. For the present, I shall confine myself to laying particular stress on paragraph 32, which states:

Comparing such a programme with the present one, it will be seen that research projects such as protection of the environment, remote sensing of the earth's resources, new technologies . . . data-processing and training are at the very least problematic . . . as long as the necessary preconditions for successfully carrying them out are not provided.

The report goes on to stress that

the efficiency threshold has so far not been reached for any of these projects at the JRC; most research of this nature would frequently be undertaken at other centres, often at a more advanced level [and] the only effect of including them in the programme would be to disperse Community research objectives without increasing their efficiency.

The last point I wish to make in my introduction concerns the problems connected with the management of the future programme. The Committee on



## Giraud

Energy and Research noted that, compared with the situation in the past, certain reforms had been made in this area by the Commission. This work has involved:

- the attempt to make the JRC more outward-looking;
- a number of problems specific to staff policy (the problem of workers on contract and staff discriminated against); and
- finally, and most recently, an improvement in the mobility of scientific staff by means of a proposal to amend the Staff Regulations applicable to the JRC.

Although your committee does not underestimate the importance of these reforms, it feels that further progress must be made in this direction. Further reforms should entail revising the methods of programme management, decentralizing decision-making, introducing a retrospective scrutiny of research activities and integrating the Joint Research Centre to a greater extent in European research as a whole.

In conclusion, I stress that in drawing up this report on the conditions for a fresh start in Community research your committee was not trying to theorize or produce an abstract and inconsequential definition of certain criteria, but feels, on the contrary, that in this report it has provided the introduction and framework for the debate which we shall be holding in the very near future as soon as the proposals regarding the 1977-80 research programme have been forwarded. It is in the light of the resolution we are going to adopt today that we shall then have to examine the proposals from the Commission.

In submitting its motion for a resolution to the European Parliament, the Committee on Energy and Research is pursuing a single object, that is, to do its utmost to serve the interests of Community research.

The committee notes that several of the measures it had already recommended with a view to relaunching research have since been successfully introduced. The Committee on Energy and Research is therefore all the more convinced that a fresh start in Community research is not only desirable but actually feasible. For these reasons I would ask you, ladies and gentlemen, to approve the motion for a resolution before you.

*(Applause)*

IN THE CHAIR: SIR GEOFFREY DE FREITAS

*Vice-President*

**President.** — I call Mr Krieg.

**Mr Krieg, rapporteur.** — *(F)* Mr President, ladies and gentlemen, the Committee on Energy and Research has concluded its examination of the communication

from the Commission to the Council on the objectives, priorities and resources for a common research and development policy. It was natural that we should discuss it today at the same time as Mr Flämig's report which Mr Giraud has just presented.

Compared with Mr Flämig's report, my own report is in fact nothing more than a preliminary draft report. The communication that Parliament is now going to consider is merely one of a series of texts and documents already submitted to it and an indication of what should follow and in particular of the more detailed information we should have, perhaps, by the end of the year.

That is why I should like very briefly to recall in this sitting how a real impetus, was given in this field and to remind you of developments so far. It was in fact a paragraph in the final communiqué of the Paris Summit Conference in 1972, which I quote in my report, that gave the impetus and proposed an action programme which was drawn up in September 1973 and then submitted to Parliament.

We had to wait until the beginning of 1974 for the Council to approve it and until the end of 1974 for a communication, then entitled 'Energy for Europe', which constituted an outline programme for research and development in the energy sector for the nine countries represented in this Parliament.

The programme was first implemented in August 1975, and it is expected that it will be possible, perhaps at the end of this year, to discuss the first results of the current experiments and the major objectives to be included in Community policy between now and 1980. The communication now before us constitutes a preliminary study of the objectives, priorities and resources of a common research and development policy.

In view of its very specialized nature, this communication is necessarily very limited in scope. Its aim is, first, to define medium-term objectives and priorities and, secondly, to list conditions governing the implementation of Community projects. With your permission, I will discuss these two points.

First, the objectives; in fact, they tell us very little, not to say nothing. They are practically the same as those proposed by the Commission in 1973. In short, they deal with resources, environment, economic and industrial development and the life of society. The Commission has, however, complied with a wish expressed on several occasions by the Committee on Energy and Research, on whose behalf I am now speaking, and has laid down the rules to be followed in framing current programmes. The rules have been defined in terms of the sectoral policies already adopted by the Community and with the aim of helping to map out new policies which the Community might debate and subsequently promote.

The choice of projects, on the other hand, is determined by criteria which we already knew in 1974,

## Krieg

since it was then that they were adopted. I think it is worth recalling them very briefly.

First, there is action designed to contribute directly towards implementing the Community's sectoral policies that I have just mentioned for instance, agriculture, energy and raw materials; action which, because of the extent of the human and financial resources required, cannot be carried out on a national basis, one example being the fusion programme; action where development costs and outlets call for a much larger market than any national market — for instance, aeronautics and data-processing; action that is transnational by its very nature, such as transport and telecommunications systems; and, lastly, action meeting local authorities' requirements common to all the Member States, such as the environment, town planning, bio-medical research and so on.

Here, as with implementation of the programme, your committee felt that the Commission should have guarded against falling into its own trap and merely listing the various possibilities — direct action, indirect action and concerted action — and should instead have defined the objective criteria mentioned in Mr Flämig's report, which complements mine on this point. I therefore do not want to dwell on this point at length.

There is also a very interesting section in the Commission's communication which has been considered both by the Committee on Energy and Research and by the Committee on Budgets. It deals with the financial estimate, on which I think Mr Dalyell will say a few words. I should nevertheless like to point out that the Committee on Energy and Research felt that this was an extremely important point and that considerable progress had been made.

We now know — and the table annexed to the report gives all the necessary details — that research and development appropriations will rise from 97 million units of account in 1975 to 280 million units of account in 1980. I think all those interested in the budgetary aspects will find the breakdown given in the table in Annex II very interesting.

As regards the conditions for implementing this programme, the majority of the Committee on Energy and Research approved all the proposals made in the communication for a much more equitable allocation of tasks between the laboratories of the Member States. We felt it was essential not only to stress and advocate this point but above all to implement it, as in the case of collaboration between researchers, since it is only on the basis of ideas such as this — and then only if they are put into practice and not treated merely as ideas contained in a report — that it will be possible to establish a genuine European scientific and technological community, which, it must be admitted, is not the case today.

The same applies to any links that may exist between the research phase and the utilization phase. Here we

noted that the regrettable absence of a genuine Community industrial policy constituted an extremely serious handicap and that the information available to us did not justify the assumption that another direction was being taken. Lastly, as regards the utilization of research results, for which new measures will be required, we considered with interest and satisfaction various points that emerged from the communication, in particular the rapid dissemination of information acquired and much stricter control of the use of research for industrial purposes.

The motion for a resolution submitted to Parliament by the Committee on Energy and Research reflects the views I have just presented. Both it and the report were unanimously adopted, and I hope that your rapporteur will not be censured in the same way as Mr Noè has just been. I also hope I shall not be reproached in a few moments for having given an account of a text adopted unanimously by your committee.

Before concluding, I feel I should repeat what I said at the outset, namely, that it should not be forgotten that the communication on which we are about to vote is in no way a final document. It is an interim document which tells us that the situation has improved, especially at the financial level, but it is still only one aspect of what Parliament will have to consider in the months and years to come.

That is why I and, I think, the whole of the committee hope that we shall soon be able, perhaps even by the end of this year, to open a debate during which we shall see the first results of a policy which Parliament has approved and which we should now implement.

*(Applause)*

**President.** — I call Mr Dalyell.

**Mr Dalyell, draftsman for the opinion of the Committee on Budgets.** — I should like to pay tribute to the work which Mr Krieg has done and to our absent friend, Mr Flämig. It is particularly unfortunate that Mr Flämig, who is detained in Bonn, cannot be here. I know how much he wanted to be here after the months he had spent on this work.

The Committee on Budgets has examined the Commission's communication from the financial point of view, and we have adopted an opinion, of which I am draftsman, which is generally favourable to the objectives set out in the document. We welcome an attempt to have a rational framework to act as a guideline for Community policies in this important sphere. The financial information is generally clearly presented, and there is a breakdown in the annexes to the document on the basis of the different means of Community action. Furthermore, in dovetailing these research proposals to Community sectoral policies, the Commission has taken into account Parliament's concern for the efficiency of research.

**Dalyell**

We have underlined certain major points of interest.

Firstly, we refer to the new emphasis on the use of research results. Here, for example, the Commission rightly points to the need to close any loopholes in existing research which might enable Member States to use results thus obtained for strictly national purposes.

Secondly, the idea is launched that the author of research activities might be required to pay royalties to the Community where the EEC has made a financial contribution to particular items of research.

Thirdly, the Commission devotes a chapter of this document to the rôle of the Joint Research Centre, redefining the contribution to be made by the Centre and setting new priorities. As a means to this end, the Commission seeks to guarantee a continuity of projects by, on the one hand, adopting time-scaled rolling programmes and, on the other hand, introducing greater flexibility of programme management through staff mobility and the like.

We have already examined the question of staff mobility, and generally approved the Commission's approach. At this stage we would give a cautious welcome to the idea of staggered rolling programmes — cautious because the mechanism is not spelt out and a welcome none the less because such an instrument could prevent the period of dislocation and unemployment, with consequent wastage of Community funds, which arises after the completion of one set of programmes and before the beginning of another. We have underlined that, before the entry into force of the definitive financing of the Community budget by the Community's own resources, it is vital that there should be a major effort to improve coordination and to carry out more activities in the framework of Community programmes to be implemented by direct, indirect or concerted actions. A clearer idea of the necessary criteria for choosing between the various ways of implementing common actions should be further developed.

As regards the sums involved, the steady increase in appropriations from just over 100 m u.a. in 1975 to 237 m u.a. by 1980 is proposed. In general, a total increase of 30 per cent per year for the five years under consideration does not seem excessive and, in view of my previous remarks, these estimates would seem to be a minimum.

The Commission seems to us to have carried out its responsibilities seriously as regards the presentation of its programme. Sad to say, a number of important projects still await decision by the Council, obliging the Commission to consider revising its estimates in so far as the deadlines are not kept. The tables provided by the Commission are no longer valid because of this time-lag.

We have seen that the Commission is at a kind of cross-roads in its research activities. Indeed, important

programmes were being jeopardized by delays. It is for that reason that, whilst reserving our position on the details, we have supported the idea of rolling programmes to ensure that a continued momentum is built up in Community research activities and to avoid the five years' crisis which the Community's research has been living through.

There is one general point which bothers us, and here I must speak in a rather more personal capacity. Outside the framework of Community sponsored research programmes, there is already a great deal of collaboration between researchers, both in scientific institutes and in certain industries. In the absence of clearly-defined industrial policies for the Community as a whole to which a research policy could be related, any Community policy for science and technology will need to be flexible enough to encourage the growth of cooperation and coordination at Community level from this base rather than attempting to impose coordination according to some centrally devised plan. Perhaps a case-by-case approach rather than the development at this stage of the kind of criteria favoured in paragraph 14 of the explanatory statement should at least be considered.

I also am slightly concerned about paragraph 15, since it has been generally acknowledged that the purpose of a Community policy for science and technology should not be so much to increase the resources spent as to ensure that they are more effectively used. Of course, in this context a policy of cutting back on national programmes in areas where Community research programmes are being developed could also in some instances be something of a discipline.

Since time is short, I shall confine myself to these reflexions.

**President.** — I call Mr Ellis to speak on behalf of the Socialist Group.

**Mr Ellis.** — On behalf of the Socialist Group, I am happy to welcome the three reports—by Mr Flämig on the JRC, by Mr Krieg on the general guidelines for the future policy and on the opinion by Mr Dalyell on behalf of the Committee on Budgets. All three seem to me to be eminently sensible reports, and I am glad to say that at the end of the debate we as a group shall be supporting the resolution.

I welcome the Commission's communication, particularly because it sets out — although, as Mr Krieg said, only in a preliminary way and sometimes repetitively—to clarify the rôle of the Community in the sector of research. Clarification of the rôle of the Community as an institution in research is extremely important.

It seems to me to be vital that we should be quite clear in our minds precisely what the Community can and should do.

## Ellis

At first sight, it does not seem quite as easy to appreciate the Community as such in the rôle of a kind of institutional progenitor of innovation. The rôle of scientific innovator or indeed, for that matter, coordinator of national policies does not seem to me, at first sight at least, to sit very easily on the shoulders of the Community. Indeed, experience to date has not been overwhelmingly positive.

The Commission states explicitly on page 2 of the English text of its communication: 'It must be recorded, however, that, as far as the coordination of national policies and the rational selection of common objectives is concerned, no significant results have been obtained to date.' There we are, but I sincerely hope that the two pilot experiments in energy and medical research will result in proposals for the alignment of national policies before the end of the year.

I feel in respect of the Commission's communication that there is a curious uncertainty, and Mr Krieg in his speech seemed to underline it when he spoke about the fact that it was a repetition of what had been said before. It seemed to me that there was a lack of self-confidence about the Commission in this matter. I hope I am wrong, but I could well understand the feeling of the Commissioner responsible for energy if he felt a little apprehensive, because it is perhaps one of the most difficult jobs of all to be responsible for energy policy in the Commission of the Community, for reasons which I shall speak about presently.

But, as Mr Krieg said in setting out the sectors for research—resources, environment, economic development, the life of society and so on—they are by and large the same as those already proposed by the Commission, in September 1974, and endorsed by the Council. I hope I am wrong when I suspect a lack of self-confidence and a desire for reassurance on the Commission's part in putting into the communication for approval something which already has been approved.

Coming back to the question of the rôle of the Community—a political body, a political structure—as a scientific innovator, here we have a centralized administrative-cum-political institution moulded on compromise and expediency, perhaps with a dash of visionary spice here and there, not ideally suited, one would have thought, to scientific innovation, at least in the purest sense.

I should like to digress if I may for a few minutes into the more philosophical aspects of the nature of scientific innovation.

A fair amount of work has been done on this topic. Indeed, to my knowledge, it was undertaken in the

late fifties and early sixties by some people who studied a number of private companies engaged in highly innovative research in the electronics industry in Scotland. Some 16 or 17 separate companies were studied. During the course of those studies over a period of years, interestingly enough, about half those companies went bankrupt and about half prospered. The latter depended essentially on successful innovation.

These very interesting studies resulted in some definite conclusions which I shall have to oversimplify considerably because of lack of time. They appeared to discover that two broad types of management existed in these different industries. I am not talking now about the mechanical structure of defining objectives, but about the management of a concern, whatever the objectives. Two types of management were categorized, and here I must use jargon. One was the mechanistic type of management; the other was the organic type of management. In the mechanistic type of management, structure was essentially bureaucratic. It was interesting to see in Mr Flämig's report the reference to complaints about too much bureaucracy.

The decisions made in industry generally are of two types. One type comprises programmed decisions, the other non-programmed decisions. That piece of jargon means that in some circumstances where situations are broadly static and recur, one can use the inductive method, one can be expectant on the basis of past events and one frames rules so that a person confronted with a situation calling for a decision merely applies the rules.

That is how all our bureaucracies work. They are hierarchical. In a hierarchy, there is a precisely defined authority, competence and range of information. One applies the rules apposite to the specific level in the hierarchy.

However, that kind of structure works admirably only in a static situation. In an industry whose *raison d'être* is to produce innovation, the inductive method cannot be used. One cannot be expectant on the basis of past events, because something will happen that has never happened before. One is obliged to ask the man confronted with the situation—whether he is at the top as chairman, commissioner or whatever, or at the bottom as the laboratory assistant newly qualified out of university—not to apply the rules, but to use his judgment. That implies a fundamentally different type of management structure.

Much documentation exists on this work. It is significant that in private enterprise, where the rough rule of bankruptcy applies, the firms which prospered were those which had a highly developed organic structure, whilst the firms which went bankrupt were those which had a highly developed mechanistic or bureaucratic structure.

## Ellis

I throw out these pseudo-philosophical remarks in an endeavour to underline, in the context of the report, the need not simply to work out the mechanistic arrangements and the structural framework—whether this country or that country should do it, which is the more appropriate and so on—but so that within the JRC or wherever it might be, management should be flexible and organic.

First, that implies a great deal of confidence on the part of the Commission to allow it to have its head. At the same time, however, there are the problems of politics and accountability, even if that accountability is only in the narrow auditing sense of accounting for the expenditure of public money. It is very difficult to reconcile the two needs, one to respond to a political institution and the other to respond to the requirements of an institution—a joint research centre—anxious to achieve successful innovation.

I throw out these casual remarks in the hope that the Commission may already be involved in such work. I believe it is extremely important that it clarifies its mind about the difficulties of an institution such as the Community doing work in the first instance.

I am glad to see from the report—and several speakers in the debate have mentioned this—that there is concentration on research directly associated with various projects that are being undertaken in the Community. There is political controversy over JET which demonstrates the extreme difficulties, in the circumstances of working for the Community as it is, facing the people in charge of our research.

I wish to congratulate the three rapporteurs and, as Mr Krieg said, to welcome the report as a preliminary report.

I hope that in due course the Commission, after careful consideration of the philosophical background to successful research as distinct from the straightforward institutional, structural background, will present an even more promising report.

**President.** — I call Mr Noè to speak on behalf of the Christian-Democratic Group.

**Mr Noè.** — (1) Mr President, I thank my colleagues for having explained their reports so clearly and I should like to say straight away that our group will vote in favour of the resolutions.

I should like to add an especial word of thanks to our colleague, Mr Flämig, who is absent today for reasons connected with his political activities, not only for his report, which has been explained to us by Mr Giraud, but also for the considerable amount of work done by him in order to bring home to us the work being done at the Joint Research Centre. I may say that, thanks to the work done by Mr Flämig, and to the contacts set up with experts and researchers, any gaps that existed have been bridged to a great extent. And

even if the Committee on Energy and Research was the initiator in all this, all the special work involved was done by Mr Flämig.

In view of the fact that this subject has already been dealt with on several occasions in this House and also in view of the progress that we shall have made with the decisions that we shall be taking shortly, I shall confine myself to some brief comments on a few problems that have already been stressed by other colleagues but which are still a source of anxiety and concern to us, even if it is not always easy to devise a solution for them.

Our first concern is at the absence of an industrial policy in many sectors. It is clear that in the absence of such a policy research in many sectors can only fulfil the rôle of providing an initiative. But such initiatives sometimes prove ill suited to the real needs of industrial policy. Unless there is a link between the two sectors, the researcher's work is a rather thankless task and cannot lead to practical solutions.

This entire subject will be on the agenda of a symposium to be held in Milan in a fortnight's time and to be attended by Commissioner Brunner. It will be dealt with by one of the four sub-committees, which has been given the task of examining the way in which a better coordination between research programmes and industrial programmes can be brought about. It is clear, however, that if this coordination is to be brought about, industrial programmes will be needed, and it is not easy in such an enormous sector to take this giant step forward. We have been continually asking for this for some years now, but we do not yet see any practical results.

Let us take, for example, the fast reactor sector; these fast reactors are the reactors of the future. What real progress has been made in cooperation between the English, the French, the Germans and, to a lesser extent, the Italians? Virtually nothing has been done in the field of building prototypes, by means of which it might be possible to tackle research projects, the absence of which is keenly felt in that they would meet practical needs.

This is undoubtedly the most important point, because in this sector we run into the same problems as we encounter when we speak of ecology. We are told that it is essential to find a solution suited to human needs, but we do nothing to achieve this object in practice.

A mighty effort is called for, therefore, not only on the part of the Commission but also of the Council of Ministers, since it is essential that in every country the conviction should take root that there is a need for a Community industrial policy in certain sectors.

Another important point that was well brought out in Mr Flämig's report is that Community research is not always squarely placed within the framework of

## Noè

general research. In other words, a satisfactory general frame of reference is lacking, and greater coordination at Community level is required in this regard. Three of the Commissioners are interested in this entire subject namely, the Commissioners dealing with research, energy and industry. I am well aware that coordinating committees exist, and we should pay tribute to the Commission for having made certain progress along these lines. It is clear, however, that whatever can be done to integrate even more the work of the Commission's various departments will be very useful work indeed.

It will also be essential to have more accurate knowledge of the private research being carried out in Member States. Recently, when drawing up a report, I tried to obtain data on the private research being carried out in Member States, but I found myself faced with enormous difficulties. It is true that there are general data, but these are not much good if one wants to go into detail.

A further point that I wish to raise is related to what has already been said by several colleagues, including Mr Krieg and Mr Ellis. Mr Ellis touched on a very important topic, namely, the shortcomings of bureaucracy in regard to certain independent research areas. This is certainly, a very interesting point, but at the same time a rather difficult one. As in a battle, the general in charge (and in this case the general is Commissioner Brunner) must alternate the use of a certain intelligent bureaucracy for the purpose of avoiding misunderstandings with the possibility of giving a certain freedom of movement and breathing-space to initiatives taken independently by researchers. It is impossible to formulate a general rule. This, however, is a very important subject, and it is essential to be somewhat flexible in using the two strategies.

The last subject that I wish to touch upon, and this subject was dealt with also at the last meeting in Berlin some weeks ago which was attended by Commissioner Brunner, concerns the organization of better and more accurate forward planning — I am not speaking of futurology in the general sense. We must enable the actions that we decide upon today to have a definite impact on the future, without necessarily having to make provisions for the year 2000. We must, however, fix a limit of 5 or 10 years for the actions decided upon today.

To sum up then, if we can introduce a more consistent industrial policy (and I know this is a very difficult point), if we can bring about greater coordination between all the actions in this field, whether those carried out by the Community in direct or indirect cooperation or those carried out by Member States, including private actions, if, finally, we succeed in grafting the use of more streamlined methods onto the actions that we shall decide today with reference to the future, then we may well be satisfied with the way in which we are pushing ahead with this work,

which is much more advanced today than it was some years ago.

*Applause*

**President.** — I call Mrs Kruchow to speak on behalf of the Liberal and Allies Group.

**Mrs Kruchow.** — *(DK)* Mr President, on behalf of the Liberal and Allies Group I thank the rapporteurs who have spoken on these reports and especially Mr Flämig for the loyal and hard work he has put into the report over so many years. I entirely agree with Mr Giraud's description of the work. There is certainly no doubt that there is a mass of knowledge in the Communities which through common efforts could take us very far if we were just able to provide fertile soil for the research work. As the report points out, Community research should be aimed at combining efforts to solve problems which the individual countries cannot solve themselves and which are of great importance. This is particularly the case for energy projects.

The most obvious example of such research at the moment is the JET project, which, as we know, is highly valued by various experts and should, as funds are available, now be implemented as soon as possible.

We in the Liberal Group agree with Mr Flämig that a site must be chosen not so much with the interests of the Joint Research Centre in mind but rather to provide optimum guarantees for the success of the JET project. As has been pointed out today, if research is to be successful it must be carried out in a good working climate. There must be flexibility and mobility in the recruiting procedures so that the most highly qualified researchers in the Community are attracted by the work offered and devote themselves to it not for life but for a period compatible with the current projects. This is not merely a question of administration — far from it — but of setting up a genuine management team, as Mr Flämig pointed out.

We in the Liberal Group support the motion for a resolution and will vote for it.

We also support Mr Krieg's report and motion for a resolution. To repeat what Mr Krieg said, both his report and Mr Flämig's were unanimously adopted by the committee. We all voted for the motions for resolutions.

This perhaps also gives some idea of how the Committee on Energy and Research works. We do not really notice our different political backgrounds, but feel that a joint effort is being made to achieve the best research results.

It is also worth mentioning the priorities we agreed on. First, there is research into resources: energy, agriculture and raw materials, the environment, economic and industrial development, social life, social research, biomedical research, town planning, construction activities and transport and telecommunications systems.

## Kruchow

I also welcome the position adopted by Mr Dalyell when he pointed out how the Committee on Budgets had supported the Commission's extremely valuable proposal, since we now have detailed budget proposals for several years extending into the future — at the moment until 1980. The idea is that by 1980 we should have 237 million u.a. at our disposal — 97 million u.a. are available for 1975. Some will perhaps say that this is not very much, especially when compared with the amounts available for the EAGGF. I would take the liberty of saying that research work is at least as important as agriculture. It is therefore very important that the amounts now proposed are maintained over the years, so that researchers do not again go through the experience they did at the beginning of the 70's, when the amount they expected was suddenly reduced.

A policy such as that pursued earlier means that some of the Community research results obtained are useless, because they are not immediately followed up. That reduces confidence in the seriousness of Community research programmes, and I therefore very much hope that Parliament, the Commission and the Council will act on the ideas contained in Mr Krieg's report, which were supported by the Committee on Budgets' spokesman today.

*(Applause)*

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

**Mr Bouquerel.** — *(F)* Mr President, I am extremely honoured to be speaking for the first time in this Assembly and I request my colleagues' indulgence for the brevity of my speech.

I have listened with considerable interest to the three reports submitted. I have nothing to add to the excellent report by my colleague and friend Mr Krieg; I shall merely make a few brief comments on the report by Mr Flämig, which was so capably presented by Mr Giraud.

On behalf of the Group of European Progressive Democrats, I should like to express gratitude for the very detailed and clear report he has drawn up with such skill. The Group of European Progressive Democrats fully supports the rapporteur's views and comments and will vote for the motion for a resolution. Our group nevertheless submits to Parliament an amendment on paragraphs 2 and 3 of the resolution, the wording of which, at least in French, might lead to confusion.

The Group of European Progressive Democrats notes with satisfaction that the efforts of the Commission and Parliament are beginning to bear fruit. There is obviously no point in counting our chickens before they are hatched: the situation of the JRC is just starting to improve and much remains to be done.

This improvement is mainly the work of the Commission and Parliament, since the Council unfortunately does not seem to want to change the methods in any way. Nevertheless, the disastrous situation we experienced both in the practical organization of the JRC and in the organization of the programme seems to be receding and is now no more than a bad memory.

The Commission is making every effort to rationalize the content of the programme by proposing various essential criteria, such as Community interests, and by trying to make the programme part of a general research and development policy. As regards the practical organization, the Commission seems at last to be drawing conclusions from the management errors that have accumulated for too long. Research needs specific measures and administrative flexibility which does not stifle the spirit of initiative, and it would thus not be advisable to transfer the administrative methods and plans used in the Commission to the JRC. The decision-making process should not be too long, otherwise there might be delays in implementing the programmes.

Another serious defect in the Centre was the lack of mobility of research staff, which red tape tended to make sedentary. It is absolutely essential to adapt the scientific staff to the research carried out in the Centre.

We know now that the Commission has tackled this problem and has proposed a revision of the Staff Regulations for the staff at the JRC to the Council. Research workers will be employed under renewable, fixed-term contracts. This solution will provide the desired mobility and will supplement the measures to reorganize the Centre.

A further danger threatens the Joint Research Centre, however. Once it becomes fully operational, we must not succumb to the temptation of allotting it too many tasks. Whether we like it or not, Community research is limited in financial resources. The research objectives should therefore be adapted to those resources. This means that the research programme should include only a limited number of projects. This is the view that has always been put forward by Parliament, and it is good that the Commission agrees with it.

It is all the more necessary to find a balance between research objectives and resources, since the research budget includes a defect that is inherent in the system itself: running costs account for most of the budget (70 %). Very little is left over for research activities. Until there is a better balance between these two aspects, it remains a trap that the Commission should not fall into.

In the current situation, an over-ambitious programme would unavoidably meet with failure, and the very principle of Community research would be called into question. And let us not forget that, after

**Bouquerel**

all the difficulties the JRC has gone through, a new failure would mark the end of Community research.

I should, however, like to end these few comments on an optimistic note. Although the document before us is merely an interim report, it augurs well for the future, and we look forward with confidence to the specific proposals that will give Community research its rightful place as part of an overall research and development policy.

There remains one unknown factor at the basis of any genuine common research policy, and that is the political resolve of the Member States. Although the reorganization of the programme and its management is well under way, the Council's proposals on the decision-making process seem to be extremely slow. The only proof I need is the implementation of the JET programme.

*(Applause)*

**President.** — Mr Bouquerel, I am happy to congratulate you on your maiden speech in this Assembly as a Member of our Parliament.

*(Applause)*

I call Mr Osborn to speak on behalf of the European Conservative Group.

**Mr Osborn.** — I speak on behalf of the European Conservative Group, although I wish to put over a British point of view and a wider view. I am also a member of the Energy and Research Committee.

You will be aware, Mr President, that in the United Kingdom it is the custom of the speaker following a new Member of Parliament to congratulate him on his speech. I wish to do that today.

This is an important debate about harnessing European capacities in research and development to the needs of the Community. It is about priorities. It is about knowing what is going on. I note Mr Dalyell's point of view. He rightly stressed that administrators and parliamentarians have no monopoly in this sphere. There are good industrial, academic and scientific contacts, not only within the Community but within the Council of Europe and international organizations. Much cooperation is done spontaneously by organizations and institutions which have interests in common. The debate is also about avoiding duplication.

The European Conservative Group supports the two excellent reports, and their objectives, produced by Mr Flåming and Mr Krieg, and will support them in the vote.

Mr Ellis spoke of the rôle of the Community in research. On page 1 of the Commission's report (COM (75) 535 final), there are some excellent objectives—namely, to 'compare and examine national policies'; 'identify, analyse and compare the objectives set by Member States'. I wish to refer to the objective in

(d): to 'establish on-going discussions between Member States'.

Research and development and their coordination are a problem throughout the world. In Washington and other parts of the United States, I am impressed by the liberal approach to financing research and development and to also by the fact that national laboratories are put out to contract and run by industrial enterprises.

Last night I attended a meeting with Mr Kirillin, the Deputy Prime Minister of the Soviet Union, who came to London to discuss scientific and industrial cooperation. The Soviet Union has been involved in industrial cooperation with other countries, and Mr Kirillin expressed the hope that Parliament and the appropriate committees would be willing to discuss mutual cooperation in due course with laboratories in the Soviet Union. Research and development for peaceful purposes is a world-wide object not confined to one group of people.

We are discussing how nine nations can review direct action, indirect action and *actions concertées* in the context of world objectives. Reference is made in the reports to the work of CREST. Excellent figures for rolling programmes are contained in the objectives and priorities report produced by the Commission. These are interesting figures, but perhaps they do not go far enough, because they do not recognize national programmes, which are all part of the European science and research effort. I recommend closer attention to what in Britain we call the 'Rothschild concept' — the customer-contractor principle.

The Parliamentary and Scientific Committee, one of the earlier committees where scientists and politicians came together in Britain, met to discuss this, and papers and views were presented by the Chairman of the Science Research Council, Professor Sam Edwards, and Mr Payne, of the committee of directors of the research associations. What came out of the discussion was that Great Britain's expenditure on research was 2-3 per cent of the gross national product and probably still about the highest in the world.

It is also important to know within any one member country how much money has been spent on, and is available for, research and development, whether it is government expenditure on defence or money from independent institutions and free enterprise—that is to say, the customer provides the funds—and the contractor or laboratories in which the work is carried out. They could be national laboratories—that is to say, state or government laboratories—universities or polytechnics and, in Britain, collective research, by the research associations, which is a new concept.

Since the 'Rothschild concept', the catalyst between customer and contractor has been the requirement boards establishing what work has to be carried out in



## Osborn

applied science and who should carry it out who should provide the money and where it should be spent. I very much hope that the Commission will in course of time pay attention to this.

I think that an observer is rather concerned that the Commission does not know what is going on in individual countries or in the industries of those countries. This is certainly a problem in Britain. Mr Flämig has dealt with the Commission's report on the objectives for the JRC, including Ispra, Karlsruhe, Geel and elsewhere, both national and European laboratories. The JRC is only part of the whole laboratory availability for programmes.

I have before me a copy of an interesting paper given by Sir Ieuan Maddock, the Seventh Royal Society Technology Lecture, entitled 'Science, Technology and Industry', in which he points out some interesting conclusions in Britain, some of which I should like to read. He states that the gross national product 'comes from activities which are not particularly sensitive to technological advance' and that 'the "technological plateau" of a wide range of unspectacular but exacting technologies which permeate important industries is at least as important as the few "dazzling peaks"', perhaps the 'dazzling peaks' of Concorde and of expensive nuclear programmes, making a strange contrast with Japan, where research has been on simpler and more industrially activated programmes. If this is a lesson for Britain, surely it is a lesson for the Community.

We have before us two or three Commission documents.

We have Mr Flämig's report, dealing with the JRC, and Mr Krieg's report on the rôle of scientific objectives. We have before us the idea of a rolling programme because continuity in research is vital. Perhaps the sudden demise of Dragon is an example of the failure of the Community rather than its success.

Finally, I should like to take up the point made by Mr Noè and welcome the invitation by Mr Schuster, the fact that Mr Brunner will be there and that in Milan there will be a purposeful conference to discuss objectives on a Community basis when administrators, scientists, national experts and others will try in greater detail to assess what is going on in Europe, what is the concern of the Community and national governments and what is not their concern, so that we as a Community can better match the efforts of the continental economies of the United States of America and the Soviet Union.

*(Applause)*

**President.** — I call Mr Leonardi to speak on behalf of the Communist and Allies Group.

**Mr Leonardi.** — *(I)* Mr President, at the conclusion of this debate, which indeed is only the last of many

debates held on this same subject, my group will abstain from voting. I feel that, while awaiting a more practical debate on the proposals that the Commission will be submitting on its future programme, we should have availed ourselves of the present occasion to clarify the principles that should underly such proposals.

We know from experience that a research policy is largely geared to the attainment of certain predetermined objects. They may have to do with economic policy in the broad sense that is to say, development policy, industrial policy, energy policy and so on. Of course, the influence of these objectives on the research to be carried out must not be seen in strictly administrative but in broad terms, leaving a certain degree of independence to the researcher. It is clear nonetheless, that research policy must be geared to the attainment of certain objectives, which form the object of policy decisions. An exception must obviously be made for fundamental research.

Our experience with Euratom has shown what disastrously wishful thinking it is to envisage an energy policy to be achieved through research. Those parts of the Euratom Treaty which might have furnished the machinery for an energy policy, such as the joint undertaking or the giving of loans and so on, have remained a dead letter, so that the research, having no objectives, has produced the negative results that we all know only too well.

These are facts, I think which are known to all of us which we are all agreed upon, however different the angles from which we look at them, and which have also been pointed out by previous speakers.

These observations are also contained in part in the Commission document on the objectives, priorities and resources of a common research and development policy, where, for instance, it speaks of the failure to coordinate national policies. However, this latter is something that is perfectly obvious. If economic and industrial policies could not be coordinated, it is difficult to coordinate the research policies that were developed, or at least that should have been developed, by the various countries on the basis of the options open to them. The options in these fields continue to be of a national character, and it is obvious that it must be impossible at Community level to coordinate the research policies derived from them. Indeed, on page 11 of the document the Commission tries to link the problem of research with industrial policy.

I should make the same comments on the reports and the motions for a resolution drawn up by our colleagues, Mr Krieg and Mr Flämig, which are undoubtedly a major step forward and a considerable advance on what has been achieved in the past, as other speakers also have pointed out.

**Leonardi**

In spite of everything, however, we must not remain idle. One consequence of our doing nothing in this transitional phase would be to permit the demise of the Joint Research Centre, an instrument which we all regard as fundamental to a research policy and which should therefore be maintained and supported by means of transitional programmes such as those being carried out at present, even though we recognize their serious limitations to look out for the programme that is to come; we hope that it will be better than the previous one and we shall be very glad to discuss it.

It is essential that the Joint Research Centre be kept alive and supported, particularly in order to protect its human resources, which are its most important asset and the one most difficult to replace. We must see to it that this wealth of talent is not lost because of a political inability to make the proper choice or because of what we might call the inevitable historic shortcomings under which our Community is labouring at the present time.

In this connection, the problem of freedom of movement should also be taken into consideration. It is clear that in the field of research, as in so many other fields of human toil, freedom of movement is an essential element not only for the efficiency of the research being carried out but also for the betterment of the researcher himself, who must not achieve job-security by means of safeguards of such an administrative and contractual nature as to render him not so much a research worker as a common employee without any freedom to plot the course of his own work.

These, then, are the points I wished to make. Thanks to the length of time I have already served in this Parliament, I realize that the experience we have acquired in this matter has undoubtedly borne fruit in the form of more accurate knowledge and a more critical awareness of the problem and that it is very likely that this critical awareness, historical conditions permitting, will enable us to set in motion once again a machine which got off to a bad start and inevitably seized up along the way. We must realize that research can make no progress unless the right choices are made in regard to the fields of research that lie ahead. This calls for the preparedness and the ability to undertake political responsibilities.

In the present transitional interim phase, I feel it would have been better if we had been clearer in our own minds about the whole thing and if we had not just steered around the problems. We should have been better off to have made more thorough preparations for the practical debate that will have to be held on the programme that the Commission will be submitting to us. A discussion of this kind would perhaps have been more useful in enabling us to take the next step forward. As this has not happened, our group will abstain when the vote is taken.

**President.** — I call Mr Brunner.

**Mr Brunner, member of the Commission.** — (D) Mr President, we can approach the topic before us today

in two ways. We could take the idealistic approach and point to the interplay of fundamental concepts and, leaving free play to our imaginations, we could paint a picture of European research as it could be if all the Member States were to show the political resolve to make the necessary effort. That would give us a very comprehensive and pretty picture. We could then say that there was interplay between industrial policy and energy policy. We could say that this Community was able to achieve a high degree of coordination. We could say that this would save money and that the great potential of Europe would be used to its best advantage. We could say that we should then be in a position to play a major world rôle in innovation and in adapting the living conditions of our people to the future.

But this would be a picture that bore little relation to what was really happening in Europe. European research is faced with specific problems, it has a history and it has its limitations. We can only discuss practical problems within the framework of these limitations and we can only set out objectives within this framework. We must find our bearings to determine where the debate begins. What have we achieved in the last few years? What gaps must be filled? What can we do to ensure progress?

On looking at our recent achievements, we see a picture that is perhaps not as bad as some comments might have led us to believe.

In the first place, we completed an energy research programme in the course of last year and we are now working on that energy research programme.

Secondly, we succeeded last year in getting the secondary projects underway. This involves the research we are conducting in conjunction with the laboratories in the Member States. We have already carried out a biological and health protection programme, a programme on the environment, a programme on reference materials and part of the fusion programme. That is a considerable achievement. But we have still not reached a decision on a project that is of considerable importance to subsequent European research — namely, the JET project.<sup>1</sup> I hope very much that the Council will make every effort to ensure that progress is eventually made. As it is, we are wasting a great deal of time. We were leaders in this field for a considerable period. It would be a great pity if we failed to reach a decision because of national rivalries.

What else have we done? I believe that we have improved the inter-relationship between direct and indirect projects. We have improved coordination of our own projects.

<sup>1</sup> Joint European Torus.

## Brunner

What else has been done? We are preparing a multi-annual programme for our Joint Research Centre and we are confident that the Council will reach a decision on this before the end of the year.

When we have achieved all this, we shall have a coherent whole: we shall have a combination of direct and indirect projects, there will be further developments in Joint Research Centre activity and we shall have effective support for certain sectoral policies, such as the Community's energy policy.

I believe this is a realistic programme for the next few years. We have set ourselves definite aims. We expect to have a considerable increase in the Community's research expenditure. We are calculating on the basis of 160 million u.a. in 1976, and we hope that this will rise to 273 million u.a. in 1980. We are not being over-confident: this can be achieved, it can be financed, it is right.

Why is it right? It is right because without its own research policy the European Community cannot achieve what it has to achieve if it is to develop. I regard this Community as being above all a Community to provide services to the European citizen. There is a whole range of research activities that the Community can carry out much better than the national research centres can.

In the first place, we are better at doing things that are not in the immediate interests of industry. We are very well aware that industry tends to lay claims to activities from which immediate advantages can be derived. And we know exactly what we can do. Our range of activities must be a little differentiated from these immediate interests. We are in a position to be more objective. We can help to ensure that the Community develops common standards and norms, which are essential if this Community is to be worthy of the name. We therefore want to concentrate on this kind of activity.

What more can we do? We can undertake projects that no single state would undertake on its own. A good example is the fusion research project, the JET project.

What else can we do? We can concentrate on areas that the European citizen regards as danger-zones and where he expects the political authorities to ensure that, irrespective of the various factional interests in the Community, his basic civic rights to welfare and safety are guaranteed. A good example of this is the area of safety in nuclear research. It is for this reason that we have based the forthcoming programmes of the Joint Research Centre on these criteria. It is, of course, possible to apply other criteria, and this has indeed been urged. But I must warn against this. Enough is as good as a feast. We must remain within the framework of activity that is laid down by the political realities. Only by remaining within this framework can we innovate and implement reforms. Only if we stay in contact with reality can we hope to

obtain the support of the Member States. I have just taken safety in the nuclear field as an example. We regarded this as a decisive area of research. I should like to see the Member State that will quarrel with our right as a Community to conduct research in this area. We therefore concentrated 48% of the research conducted in the Joint Research Centre on this. This covers light-water reactors, cooling problems, both as regards metal cooled reactors and fast breeders, as well as the handling and storage of nuclear waste and the handling of plutonium and other radioactive fuels. In these areas we can conduct research as a Community and we can achieve something for the Member States and for the citizens of that Community.

What else have we done? We have, as I just said, concentrated on support for Community sectoral policies. Energy policy is one example. We have made arrangements for 12% of the subsequent activity of the Joint Research Centre to be devoted to this field.

What else have we done? If we want to be one Community and one Common market we need common standards and common reference materials. We must develop a common system of units of measurement. We are therefore concentrating our efforts in this respect on the free movement of goods. We want to try to achieve permanent guarantees, through our research, for the free movement of goods within the Community. These are all objectives that we can achieve by making the right effort. And there is here a connection between primary and secondary projects. It is here that we acquire the experience that we need to enable us to introduce these common standards in the Community.

We therefore looked for a reduced, a more compact and more relevant programme for the future. We have not just done a bit of window dressing. What we said was: let us reduce the programmes. From now on, we shall base our calculations on 10 programmes instead of 22. We have worked out exactly what each unit in the Joint research centre will be doing. Ispra we shall concentrate primarily on nuclear safety and the environment. Here too, we want to support a Community sectoral policy. In Karlsruhe, we have decided to concentrate on plutonium handling and actinide studies. At the Petten Institute, we decided to concentrate on the reactions of substances under conditions of high temperature, and we decided that Geel would become the centre for common data and standards. This centre also plays a central rôle in facilitating verification as regards limiting the spread of nuclear weapons. I believe that this too is of great importance for this Community and its credibility in the eyes of the world.

We want to achieve all this in the next 4 years. We want to achieve it as part of a staggered programme. After 3 years, the position will be reviewed so that one programme can carry over to the next and the necessary adjustments made on the basis of your comments and guidelines. When all this has been done, when we

**Brunner**

have a decision on the JET programme and the decisions still outstanding on the fusion programme have been taken, we shall have a general picture of the research activity of the Community and the prospects for the next few years. We shall thus no longer need to approve programmes that have no other purpose than to occupy staff we are only employing as a result of previous miscalculations. On the contrary, we shall be certain that we are working to achieve specific aims, and we shall know what we are doing.

Because we want to achieve this, we have decided to change the proportion of material resources to staff. Whereas until now only 25 % of the Joint Research Centre appropriations were allocated to materials and 75 % was allocated to staff, we want to improve this ratio and allocate 40 % to materials and 60 % to staff. This represents a further improvement, a better distribution of resources. Things are beginning to go right, and I very much hope that the staff who are engaged in these activities share the feeling that we are making these innovations in order to put European research back onto a sound footing. We are on the right road.

We also wish to achieve greater staff flexibility. This includes taking steps to abolish discrimination among staff at the Joint Research Centre. We are also taking steps to improve the mobility of researchers.

The time has come for these researchers to be convinced that the European Community is doing what it wants to do, that it is doing the right things, and that we are all sharing in the effort. I should like to take this opportunity of thanking you all very sincerely for your support.

*(Applause)*

**President.** — I call Mr Giraud.

**Mr Giraud, deputy rapporteur.** — *(F)* Mr President, I shall be brief. I thank those Members who have congratulated Mr Flämig on his report. I am sure he will be very honoured.

I have two comments to make. First, I should like to say to Mr Bouquerel, who, I am happy to see, has already got involved in the parliamentary machinery, that in the past few years we have seen the Joint Research Centre shrinking away to almost nothing, which is not at all what the majority of Parliament wanted, and even less, I am convinced, what the Commission wanted. We would thus prefer the problem of staff expenditure not to be compared with that of research expenditure.

I should also like to say to Mr Leonardi that he does not seem to have distinguished sufficiently between the desirable and the possible.

What both the Commission and Parliament's Committee on Energy and Research want is to achieve the possible. It is already very difficult, but if we do not set out towards the desirable I fear that we will never reach a genuinely positive solution.

That, Mr President, is what I wanted to say on behalf of Mr Flämig.

**President.** — Since nobody else wishes to speak, the general debate is closed.

We shall now consider the motion for a resolution contained in the report by Mr Flämig (Doc. 49/76).

I put the preamble and paragraph 1 to the vote.

The preamble and paragraph 1 are adopted.

On paragraphs 2 and 3, I have Amendment No 1, tabled by Mr Liogier and Mr Laudrin on behalf of the Group of European Progressive Democrats :

Replace these two paragraphs by a single paragraph 2 worded as follows :

'2. Stresses that the main shortcoming of the present multiannual research programme is that this condition has not been met and that this shortcoming has been aggravated by the incorporation in the multiannual research programme of a large number of diverse projects, leading to a dissipation of effort ;'

I call Mr Krieg.

**Mr Krieg.** — *(F)* Mr President, this amendment should not create any serious difficulties, since it does not deal with the substance. The only reason for combining paragraphs 2 and 3 is to propose a wording which, at least in French, although not ideal, seems to me to be more satisfactory than that of the report. I understand from the rapporteur's attitude that he would not be opposed to its adoption.

**President.** — I call Mr Giraud.

**Mr Giraud, deputy rapporteur.** — *(F)* I know from talking to colleagues who speak other languages that the wording of paragraphs 2 and 3 of the motion for a resolution was acceptable to them. I nevertheless accept without difficulty amendment by Mr Liogier and Mr Laudrin just defended by Mr Krieg, especially as it merely changes the French version, which was, perhaps, not sufficiently clear.

**President.** — I put Amendment No 1 to the vote.

Amendment No 1 is adopted.

I put paragraphs 4 to 13 to the vote.

Paragraphs 4 to 13 are adopted.

I put to the vote the amended motion for a resolution as a whole.

The resolution is adopted.<sup>1</sup>

I now put to the vote the motion for a resolution contained in the report by Mr Krieg (Doc. 71/76).

The resolution is adopted.<sup>1</sup>

<sup>1</sup> OJ C 125 of 8. 6. 1976.

### 10. Change in the agenda

**President.** — Members of the Assembly will recall the decision of the Committee on External Economic Relations not to hold its meeting this afternoon.

As a consequence, the following items — Nos 101, 102, 103 and 104 — are deleted from Friday's agenda :

- Report on tariff quotas for apricot-pulp originating in Morocco or Tunisia ;
- Report on preserved sardines originating in Morocco and Tunisia ;
- Report on imports of citrus fruits from Morocco and Tunisia ; and
- Report on imports of agricultural products from Tunisia, Algeria and Morocco.

### 11. Agenda for the next sitting

**President.** — The next sitting will take place tomorrow, Wednesday, 12 May 1976, at 10 a.m. and 3 p.m., with the following agenda :

- Question-time ;
- Faure interim report on the situation in Spain ;
- Joint debate on the oral questions concerning equal pay for men and women ;
- Oral question on violations of the Helsinki Agreement by the USSR ;
- Oral question on the association of the OCT ;
- Rivierez report on the primacy of Community law ;
- Boano report on Chilean political prisoners ;
- Oral question on relations between Uruguay and the Community.

The sitting is closed.

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

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IN THE CHAIR: MR SPÉNALE

*President*

*(The sitting was opened at 10.05 a.m.)*

**President.** — The sitting is open.

1. *Approval of minutes*

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

Are there any comments?

The minutes of proceedings are approved.

2. *Wishes for a speedy recovery*

**President.** — It has been brought to our notice that Mr Borschette, Member of the Commission, was urgently admitted to hospital yesterday afternoon. On behalf of all of you, I extend our sincerest and most earnest wishes to him for a speedy recovery.

3. *Procedural motion*

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — As the first speaker after your announcement, Mr President, and as one who was questioning Mr Borschette yesterday, I should like to wish him a full and speedy recovery from his illness.

*(Applause)*

You have been given formal notice, Mr President, that some of us would like to ask you if you intend to afford an opportunity for Mr Normanton either to substantiate or withdraw certain remarks which he made yesterday. I have before me a copy of the text. I refer to pages 29 and 30 in which appear the words

the promise of holidays at Black Sea resorts — Oh, yes — the promise of power to even more despicable individuals in return for favours — of course in this context political favours — to be rendered at some date or on some occasion in the future?



**Dalyell**

Again, on page 30 :

Will Mr Prescott, or his honourable friends in the Communist Group, tell the House what bribes for favours were demanded by them from these very self-same oil companies or, indeed, from many companies which have no connection with oil ?

I leave it at that. These are extremely offensive remarks which should either be substantiated or withdrawn.

*(Applause from the left)*

**President.** — I call Mr Normanton.

**Mr Normanton.** — May I make it quite clear that I do not withdraw one word of what I said yesterday. I am not answerable for every question-mark which I pose. If every Member of the House were to be questioned in detail, some very interesting light would be thrown on the accusations, slurs and slush which dominated the debate on multinationals yesterday morning.

*(Cries of 'Hear, hear' from the right)*

**President.** — I call Mr Stewart.

**Mr Stewart.** — More than a mere matter of courtesy is involved here. I draw attention to the phrase :

Will Mr Prescott, or his honourable friends in the Communist Group, tell the House what bribes for favours were demanded by them ?

That is an explicit accusation that my honourable friend John Prescott asked for bribes. We can all say things in the heat of the moment for which we may be sorry afterwards, but, if we do, it is our duty unreservedly to withdraw and apologize. If Mr Normanton does neither, that creates a grave precedent for the conduct of business in Parliament. It means that any of us can fling, not indefinite, but explicit accusations of disgraceful conduct against each other and get away with it.

In the United Kingdom Parliament it is the custom to refer to Members who agree with us politically as honourable friends and to others as honourable gentlemen. 'Gentleman' is an old fashioned expression but it is not without meaning, and it implies among other things a respect for the truth and for the ordinary decency of debate. We are waiting to see whether Mr Normanton deserves that appellation.

*(Cries of 'Hear, hear' from the left)*

If he is not prepared to withdraw, with respect, it is a matter for the whole Parliament to consider because the nature of all our proceedings is involved.

*(Applause)*

**President.** — I call Mr Normanton.

**Mr Normanton.** — I draw the attention of Parliament to the fact that this issue of the Rainbow is subject to correction and has always been so.

For the benefit of the gentlemen who were conspicuous for their absence for two and a half years for party political reasons, may I remind them that this is a document which cannot be produced in court, so to speak, but is subject to correction ?

I received this document six minutes ago. I have examined only the opening phrase.

I did not make an accusation against Mr Prescott on the question of his receiving bribes.

I did make an accusation — and I will stand by it — that the Communist Party received bribes. I look forward to its refutation on that point.

**President.** — I call Mr Stewart.

**Mr Stewart.** — I do not wish to delay the business, but the matter cannot rest here.

As to the Rainbow report, if Mr Normanton is going to say that the report is not correct and that he did not use the words which he is quite clearly reported as having used, and which most of us heard him use, what he ought to do is to make it quite plain that the accusation in that report against my honourable friend, John Prescott, is unreservedly withdrawn. Nothing less than that is adequate.

**President.** — There is disagreement as to the exact words used by Mr Normanton. Since Mr Normanton says that the text, which was printed without his having been able to revise it, is subject to correction, I assume that he reserves the right to make amendments.

I intend to have a personal interview with Mr Normanton and Mr Prescott, between whom the dispute arose. I hope that before our next meeting this dispute will be settled to everyone's satisfaction.

I therefore propose to close this discussion.

I call Sir Peter Kirk.

**Sir Peter Kirk.** — I am puzzled by the last remark made by Mr Stewart. As Mr Normanton has made it plain that he never made the accusation, how can he withdraw it ?

**President.** — The matter is closed.

#### 4. Question Time

**President.** — The next item on the agenda is the question addressed to the Council and the Commission of the European Communities (Doc. 102/76) pursuant to Rule 47 a, paragraph 1, of the Rules of Procedure.

I invite the members of Parliament to observe these rules strictly when putting their questions.

We begin with the questions to the Council. The President-in-Office of the Council is invited to reply to the questions and to any supplementary questions.

I call Oral Question No 1 by Mr de la Malène :

If diplomatic relations are broken off between a Member State and a third country, may the Community negotiate with that third country?

**Mr Thorn, President-in-Office of the Council.** — (F) The question put by the honourable Member has both political and legal aspects.

From a legal point of view, the breach of diplomatic relations between a Member State and a non-member country does not constitute a bar to the Community's capacity to negotiate with that non-member country.

From a political point of view, each individual case should obviously be considered on its merits.

**President.** — Since they deal with the same subject, I call Oral Question No 2 by Mr Berkhouwer :

Does not the Council have to admit that the latest proof of the deplorable state of affairs in the Community is afforded by the fact that now, with the introduction of different summer-time arrangements in various EEC countries, clocks in the Community no longer show the same time, and how does the Council propose to put an end to this abnormal situation as quickly as possible?

and Oral Question No 3 by Mr Terrenoire :

Has the introduction of Summer Time in some, but not all, European countries been the subject of consultations at Community level, and has account been taken of the difficulties such a disparity would create, particularly in the frontier regions?

**Mr Thorn, President-in-Office of the Council.** — (F) The Council is well aware of the difficulties arising from the application of different starting and ending dates for summer-time in the Member States.

At its most recent meeting it consequently devoted the greatest possible attention to examining all aspects of the problem and will continue its efforts to overcome the remaining difficulties as soon as possible.

**Mr Berkhouwer.** — (NL) The fact that the Council says it is aware of the difficulties does not mean a thing. I should like to hear from the President of the Council when an end will be put to the present ridiculous situation. There are millions of people living on one side of the Rhine for whom it is now a quarter

past ten and on the other side, a kilometre away, millions for whom it is a quarter past eleven. An end must be put to this!

I know that the process of European integration has become terribly bogged down at the moment, that as regards the passport union, which should have been introduced a long time ago, we are still discussing how many pages the passport should have, what the stamp should look like and what colour it should be. The European bureaucrats have now gone so far that we live by different clocks too! An end must be put to this so that Europe will mean something to the man in the street. Is the Council really concerned with the ordinary man in Europe? The President-in-Office of the Council has just said that the Council is aware of the difficulties, but it is ridiculous that at the moment people in one capital city are just arriving at their offices while in another they are just about to go out to lunch. I should like to ask the President-in-Office of the Council explicitly when an end will be put to this situation.

**Mr Terrenoire.** — (F) Apart from the inconveniences which our colleague, Mr Berkhouwer, has just very rightly stressed — and these are great inconveniences, particularly for all the men and women who work within our Community — one must also consider the massive migration of Europeans which will take place in a few weeks' time and which we foster by means of tourism and holidays.

Could not the Council, in anticipation of this massive migration, review its attitude to this problem and do something more than remain merely aware of the problem, as, while I very much appreciate this awareness, it is hardly likely to change the situation?

**Mr Thorn.** — (F) I personally am fully aware of the difficulties arising from the present state of affairs, although we should not overdramatize them.

Firstly, however, I should like to point out that large countries such as the United States also have different time zones, which do not unduly disrupt the life in the nation.

**Mr Berkhouwer.** — (F) The United States is much bigger than the Community!

**Mr Thorn.** — (F) ... Secondly, I think that we are less bothered about the differences in time when we are on holiday, and that this period is not the one which causes most difficulties ...

**Mr Berkhouwer.** — (F) What about air and rail timetables!

**Mr Thorn.** — (F) ... I repeat that I am fully aware of the difficulties which arise, particularly at the borders. I can tell Parliament that I have done all in my power to bring about some progress in these matters. Since

## Thorn

the problem was blocked at the expert level I included the question on the Council agenda, and the nine Ministers of Foreign Affairs discussed it without, unfortunately, making any progress.

What I most deplore is the fact that we cannot even agree on the procedure to be used regarding a standard change of hour. One country said it would not be ready to do this before 1978. Another is in favour of the principle of a standard date, but on condition that it is its own! A further complication arises from the fact that the three Benelux countries have decided that whatever the decision of the other Member States' may be they will change the hour on 1 January next year.

I am very sorry, Mr Berkhouwer, that I cannot speak for my colleagues, but you will see from my foregoing remarks that at the last Council meeting two governments at least felt that it was pointless to try and reach an agreement in the coming months.

**Mr Berkhouwer.** — (F) What a pity!

**Mr Osborn.** — Will the President of the Council deal with this matter urgently?

Whilst accepting that different Member States of the Community changing to Summer Time on different days is inconvenient, I wish to point out that in the South of England, there is a case for perpetual Summer Time, whereas in Scotland that arrangement is inconvenient. The needs of John O'Groats in Scotland, Taranto in Italy, Munich to the east and Shannon to the west are different.

Therefore, we must also consider whether a unified European time is a possibility or whether it is better to accept the scheme of different time zones.

I ask the Council to consider this matter urgently, because changing to Summer Time at the whim of different countries will continue to cause inconvenience, particularly as regards transport. One has also to consider whether Summer Time changes are energy-saving or not.

**Mr Thorn.** — (F) The honourable Member has just stressed the points which I made a few moments ago, thereby incurring the wrath of Mr Berkhouwer.

I said that as long as we were not on the same longitude — Scotland is not Sicily — we must not be afraid of having different times. That is not the issue. No one is even thinking of forcing the nine countries of the Community to introduce the same time. However, it is essential that those who change the hour do so at the same time and not a fortnight or a month out of step. But, let us repeat, we do not want to compel all the Member States to apply the same time throughout the Community.

Unfortunately, one government replied, actually at a meeting of the Council, that it would only be able to

make a statement on the subject in a year and a half; another government said that it could not accept a certain date adopted by others.

All I can say is that I will do all in my power to achieve a greater degree of coordination.

**Mr Giraud.** — (F) Does the president of the Council regard this as a problem of vital importance which necessitates unanimity?

**Mr Thorn.** — (F) Since this is not a question covered by the Treaty, I am afraid I have to say yes.

**Mr Yeats.** — Does the President-in-Office of the Council agree that the example which he quoted of the United States is really not applicable at all because, first, the time zones are 700 or 800 miles apart and, secondly, the times change at the same place all the year round and there is never any variation? Does he agree that, on the other hand, here we have the ridiculous situation that if one gets in a train, for example, down the road at Basle one is in one time zone, on arrival in Strasbourg another time zone is in operation and in Luxembourg there is yet another?

If it is impossible to settle such a simple matter as this without certain countries considering it a kind of vital national interest to champion their own dates for making time changes, one wonders whether any of the more serious matters facing us will ever be decided.

**Mr Thorn.** — (F) Whilst it is very interesting, I nevertheless do not think that the suggestion put forward by the honourable Member is a solution to the problem.

I should like to say in reply that, on living in the United States for a number of months I found that the time was not the same in New York and Pennsylvania.

**President.** — I call Oral Question No 4 by Mr Dondelinger:

Does the Council not think that in the draft convention on the direct election of this Parliament it should provide for measures to prevent Member States from distorting the European electoral process by the fraudulent drawing of electoral boundaries?

**Mr Thorn, President-in-Office of the Council.** — (F) The Council considers it inconceivable that any Member State could have the intention of drawing constituency boundaries which would 'distort the electoral process' for the election of members of the European Parliament by direct universal suffrage. This applies to both the European elections and the national elections. The honourable Member knows that each country will be faced with certain problems to which we will undoubtedly find a thoroughly fair and objective solution.

**Mr Dondelinger.** — (*F*) Does the Council not think that the text should include a minimum of democratic rules in order to ensure that the first European elections will not be open to contestation, flounder in the face of the indifference or even come up against the hostility of the public?

**Mr Thorn.** — (*F*) It is difficult for me to reply on behalf of the Council to this particular point. I have the impression, however, that your Parliament in dealing with this matter has itself encountered a number of difficulties in solving the problem of uniformity. The Council — for once — has chosen to follow its example ...

**Sir Brandon Rhys Williams.** — I hope that President Thorn will not take this question in the wrong spirit. As the individual national rights of Luxembourg are properly recognized and safeguarded permanently in the Community's constitution by its equal representation with the other Member States in the Council of Ministers, would it not be appropriate, in the forthcoming direct European elections, to seek to apply the principle of equal voting rights for all European citizens as widely as possible and not to give disproportionate representation to selected minority groups of voters such as our friends in Luxembourg?

**Mr Thorn.** (*F*) I am not authorized, as President of the Council, to comment on one country or another. I am sure that the honourable Member would not like to hear me discoursing on the merits of the British, Irish or other representation.

I do not see any reason why we should spend more time in this Parliament discussing the representation of the Grand Duchy of Luxembourg, of which I have the honour and privilege of being Prime Minister. I should like, however, to say to the honourable Member, with all due respect, having been a member twenty years ago of an ad hoc committee responsible for studying the problem of elections, that until Europe is fully integrated — and I do not feel that the process of integration is moving very quickly at the moment — those who demand that the sovereignty of their country be respected and make it their catchwork should also accept what is quite simply laid down in the Treaty — i.e. a minimum parliamentary representation for each country.

**Mr Dykes.** — Would not the President-in-Office agree that in order for boundaries to be drawn up in the different Member States it would be, to say the least, very undesirable and perhaps even very difficult if the European Council summit in July did not reach final decisions on the numbers for each Member State and other matters?

**Mr Thorn.** — (*F*) I share the honourable Member's point of view.

**President.** — I call Oral Question No 5 by Mr Cousté :

Has the Council, in response to the Commission's request, defined the position of the Community in preparation for the UNCTAD Conference to be held shortly in Nairobi; and if so, what lines of approach are being adopted?

**Mr Thorn, President-in-Office of the Council.** — (*F*) At its meeting on 3 and 4 May 1976 the Council defined the Community's position at the Nairobi Conference — a position which I had the opportunity of stating in Nairobi last week — on the basis of proposals put forward by the Commission.

Needless to say, the Council will be happy to give the European Parliament any information it may require as from now, and particularly once the Conference is over. For we should not forget that, in accordance with the wishes of most of the UNCTAD countries, the Community has adopted a position of 'opening' which, moreover, will not necessarily change from now to the end of the fourth UNCTAD Conference. Whatever happens, let us keep contact between the delegations of the nine Member States at both Nairobi and Brussels so that, if necessary, we will be able to adapt to the requirements of the Conference.

**Mr Cousté.** — (*F*) The President of the Council has not answered my question. What I am interested in is the lines of approach the Council intends to take. The important thing is that the Community should take a consistent position not only at the UNCTAD Conference at Nairobi but also in the North-South dialogue in Paris and the Tokyo Round in Geneva. These various international discussions are closely linked with one another and it is important that the Community should really have a single policy in this field and speak with a single voice. This is why I put the question. I am not, therefore, satisfied with the answer I have just been given.

**Mr Thorn.** — (*F*) My greatest desire is to satisfy Mr. Cousté. He asked me whether the Council, had, in response to the Commission's request, defined the position of the Community. I replied that the Council defined the Community position on 3 and 4 May and that I explained this position at the place where the conference is to be held. The Council has, therefore, defined the Community position ...

**Mr Cousté.** — (*F*) I asked what lines of approach had been adopted.

**Mr Thorn.** — (*F*) Mr President, I appeal to your wisdom: should one in the context of an oral question explain the details of a position with so many different facets as the one which I covered in three-quarters of an hour in Nairobi? I would, however, be glad to send a copy of my speech to the members of Parliament.

**President.** — Clearly you cannot go into the points of view you defended at Nairobi.

**Mr Cousté.** — (*F*) I will therefore table an oral question with debate after the Nairobi Conference so that we can discuss the position in this House, in view of the importance of the *problem*.

**Mr Laudrin.** — (*F*) Have not the various representatives of the Nine who made statements at the beginning of the Conference departed from the common position put forward by yourself and by Mr Cheysson on behalf of the Commission?

**Mr Thorn.** — (*F*) In reply to the remark made a few moments ago, and in order to avoid any misunderstanding, I should like to point out that I too would like a debate on UNCTAD to be held under suitable conditions. I shall see to it that the text of my speech is sent to you.

I would also remind Mr Laudin that one has to contend with the different viewpoints of the various governments when trying to establish a common position.

There are maximalist positions and minimalist positions. Which position should the President of the Council defend? It must, unfortunately, always be the minimalist position, since that is the common denominator. This is why any spokesman of the Community is in a particularly unpleasant position, i.e. of all the heads of delegations he is the one with the least to say and the least to offer.

That in itself answers your question to a certain extent. Yes, there is a certain amount of disagreement between the members of the Community; they only reached unanimity on a minimum of points, but others have gone further. The day immediately following the meeting, in fact, several colleagues, speaking on behalf of their countries, went beyond the positions I put forward on behalf of the Community.

**Lord Reay.** — Can the President of the Council say what the view of the Council is of the proposal made by Dr Kissinger in Nairobi to establish a new international resources bank?

**Mr Thorn.** — (*F*) For reasons of time, which I am sure the honourable Member will understand, I cannot answer this question.

The proposal was made in Nairobi. I consulted those of my colleagues who were there, but since this was not a Council meeting and the nine ministers were not present, the Council as such could not state its position. It will do so, however, immediately after the conference.

**Mr Deschamps.** — (*F*) Is it true that the Community has reached a favourable, albeit minimal, position

regarding a specific point to which the Group of 77 attaches particular importance, i.e. indebtedness?

**Mr Thorn.** — (*F*) No.

**President.** — I call Oral Question No 6 by Mr Fletcher:

What is the purpose of the hundred or so advisory committees composed mainly of national civil servants, appointed by the Council (or the Commission) which operate in addition to the COREPER Working Parties?

**Mr Thorn, President-in-Office of the Council.** — (*F*) Mr President, as you know, there are two kinds of advisory committee. Those of the first group, which have been set up under the Treaties or by virtue of acts of secondary legislation (the Economic and Social Committee, the ECSC Consultative Committee, the Monetary Committee, the Committee of Central Bank Governors, the Energy Committee etc.) can normally be consulted by the Council and Commission — indeed this may be obligatory. These committees are composed of members appointed by Governments, the Commission or certain professional organisations. A number of these committees are empowered to deliver opinions on matters covered by the Treaties. The activities of the other committees in this category are determined by the subject matter with which they are concerned (monetary matters, central bank policy, energy problems etc).

The committees of the other group are directly attached to an Institution, usually the Commission, and their main function is to assist the Commission in preparing the proposals which it submits to the Council or in implementing provisions embodied in the regulations adopted by the Council. Within this category a distinction should be drawn between the purely advisory committees and the committees which participate in the decision-making process (Management Committees and Regulation Committees).

**Mr Fletcher.** — Does the President of the Council agree that it is important for Parliament to know just who are the decision-makers in Brussels? As we have civil servants giving advice in 100 committees, civil servants giving advice in COREPER working parties, civil servants giving advice in 72 embassies throughout the Community, and civil servants giving advice in their own national capitals, does not this mean that the Council now has so much advice that it is incapable of making any decisions at all?

**Mr Thorn.** — (*F*) What can I say in reply to these objections except that most of the committees were set up in implementation of the Treaties and in implementation of a policy provided for by the Treaties? We must hope that the officials in the nine countries of the Community do not implement their *own* policies, but those they are asked to implement.

**Mr Howell.** — May I ask for a review of all these bodies to see if they are serving any useful purpose?

**Mr Thorn.** — (F) I think that is a good idea and that Commission, Parliament and Council could tackle this job together!

(Laughter)

**President.** — I call Oral Question No 7 by Mrs Goutmann:

Does the Council approve the recognition given to the Brazilian dictatorship by two Member States who have invited to Europe the representative of a government which for twelve years has been oppressing the Brazilian people?

**Mr Thorn, President-in-Office of the Council.** — (F) The honourable Member will appreciate that it is not for the Council to give a ruling concerning a problem which falls entirely within the jurisdiction of the individual Member States.

**Mrs Goutmann.** — (F) Mr President of the Council, I am not surprised at your answer, but I find it strange, to say the least, that the Member States of a Community which claims to support the Declaration of Human Rights and the respect of human beings — a claim which is also contained in the Treaty of Rome — should have felt obliged to receive General Geisel and that, moreover, in the name of economic interests.

This is why I am asking you, Mr President, whether the Council will take account of the situation in Brazil and the repression which is developing in that country when, in view of its attachment to human rights and democracy, it finally decides that this problem is within its competence.

**Mr Thorn.** — (F) Mr President, this is a question which I do not need to answer. This matter — as Mrs Goutmann knows very well — does not come under the jurisdiction of the Council, and the Head of State she mentioned has not visited the Community.

**Mr Dalyell.** — Is Mr Thorn aware that there are two sides to this story and that the Second European Community Latin America Inter-Parliamentary Conference agreed unanimously that there should be more contact with Latin America? Some of us in London last week had the opportunity of talking personally to President Geisel, Mr Simons and Mr Silvera on delicate issues with great candour and points were put very strongly by the Cardinal Archbishop of Westminster, and indeed by some of my political colleagues, and I had the privilege of leading a British parliamentary delegation to Brazil last year.

It is all very well to talk about oppressed people, but the fact is that there was no infant malnutrition and that the real problem of Brazil is the fact that the city of Sao Paulo is expanding at the rate of 500 000 people a year. Although bad things certainly took

place in the sixties — no one denies it — there is every evidence that Brazil is not Chile, to use shorthand.

**Mr Dykes.** — I understand the President's reluctance to get drawn into the question, but would he say, on the criterion implied in Mrs Goutmann's question, that Mr Brezhnev should not go abroad, ever, least of all to the Eastern bloc countries?

**Mr Thorn.** — (F) The problem will arise the day Mr Brezhnev visits the Communities!

**President.** — I call Lord Bethell on a question of procedure.

**Lord Bethell.** — Will the President and his advisers consider carefully whether such questions as this should appear on the order paper in future? We have only a limited amount of time at our disposal to hear the President of the Council. There is information which we want from the President and we also seek the opinion of the Council on certain matters. This question is superfluous. Member States all recognize the Brazilian Government, are not at war with Brazil, and have diplomatic relations with Brazil. We recognize the government but that does not necessarily mean that we either approve or disapprove of it. We have relations with all sorts of oppressive regimes. If we allow questioners to express points of view in questions, we shall waste time. Although I may have spoken for too long, I hope that what I have said will save time in future during Question Time.

**Lord Gladwyn.** — Does the President-in-Office agree that there is no suggestion that non-totalitarian States should cease trading with the Soviet Union on the ground that the latter rigorously oppresses all nationalist movements in the various republics which compose it?

**Mr Thorn.** — (F) It is not for the Council to answer this question either.

**President.** — I call Oral Question No 8 by Mr Ansart, for whom Mr Lemoine is deputizing:

In accordance with the principle of political independence recognized by the Final Act of the European Conference on Security and Cooperation, to which all Member States are signatories, will the Council condemn the repeated statements made by politicians that the possibility of Communist parties sharing in the government in certain Member States is to be deplored?

**Mr Thorn, President-in-Office of the Council.** It is not for the Council to take up a position on statements such as those referred to by the honourable Member. It is even less appropriate that I should do so, being one of those who made such statements.

**Mr Lemoine.** — (F) Mr President, you will not be surprised if I tell you that this answer does not satisfy me.

**Lemoine**

We are witnessing today more and more declarations by statesmen constituting a real interference in the political life of several Member States. In addition to these statements made by politicians there are those made by the authorized representatives of certain big multinational companies, and, as you well know, interventions in this field go far beyond mere statements. The debate yesterday morning made it clear that this was happening and what methods were used. Apparently the same applies in the case of the highest-ranking CIA agents. Do you not think, therefore, that we are faced with a veritable concatenation of inadmissible attempts to interfere with the democratic life of various nations and that this constitutes a threat to the sovereignty and independence of these countries?

**Mr de la Malène.** — (*F*) That is the same question!

**President.** — I call Oral Question No 9 by Mrs Ewing:

In view of the various surpluses of agricultural produce in EEC countries, will the Council provide information for its guidelines for the disposal of these surpluses, and in particular, will they state what percentage of the surplus stocks will find its way to Eastern Europe, what percentage to the countries covered by the Lomé Convention, and what percentage to the non-associate developing world?

**Mr Thorn, President-in-Office of the Council.** — (*F*) It is true that, in certain agricultural sectors, the Community does have a surplus problem.

The interests of both consumers and producers are taken into account when steps are being taken to dispose of these surpluses.

A certain portion of surplus stocks is disposed of through transactions within the machinery of the common agricultural policy (export refunds etc.).

These export transactions are generally made on the open market. Since the Community cannot normally exert any influence over the destination of its exports, regional planning along the lines suggested by the honourable Member is not possible.

Similarly, it is not possible to say in advance what proportion of the surplus will go to any particular destination since decisions have to be taken in the light of the prevailing circumstances.

We are endeavouring to use up another part of surplus stocks on food aid. I should, however, like to emphasize that food aid programmes are not designed to encourage the disposal of agricultural surpluses but to assist developing countries. This is proved by the fact that the Community has sometimes had to continue its food aid programme even in situations of shortage, when it has been obliged to resort to purchases on its domestic market, which is not so serious, or often on the world market.

**Mrs Ewing.** — I am disappointed in the answer. As about 30 million people are dying directly or indirectly of malnutrition, a great percentage of whom are in countries outside those with the label of 'associate state', when we are considering our food aid programme should not the criterion always be need, and would it not be better if the label 'associate' were not used when we are considering the distribution of food to developing countries?

**Mr Thorn.** — (*F*) I myself took the Chair at the last meeting of the Council of Ministers of Cooperation and Development Aid. I did all I could to increase the amount of aid granted, but without success. For several Member States this is a financial problem.

**Mr Scott-Hopkins.** — Will the President-in-Office of the Council say whether, when there is a surplus over and above what is needed for stock-piling and for food aid, which has been mentioned, he will have a review made of the method of tendering for the disposal of the surpluses? This has given rise to anxiety in the past about whether the system is working correctly. Perhaps a better system should be devised, using more of the free market method of disposing of these surpluses throughout the world.

**Mr Thorn.** — (*F*) Your suggestion will not go unheeded: methods can always be improved. In my capacity as President-in-Office and Member of the Council I shall do all I can to ensure that this question is re-examined thoroughly. It is true that in the past experience has not always been conclusive.

**Mr Cointat.** — (*F*) In view of the drought currently affecting certain areas of the Community, are we not slowly but surely heading towards a food shortage?

**Mr Thorn.** — (*F*) I am not an expert in agricultural matters and even less of a meteorologist. However, if you can give me some time for consideration, I will try and answer your question more precisely at a subsequent part-session.

**President.** — We now proceed to the questions addressed to the Commission. The Commission representative responsible for the subject involved is invited to answer these questions and any supplementary questions.

I call Oral Question No 10 by Sir Geoffrey de Freitas:

What is the average weekly cost to the Community of the storage of skimmed milk powder?

**Mr Lardinois, Member of the Commission.** — (*NL*) Mr President, the costs of storing skimmed milk powder are 200 000 units of account per week for 1 000 000 tonnes — which is the amount which will probably be put into store this year — excluding interest, which amounts to seven times as much as the actual storage costs.

**Sir Geoffrey de Freitas.** — Will the Commissioner say whether, in discussions between the Commission and the Council, the enormous cost of storage is taken into account in calculating the true cost of providing food aid to the developing countries for their poorest people?

**Mr Lardinois.** — (NL) Mr President, I can only repeat, in perhaps somewhat different terms, what the President-in-Office of the Council has just said. Over the last few years the Commission has repeatedly made proposals to Parliament and the Council for an increase in food aid, particularly in the form of skimmed milk powder which is so important for mothers and small children in many areas of the world. All I can do is repeat that the Commission greatly regrets that the Council — or a number of delegations at least — has blocked any efforts made in that direction. I hope the situation will be different this year, since from both the political and human point of view it would by no means be a luxury for the Community to set up a programme to give 200 000 tonnes of skimmed milk powder to those people in the world who are most in need of it, in addition to the programme for processing 400 000 tonnes of skimmed milk powder into cattle feeding stuffs. I hope that the Ministers of Finance will now use their political common sense.

**Mr Scott-Hopkins.** — Does not the answer of the Commissioner mean that he foresees a million tonnes in store during the current year and therefore very little reduction after all the measures he has taken?

Is it not time to think of new methods of disposal of this million tonnes of surplus which has caused us so much difficulty?

Why not, in consultation with our friends in the world, put it on to the world market?

**Mr Lardinois.** — (NL) Mr President, when I spoke about a million tonnes I was not of course taking account of the possibility of the Council of Ministers adopting the Commission proposal on food aid, nor was I taking account of unforeseen events such as those mentioned in connection with weather conditions, e. g. severe drought.

In my view, a surplus of a million tonnes of skimmed milk powder is twice as much as we should wish to have in stock. The Commission feels that a stock of half a million or 600 000 tonnes of skimmed milk powder is desirable in order to ensure supply. The actual surpluses at the moment are some 500 000 tonnes more than this.

**Mr Deschamps.** — (F) Mr President, does not the Commission feel there are certain contradictions in the answers which have just been given?

The first answer stressed the high costs of storing food surpluses, whereas the President of the Council

stressed the fact that financial problems were encountered in using these surpluses for the benefit of the developing countries.

Does not the Commission feel that it would be useful to study methods of resolving this contradiction and to make relevant proposals to the governments of the Member States?

**Mr Lardinois.** — (NL) I do not think there is any contradiction here. As I see it, the President of the Council and myself view the problem in the same way. In the short-term, not providing food aid is, of course, and economy measure, but in the medium-term this is no longer the case; indeed, it may turn into the opposite. Day-to-day policy, however, is frequently based on short-term considerations.

**Lord Walston.** — If I understood the Commissioner's figures correctly 200 000 units of account per week for storage and seven times that amount in interest charges, after a very quick calculation that works out to about 80 units of account per tonne per annum. In other words, if we were to give away half-a-million tonnes of this dried skimmed milk powder, we would be saving Community funds 80 units of account per tonne or about 40 million units of account per annum.

Surely it is in the interests of the Finance Ministers and of the budget that we should save these very large amounts of money by giving this away as quickly as possible rather than showing as a paper transaction how much it will cost us?

**Mr Lardinois.** — (NL) The actual costs for storing one million tonnes, including the interest, are over ten million units of account per year.

**Mr Nolan.** — The Commissioner has stated that it is costing 200 000 units of account per week, plus interest, to store skimmed milk powder. Can he tell us the value of the total stocks of skimmed milk powder in storage at the present time?

**Mr Lardinois.** — (NL) Approximately a thousand million dollars.

**Mr Howell.** — I support my friend Mr Scott-Hopkins in urging the Council and the Commission to give immediate consideration to putting the surpluses on to the world market and selling them to the highest bidder, whoever that might be.

Is the Commissioner aware of the complete lack of confidence on the part of the farming community in the Council's proposals for dealing with this problem at the present time and particularly of the tremendous concern in the poultry industry, where the price of eggs is falling rapidly at the same time as this £17-a-ton tax is to be imposed because of the skimmed milk powder? May I ask the Commission immediately to review this whole problem?



**Mr Lardinois.** — (NL) It would be a little too easy just to put these surpluses onto the world market. It could dislocate the international dairy-produce market for years, which would be in the interests of neither the Community, nor countries such as New Zealand, Australia and Canada, with which the Community maintains — if sometimes not without difficulty — good relations.

I should like to assure Parliament once more — and I hope the Council will give its official agreement to this next week — that the Commission feels that the current programme of 400 000 tonnes for cattle feedingstuffs should not be followed by another programme. At least, the Commission will not propose this and the Council will not request such a proposal.

**Mr Laban.** — (NL) Mr President, in view of the amazingly high figures quoted by Mr Lardinois for the storage of skimmed milk powder, in view of the fact that, unless something unexpected happens, in spite of the measures which have been taken this year — some of which cannot be repeated we will most probably have another very large stock of skimmed milk powder, and probably a large store of butter too, at the end of the year, and in view of the fact that it emerged from the debate with Mr Cheysson that there are technical difficulties involved in giving more skimmed milk powder to the developing countries and that the surplus quantities of skimmed milk powder cannot be distributed, there is, in my view, only one possible solution to the problem, namely to restrict milk production within the Community.

The Council has invited the Commission to make a proposal to this effect. I should like to ask the Commissioner whether he can tell us how far the Commission has got with this proposal and when it may be submitted to the Council, since under the present circumstances it is the only possible way of putting an end to this strange situation.

**Mr Lardinois.** — (NL) Mr President, we must try and solve the problem at source. We produce too much skimmed milk powder. We must find a different outlet for more skimmed milk and secondly, we must take structural measures with a view to avoiding surpluses.

We have drawn up a programme in consultation with the Council and the agricultural organizations. I hope that the Commissions will be able to make a decision on a proposal to the Council for a modified dairy-produce policy in the middle of June. The Council has stated that it approves in principle of the idea of co-responsibility of the producers for structural surpluses in the dairy-produce sector. The Council affirmed this point of view at the beginning of March and this will, in part, serve as the basis for the proposals we will draw up and submit to the Council and Parliament in June.

**Lord Bruce of Donnington.** — May I ask the Commissioner to clarify further the figures he was kind enough to give in answer to the original question? It might be that there was some misunderstanding in interpretation, but I understood the Commissioner to say that the cost of storage of skimmed milk was 200 000 units of account a week and that the interest charges on top of that were seven times the cost of storage. On that basis, the figures given by my noble friend Lord Walston of 80m. u.a. are a slight understatement. The figure works out at 83 m u.a. per annum.

If the Commissioner has no answer to my noble friend's suggestion that the Community should save money by giving half of the stocks away, thereby saving 40m u.a. per annum, will he kindly give Parliament details of the steps he proposes to take to avoid this scandalous waste of Community funds?

**Mr Lardinois.** — (NL) I must say that Lord Bruce is an excellent accountant. Clearly a mistake has been made, either in the interpretation or in my explanation. I should therefore like to repeat that the annual costs, including interest, are over ten million units of account. One-eighth are the actual storage costs and seven eighths are the interest.

**President.** — I call Oral Question No 11 by Mrs Kellet-Bowmann:

What progress is being made by the Commission's Inter-service Group on Financial Instruments?

**Mr Thomson, member of the Commission.** — The honourable lady refers in her question to a working group set up at the end of last year to ensure consistency in the policy formation and management of the different financial instruments of the Commission and in order to compare the results of the Community's financial operations. It is an inter-service group designed to help the Commission to carry out its work. As such, its function is limited to the Commission's internal use. It has already met twice.

**Mrs Kellet-Bowman.** — Is any progress being made in coordinating the work particularly of the Regional and Social Funds? Has this group any function in that direction? One of the problems we face in the regions is the lack of coordination between the various funds. Is the group making any progress in that direction?

**Mr Thomson.** — Yes. This is one of its purposes. It is there to seek the better coordination of the eight separate funds and five spending programmes of the Commission. That aim is to try to ensure that they present a coherent pattern as a whole.

**Mr Osborn.** — Is not this the same problem as with the Statistics Department, namely that too much

**Osborn**

back-up is given to, say, agriculture, the CAP and other issues and not enough to regional policy and transport issues which are not as popular politically?

**Mr Thomson.** — The present pattern, as Parliament knows, is that three-quarters of the Community budget goes to agriculture. My view is that the Community will have a healthier pattern of budgetary expenditure once one is able to see the budget of the Community grow as a whole to provide a better balance.

**President.** — I call Oral Question No 12 by Mr Dalyell:

In view of the Commission's statement on 12 April 1976 that they were mobile and could leave Brussels, will they state what consideration is being given to establishing Parliament, Commission and Council in one place, such as Luxembourg?

I call Mr Ortoli.

**Mr Ortoli, President of the Commission.** — (F) Mr President, this question follows a similar one put at the last part-session concerning whether the Commission was mobile and could give advance notice. The answer was in the affirmative, but this question does not imply, either on the part of the Commissioner who answered, or on the part of the Commission, the choice of a seat at, for example, Luxembourg, or a proposal to this effect since this is the question which has actually been put to me.

As regards to the general problem, I should like to remind you, as I have done on various occasions, that the decision regarding the establishment of the Community institutions, jointly or severally, is covered by Article 216 of the Treaty establishing the European Economic Community, according to which the seat of the Community institutions shall be determined by accord of the Governments of the Member states.

**Mr Dalyell.** — How much longer is a peripatetic Parliament going to require all those busy overworked men over there that you have with you to expend their time and their energy uplifting their staff and travelling round like some kind of monthly circus?

On the less important issue of cost, why is it that I have not had an answer to a Written Question now six weeks old asking for a breakdown of the cost of transport? On whose instructions were the expensive costs of the *avion-taxi* not included in the answer of Mr Borschette of two months ago?

Frankly, Mr Ortoli, can we have your assurance that as President of the Commission there is no pressure on you either from the Elysée or from the Prime Minister of France to play down the real costs of coming here to Strasbourg?

**Mr Ortoli.** — (F) I do not accept the way in which this question has been put.

(Applause from the centre and right)

**Mr Dykes.** — On the question of the location of Parliament may I ask the President of the Commission at least to say personally whether he thinks that the arguments for its location in Luxembourg are not growing more and more compelling as time passes — not only because the building is there already, and an expensive building as well, opened only five years ago, but also because the existing Chamber would be large enough if Members would be prepared to renounce their individual named seats, which are suitable for an international conference but not really for a parliament?

**Mr Ortoli.** — (F) Mr President, I have no opinion on this matter.

**Mr Terrenoire.** — (F) Mr President, in view of the insulting tone in which these questions have been put, I should like to give my support to the President of the Commission and withdraw my question.

**Mr Hamilton.** — The President of the Commission might not like the terms in which Mr Dalyell's question was couched, but this is the way in which we happen to handle things in our Parliament. I should like to ask the President whether he will express a view as to whether he thinks it desirable that this Parliament should have its own institution permanently in one place. Can he suggest any initiatives that we might take in the matter?

**Mr Ortoli.** — (F) I believe the Political Affairs Committee of your Parliament is studying the problem.

You will therefore be able to answer this question yourselves.

**President.** — I call Oral Question No 13 by Mr Nolan:

In view of the high numbers of unemployed young people what proposals has the Commission to promote early retirement so that young people have greater opportunities of getting jobs?

**Mr Hillery, Vice-President of the Commission.** — The Commission will submit to the Tripartite Conference on Employment, which is scheduled to take place before the end of June, a document proposing a range of short-term actions designed to help the employment situation in the Community. Among the ideas suggested are steps to encourage the employment of young people, including the early retirement of older workers. The Commission hopes that the Tripartite Conference discussion of such measures will provide a basis of consensus from which the measures can be pursued in concrete terms.

**Mr Nolan.** — The Commissioner is aware that this year a number of young people will be leaving our secondary schools and our universities. Does the Commissioner think that it is a matter of urgency that this early retirement scheme should be adopted by the

**Nolan**

Member States of the Community, and can he tell me if any Member State of the Community has introduced any scheme of early retirement?

**Mr Hillery** — The matter of urgency is accepted. I think that I should tell Parliament that the Council, which included Finance and Foreign Ministers, meeting in Paris pointed out that it was essential to make a special effort, particularly within the framework of the Social Fund, to help young persons seeking employment. The Social Fund has already been opened for young people in search of employment and in a matter of weeks projects in all the Member States will be examined by the Social Fund Advisory Committee.

The Finance Ministers meeting informally in April, and the Ministers for Social Affairs in the Council at the end of April, again stressed the gravity of the situation among the young and set their minds to finding solutions. The Congress of the European Trade Union movement similarly has addressed itself to the question.

Therefore, I think that the Tripartite Conference will have a very positive attitude to this urgent question. I would say, however, that among the methods of increasing employment opportunities for young people we must not exclude the possibility that much employment will be made available by the commencement of growth. The earlier retirement of older workers may not, for demographical structure reasons, have the effect that the honourable Member thinks. The age group 60 to 64 in our population at this time is quite a small one, because 60 years ago it came into the world at a period of depressed birth rate and suffered considerable losses in the Second World War. So it is a very much smaller age group than the age group which is now presenting itself in the labour field seeking employment. Therefore, earlier retirement would not be full solution, nor would it be an easy one.

We are examining this matter from the social point of view, and suggestions and proposals will be made, but there are other matters such as raising the school-leaving age to reduce the numbers coming on to the labour market, special training courses — because a large number of the young unemployed are untrained and minimally educated young people — the promotion of local initiatives, and the sharing of the work available. I would hope that in the period ahead employers and trade unions will seek to have new people taken into employment rather than overtime given to people already in employment. We are considering the proposal for premiums for employment to promote this attitude among employers.

**Mr Albers.** — (NL) Has Mr Hillery also taken note of the resolutions and recommendations of the second Congress of the European Confederation of Trade Unions in London, particularly the request for a 35-hour week, and will he confirm that the Commis-

sion will devote some attention to this matter in its deliberations?

**Mr Hillery.** — Yes, Mr President. These will be taken into account in the preparation of the final document to be presented by the Commission.

**Mr Lemoine.** — (F) Mr Nolan's question is important and serious, and in view of the answer he was given I must remind you that the Communist Group has already asked Parliament on two occasions to deal thoroughly with the current problems facing youth.

Up to now we have been ignored. In a Community with almost 6 million people currently out of work, 40 % of them, i.e. more than 2 million people, are under 35 years of age.

In our view, this problem deserves more than a simple oral question during Question Time and I should like to ask once more that we hold a real debate on this matter in the near future and invite the Commission to tell us what efficient measures it hopes to take or recommend with a view to putting an end to the massive unemployment amongst young people.

**Mr Hillery.** — The Commission will be very happy to participate in such a debate.

**Mr McDonald.** — Will the Vice-President give me an idea of the time-lag involved between the receipt of a suitable application under Article 4 from an organization of caring people, including educationists, employers and trade unionists, and the processing of such an application dealing with young people? Would it be possible for such an application to be processed in a matter of months, or would it take a full year?

**Mr Hillery.** — After the application arrives, the commitment to pay would be available within a matter of months, depending on the meetings of the committee, its examination of the worthiness of the project and the difficulty of examining the various aspects of it.

**Mr Evans.** — Does the Commission agree that the real solution to the problem of unemployment in the Community, particularly among young people, is for the nine member countries to expand their economies and so take the unemployed into gainful occupation? I agree with Mr Hillery that solving the problems of the young by earlier retirement is peripheral. Does he accept that if we considered that as a solution we should first consider substantially increasing the pensions payable to those who are already retired? Does the Commission accept that, if politicians put forward this solution to the problems of the young, they should themselves set an example by retiring at 60?

**Mr Hillery.** — As Mr Evans said, great political, economic and financial difficulties are involved in bringing about earlier retirement, with only a limited benefit to the labour market. If such a policy were

### Hillery

introduced, not only would the income of the retired population have to be increased, but the opportunities available to them in their retirement would have to be carefully studied.

**President.** — I call Oral Question No 14 by Mr Seefeld, for whom Mr Radoux is deputizing :

Does the Commission share the opinion expressed by Vice-President, Mr Scarascia Mugnozza, in Euroforum No 11/76 that : 'it is especially important that during the first session new powers be carefully examined, so that they may be exercised from the second session onwards. On the other hand, it might be dangerous, at least in the initial phase, to grant constituent power to the European Parliament' ?

**Mr Ortoli, President of the Commission.** — (F) The Members of the Commission are entitled, as politicians, to put forward their points of view on subjects of Community interest. Clearly, when doing so they must respect the course of action approved by the Commission and recognize that they share a collective responsibility with their colleagues. This applies in the case referred to in this question. The view put forward by my colleague Mr Scarascia Mugnozza does not take account of the Commission's position.

As far as the Commission is concerned, it has stated explicitly the procedure it supports and its attitudes in various documents, particularly the report on European Union.

**Lord Gladwyn.** — Is the President of the Commission aware that, in the opinion of at least one Member of this House, the remarks of Mr Scarascia Mugnozza in Euroforum the other day are completely unexceptionable and, indeed, represent the purest common sense ?

**President.** — I call Oral Question No 15 by Mr Evans :

What Proposals does the Commission intend to put before the European Council to increase the EEC Regional Fund ?

**Mr Thomson, member of the Commission.** — As the honourable Member will know, the commitment appropriations of the Regional Development Fund were fixed by the heads of government for the years 1975, 1976 and 1977.

Proposals for the next phase of the Regional Development Fund will be made by the Commission to the Council of Ministers during 1977.

**Mr Evans.** — Would the Commissioner agree with me that more interest is shown in the operation of the Regional Development Fund by the under-privileged regions throughout the Community than in any other aspect of Community policy ?

However, would the Commissioner agree with me that it is essential that, if we are ever to progress towards making the EEC meaningful to millions of people in these regions, the Council of Ministers must agree in the immediate future to increase greatly the size of the Regional Development Fund until it is at the very least as large as the Agricultural Fund ?

**Mr Thomson.** — I certainly agree with the honourable Member about the intense interest in the Community not only in the Regional Development Fund but in the range of funds operated by the Community that help the less privileged members of the Community.

I believe it would be the view of the Commission that when proposals have to be made in 1977 for the next phase of the Regional Development Fund, with the very serious deterioration there has been in the underlying economic situation has been in the underlying economic situation of the Community, it will be necessary for the range of Community funds to deal with these economic problems to be enlarged in scope.

**Mr Noè.** — (I) Does not the Commissioner think that the next phase of the Regional Policy could include aid, in cases of crisis, to basically sound undertakings — which could be determined by an intelligent process of selection. Without such aid, undertakings of this kind could be forced to close down with unpleasant social consequences, thereby aggravating existing problems still further. In some cases timely aid from the Regional Development Fund might obviate the necessity of such undertakings closing down — I repeat : they must be basically sound — and put them back on the road to recovery.

**Mr Thomson.** — As the honourable Member knows, the Regional Development Fund's operations are tied down by the Regulations.

One of the changes in the economic situation of the Community means that when there is an amelioration in the present recession, as, fortunately, is happening, it will leave behind some very difficult pools of structural unemployment, sometimes in areas which in the past have been accustomed to high levels of employment. In the consideration of the future of the range of Community funds concerned with these matters, that phenomenon must have very close attention.

**Mrs Kellett-Bowman.** — Will the Commissioner accept that not only is the size of the Regional Development Fund important, but also the method of application and distribution ?

When at the end of the three-year period the money becomes non-compulsory expenditure, has the Commission any plans for associating Parliament and local authorities in the Member States more closely with the working of the fund ?

Has the Commissioner any plans for seeing that not all applications need go via the Member States ?

**Mr Thomson.** — Parliament is already very closely associated with the development of the fund.

I look forward during this year to having the views and ideas of Parliament and of the Committee on Regional Policy, Regional Planning and Transport on future development.

**Thomson**

As to local authorities, it was only three weeks ago that I stood in this Chamber and discussed again the future development of the Community's regional policies with representatives of all local authorities of the Community.

**Mr Giraud.** — (F) Does not the Commissioner think that maximum publicity should be given to the distribution and allocation of the Fund since, this is what the people of Europe are actually interested in? Nevertheless, does he not see certain difficulties in this field.

**Mr Thomson.** — I very much agree, and I am grateful to the honourable Member for raising the matter.

I returned yesterday from one of the regions of the Community where I was happy to see a number of large hoardings displayed saying that specific developments were taking place in a partnership between the national authorities and the Regional Development Fund of the Community. In my view, this is one of the best ways to bring home to the citizens of the Community what the Community means.

I therefore welcome any help that Members of this House can give concerning their own regions in trying to promote that kind of publicity.

**Mr Bordu.** — (F) Has the Commissioner ever wondered about the efficiency of this Fund, particularly as the differences between one country and another and between the various regions within a country become more pronounced in times of crisis.

**Mr Thomson.** — The whole purpose of the Community's regional policies in general is to try to make a contribution at Community level to closing the gap to which the honourable Member refers.

**President.** — I call Oral Question No 16 by Mr Yeats:

Having regard to the lapse of the Commission's authorization for national fuel subsidies for fishing boats, will the Commission state why such authorization has not been renewed, and if any Member States grant aids of similar effect to fishing boats at the present time?

**Mr Lardinois, Member of the Commission.** — (NL) A year ago the Commission decided to extend the regulation on subsidies for oil and other petroleum products used by fishing boats until 1 January 1976. The Commission felt that this subsidy, which was introduced shortly after the energy crisis of 1973, could not be a permanent element in the fisheries policy. This decision was also discussed by the Council and was approved last summer. A number of Member States reconsidered this decision in January of this year. A large majority of the Council pressed for the discontinuation of the subsidies on the grounds that most Member States had set aside no funds for this purpose.

**Mr Yeats.** — It would seem that the answer given now by Mr Lardinois is in total conflict with an assurance he gave me in a debate in this House on October 16 last, when he said — and I quote his exact words:

Mr Yeats referred to fuel subsidies. The Commission has agreed to pay them for another year.

If that statement meant anything, it meant, and was taken by fishing interests to mean, that the subsidies would continue in the present year.

There is, however, a further part of the question which the Commissioner did not answer, and I should be glad to know the position. I asked 'if any Member States grant aids of similar effect to fishing boats at the present time'. He has not answered this point.

**Mr Lardinois.** — (NL) I would have to check what I said in October last year. I could not, however, have said anything but that the subsidies were authorized for one year, i.e. 1975. The Commission finally decided to discontinue the subsidy of 50 % for the fishing industry on 1 January 1976, and the subsidy for horticulture — on the basis of 33 % of the difference between the September 1973 price and the current price — on 1 July 1976. Thus the subsidies applied for 1975 in the case of the fishing industry and for the period from 1 July 1975 to 1 July 1976 in the case of horticulture. Mr Yeats also asked whether any Member States were granting similar aid to fishing boats at the present time. On the basis of the official statements by the Member States I can answer, 'No'. For the sake of completeness, however, I must inform the honourable Member that I have read in the press that the French Government has promised the fishing industry a subsidy of this kind for the coming months. We have asked for further information on this matter. If this is indeed the case, however, the matter will be included on the agenda for next week's meeting of the Council and it will in any case be discussed at next week's meeting of the Commission.

**Mr Fletcher.** — Does the Commissioner agree that there is a serious gap between the ending of the fuel subsidies which are referred to in the question and the medium- to long-term plans that the Commission has for the future of the industry and that while this gap exists the problems of the industry continue? Is it not absurd that three-quarters of the Community budget should go on the CAP while the fishing industry is on the verge of going bankrupt?

**Mr Lardinois.** — (NL) The subsidies we are talking about here are not Community subsidies; they are national subsidies. This situation is covered by the article on competition by virtue of which the Commission may give or refuse authorization for the granting of national subsidies. We took the view that temporary subsidies could be authorized for the fishing industry and horticulture under glass, since

**Lardinois**

these were two sectors in which oil accounted for a very large proportion of the costs. Temporary subsidies must, however, be discontinued at some point in time. The Commission felt that the subsidy to the fishing industry could be granted for a good two years, but that this time limit must not be exceeded. This decision was taken a year ago. The vast majority of the Member States were in agreement with this decision. Unfortunately, the discontinuation of a temporary measure rarely comes at an equally favourable time for all parties concerned.

**President.** — I call Oral Question No 17 by Mr Kavanagh :

What steps does the Commission intend to propose to protect jobs of workers in the Community fertilizer industry which are threatened by the dumping of di-ammonium phosphat (DAP) and triple super phosphate by the United States on the one hand, and of nitrogenous fertilizers from certain Comecon countries on the other, thereby threatening the continued existence of the Community fertilizer industry ?

**Mr Spinelli, Member of the Commission** — (I) The importing of phosphates from the United States is more a problem of prices than of dumping. It is a proven fact that the American exporters always sell raw phosphate to Community producers at prices 50 % higher than the price at which it is sold on the internal market. The Commission is carefully examining what can be done about this.

As regards nitrogenous fertilizers from Eastern Europe, however, one could indeed talk about dumping; the Commission, however, intends to consult the Member States in the near future with a view to introducing antidumping measures to deal with this practice.

**Mr Kavanagh.** — May I ask the Commissioner to pursue this policy as a matter of urgency, because there is widespread unemployment in the industry at the present time and there is a need for action to be taken forthwith if the whole industry within the Community is not to be destroyed and very adverse long-term effects on agricultural production within the Community are to be avoided ?

**Mr Spinelli.** — (I) We will act as swiftly as possible.

**Mr Scott-Hopkins.** — If I understood the Commissioner correctly, he said that the import price of phosphate from the United States is 50 % higher than the price at which it is sold in the United States. Is he, therefore, talking about a subsidy by the Community ? Is that what is in his mind for the buyers of American phosphate ? On the second part of the question, surely we have known for quite a long time that the Soviet Union and its satellite countries were subsidizing outrageously their exports of nitrogenous ferti-

lizer to the Community ? It really is time that the Commissioner took action on this.

**Mr Spinelli.** — (I) The creation of a double market, i.e. internal American and international, is not, from what we have seen up to now, due to the granting of special subsidies, but rather to the existence of sales offices and agreements designed to control sales.

If the matter is approved (since, as I have just said, it is currently under examination), we will be able to invoke our competition rules, which, as is well known, can be applied to undertakings outside the Community — which is what the United States is itself doing.

**Mr Giraud.** — (F) Is dumping in keeping with the spirit of Helsinki ?

**Mr Spinelli.** — (I) Clearly, no.

**President.** — I call Oral Question No 18 by Mr Osborn :

Will the Commission, on the basis of the latest information available to them from the Member Governments of the Community, say what in their view has been the impact of the energy and subsequent economic crisis, on the pattern of passenger and freight transport within the Community, and say whether this has resulted in a greater use of road transport at the expense of rail, inland waterways, and aviation, and, if so, whether this trend is recognized and accepted in formulating a future Community Transport Strategy ?

**Mr Scarascia Mugnozza, Vice-President of the Commission.** — (I) Precise information regarding the consequences of the new economic situation on the relative demand for the various forms of transport is not yet available. The Commission feels, however, that the consequences are fairly negligible, by virtue of the fact that the cost of a form of transport, which clearly includes the cost of the energy used, is only one of the many factors determining the user's choice.

Having said this, the Commission does not feel that there are any grounds for fundamental changes in our transport policy, but, as we have already said, more and more stress should be laid on the possibility of common transport systems both for passengers and for freight.

**Mr Osborn.** — Is the Commissioner aware that what he has said is in strange contrast to a recent transport policy document produced by the British Government ? While one accepts that national governments, and hence the Commission, are two or three years out of date with statistics and, therefore, it is difficult to diagnose trends, it seems that there is a role for rubber wheels on tarmac. Therefore, could there not be a case for separating passenger cars from heavy transport vehicles on major routes in the not-too-distant future, bearing in mind the heavy subsidies paid to and losses being made by rail ?

**Mr Scarascia Mugnozza.** — (I) The Commission has carried out studies with a view to obtaining information. It does not appear that the information referred to in the question exactly corresponds to the actual state of affairs. We should also bear in mind users' interests which sometimes, at least at the moment, go beyond economic considerations.

**President.** — I call Oral Question No 19 by Mr Lenihan :

Can the Commission give assurances that a proper balance will be respected with regard to employers' representatives on the Administrative Board of the Foundation and also with regard to the independence of the Director of the Foundation as specified under Article 8 of Regulation No 1365/75 of the Council of 26 May 1975 ?

**Mr Scarascia Mugnozza, Vice-President of the Commission.** — (I) I can assure the honourable Member that the employers' representatives (who are appointed by the Council on the recommendation of the Commission) on the Administrative Board were appointed in accordance with the provisions in force. The Commission proposal exactly reflects the recommendations of the various employers' organizations.

However, as regards the appointment of the Director, I can confirm that we will keep strictly to the provisions of Article 8 of the Regulation. The appointment will therefore be made between May and June and the Administrative Board is currently carrying out a very thorough selection procedure so that it will be able to submit the necessary proposals to the Commission.

**Mr Yeats.** — I should like to ask the Commissioner to look carefully into this matter, considering particularly the fact that, as I understand it, there are on the Administrative Board two representatives of a single multinational company and that there is a danger that before the whole procedure is finished there may be three members of the same multinational company and this would clearly be undesirable.

**Mr Scarascia Mugnozza.** — (I) I think I can give you the assurance you desire.

**President.** — I call Oral Question No 20 by Mr Patijn, for whom Mr Laban is deputizing :

Will the Commission state its reaction to the sharp criticism made by Commissioner Lardinois of the development of the European Community, and does it consider that this criticism was made at the most opportune moment, i.e. when he had announced his resignation with a view to taking up another post at the beginning of next year ?

**Mr Ortoli, President of the Commission.** — (F) The Commission has not formally discussed the matter raised in Mr Patijn's question. I should like to stress that the Commission has always stood by the principle that each of its Members, as a politician, is at liberty to take up a position publicly with regard to matters concerning the Commission, provided he

stays within the limits I described a few moments ago, i.e. he must take account of the fact that he belongs to a Community institution and respect the rules which this implies, in other words he must recognize the principle of collective responsibility.

In the case referred to by Mr Patijn, Mr Lardinois did not depart from this principle. The ideas he put forward had, moreover, already been voiced in this Parliament in previous speeches.

**Mr Laban.** — (NL) Mr Ortoli has been somewhat vague regarding my reference to the content of Mr Lardinois' statement.

Mr Lardinois pointed out that the continuing monetary instability, the monetary compensatory amounts which this necessitates, and the developments affecting the pound sterling and the Italian lira would become a great burden to the Community, that the situation in the dairy-produce sector was disturbing, and that the Council, in spite of repeated proposals made by the Commission with the support of this Parliament, had refused to take any appropriate measures. On this basis, he came to the conclusion that if nothing was done about these matters he had grave doubts as to whether the common agricultural market could be maintained. In fact, according to Mr Lardinois the common agricultural market no longer exists, since there is no longer a common price. If things go on in this way, the agricultural market, which is a cornerstone of our European Community, will collapse completely, with all the unfortunate consequences which this will have for the continued existence of the Community as such.

I should particularly like to ask the President of the Commission whether he shares this view, and whether the Commissioner therefore did not go beyond his brief in this respect either.

**Mr Ortoli.** — (F) I have already said that Mr Lardinois did not go further than he was entitled to.

As far as the position of the Commission and its President is concerned, this too has been explained on various occasions. Firstly, on the occasion of the stock-taking of the common agricultural policy which was submitted to you and in which we listed a number of problems about which we were particularly concerned, including that of the monetary compensatory amounts. Subsequently — and, moreover, after Mr Lardinois' statements — we made new proposals with a view to reducing the margins. At the last meeting of the Council of Ministers of Agriculture, a number of proposals from the Commission designed to harmonize and reduce the cost of the monetary compensatory amounts were examined.

As regards the more general problem, the Commission will continue to make proposals so that the stock-taking report on the Common Agricultural Policy, as it was drawn up, may indeed produce some positive results. We feel that this is essential and, my

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colleague, Mr Lardinois, brought up the problem of dairy produce just a few moments ago in reply to a question and said that we would be making supplementary proposals.

**Mr Cointat.** — (F) Since everyone recognizes Mr Lardinois' boundless energy, the vigour with which he has defended the common agricultural policy for many years and his passion for agricultural problems, does not the President of the Commission feel that this question was thoroughly ungracious and unjust to Mr Lardinois?

**Mr Ortoli.** — (F) It sometimes happens that I react strongly in this House. You will therefore permit me to refrain from passing judgment on a question which I answered with, I hope, precision but also, as you no doubt felt, with all the confidence which the Commission and its President feel with regard to one highly esteemed member of this body.

*(Applause from the centre and the right)*

**President.** — I should like to make a break with tradition and give an answer myself.

If the department responsible for the tabling of questions let this one pass, this is because they found it neither irregular, nor insulting to a Member of the Commission. If the reverse had been the case, we would have declared it inadmissible.

I call Oral Question No 21 by Mr Gibbons, for whom Mr Herbert is deputizing:

Having regard to the recent imposition of countervailing duties on exports of Irish beef to the U.S., resulting in the total cessation of these exports, has the Commission taken up the matter with the U.S. authorities with a view to having these countervailing duties withdrawn?

**Sir Christopher Soames, Vice-President of the Commission.** — The Commission services were in close touch with the American administration for some weeks before their decision to impose countervailing duties on these exports. We have publicly regretted their decision. The application of countervailing duties in this case is a measure which is quite out of proportion to the volume of trade in question and, in our view, unwarranted by the competitive position of Irish beef on the American market.

**Mr Herbert.** — I am very glad to hear that the Commission has taken that view on the American attitude which, as the Commissioner states, is completely unjustifiable and outrageous in view of the small quantity of beef concerned.

**President.** — I call Mr Dalyell for a procedural motion.

**Mr Dalyell.** — Mr President, Rule 47 A (2) reads as follows:

Before the close of Question Time any political group or at least five Representatives may request that a debate be

held immediately thereafter on the Commission's answer to a clearly defined question of general and topical interest, during which brief oral questions, suggestions or comments may be addressed to the Commission.

I do not wish to take up time, so I shall be very brief. In view of the unsatisfactory nature of the reply to Question 12, I beg to give notice that we shall try to raise an oral question for debate on the issue of the siting of Parliament. The President of the Commission may not like the way in which the question was put, but, equally, some of us do not like the fiasco of a peripatetic Parliament, even though it means coming to this beautiful and hospitable city of Strasbourg and its welcoming citizens.

Having had time to cool off from his instant irritation, will Mr Ortoli give us the assurance asked for, namely, that he is under no pressure from either Mr Giscard d'Estaing or Mr Chirac to conceal the real costs of coming to Strasbourg and of a peripatetic Parliament? To save time, a denial would be easy.

**President.** — Mr Dalyell, are you requesting that a debate be held on this question now?

**Mr Dalyell.** — All that is necessary is a denial from the President of the Commission that he is under any such pressure from Mr Chirac or Mr Giscard d'Estaing.

*(Loud protests from the Group of European Progressive Democrats)*

**President.** — The Commission has already said what it thought of this question which it does not intend to answer. If this is its intention, we cannot compel it to do so.

I call Mr Ortoli.

**Mr Ortoli, President of the Commission.** — (F) Mr President, when I am asked questions which cast doubt upon my honour, either my independence, or the honour of my country, i.e. suspecting it of not complying with the rules laid down by the Treaty and of bringing pressure to bear, I indeed refuse to answer them!

I have an honour, and allow me to tell you that I attach extremely great value to it. I do not know what the normal practice in Parliaments is, but where myself and my personal reactions are involved, I must state quite clearly that I have not accepted and I never shall accept instructions from anyone and, moreover, that I have not received any such instructions. I regard the very putting of this question as unacceptable!

*(Applause from the centre and right)*

*(Mr Dalyell asks to speak)*

**President.** — No, Mr Dalyell, I will not let you speak again, and consider the incident closed.

Question Time is closed. I thank the representatives of the Council and Commission for their contributions.



*5. Tabling, decision on urgency of and vote on a motion for a resolution on the earthquake in Italy*

**President.** — The next item is the motion for a resolution on the earthquake in Italy, the tabling of which was announced on Monday.

The motion is tabled by Mr Durieux on behalf of the Liberal and Allies Group, Mr Fellermaier on behalf of the Socialist Group, Mr Alfred Bertrand on behalf of the Christian-Democratic Group, Mr de la Malène on behalf of the Group of European Progressive Democrats, Sir Peter Kirk on behalf of the European Conservative Group and Mr Amendola on behalf of the Communist and Allies Group, with request for debate by urgent procedure pursuant to Rule 14 of the Rules of Procedure.

It has been distributed as Doc. No 107/76.

I consult Parliament on the adoption of urgent procedure.

The adoption of urgent procedure is agreed. We shall consider this document immediately.

I call Mr Durieux to present the motion for a resolution.

**Mr Durieux.** — (*F*) Mr President, I have been instructed by the Chairmen of the Groups of this Assembly to table a motion for a resolution on the terrible earthquake in Friuli, in Italy.

Once again, the Community has suffered an earthquake which has left one of its regions devastated and bereaved, with dead, injured and damage to property, not to mention works of artistic value or the landscape ... whole villages have been swallowed up by the disaster.

We in this Parliament are deeply touched by the plight of the people of Friuli and want to give them our full support. Let us therefore ask the Commission and Council to use all the means placed at their disposal by the Treaties and the various funds to ensure that an early start is made on the reconstruction of the area. However, let us not forget that thousands of homeless do not yet even have tents and that we should therefore take urgent steps to provide emergency relief. I think I am right in saying that the sum available for this relief is 600 000 u.a. This seems to me to be adequate provided that further aid is allocated later to help restore the country's economic structure in the wake of the severe blow it has had to ensure.

The foreign aid which was very promptly sent to Italy is testimony of an undoubted solidarity and a level of organization in keeping with the seriousness of the disaster. My colleagues in the Liberal Group have asked me particularly to put to the Council and the Commission their request that a study be undertaken to determine in general terms the feasibility of setting

up a European emergency relief body which could give assistance in such disasters as earthquakes, floods, oil slicks or large fires, which unfortunately occur frequently and with regularity: none of the countries of our Community is immune from such disasters.

It would appear that some villages were still without help two days after the first murderous tremor and that, if action had been possible much sooner, and if detectors had arrived more quickly, it would certainly have been possible to save some of the victims from the wreckage.

International solidarity was in evidence, particularly in the case of the Swiss, who are very well equipped for situations of this kind.

Unfortunately they arrived very late since they did not have the necessary facilities to get to the area. It should be possible to make such facilities available to other disaster-stricken areas, outside the Community.

On behalf not only of my own Group, but of all the Parliamentary groups, I wish to express satisfaction with the combined measures which have been taken on the initiative of our Assembly, and I would urge the Council and the Commission, which, I know, has already been active, to do everything possible to restore satisfactory living conditions in the area of Friuli.

**President.** — I call Mr Ortoli.

**Mr Ortoli, President of the Commission.** — (*F*) Mr President, I am gratified that the groups in your Parliament have today raised the matter of the assistance which can be provided following the tragedy which has struck one of the regions of the Community.

We, the Commission, proposed on the first day that an amount of 500 000 u.a., i.e. 150 million lire, be made available as a matter of urgency and placed at the disposal of the Italian government for the actions which it is undertaking. The Council accepted our proposal, and the necessary arrangements are being made.

Moreover, as you are aware, we have our centre at Ispra, not far from Friuli. Immediately, on the Friday, we placed at the disposal of the Italian government a group of doctors, nurses and firemen as well as transport facilities; the following day, after a collection had been made at Ispra, we dispatched two lorries loaded with emergency supplies, such as essential goods, fuel and medicine.

Finally, the day before yesterday, with the agreement of the prefecture of Udine, we sent a group of approximately thirty technicians of various trades, electricians, mechanics, civil engineers, who form an independent group, equipped with an electricity generator, a tanker lorry and various kinds of transport, so that we might be able to do something effective on the spot, using our own equipment.

## Ortoli

At Commission and Council level, a group which we have set up to deal with this matter is considering what else we could do in the spirit of the resolution which has been tabled before you today. What can the Social Fund do? What can the Regional Fund do? What can the EAGG Fund do? If necessary, could we import essential goods, exempting them from customs duties? There is a long list of things we could do. And, in order to be certain that the work is done properly we have set up a small standing group, responsible to my office, to evaluate the actions which the Community might consider undertaking.

*(Applause from the centre and the right)*

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

The resolution is adopted.<sup>1</sup>

## 6. Situation in Spain

**President.** — The next item is the interim report (Doc. 100/76), drawn up by Mr Faure on behalf of the Political Affairs Committee, on the situation in Spain.

I call Mr Faure.

**Mr Faure, rapporteur.** — *(F)* Mr President, on 25 September of last year our Assembly concluded a debate on this question and voted on a motion for a resolution.

Now, eight months later, we have reverted to the problem, two motions for a resolution having been laid upon the Table of our Parliament, one presented by Mr Alfred Bertrand on behalf of the Christian-Democratic Group and the other by Mr Amendola and Mr Ansart on behalf of the Communist and Allies Group.

There are two basic reasons why no one should be surprised that this problem is before us again today.

Firstly, there has been a constant stream of developments pertinent to the issue for 16 months and it is therefore quite natural that we should review them, and examine the situation as we see it today. The second reason derives from the fact that the Spanish government has made its attitude to the European Economic Community much clearer, especially during the visit to Rome a few weeks ago of the Minister of Foreign Affairs, Mr de Areilza. Mr Areilza expressed the hope that he would be able in a year's time to present Spain's official application for full membership of our Community.

Obviously, now that this possibility has been officially intimated, we shall have to pay closer attention to developments in Spain. It is evident, in fact, that the problem of Spain's accession and that of the internal evolution of the regime there are closely linked.

I do not intend to make a long statement on the historical background to the present situation in Spain. Nevertheless, it is appropriate to point out briefly that its political situation cannot be completely divorced from its economic and social situation. As we consider the problem of Spain on this occasion, it is going through a difficult economic period. The Spanish miracle, which began about 1959, is a reality — all those who have travelled through the country can bear witness to that and its volume of business activity is also evidence. However, while the miracle has been achieved, it is nonetheless fragile.

Inflation last year reached a rate of 17 % and is still continuing. The number of unemployed is 5 % of the working population. Moreover, the country has developed a serious disequilibrium in its balance of payments, so that last February's 11 % devaluation of the peseta will probably not be enough to solve the current problems. Criticisms along these lines have been levelled at the Minister of Finance, Mr Vilar. It is doubtless for that reason that, for the first time in recent years, Spain has had widespread strikes in support of wage claims.

No one has forgotten the large-scale strike by underground railway workers in Madrid at the beginning of the year, which was followed by a series of others in most of the major economic and social sectors of the country; public works, the civil service, banks, the hotel trade, the large industrial centres in Galicia, the Asturias, the Basque country or Catalonia all suffered widespread social unrest which reached a climax when, on 3 March last, after a demonstration of more than usual violence, 4 people died in Vittoria, as a result of which the peninsula's image has obviously not improved.

In the political field, it is necessary, even today, to make a basic distinction between the government and the opposition. However, it would not be correct to consider each of these two groupings as being entirely homogeneous, and a close look at the characteristics which distinguish the various shades of opinion represented in these two large groupings will doubtless enable us to form a relatively objective picture of the situation.

The majority, or rather I should say the government, it being impossible to speak of a majority or a minority since free elections have not yet taken place, is known to harbour two tendencies. The representatives of the Falange, a majority of the army, it appears, or at least of the high command, and an even larger section of the Church, more especially the upper echelons of the clergy, are what could be called hard liners, ultras who are opposed to the democratic evolution of the regime and would like to keep it precisely as it was when General Franco died. Sitting beside them in the same government are those who could be said to represent a more liberal tendency and who give their support to three of the most important Ministers, the Minister of

<sup>1</sup> OJ C 125 of 8. 6. 1976.

## Faure

the Interior, the Minister of Foreign Affairs and Mr Calvo Sotelo, the Minister of Commerce. It should also be noted that these three ministers do not have the same political background; two of them have already played an active part in General Franco's government, where they represented the Opus Dei persuasion, while Mr de Areilza was a member of the opposition legalized at the end of the Franco regime.

However, the Prime Minister, Mr Arias Navarro, does not always come down clearly on one side of the fence or the other, although his two most recent official speeches, on 28 January and 28 April, seemed relatively inflexible and met with fairly general approval only from the ultras; the reaction of the opposition was to intensify its criticism.

The opposition's main objection to Mr Arias Navarro's speech of 28 January was that he made no reference to the possibility of a general amnesty, but merely stated that the special courts would be abolished and the anti-terrorist law amended, which left the previous restrictive measures more or less intact. Finally, it objected to the extreme vagueness of his comments on the freedom of the press although, to be objective, this does not prevent a number of newspapers from opening their columns to the Spanish political debate and giving expression with relative de facto freedom to the many schools of political opinion.

The opposition was centred on two main currents of political thinking, the Democratic Junta, dominated by the Spanish Communist Party, and the Democratic Platform on which were represented the Spanish Workers' Socialist Party and the two Christian-Democratic groups of Gil Robles and of Jimenez. While it has long been divided between these two streams, it now seems that it is making a serious effort, as part of what has been called the 'Democratic Coordination', to regroup and establish closer links. However, it would be wrong to think that Spanish political life falls into exactly the same pattern as that of the other democratic countries of Western Europe. In Spain today there are no fewer than 240 parties or trade unions which are either more or less approved or prohibited, some of them being representative only of a region or even of a city. Clearly, before parliamentary elections are held which are based on universal suffrage and involve judgements on policy a radical rationalization of the political scene will be necessary to ensure that the major schools of opinion are able to give proper expression to their views.

There are some who say ironically of this fragmentation of the country's political spectrum that they are progressing gaily towards the figure of 300. I think it is to be hoped that the type of progress seen will be a return to larger political consensus. However, elections will be a restraining factor.

These parties, moreover, although in opposition and refused recognition, met more or less officially in

Madrid itself, the one absentee being the Communist Party, to which I shall refer later. Also, the Spanish Workers' Socialist Party held a public press conference in the capital on 16 January at which representative of the Socialist International were present, some of whom are members of our Assembly.

With regard to the Christian-Democratic Party, it held a constituent congress on 29 January, attended by representative of that movement from other Western European countries, some of whom are also members of this Assembly. They would therefore be in a better position to speak about the congress than I am.

The fact remains, however, that on 17 March these two main streams, the Democratic Junta and the Democratic Platform, initiated a movement aimed not at a complete merger but at least at a confederation and this provoked the government to a rather vigorous and rather hostile reaction. It was in fact on 29 March, that is to say a few days later, that the leader of the workers' committees, Mr Marcellino Camacho, was again arrested. Finally, there have been some signs of restlessness in the army itself and some liberal officers have come together in a group calling itself the 'Democratic Military Union' in order, so it seems, to demonstrate that the army does not, in its entirety, support the ultra and phalangist groups.

Today, the political debate is centred particularly on the question of institutions. The legal framework of life in Spain today is still as it was when Franco died. It is quite clear, however, that the great majority in Spain feel that this de facto situation cannot be regarded as permanent and that Spain too must begin to move towards a form of democracy in which a written constitution would provide minimum safeguards for basic freedoms.

Nevertheless, this evolution will not be all plain sailing. We must be quite clear about this. We must hope that there will be steady peaceful progress towards a democracy as we understand the term in the West.

No one would wish on Spain a renewal of the trouble and tragedy which it experienced 40 years ago, but to which it seems by its nature to be prone, since its history in the nineteenth century is scarred by a number of civil wars.

We must therefore express the fervent hope that at least the opposition and the liberal elements of the majority may find common ground and ensure that the country progresses briskly but cautiously towards real democracy.

It must be admitted that at present we are in mid-stream and the best informed observers of the situation in Spain take the view that anything can happen, either continued evolution along the favourable lines I have just referred to or retrogression to a more repressive system more in keeping with the recent past. Not a day passes without word of the threat of resignation

**Faure**

of a Minister or even of the Prime Minister himself, which is evidence of the intensity of the struggle even within the ranks of the Government.

In situations of this kind, government is often left to the senior civil servants. It could undoubtedly be argued at present that, to a certain extent, events are taking place against a rather contradictory background of anarchy and repression.

The King's prestige would doubtless have been better safeguarded if he had remained aloof from the conflict and it is also true that people have not yet forgotten the serious political unrest which followed the promotion of Mr Fernandez Miranda to the position of President of the Cortes, a move which he had more or less imposed and which left its mark in Spanish political life.

In his latest speech, the Prime Minister laid his cards on the table and announced a precise timetable: in the autumn, a referendum on the question of the monarchy, although it is not presented as such. Some precise questions will of course be put to the Spanish people in a referendum, such as, for example, the age at which the pretender can come to the throne, the membership of the Regency Council, etc., but, let us make no mistake about it, those who are organizing this referendum see it as an opportunity to try to have the monarchy legitimized by a democratic progress.

It is indeed a matter for congratulation that the Spanish people are to be asked to express their views on their own institutions by universal suffrage. Towards the end of the year, if the timetable is respected, local authority elections will take place. In the Spring of next year, general elections for the legislature will be held to enable a popular assembly to be constituted.

At this point in my brief statement it is time for a comment. What will the Spanish Parliament be like? What will its structure and its powers be? At present, we have only unofficial information but what we have is somewhat disturbing. It seems that there will indeed be a popular assembly elected by universal suffrage, but it will in some way be subordinated to a Senate which would be more or less designated indirectly or co-opted or appointed by the Sovereign, and would play the part of an enlarged Council of the kingdom, with something like a veto on the legislative power of the popular assembly.

If this were to be the case — I will treat it as a hypothesis, since the subject is too delicate for us to make assertions which cannot yet be verified — such a Parliament would not measure up to the democratic standards which we in the countries of Western Europe set for ourselves.

Let us not forget that there is also the risk of the situation deteriorating as a result of a hardening of attitudes among the ultras. What happened in Navarre scarcely three days ago already speaks volumes, but, in

Madrid, not a day passes without some sign of this hardening, and this clearly may place more obstacles in the path of the peaceful progress which we wish to see towards a real democracy.

In these matters to which I have just referred, Mr President, there are obviously many contradictions and uncertainties, many areas of light and shade.

How, in fact, could it be otherwise? Your Political Affairs Committee, after a long and detailed debate, has reached the stage of voting on the motion for a resolution, for which I am the rapporteur. While it does not fully reflect my own views on the situation, I shall have no conscientious objection to voting for it. I am supporting it on behalf of the Committee, which adopted it unanimously, with two abstentions. I should make it clear that our Communist Party colleagues on the Committee were not present when the vote was taken at a late hour and are therefore in no way bound by the wording of the text in question.

There was relatively little controversy about the general principles embodied in the text. There is, however, one point which is not a general principle, that in which we affirm our hope that the situation in Spain will as soon as possible be such as to satisfy the conditions which we see as a prerequisite for accession. Once these conditions have been satisfied, we will welcome Spain with open arms. We feel that Spain's place would naturally be assured among us in Europe by virtue of its many assets, its geographical position, its historical and cultural heritage, the many links which reach out from the peninsula to Latin America and also by virtue of the great role it has played in the past, which at a given time was so important as to make it a beacon in the history of the world, particularly in the seventeenth century.

I do not think that there will be any obstacle to your agreement on this point.

The point which gave rise to most discussion was in paragraph 1, which calls for the legalization of all political parties without delay. Clearly, if the elections next spring took place in an atmosphere of repression, and if all political parties were not free to take part in them with the same rights and the same obligations, the views of the electorate would inevitably be misrepresented.

The wording 'all' political parties is obviously intended to include the Spanish Communist Party. Indeed, the present Government hopes — a hope, moreover, which is expressed all too openly — to enlarge the scope of Spanish democracy to include the socialists and to exclude from it only the communists.

It is only too obvious that any attempt of this kind is inevitably doomed to failure, for two reasons. The first is that one can never impose one's own limits on democracy and freedom; one cannot restrict them artificially within frontiers which, politically, would be to one's advantage.

**Faure**

The second reason is that the legal existence of Communist parties is a characteristic which is common to our Western democracies, and in the nine countries of our Community the Communist parties are recognized as lawful organizations.

Those who accept that point of view are not necessarily supporters of the Communist party; they may enter into an alliance with it or oppose it. It means rather that in their view Western democracy as we know it today is incompatible with the outlawing of the Communist party. In any case, to deny the existence of a party which is said to represent 15 to 18 % of Spanish public opinion would perhaps be to the advantage of that party since such a denial would fly in the face of the facts and be used as a weapon against those responsible for it.

I should therefore say that the Committee debated this issue and that the debate was naturally a very lively one, but that a very large majority was in favour of maintaining the expression 'all political parties'.

The other point which gave rise to some discussion was the reference in paragraph 4 to the support of the peoples of the Community for all those in Spain who are striving for a pluralist, independent and free democracy. I gladly allow that this is not merely a reference to the opposition. It does of course relate to the opposition, whom we encourage in their struggle, but also to all those, wherever they are, who are working for a democracy such as we have just defined it and not for a limited democracy which would not satisfy even the minimum criteria.

Mr President, I think that I have covered the points which need comment at present, and I have attempted to relate the report as far as possible to recent developments. I look forward to hearing the debate which is about to begin and which I will follow attentively. I should also like to say that I am sure that it is not the last debate we shall have on this topic and that we shall have the opportunity to discuss this question again, but it is evident that our Assembly must keep a close watch on the situation.

Our Community has such an interest in the evolution of Spain, in its present and its future, that we have a right to give voice to our hopes and proclaim our attachment to the democracy which we hope to see win the day. Spain will always be able to count on our support and on our sympathy when it needs them in the efforts that it is now undertaking in that direction.

*(Applause)*

**President.** — I call on Mr Fellermaier on behalf of the Socialist Group.

**Fellermaier.** — *(D)* Mr President, ladies and gentlemen, Mr Faure's long experience in the field of foreign affairs is evident from the carefully worded

speech which we have just heard. The report which he has presented on behalf of the Political Affairs Committee will have the unqualified support of my Group.

The system which operates in Spain today is of the stick and carrot variety. The Spanish trade union movement is permitted to organize a Congress and foreign trade union leaders, headed by the President of the European Trade Union Confederation, Mr Vetter, are allowed into the country to attend it, but before they are allowed in the General Secretary of the Spanish Confederation of Trade Unions is asked to hand over to the political police the list of delegates to the Congress. It says much for the courage of these trade union leaders that they rejected that demand.

Permission is indeed granted to the Spanish Socialist Workers' Party, to hold a commemorative meeting at the grave of its founder, Pablo Iglesias, on 1 May, but at the same time, on the eve of 1 May some hundreds of people are simply thrown into prison as a safety measure.

Spanish journalists enjoy a relative degree of freedom in their reports on events in Europe, including those in the European Parliament, but at the same time a recent book by a Spanish university professor on developments in the national economy is censored; he is required to remove some pages because they displease the Spanish censor.

The Democratic Junta and the Democratic Platform are allowed to form a democratic opposition, but, at the same time, four of the signatories — Doronoro, Aguado, Camacho and Trevijano have been kept in detention for weeks without being informed of the charges against them.

It is a stick and carrot system for another reason, because the government of the country — and diplomats in Madrid corroborate this view — is itself in a difficult crisis, with a conflict between the forces of reform which have gathered around the Foreign Minister Areilza and those forces in the country, the ultra-conservatives, which will fight tooth and nail to defend Franco's heritage.

On 20 April — and this shows how close to current events our debate is — the Spanish Prime Minister, in a televised speech, delivered a government statement incorporating a series of announcements. I have had the opportunity in the past week to discuss that speech with all the opposition parties in Madrid and I can tell you that all the forces participating in the 'Democratic Coordination' are unanimously of the opinion that all democrats in Spain must be infinitely disappointed with the proposals put forward by the Prime Minister against a background of sham democratic legality.

The parties with whose representatives I have been able to speak in the past week were the Popular Chris-

**Fellermaier**

tian-Democratic Party, the Popular Socialist Party, the Group of Independents, the Carlist Party, the Communist Movement, the Liberal Party, the Union of Socialist Trade Unions, the Workers' Committee, the Spanish Communist Party and the Spanish Socialist Party. They are all members of the 'Democratic Coordination'. They all share the same view without reservation: anyone who analyses the speech by Areilza to assess the possibility of democratic government in Spain in the near future will be far from reassured. Areilza expects all the draft legislation for the process of political reform to be completed by 15 May and the election law to be ready by 15 July. But I ask you, ladies and gentlemen, what kind of an election is it when 300 representatives are to be elected to a Congress and when, at the same time, there is a Senate appointed by the King and the Prime Minister gives not the slightest indication as to the constitutional powers of the two chambers nor the slightest indication whether a Parliament elected directly by the people would have the right to appoint the Prime Minister and conversely the right to dismiss him by a majority vote, as is normal in a parliamentary democracy. Not the slightest indication!

Nor is there the slightest hint that free trade unions will be allowed. On the other hand, there is the announcement by the Prime Minister that the Government has asked the Union of Employees and Employers — that statutory organization which always makes a German think of the *Arbeitsfront* in Hitler's time — to present proposals for the reorganization of the Union. That is just as if I were to ask someone who had build a house to consider how he could demolish it brick by brick. The statement made by the 'Democratic Coordination' — to which all the parties I have just mentioned belong — in a public appeal to the Spanish people is therefore understandable and I should like, with the President's approval, to quote from it:

The Democratic Coordination is opposed to the continuation of a regime which denies the democratic freedoms of all citizens either in a specific provision based on constitutional law or in any other governmental or administrative provision which is imposed on the people without prior consultation.

This is the crux of the matter. A referendum has been announced. It might be thought that in doing so the Spanish Government was acceding to one of the demands of the 'Democratic Coordination'. But how will the question be worded which the people will have to answer in the referendum of 15 October? The question will surely not be a republic or a king? No, the question will relate to the form of succession which should be desirable in a kingdom. I feel that it is not our business to decide whether Spain should be ruled by a king or a president. That is something for the Spanish people to decide. However, inextricably linked with it is the question whether a monarchy

means a continuation of the Franco regime or can also, as in other European countries, mean parliamentary democracy.

It is our right and our duty to ask this question because we wish to leave the way open for a democratic Spain.

*(Applause from the left.)*

This statement of the 'Democratic Coordination' continues:

We in the Democratic Coordination demand the immediate release of every political prisoner and every arrested trade unionist, the return of those living in exile and an amnesty which would restore the rights of those who have been deprived of them for political reasons or because of trade union activity.

I should like to thank Mr Faure for the fact that the Political Affairs Committee incorporated this formula in its second paragraph, in which it states that all political prisoners should be included in the amnesty and that those in exile should be permitted to return freely to their native country.

The 'Democratic Coordination' also refers to:

... the full and immediate recognition of the freedom of trade unions and the abolition of the present State trade union.

Can you seriously imagine that we would enter into negotiations with Spain to arrange Spain's admission to the Common Market or Spain's association with the Common Market if there are no free trade unions in that country? I am speaking here on behalf of the European Socialists: for us, free trade unions are a basic and inalienable right. Our attitude to Spain will always depend on the recognition of that right.

Mr President, I believe that this Parliament would be well advised to give Spain's democratic opposition the opportunity to explain at a public hearing of the Political Affairs Committee the manner in which it intends to achieve parliamentary democracy since, in a regime of repression, censorship and political police supervision, not everyone has the facilities for broadcasting his message which are always available to the Spanish Prime Minister in the form of television. I think that this Parliament should afford the Spanish Christian Democrats, the Spanish Socialists, the Spanish Liberals, the Spanish Communists and the Spanish Carlists, the opportunity to be heard with equal rights in a democratic forum; in this way we would become their intermediary and would enable them to broadcast their views to the Spanish people.

Therefore I think that, as democrats concerned about other democrats, we should jointly issue an invitation as soon as possible through the Political Affairs Committee to the Spanish opposition, to ensure that its voice is heard in Europe. That is what my Group is calling for and it is my wish and my hope that all other Groups will support us in this.

*(Applause)*

## IN THE CHAIR : MR BORDU

*Vice-President*

**President.** — I call Mr Bertrand, chairman of the Christian-Democratic Group.

**Mr Alfred Bertrand.** — (NL) Mr President, on behalf of the Christian-Democratic Group I should like to thank Mr Faure for all his great exertions and for the open-mindedness he has shown in presenting a resolution which was adopted unanimously, albeit with two abstentions, by all Groups represented at the meeting of the Political Affairs Committee. The resolution expresses Parliament's concern, a concern now voiced again with the necessary emphasis on certain points, by the spokesman for the Socialist Group. I would also like to thank the rapporteur for his very clear analysis of the situation in Spain. Spain is a natural candidate for membership of the European Community, which would thus achieve a realistic enlargement. But it can only join the Community if it meets the important conditions we lay down: it must be a democratic country, with a democratically elected parliament, where the representatives of the people and the organized sectors of economic, social, cultural and political life play a democratic part.

Mr Faure demonstrated this in a very clear and unmistakable way. As rapporteur for the Political Affairs Committee he described the situation in Spain. Mr Fellermaier did the same as spokesman for the Socialist Group. Our own Group is of the opinion that the distinctive feature of the situation in Spain is the sense of insecurity among both government and opposition. In fact, both sides are convinced that in the coming months the country will have to pass through the normal stages of evolution towards a new democratic regime so as to create an evolutionary movement which outlaws the use of force.

I believe that the entire Spanish people fervently hope that the transition from the current dictatorial regime to a democratic one will be achieved without bloodshed or the use of force. They have learnt a lesson from their neighbour Portugal, which passed through a very arduous and difficult period before arriving at the present healthy evolutionary situation as shown by the result of the recent elections. I believe the Spaniards want to promote developments in their own country which would prevent a break between government and opposition, a break which would militate against a sound development.

I believe that the government and opposition intend doing all they can to prevent right-wing and left-wing elements from finding arguments for the use of force or for taking to the streets, which could halt for a long time any real progress towards a democratic regime in Spain. We Christian Democrats share this concern to

the full and also believe that we should support all groups in Spain now trying to promote a democratic regime, and that they should feel we are behind them.

I think I can best describe the attitude of the Christian Democrats in the European Parliament towards the current political situation in Spain, as created by the Prime Minister's latest declaration on 28 April last, by reading out the resolution which the Spanish Christian Democrats drew up in Madrid on 4 and 5 May in order to define their attitude to the current political situation in Spain. We, the Christian Democrats in the European Parliament wholeheartedly support the text of this resolution. It also reflects the spirit in which we unanimously support the motion for a resolution, while rejecting, of course, the amendment tabled on behalf of the Communist and Allies Group to delete the third indent of the preamble.

I would like to take the opportunity of saying a few words about this. So long as the Berlin wall is being strengthened instead of dismantled, we Christian Democrats do not want any lessons from the Communists on the future progress of democracy, despite the Helsinki agreements. Thus we also reject this amendment by the Communist Group. I would now like to say what our position is with regard to the situation in Spain. We are in complete agreement with what the Spanish Christian Democrats laid down in the resolution they passed in Madrid on 4 and 5 May:

The political parties grouped together in the Spanish Christian-Democratic Alliance (PVN, UDC, UDPC, FPD and ID), meeting in Madrid, conscious of their duty to contribute to opening up a peaceful way out of the existing tensions and confrontations, have made an objective analysis of the current grave political situation.

They repeat their conviction that there is an urgent need to open the way to the democratic alternative aspired to by the vast majority of people of all parts of the country both with regard to the legal institutions and social and industrial relations.

They propose, as an indispensable matter of urgency, the calling of free general elections, in which all persons shall participate equally without any discrimination whatever.

They demand that the following measures be taken in order to guarantee the objectivity and impartiality of the democratic process:

- a) Promulgation of a decree to call and regulate these general elections on the basis of universal direct suffrage by secret ballot for all adult citizens over 18 years of age;
- b) Repeal of the legislation of 1936 and 1939 banning the then existing political parties or any other similar organizations, together with the reform of those articles of the Penal Code which relate to these prohibitory measures and any other similar provisions;
- c) Effective recognition of the fundamental rights of free expression, and of holding meetings and demonstrations;

**Alfred Bertrand**

d) Organization, if necessary, of a referendum, with full guarantees for the free participation of all persons, in which the question on which the people are asked to decide is confined to a recommendation to the Head of State to hold the general elections demanded in this referendum within six months at the latest.

They reject any other formula for a referendum on popular vote which does not meet the conditions for democratic authenticity set out above.

Finally, they appeal to all sectors of society and to the authorities to avoid violent situations and to work to establish the true democratic system which Spain needs.

It is in this sense, in accordance with the attitude of our Spanish Christian-Democratic friends, that we intend to support this resolution.

*(Applause)*

**President.** — I call Mr Durieux, chairman of the Liberal and Allies Group.

**Mr Durieux.** — *(F)* Mr President, dear colleagues, first of all I should like to congratulate our rapporteur, Mr Maurice Faure, on the quality of his report and the balanced view it presents. I can claim some knowledge of the subject, since I too have just returned from an official visit to Spain, in the course of which I was able to meet the most progressive members of the government, as well as the main opposition leaders, who have already been referred to and of course representatives of all the Liberal groups.

We made a personal request to the Head of State for the liberation of all political prisoners, starting with those recently detained after the 'co-ordination' of opposition political forces which was decided on at the end of March. I am pleased to hear that in the last few days the release of further prisoners has been announced.

Like the rapporteur, we believe that a process of democratization is beginning, albeit still very timidly. How could it be otherwise after forty years of the Franco regime? The electoral reform is thus not entirely satisfactory with as regards the timetable — we expected the referendum this summer and it is to be held in the autumn — or as regards its real political significance, in view of the fact that not all political parties will be able to take part. It seems to us that this is both an ethical and a strategic error, since Communism cannot be combated by anathematizing it, and here I should like to point out, for the benefit of the international press, that personally I would rather have a legalized Communist party than a clandestine one which could claim to be more than it really represented and become the party of martyrdom.

For the sake of greater clarity, let me recall the position of the Liberal groups in Spain. They maintain that the Communists must be granted full electoral rights and with this in view they have set up a joint organization, namely the 'Democratic Coordination',

as mentioned by both the rapporteur and the other speakers. However, they are anxious to point out that this does not represent an electoral agreement, but merely the democratic process as we know it in the countries of the Community. And I would emphasize that the Spanish Liberals have no intention whatever of making common cause with the Communists in the forthcoming elections.

Mr Faure has rightly stressed the need for establishing trade-union freedom concurrently with political freedom, for at present we are faced with a dichotomy between the official Spanish trade unions, under government auspices and the mass of workers who take their orders from unofficial or clandestine trade union organizations. This is the situation behind incidents such as those in Vittoria. Strikers can only meet in churches. Consequently we are still a very long way from a real pluralist democracy. There are still special courts, and while recognition is being granted to political parties the process is still not complete.

During the visit to Spain by the delegation of Liberal and Allies our contacts expressed a fear that constitutional reform would obscure the danger of the Cortes surviving without really changing at all. That does not appear to be altogether likely, however.

The latest reports seem reassuring: alongside a Chamber of Deputies entirely elected by direct universal suffrage, it is proposed to create a Senate in which members nominated on a corporate basis by the King would sit together with representatives of the political parties and regional delegations.

With regard to Spain's economic situation, I ought to point out that it does not appear to be any more serious than that of the Community countries, despite the fact that over the past fifteen years Spain has achieved a quite extraordinary rate of expansion.

It should, none the less, be stressed that Spain is in a special political situation. At the moment 800 000 people, or 6 % of the working population, are unemployed — figures which, alas, are similar to those in all the countries of the Community. The balance of payments deficit in 1975 was \$ 3 400 million. I could also quote the rate of inflation, the decline in investment, and so on.

In short, we think it essential that there should be a genuine leap forward, consisting of the recognition of all political parties, a charter of basic human rights and a genuine institutional reform, as mentioned just now by Mr Bertrand on behalf of the Christian Democratic parties, with members of which I was also able to have meetings in Spain, we can find a basis for supporting the motion.

There are in Spain political parties, individuals, even a government, or part of the government, as our rapporteur reminded us just now, with a profound desire for social, political and institutional reform. Will they have the strength to achieve all that in the near future? We hope so.



**Durieux**

The conclusion is that we hope Spain will be able to join the Community after she has developed a genuinely democratic form of government. We have found that this hope is shared everywhere in the Iberian peninsula. The Community is the object of great expectations: in the eyes of the Spaniards our institutions represent the model of democracy to be imitated or emulated, both in the field of economic integration and in that of political union.

The European Parliament exerts a particular fascination on a country which for the past forty years has had no real parliamentary representation at national level.

This explains the proposal to the effect that if democracy were fully re-established, Spanish representatives could quickly be admitted to the European Parliament without reference to the discussions on economic adjustments, i.e. without reference to the transitional period which would delay establishment of the political link. This is perhaps a naive proposal, but it does at any rate demonstrate how great the interest is.

Meanwhile, the Council of Europe could perhaps provide a suitable proving ground, on condition, however, that the elections planned for the end of the year are satisfactory in all respects. Let us hope that this wish will be fulfilled with all speed and that an important step forward will be taken with this autumn's referendum, which will, I think, be the starting point for the democratic process, and which is to be followed immediately next spring by the first free elections after forty years of the Franco regime.

*(Applause)*

**President.** — I call Mr de la Malène, chairman of the Group of Progressive European Democrats.

**Mr de la Malène.** — *(F)* Mr President, I have a few comments to make on the motion for a resolution put before us by the Political Affairs Committee, for which my group intends to vote.

First of all I should like to say that my group has always stood out to some extent in making clear its desire to see Spain join our Community as quickly as possible, convinced as we are that Europe would not be complete without Spain.

Right from the start we were vigorous supporters of association; we maintained vigorously, and there were not always many who shared this view, that the association should be developed. It is true that at that time there were still two prevailing theories, and perhaps they continue to hold good here and there today: one theory was that in order to make the Spanish regime more democratic it must be isolated, while the opposite theory was that in order to further the process of democratization the regime should be helped to develop, at least in the economic field.

We were in favour of the second theory — we made no secret of the fact — and we are convinced that asso-

ciation and the efforts made to establish contacts with Spain contributed, even if only in the economic field, to the developments which are beginning to take place in Spain today. That is my first point.

My second point is that in my Group we observe the principle of minimum interference in the internal affairs of other countries; this does not mean that we refrain from making our own moral judgements — that is our business and we do so — but we believe that in international relations one must, for a number of obvious reasons, avoid getting involved in the internal affairs of others and leave them to choose their destiny for themselves.

We see a number of advantages in this rule of conduct: firstly it ensures that there will be a minimum degree of order and consistency in international politics; it gets rid of much of the hypocrisy which lurks here and there behind motions and speeches, and it also sometimes eliminates a certain number of difficulties. We have had an example here today: a member of this Assembly protested against the welcome given to a foreign Head of State, a member of another Group defended it, and yet these two groups are political neighbours. If they observed the same intellectual discipline with regard to the internal affairs of other countries as we do, they would not have had this problem. Besides, once one gets involved in moral judgements on the internal affairs of other nations, one cannot pronounce them in one-sided fashion but must constantly keep in mind what is going on to the north, south, east and west, because if it is always directed the same way — and that is what is often to be seen in this Assembly — a moral judgement loses a considerable part of its force.

To be sure, my comment on the principle of not interfering in the affairs of others declines in validity, and will in future have to be modified, as far as Spain is concerned, not because Spain is nearby but because it wants to join the European Community and we want it to join.

My third point concerns the futility of this sort of condemnation or value judgement. In the past, experience has shown that admonishments are not always well received but often have the opposite effect and are turned against those who gave them. We are therefore not convinced that it is always useful to issue them.

Fourthly: we are not sure that we are competent to judge *ex cathedra*, as I have seen certain people doing, what changes need to be made in Spain's internal politics.

Of course, we want there to be changes in the internal political situation in Spain and we hope that the Spanish regime will move towards a greater degree of democracy, but it is not our view that we are in any way competent to assess the speed at which these changes ought to be made: this is a matter for the

## de la Malène

Spanish people and its leaders. We welcome the good faith of the King of Spain, who is trying, amid enormous difficulties, to lead his country away from 40 years of dictatorship towards democracy. But we do not allow ourselves, from the outside, either here or elsewhere, to give him facile and to a large extent futile advice.

One final point: in our view a sort of constant harassment of Spain would also be somewhat futile. We are not here to give vent to the constant expression of the feelings of the universal conscience. A lot could be said on the manner in which such feelings are expressed.

We think that while it is a good thing for our Parliament to take an interest in the problems of neighbouring countries wishing to join the Community, it cannot incessantly pass repetitions judgements, exert pressure and make criticisms. I said just now that I thought this would be harmful; I say now that it would be somewhat ridiculous. Consequently, although we are willing today to support the motion for a resolution proposed by the Political Affairs Committee, we do not want this sort of thing to become too frequent.

As to the motion itself, if we had drawn it up ourselves we would definitely not have used the present phraseology. But there it is. We do not want to submit amendments, as that would divert attention from the original purpose of this debate. Thus, with the reservations implied by what I have just said, my Group will vote for the motion.

*(Applause)*

**President.** — The proceedings will now be suspended until 3.00 p.m.

The House will rise.

*(The sitting was suspended at 1.05 p.m. and resumed at 3.10 p.m.)*

## IN THE CHAIR: MR SPÉNALE

*President*

**President.** — The sitting is resumed.

I call Mr Normanton on a question of procedure.

**Mr Normanton.** — I wish to make a statement before the House proceeds with the business of the day, and I am grateful to you, Mr President, for giving me this opportunity.

When the matter was raised this morning, I had only just received the record of the debate for Tuesday 11 May. I had not had an opportunity to study the official report of my speech to the House. Having now studied it most carefully, I realize that in the heat of the debate I did use the words which appear in the 'rainbow edition', and I wish to withdraw unreservedly any imputation on the honour or the integrity

of either Mr John Prescott or any other honourable Member of the House which might be read into that statement. In the transcript of the sentence appears the word 'them'. This was intended to refer to the Communist Party.

**President.** — Mr Normanton, I note your statement and the fact that the minutes of proceedings of yesterday's sitting must be read in the light of what you have just said. I also ask Parliament to take official note of it.

We shall now resume the debate on Mr Faure's report.

I call Sir Peter Kirk, chairman of the European Conservative Group.

**Sir Peter Kirk.** — I do not think that anyone can deny that the circumstances under which we debate the Spanish problem have changed very considerably since the last occasion when we took up this very painful matter in the autumn of last year. We were concerned then with the imminent execution of a number of Spanish political prisoners, and we took such action as we thought would be suitable and relevant at the time in the attempt to prevent those executions taking place. We failed in that attempt, and most of us knew in our hearts that we probably would. Most of us knew in our hearts at that stage that there was unlikely to be any major change in the situation inside Spain so long as the then dictator of Spain, General Franco, was alive.

Now he is dead. I speak no ill of the dead. His service in the cause, as he saw it, of Spain will be judged by history. We are too close to it to try to judge it here in this Parliament today. The only judgment we can bring to bear upon it — as Mr Faure in a brilliant and balanced exposé this morning indicated — is that his disappearance after over 30 years of dictatorship has created a wholly new situation. It is that wholly new situation what we have to deal with within the Community and Parliament, not just today but over the months and years that lie ahead.

Our interest in Spain is not just the dispassionate interest that all democrats must have in the situation of any country anywhere. Our interest in Spain is an interest in a country of long European tradition and association, a country which, as we all know, aspires some day to be a member of this Community. It is that interest, as Mr Fellermaier rightly pointed out this morning, that we should have first in our minds.

It is not for us as a Parliament to lay down the detailed conditions under which Spain might be a member of the Community. That is a matter for the Council when it draws up its negotiating brief and for the Commission when it carries out that negotiating brief in its dealings with the Spaniards. Although I hope, under a procedure which I hope to recommend to the House fairly soon, that we shall have a say in the course of developments, the detailed conditions of Spain's admission to the Community are not today

**Kirk**

matters that concern us. But the broad outlines of such an admission do concern us — the broad outlines of the type of society and the type of nation we can admit to this Community. We all know that, whatever its weaknesses and faults, the European Community has one, perhaps almost shining, virtue. It is a democratic community and can consist only of democratic countries. That is our concern today, and it is on that that, rightly, Mr Faure has concentrated our attention and on that that we must concentrate our attention today.

That does not, and cannot, mean that we can lay down a declaration of human rights for the people of Spain and impose it upon them from outside. That is not our function. But we can say that it is in this area that the qualifications for membership of this club rest, and it is by this as much as by any economic or other political touchstone that we must judge the progress that Spain is making.

The first thing we have to recognize is that the Spaniards and the present Spanish Government recognize this themselves. They, or the more sensible members of the present Spanish Administration, are particularly well aware that there are certain minimum conditions which this Community must insist upon in the case of Spain. Because the present Spanish Government, from all the statements that their Foreign Minister has made in his various visits throughout the Community, are well aware of this fact, they, too, share with us the same ultimate objective. I believe this to be true. The trouble is that they are required to achieve the most difficult operation that a country can achieve: that is, the return from dictatorship to democracy without violence.

We have seen — happily, I could say — what has happened in Portugal over the last two years. There, such a return appears to be taking place, although there were times — and I recall debates in this Chamber over the last two years — when many of us were extremely worried whether the Portuguese would be able to achieve this transformation. He would be a brave man who stood in this House today and said that they had achieved it even at this moment and that the danger of intervention against democracy from either the extreme Right or the extreme Left was dead in Portugal today. I do not believe that, and I do not believe that there is one Member of this House who believes it.

In Spain, a country which, I think it is fair to say, is far more volatile and far more prone to violent response to the implications of change, the danger must be that much greater than it was in Portugal. This does not mean that we cannot expect from the Spanish people and the Spanish Government a steady, evolving process towards the type of democracy that we understand in this Community. I think it means too, however, that we have to show Spain the same understanding as for two years we showed Portugal

after the revolution in that country. We did not ask too much too quickly of the Portuguese. We cannot ask too much too quickly of Spain. We can say, 'Unless certain things are done, you cannot be members of our Community.' That is within our rights and we should say it. I would say it and my group would say it with the rest of us. I do not, however, think we can say, 'You must do this today, tomorrow or the day after', knowing the problems that they have.

Mr Faure, in one of the most penetrating remarks of a very penetrating speech, pointed out, as was pointed out in the discussions in the Political Committee, that the Spanish Government themselves are split between those who wish to make progress at great speed and those who wish, frankly, to make no progress at all, and that in those circumstances inevitably the power of the bureaucracy and the power of the other established organizations like the army and the police is bound to be strengthened. Any machinery of government tends to protect itself, and any machinery of government which has been entrenched, as it has been in Spain, for 37 years is bound to have a strong endurance factor, if I may put it like that.

We have therefore, I think, to look first at the Spanish aims. We know that there are people within the Spanish Government and within the Spanish machine who want no change at all, who want things to carry on as they did under the Caudillo and who do not wish to see any development or emergence whatever. We know that there are those at the extreme opposite end who want immediate and possibly violent change as soon as they can get it. We know that there are those at the extreme opposite end who want immediate and possibly violent change as soon as they can get it. We know, I think, too, that there is a vast mass of people in the middle, including two of the foremost members of the present Spanish Government, who want change, who are working to see change but who want change to be non-violent and evolutionary, even though they realize that this will defer certain other hopes that they have, including membership of this Community.

I believe — and this is the thesis that I wish to put before the House today — that our interests as a Community lie with that third group and not with either of the other two. I believe that it is in our interests, as a body looking forward to the day when Spain can take her place among the free democratic nations of the world — which she cannot, unfortunately, do today — to encourage those who wish to achieve this extraordinarily difficult development in the best way they can. Thus we have to judge everything we say and everything we do by that criterion.

It is, of course, inevitable that there will be members of this House and of the general public who will be suspicious and who will say, 'How can we say that anybody who was associated in any way with the régime which existed while General Franco was alive

**Kirk**

can possibly have genuine democratic aspirations? Nevertheless, many of us who have been in Spain and who have talked to those who are there know that this is so. They know that the change brought about by the disappearance of General Franco has been a profound one and that the yearning for a movement towards a pluralistic democracy is not confined to those whom Mr Fellermaier described this morning as the 'democratic opposition'. There are democratic elements in the Spanish Government as well. Those democratic elements are in contact with the opposition and with democratic elements outside Spain. They can be of assistance both to the Spanish people and to us in the achievement of our joint aims.

It is in that light that my group judges this motion for a resolution. It is in that light that we wish to see the attitude of the Community towards Spain and the attitude of Spain herself towards her emerging problems. It is in that light that I hope that Parliament will accept the resolution.

Mr Faure, as rapporteur, generously said that naturally he accepted the text put forward by the Political Affairs Committee, even though, had he been acting purely personally and not as rapporteur, he would not have drawn it up in exactly the same way.

I believe that my position and that of my group is exactly the same: if we had been drawing up this text, we would not necessarily have drawn it up in these precise words, and I believe that attitude will be taken by almost every Member in this House. After all, there are times when a compromise becomes inevitable. Having said that, and having said that I cannot bind either the members of my group or myself to the precise form of words before the Assembly, it seems to me that the resolution is probably the best we are likely to have.

I wish to raise two points of detail to which the rapporteur might consider it worth while referring in his reply.

The first is purely linguistic. The English text in paragraph 1 says that the European Parliament

Considers it essential for individual, political and trade-union freedom to be restored and, in particular, for the existence of all political parties to be legalized without delay.

The phrase 'without delay' in English means 'today' or 'tomorrow'. I am told that the original French text of Mr Faure uses the word '*rapidement*', which would be better translated in English as 'rapidly' or 'quickly'. I prefer the French version. It is illogical to expect that such an occurrence could happen today or tomorrow. I hope that it might happen rapidly. I hope that it will happen before the elections are due to take place next spring, but in my view the text now before us in English demands too much. Although this is a translation question, it is one which might be of some importance.

The second thing we have to consider — I am not putting forward any amendment on this; it will not affect the way in which I shall personally vote on the resolution — is the other part of paragraph 1 as a whole, the question of political parties. I happen to agree with it. I think that all political parties should be legalized, even though some of my Socialist and Communist colleagues in this House might perhaps not have fully appreciated the implications of that, which are that the Falangists will presumably be able to compete on the same terms in the elections as anyone else, which may or may not be a good thing.

The point I wish to make is a slightly more general one, however. This is clearly included in the resolution because it is regarded by the Political Affairs Committee — I regret that I was not able to be present at the meeting of the Political Affairs Committee where this was accepted — as a *sine qua non* of Spanish membership of the Community.

I think it is fair to point out that in the existence of this Community we have had Member States — admittedly not in recent years — which had within their laws provisions banning political parties. It is not a *sine qua non* of membership of this Community that political parties cannot be banned. I do not think that it could be. I think that it would be difficult, for instance, if I may cite a case very near to home, if we were required to ensure that the Irish Republican Army had throughout the whole of the United Kingdom and the Republic of Ireland the rights of a political party and that this was a *sine qua non* of membership of this Community.

What I think this means — and it is in this sense that I interpret it and, therefore, in this sense that I shall vote for the resolution — is that the rule of law must prevail when deciding whether political parties are to be banned. In other words, it cannot be just by an arbitrary act of government. It must be something that is brought within the procedures of the courts and within the procedures of law. That, it seems to me, is what we are trying to get at here, because it is not only the United Kingdom or the Republic of Ireland that is involved. The Federal Republic of Germany, for example, at one point banned the Communist Party from active political participation and, indeed, certain Right-Wing parties as well — quite rightly, and nobody blamed it for that at the time.

If we are laying this down as an absolute rule, I think that we may be creating certain difficulties for ourselves now and in the future. As I say, though, I would not take this as a ground for opposing the resolution myself. I shall vote for the resolution and I hope that as many of my honourable friends as possible will feel that they can do the same. But if we are laying this down as a point of principle, it is one that we must look at with some care, because there may be circumstances in which it will not be appropriate.

Kirk

Having said that, may I say how much I congratulate the rapporteur on his work on this document, both in the Political Affairs Committee and in the Parliament, and how much I and, I am sure, all my honourable friends look forward to the day when Spain will be able to take her rightful place within the Community and when freely elected Spanish Members — either directly or indirectly elected — will sit with us in this Chamber.

*(Applause)*

#### IN THE CHAIR : MR GULDBERG

*Vice-President*

**President.** — I call Lord Bruce to speak on a point of order.

**Lord Bruce of Donington.** — I rise at the earliest possible opportunity following a question that was addressed by my right honourable friend Sir Geoffrey de Freitas to the Commission this morning concerning the costs attending the mountain of skimmed milk. In the course of our exchange with the Commissioner I mentioned some figures which were denied by the Commission. I understand from the Commissioner that he intends to take an early opportunity of making a statement, possibly tomorrow, in which he will substantiate the figures that were given to him.

**President.** — I have noted your statement.

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

**Mr Leonardi.** — *(I)* Mr President, ladies and gentlemen, at this point in the debate and after the various opinions put forward and which we generally agree with, I will get straight down to brass tacks. Like the previous speakers, we are aware of the tremendous difficulties the Spanish people are experiencing as they move from dictatorship to democracy, avoiding violence if at all possible. As an Italian who has experienced something similar I cannot help feeling particularly sympathetic towards the Spanish people.

The situation facing us is constantly changing. Mr Faure pointed out in his report that neither the Spanish government nor opposition are uniform groups. They are both constantly developing and expressing their ideas in many different ways. Furthermore, since the last resolution passed by this House on 25 September 1975 a whole series of events have occurred in Spain. Take, for example the coalition of the opposition forces; events have happened we could hardly have foreseen at the time. As a result we have a fluid and delicate situation. In the face of it we must maintain a position which promotes the development of the most democratic and unified parts of these

groups. As I said, these are not uniform groups and are still in the process of formation. We hope they can find a democratic means of expression without the need for violence.

The first paragraph of this motion for a resolution I consider very praiseworthy. Attention is drawn to the need for rapid legalization of all political parties. It is clear, in fact, that no democratic system as we conceive it can exclude from the political arena any party which declares — and shows in practice — that it will abide by the rules of the democratic game. This is the dividing line, so that the Communists in particular cannot be left out. In this sense I can only refer to what was said earlier, and much better, by Mr Faure and Mr Fellermaier and by the Liberal spokesman, Mr Durieux. We also support Mr Fellermaier's proposal for a hearing before the Political Affairs Committee, which might give us a better insight into the various points of view of the opposition parties in Spain.

I should add that it is for the reasons I have just mentioned — I mean the fluid and delicate nature of the situation — that Mr Faure mainly used the conditional tense, that all Members with any sense of responsibility are extremely cautious in their opinions, and that Mr Fellermaier observed that the Spanish government was following a policy of the carrot or the stick — it is for all these reasons that we have decided to table an amendment for the omission of the third part of the preamble to the motion for a resolution, where it reads: 'acknowledging the efforts already begun along these lines in a difficult political and economic situation, in particular the official announcement of a forthcoming institutional referendum, etc'. We feel that this phrase contains implicit approval of these efforts. And it is our opinion that this House will be making no contribution at all, in the present situation, to the development of democracy in Spain, if it gives the impression — even implicitly — that it approves the attitude of the Spanish government and its offer of a referendum which the opposition parties unanimously reject, not knowing how the referendum will be carried out nor what it will cover.

Mr Gil Nobles, whom you all know as the spokesman of Federación Popular Democrática, has defined the referendum as a move to consolidate the regime. In this situation, I do not feel that it is right that an essentially positive resolution, which our Group supports, should convey an impression which, as I have said, is not in line with the position of the opposition parties in Spain, from the Christian-Democrats to the Communists.

This is why we have tabled an amendment to remove a sentence which we feel distorts the sense of the resolution, itself positive, and gives it a meaning which many of us here may not like it to have.

**President.** — I call on Mr Espersen.

**Mr Espersen.** — (DK) My Group has asked me to concentrate specially on the question of human rights in Spain and on the extent to which they are still being violated. I doubt whether I need devote much time to those topics after the many speakers whom we have already heard.

It is evident from all that has been said that, to say the least, we cannot feel satisfied with the developments to date in Spain. Reference has been made to the rights of trade unions, the right of assembly, the right of association, etc. and no purpose would be served by repeating what has been said — and said with a very large measure of unanimity.

There is just one thing that I would stress: it would seem from the speeches which have been made that the proposed Senate will probably be the place in which the Falangists can maintain their presence and uphold the legislation for which they have been responsible until now. We do not know if that will be the case, and we do not know enough to be able to judge what is happening. Therefore all we can say today is that the situation to date has been far from satisfactory.

Instead of commenting on specific areas such as these, I should like to say how very pleased I was to hear the speeches from Mr Bertrand, Mr Durieux and Sir Peter Kirk. I think that all these three speeches showed that this Parliament is democratically united behind the demands being made on Spain in connection with our negotiations with that country.

However, there is one speech on which I should like to make a comment of a different kind. I do so because I think that it is important for us to be clearly aware of the motives which influence us in this Parliament in our discussions on Spain.

Mr de la Malène, speaking on behalf of the European Progressive Democrats, said that we should be careful not to apply constantly a double standard. He suggested that many of the questions raised by the Socialists among others were marked by hypocrisy. He asserted that we behaved as if we regarded ourselves as the world's conscience.

In my view, such statements in a debate on something as important as the restoration of a democracy which has been dead for many many years, were unfortunate. And I shall explain why.

Since Mr de la Malène uses the terms 'double standard' and 'hypocrisy' — and perhaps does so with his eyes on this Group — I should like to explain what the Socialist Group understands by double standard and hypocrisy.

We think that it is hypocrisy and evidence of a double standard to say that one is a democrat and considers democracy as something important and at the same time not to care whether those on the other side of the frontier enjoy democracy or not.

We consider it to be hypocrisy and evidence of a double standard to say that one is fighting for human

rights but that these human rights apply only to people who live within one's own frontiers.

We consider it to be a double standard and hypocrisy to argue repeatedly that the free Western world is far superior to the Socialist countries but at the same time to fail to make every effort to ensure that the countries in the Western world are also really democratic and really respect human rights. If we fail to do that, the grounds on which we criticise other countries are then inadequate.

While Mr de la Malène now prefers to concern himself with events inside national boundaries I should also like to say that in our view it is evidence of a double standard and hypocrisy to state that one is fighting for human rights and at the same time to belong to a party which is part of a government in a country which does not wish to grant its citizens the full human rights which the European Charter normally guarantees citizens in Europe.

In the view of my Group such attitudes are hypocrisy and evidence of a double standard.

To act differently, in the way in which our Group is acting, is not to suggest that we are putting ourselves forward as the world's conscience and I hope that all those who now vote for this resolution are people with such a conscience and that they will vote in favour because they feel that their conscience embraces all their fellow men. Otherwise their vote, in our view, is of little value.

**President.** — I call Mr Lemoine.

**Mr Lemoine.** — (F) Mr President, at this point in the debate I should like to offer a few brief comments on the resolution before the House, and I hope to be as much to the point as Mr Kirk was.

The motion for a resolution, which Mr Amendola and Mr Ansart have tabled on behalf of the Communist Group, is limited to committing the support of this Parliament to the struggle of the Spanish people against repression and for the guarantee of individual liberties and the reattainment of their democratic rights with complete freedom and independence.

But the resolution we are debating contains reasons and clauses relating inter alia to the accession of Spain to the Community which, in our view, should not be there. Firstly, because we believe that it is up to the Spanish people, since they have an opportunity, to make their own political decisions. And secondly, because Spain's membership of the Common Market will not be without consequences and will create problems for many Member States which are currently beset by grave economic problems.

Furthermore, the third clause of the preamble puts in a very favourable light the efforts undertaken and the announcement of the referendum which Mr Leonardi spoke of some minutes ago. We seem to be putting

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the ball in the Spanish government's court at a time when repression is growing despite the profound desire for change expressed by the Spanish people, as was pointed out in the motion for a resolution tabled by our Group.

This having been said, there should be no doubt — and this should be obvious from our motion for a resolution, as well as from the numerous initiatives taken by the House in this matter — that we give our full support to all five points of the motion for a resolution. But in order to retain the basic spirit of this debate and to avoid all ambiguity, we should like the House to omit from the motion for a resolution the two clauses in the preamble which, in our opinion, could well confuse an issue which is perfectly clear, since our first imperative today is to offer the most effective support to the forces of democracy in Spain.

**President.** — I call Lord St. Oswald.

**Lord St. Oswald.** — I shall be bold enough to claim, not for the first time in this Parliament, to speak with a close and admiring knowledge of Spain, acquired over many years. That is not the same as claiming to speak for the Spanish people, who are one of the most articulate and expressive nations in the world, with a very definite character of their own. I am sometimes astounded by the assurance with which some political colleagues assert that they can faithfully represent the attitude, the mentality and the precise aspirations of the Spanish people. The most I can do with confidence is to affirm before Parliament that today the Spanish people, led by able and decisive men, are seeking a Spanish path to democracy, a path beset and endangered by natural pitfalls, by suspicion within and without, and by deliberate interference — often skillfully, sometimes ruthlessly and violently, applied.

In spite of this reform is not now a dream to some and a fear to others — it is fact. However outsiders may seek to minimize this reality, it is not minimized in Spain. In my view, at this delicate and critical stage of their history the Spaniards would be better left without unsolicited advice from outside, even when relatively gently offered and gently worded, as it is in the resolution under the name of Mr Faure.

The resolution is, however before us and we are discussing it with the respect that it undoubtedly deserves. We can thank the wisdom of its composers in omitting any hint of threat, which has made previous resolutions from many quarters directly and damagingly counter-productive.

In ten minutes no one could hope even to outline the present situation in Spain, still less the future which is being courageously forged with cool judgment and dedication. Change is evident. The direction of that change is clearly identified today, but the timing of change is also crucial, and responsible Spaniards are better aware of this than we can be. Mr de la Malène recognized this factor. In Spain, where events will be

decided there is pressure for faster change and pressure for no change, for a standstill, as Sir Peter Kirk said.

In all but a nuance here and there, the resolution reflects the wishes of the great majority of Spaniards but with one fairly cardinal discrepancy. I would have preferred paragraph 1 to refer to the legalized existence of all democratic parties instead of, sweepingly, all parties, because by implication the present wording would require the leadership to open up the field to the Falange and some type of old-style military party hankering after a return to Franco-type rule, as it would open up the field to Communism, all of them totalitarian forms. This the leaders of today do not intend to do. This we shall not persuade them to do at this stage, at the inception, this point of historic change, as Señor Fraga has made clear. No totalitarians would be accepted at the beginning and the Spanish people, as I read their hopes and anxieties, do not want such elements playing a central part at this vulnerable stage of a new epoch. Both Salvador Madariaga and Sanchez Albornoz, two returned exiles, considerable men, the latter the leader of the Republican government in exile, have made this plain. If Mr Faure at this moment could introduce the word 'democratic' and obtain the approval of the House, the resolution would harmonize far more closely with the immediate and consequential interests of Spain.

A great deal of what is present in the document is innocently otiose. Well in advance of this resolution, Spanish Ministers had already declared their determination as to the restoration of individual, political and trade-union freedom. The new law giving greater freedom to local government has already passed through the existing Cortes, the Parliament. The new decree-law easing measures against terrorism has already been promulgated and is in action. Passing through the Cortes at this moment are three new Bills, as we would call them — *projets de loi* — one introducing the right to form political parties, based upon the Universal Declaration of Human Rights, the second to legalize public meetings and manifestations, and the third to revise the penal code, most specifically where it concerns public meetings, manifestations and public and political propaganda — all these in a liberalizing direction.

The third of those laws will, of course, directly affect the political prisoners mentioned in paragraph 2 of the resolution, but I wonder whether Parliament is aware of what has happened already in this sphere. An amnesty was granted at the end of last year. At the time of the amnesty the prison population of Spain was 16 000. The following day it was 8 400 — that is, prisoners of all kinds. In 1936 under the Republic, when I lived there, it was 36 000. The *Procedimiento Sumarísimo*, the trial of some civil crimes by military courts, which had existed for 150 years and was extensively used by the Republic, was abolished the day

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after the King's first Government took up office. The number of political prisoners at yesterday's date was 282, of whom 19 had been tried and sentenced. These figures, I should say, do not include the terrorists as such, whom 332 are now in prison, 105 of these having been sentenced and the remainder awaiting trial.

The matter of exiles is harder to deal with, because technically there are only four or five of them. A matter of weeks ago Señor Areilza referred to these four or five who could not be permitted to return for reasons of their own safety and public order. With these exceptions, I do not know of any Spaniard alive today who could not return to this country if it were his or her wish. In the past months many have done so, at least 12 of great political significance, such as Sanchez Albornoz and the Secretary-General of the CNT, Señor Abad. The most distinguished among them is Salvador de Madariaga, who had lived in self-chosen exile, for the most honourable of personal reasons, for 37 years, causing undoubted pain to himself and depriving his countrymen of his great intellect and personality. Today he is back in Madrid because he has faith in the course that events are taking.

As regards paragraph 3 of the resolution, there is no more than a repetition of statements made by present Ministers more particularly Señor Fraga Iribarne and Señor Areilza. I hope, therefore, that we shall not preen ourselves on any originality here.

The pattern of the new Parliament envisaged in the resolution as well as in Spain is already foreseen — two chambers, a Congress and a Senate, the first to be elected by universal suffrage; the composition of the Senate has not yet been decided or put into draft legislation. The electoral law will incorporate a direct, equal and secret ballot. This and a separate issue affecting the Royal succession will be submitted at the earliest possible time to the Spanish people in a referendum.

In notice that Mr Faure and Mr Fellermaier cast doubts upon the character of the Parliament which will emerge. Perhaps they could take into account the fact that when the pattern of this Parliament is decided upon it will be put to the Spanish people in the form of a referendum and they will be the judges of whether they want that kind of Parliament or not.

All these Bills will start their way through the present Cortes by the 15th of this month, with the exception of the electoral law, the details of which are not yet fixed but which will be presented by July 15. In case I appear to be claiming inside knowledge, which I do not possess, let me say that each of these announcements has been made publicly by senior ministers most significantly in the broadcast of Señor Arias Navarro, the Prime Minister, on the 25th of last month. It baffles me why that address was given such

grudging appreciation in other countries. Mr Faure referred to it as 'restrictive' in what I thought was otherwise largely a most admirable and splendid speech.

In that speech of Señor Arias Navarro, among other firm undertakings he included the formal announcement of general elections for a Parliament before the end of this year, the elections themselves to be held in the early months of next year.

In a debate here last 11 February, when I had been speaking with what Mr Broeks considered to be extravagant optimism on the Spanish theme, he said with kindly and characteristic solicitude that he hoped I would live long enough to witness some of the things which I expected to happen. He added that, considering my age, he doubted it very much! I note that at that point 'applause from the Left' is recorded in the Official Journal! I trust that I can somewhat allay his concern by stating that I feel just about sufficiently hale to stagger through into the early months of 1977 and perhaps even as far as the following summer, when the new Spanish Parliament will have placed its first legislation on the statute book.

Among other things, a special commission has been sitting charged to produce proposals for free trade unions. Several Members have been sceptical about the sincerity of this commission. They may not know that its members were summoned by the King to be told that the constitution of the new trade unions must conform to the democratic pattern of all other institutions under active reform. Moreover, I think they will know that a matter of weeks ago the first conference in 40 years of the UGT, the Socialist union, was held without any difficulty, interference or molestation from the police in Madrid. A court of constitutional guarantees is another reform which will be set in motion.

The minister of the Interior, Manuel Fraga Iribarne whom I regard as one of the most remarkable figures of the free world today, put a fairly obvious point to me a few months ago when he was setting about his delicate and monumental task. He said:

If you are faced with an unsuitable law, your business is to create, present and implement a good law to take its place. This cannot be done in a matter of weeks.

I would not expect anyone in this Chamber to deny the truth of that. Yet Mr Edward Heath was uttering a pointed and pungent truth eight days ago when addressing the ELEC Conference in London, a truth which seems specifically appropriate and quotable in this gathering:

The very people who claim that two years is not long enough to organize direct elections to the European Parliament are those who were screaming that, a month after General Franco was dead, the Spanish had not been able to organize democratic elections in their country for the first time in 40 years or more. They cannot have it both ways.



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With a touch of sharpness which does not come easily to me, I mentioned in one of our previous debates on Spain some time ago that there were those implacably opposed to peaceful change in Spain. They still exist and they remain actively at work. The present creators of Spanish democracy have to steer and maintain momentum between revolution and stubborn immobility, capable also of vindictive action. Mr Fellermaier referred to them. Let us hope that, assisting with encouragement where we can, this step in Spain's rough history is taken by good men with good sense and good timing. We shall all benefit from such an achievement. The civilized world will benefit.

*(Applause from the center and the right)*

**President.** — I call Mr Christopher Soames

**Sir Christopher Soames, Vice-President of the Commission.** — I am glad that this debate has taken place for three reasons.

First, it was opened by my old friend, Mr Faure, in a most able and interesting speech. It is a pleasure for me to find myself after long years of friendship with him in a position to be able to wind up a debate that he has started.

Secondly, the debate concerns the future of Spain and her relationship with the Community. This is something important to us all and we all care a great deal about it.

Thirdly, it gives me the opportunity to say a few words about our immediate future relations with Spain, a subject which has not been touched upon, at least in any depth in the debate, which tended to concentrate on the political evolution in Spain and the long-term relationship between Spain and the Community.

When we last discussed Spain on 11 February, I said that over the next few weeks the Commission and certain Member States would be having contact with the Spanish Minister of Foreign Affairs. I said that during these contacts no doubt the next steps would be discussed and, in the light of that, the Commission would decide what should be its proposals on the question of the resumption of negotiations.

Meanwhile we have had contact — and I believe every Member State also has had contact — with the Minister of Foreign Affairs of Spain, who made it abundantly clear that the aim and object of Spain is to put herself into a sufficiently democratic situation to enable her to apply successfully for membership of the Community.

The Spanish Minister of Foreign Affairs spoke in terms of a year or two. In my view, it is not for us to judge whether or not this is over-optimistic. We shall have to see. However, what struck me very much from what the Spanish Minister of Foreign Affairs said was that he realizes that the judges of this will be the Member States of the Community. It is the Member States who will judge whether or not, and at what

time, Spain has evolved, after some four decades of a totalitarian régime, to a point of democracy, of pluralism in all walks of life, to a pluralistic democracy in the broader sense of the word — not just of parties — so as to be likely to be acceptable to the Community.

Many honourable Members made some interesting remarks on what was happening in Spain and whether she was moving too quickly, too slowly or otherwise. It is for honourable Members to decide that. The Commission do not believe that it is for us to offer advice on this matter to the Spanish Government or to the Spanish people. As Sir Peter Kirk and Mr de la Malène mentioned, it is for Spain to take the decision on how fast she should go. One imagines that it cannot be all that easy after 40 years. If Spain goes too fast in one direction she may run into serious trouble. However, I do not believe that it is for the Community to judge this. It is for the Community to wish Spain well. This will be for the Community and, in particular, for the Member States to judge at the end of the day.

Meanwhile, what is to happen? Parliament will remember that about 18 months ago, on a proposal from the Commission, a mandate was given to the Commission by the Council to open negotiations for what was in effect a free-trade-area relationship between Spain and the Community. Again, on the proposal of the Commission, these negotiations were brought to an abrupt end — or a hiatus — in October last year, and then in January or February of this year, after discussing this question with the Commission, the Council arrived at the conclusion that it was now time, and right and proper, for the Commission once more to take up contacts with the Spanish Government. That was done. It is on this point, which in my view is of interest to the whole Community, that I wish to say a few words today.

We are we? The Spanish Government have decided that, in view of the fact that their overall strategic plan is to apply for membership of the Community when the time is right, they would not wish to go forward with the negotiations, as we were negotiating then, for a free-trade-area relationship between Spain and the Community for obvious reasons.

A free-trade-area relationship could be seen to be the end of a particular road, whereas all they have to do is to keep open the possibility of membership. Meanwhile, they want something less than the free-trade area. Nevertheless, they realize that this is necessary in the way of a negotiation to update the 1970 Agreement. Indeed, some action is necessary. In 1970 there were six Member States: now there are nine. There is a specific tariff régime for agricultural products on the markets of the three new members quite different from what exists on the markets of the six original Members from Spain's point of view. This has to be harmonized. The final date for this is July 1977. If one has the tariffs into the three very low, and the

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tariffs into the original six somewhat higher, we shall have to think how we are to balance these with the Spaniards.

All we are seeking at present is exploratory discussions. The commission has had exploratory discussions with the Spaniards — and they are continuing — with a view to our putting a proposal to the Council in due time on what we believe the right balance should be. But, of course, this is to cover a period of years. If the Spanish Government see themselves applying for membership in a year or two and then the Community makes up its mind and negotiations take place, with a bit of reserve at the end, we should think in terms of its lasting for six or seven years from now.

Very well; we must make an agreement which is capable of standing up for six or seven years. However, I do not want the House to think that these negotiations will be easy. They will not be. Like all negotiations, they will have to be balanced. I think that the idea of the Spaniards that you can just go on with the *stat quo* so that they can be given considerable advantages without reciprocity is not very realistic. Although the negotiations will cover only a comparatively short period of time, they will have their own importance and they will stand on their own. We shall have to think how best this matter is to be done.

I repeat that I do not wish the House to think that the negotiations will be easy, for they will not be. But, then, in the three years that I have had the privilege of doing this job, there have been no negotiations with which I have been associated that were easy. The fact that the negotiations will be for only a short period does not alter that fact. We are in exploratory discussions. It has nothing to do with any institutional relationship between Spain and the Community. This is for much later, after there has been an evolution and after the Spanish Government are of the opinion that if they apply their request is likely to be well received.

Meanwhile, the Community must put its house in order with Spain, as it were, which is not the case at present, for there is a considerable disparity among the various Member States in their commercial relationships with Spain. We have to put this right. It is as much up to the Spanish Government as it is up to the Community to get this right. In the longer term, as was made evident by those who spoke on behalf of almost all the groups in the House, the Commission yields to none in its hope that Spain and the Spanish Government will find their way over the months and years ahead to a degree of freedom and democracy which they will enjoy and which they be able to enjoy with the Community and the Community with them.

(Applause)

**President.** — I call Mr Fellermaier, chairman of the Socialist Group, on a question of procedure.

**Mr Fellermaier.** — (D) Mr President, ladies and gentlemen. It is to you that I address myself, Mr Presi-

dent, because a fundamental question concerning the relationship between the Commission and Parliament has been raised by the course this debate has taken. Sir Christopher Soames, Member of the Commission, said at the beginning of his speech that it was a pleasure for him to speak on a report presented by his old friend Mr Faure and to be in a position to wind up a debate on it. I wonder, Sir Christopher, why you did not intervene earlier in the debate, since you gave details of an important political timetable both for the exploratory discussions and also for the negotiations on the 1970 Agreement, including the question of the start of real negotiations with a view to Spain's accession to the European Community.

Therefore, Mr President, I say on behalf of my Group: the debate must begin again and be conducted in accordance with the democratic rules governing the relationship between legislature and executive. Speaking quite unambiguously on behalf of our Group, I do not think that I can merely take note of the Commission's statement; we are of the opinion that Parliament must be able to express its views now in a political debate on what the Vice-President of the Commission has just said. It is of course possible to argue that, strictly speaking, there was no statement from the Commission since the Commission did not put it forward as such. However, when I think merely of the fact that Sir Christopher Soames stated that the harmonization of the 1970 Agreement, signed by six Member States, must be applied in July 1977 to the Community of the Nine, and of his other remarks concerning the time scale and the disparity among the EEC countries in their commercial relationships with Spain in the meantime, I am compelled to say that this in itself gives rise to a whole series of questions which we should like to have answered.

Speaking on behalf of my Group, I would therefore request you, Mr President, to state whether, following on the statement of the Commission, the second part of the debate may now begin, in accordance with parliamentary practice.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — There must be many Members like Mr Fellermaier who are disconcerted by the statement that has been made. We had no notion that we were quite so far down the road of Spanish entry, and we feel that we may have been presented with a *fait accompli*. The Commission knows well the difficulties that are arising with the possible entry of Greece, and the views of the Dutch Socialists and many others about the whole question of the enlargement of the Community and the many problems of unwieldiness that face us.

I should like to ask three direct questions of Sir Christopher Soames. When he speaks of applying successfully for membership of the Community, precisely what is meant by 'successfully'? Secondly, Sir Chris-

**Dalyell**

topher spoke of having taken up contacts with the Spanish Government. Will he be a little more explicit and say precisely what has been said and expand on the nature of those contacts? In particular, what does he mean by 'applications when the time is ripe'? What has been said about that?

Thirdly, will Sir Christopher expand his remarks about the exploratory proposal covering a period of years. Has this been agreed with all national governments? I hope to hear a great deal more on this subject from the Commission.

**President.** — I call Mr Espersen.

**Mr Espersen.** — I wish to comment on what Lord St. Oswald and Sir Christopher Soames said. It seems to me that they were very much alone in their viewpoint. Lord St. Oswald said that the Spanish people are in the best position to judge and that they could articulate their wishes better than we could. I agree that they can if they are allowed to, but we can judge whether they have that possibility.

Sir Christopher said that he thought it was not for the Commission to judge, and he doubted whether it was for Parliament to judge, whether the Spanish people enjoy civil and political rights. It should be up to the Spanish people themselves to judge. Again, the problem is exactly the same. One cannot judge and express judgment unless there is freedom of expression in the country. Therefore, again it is up to us to judge whether or not that freedom exists. I hope that I misunderstood Sir Christopher. It must be for the Community to judge whether the Spanish people have achieved a satisfactory democracy.

**President.** — I call Mr Bordu.

**Mr Bordu.** — (*F*) Mr President, I do not wish to claim foreknowledge of the course this debate will take, but I should like to point out to you, Mr President, the rapporteur and this House, that following the speech by Sir Christopher Soames we are entering into a new debate.

Let me come back to my proposal, which I intended mainly for the rapporteur: I should like to see the second clause of the preamble omitted. If that were done, we could go on to vote on the resolution, and we could postpone to a later date a wider-ranging debate on the question raised by the second clause of the preamble.

**Sir Christopher Soames, Vice-President of the Commission.** — I thought that I was giving the House all the information I had at my disposal. One is usually told that one is not saying enough, but today I am told that I am saying too much and opening up a new debate. Some of what I told the House is of no little importance. Perhaps I expressed myself badly. There is no reason for Mr Dalyell to get worried about what I said.

Mr Fellermaier asked why I said July 1977. July 1977 has no more to do with Spain than it has to do with any other country. I commend to Mr Fellermaier's attention to that article of the Treaty of Accession, which says that by July 1977 we have to achieve one tariff area for the whole Community, with no exceptions. That is all I meant. That is no less and no more true for Spain than for the United States of America or anywhere else.

When I referred to six years, all I was saying was that that was the Spanish view. If the Spanish said that they would be ready to apply for membership in a year or two, the Community would need perhaps a year to think about it and negotiations might take three years, so perhaps we should think in terms of six years for an interim régime.

I am surprised that Mr Fellermaier wonders why we need an interim régime. We were negotiating with the Franco régime for a free-trade-area agreement in the context of the Community's global Mediterranean policy, of which the House is well aware. We ceased doing so for reasons that are well known to the House.

All I am saying is that something must be done. It is no use just standing up and giving one's ideas on how the democratic evolution in Spain should take place. That is not all that the Community is about. As the Commissioner responsible for external relations, I thought that my duty lay in telling the House where we were with Spain.

I was asked whether we had agreed with member governments. No, I purposely said that we were having exploratory discussions with the Spaniards with a view to making proposals to the Council — which we shall do — for an extension of the 1970 trade agreement instead of the free-trade-area agreement which the new Spanish Government does not want. I thought I made that clear.

That is the situation. I do not know whether you think, Mr President, that this means that a new debate has been opened. All I know is that the debate is about Spain — at least, that is what I thought it was about — and the Community's relationship with Spain, and I hope that I have been able to make some contribution to that debate.

(*Applause*)

**President.** — I call Mr Faure.

**Mr Faure, rapporteur.** — (*F*) We must now try to draw some conclusions from the debate which has just taken place. I am prompted to say two things straight away.

The first is that I have no particular comments to make about the political statements we have heard

## Faure

from the spokesmen of the various groups in this Parliament, which define the position only of themselves and their political groups. As *rapporteur*, I have to do no more than confine myself to the text prepared by the Political Affairs Committee and present the case for it to you.

Allow me just to take up the last point in the debate, the one which arose after the speech by Sir Christopher Soames. It is the most fundamental principle of Cartesian thought that confusion does not advance debate. Guided by this principle, Mr Bordu stated that his colleagues' proposal to omit the second clause of the preamble was justified.

Let us look at the text. I note, first of all, that there have been few comments or proposed amendments with regard to the give points of the motion for a resolution. Mr Kirk's one proposed amendment concerned the translation of the text. My knowledge of foreign languages is such that it would be sheer arrogance on my part to declare at once that he is right. But let me say, if I may, that in French 'rapidly' has never meant 'within 24 hours', and that if Mr Krik prefers 'rapidly' to 'without delay' I can easily ask the Committee to satisfy his wish.

I much regret, however, that I cannot comply with Lord St. Oswald's request. I thought I had been quite explicit this morning about the interpretation of the phrase 'all political parties'. There is a common democratic right in the nine Member States of the European Economic Community. This common democratic right consists in being allowed to express at anytime whatever opinion one may hold, provided that the law of the land is respected, particularly as regards the maintenance of law and order, the respect of other people's freedom, and what was formerly called 'common decency'.

Consequently, within the context of this basic respect for democratic legislation, all political parties must be permitted. The right to express an opinion is never denied. But that right does not cover spreading one's ideas with the aid of bombs, by creating civil disturbance or by any other assault on democratically established law and order. That is the common right of our western democracies.

There should not be any confusion, nor indeed any concession, in this matter.

The preamble provoked rather more discussion. With regard to the second clause I should like Mr Lemoine to know that I am responsible (although the same cannot be said about the following part). I took care to reiterate what this House has always stated: if Spain could one day satisfy the political criteria for a democracy as we understand it, and if she then asked to join our Community, we should be happy to welcome her. I am saying nothing new here.

It is true of course, Mr Lemoine, that we could have omitted to say this. But having said it, we should be

guilty of a serious political blunder if we now retracted the statement.

However, I do not feel that it is interfering in the slightest in Spanish domestic politics if we say that we should be happy to welcome a democratic Spain that wished to join our Community. But it is for Spain to decide whether she wants to link her destiny to ours.

For all these reasons, I ask Mr Lemoine to ponder the consequences of omitting this part of the preamble.

I should like to add one final comment. I would appear that indications of Spain's possible application to join the Common Market emanate not only from the current minister for foreign affairs in Spain, but also from a large majority of the parties which have formed an association — as Mr Fellermaier pointed out — called 'Democratic Coordination'. It would be a strange kind of insult to them if we now omitted this part of the preamble.

I understand better the reservations which he and Mr Leonardi expressed regarding the third part of the preamble.

In closing, I should like to say two more things. I feel that we are not doing justice to the facts if we say that Spain as made no steps in the right direction in the past 18 months. If we say that what has been done is too little, quite inadequate, or that it is only a beginning, then I entirely agree. But I feel that it is going too far to say that really nothing has changed, or that certain meetings, which most of the speakers mentioned today, have been devoid of any political significance.

On the other hand, I feel I have to say, even though I am bound by the text of the document, that the Political Affairs Committee has gone too far in adding the words 'the official announcement of a forthcoming institutional referendum'. Those who took part in the Committee meeting will know that the final text, as is often the case with bodies like ours, was the result of a compromise. They will also know that we met the day after Mr Arias Navarro had delivered his speech. We did not have the complete text, and consequently we were not aware of its precise scope nor, and this is more to the point, of the more or less justified reactions which it provoked among the opposition, and which Mr Fellermaier and Mr Bertrand have mentioned this morning. I do not see that the mention of the announcement of a forthcoming institutional referendum adds anything to our text.

Chance is a factor in many things, and by some miracle this addition to the text disappeared in the Dutch translation of this motion for a resolution.

I am willing to consider the Dutch text authoritative. I suggest to our chairman, Mr Boano, that since it adds nothing to our document, we should omit any reference to the forthcoming institutional referendum, which is provoking so much discussion as to scope and procedure.

**Faure**

If we do this, we keep everything on a theoretical level. We make no reference at all to any specific political event. As a result, we are in the realm of political ideology where, I feel, we can gather a very large consensus of opinion in this House, if all are willing — and it is my sincere hope that they are — to make a final effort towards a compromise which will permit this motion for a resolution to be the true expression of the almost unanimous opinion of this House and the Community it represents which — I recall the words of Sir Peter Kirk — has the shining virtue of being democratic.

It is quite another matter to discuss the practical terms of the interim or final tariff negotiations. This is a problem to which we shall certainly have occasion to revert at a later date. Let us not confuse the picture; you wanted a political debate, and you had one. I beg you to bring the debate to its conclusion in the tone which you wished to impart to it.

(Applause)

**President.** — I call Mr Lemoine.

**Mr Lemoine.** — (F) Mr President, with regard to the text of this resolution we expressed a certain number of reservations points which we felt had serious implications for both the present and the future. The end of the debate was a clear illustration of how far we could go. We regret that the rapporteur did not comply with our wishes, but nevertheless — I must now admit — in view of the positive aspects of paragraphs 1 — 4 concerning freedoms and democracy in Spain, we shall vote for the proposed resolution.

**President.** — Mr Leonardi, since you tabled the amendment, can you tell us what you think of Mr Faure's proposal?

**Mr Leonardi.** — (I) I did express certain misgivings, which have now been removed by the rapporteur's proposal to delete the reference to the institutional referendum. I accept this proposal and consequently withdraw my amendment.

**President.** — I call Mr Bertrand.

**Mr A. Bertrand.** — (NL) Mr President, I have asked to speak on behalf of the Christian-Democratic Group merely to say that we agree with the rapporteur's proposal to delete the reference to the referendum. The Dutch text is therefore the correct one, since it contains no mention of the referendum. If the Dutch text is translated into French, it will be the exact text which Mr Faure wants.

**President.** — I call Sir Peter Kirk.

**Sir Peter Kirk.** — In order to give satisfaction to some members of my group, I should like to ask for a separate vote on paragraph 1.

**President.** — Since no one else wishes to speak, we shall now consider the motion for a resolution. In order to avoid any misunderstandings I shall keep to the French text of the motion for a resolution.

Since Mr Leonardi has withdrawn Amendment No 1, which involved the deletion of the third indent of the preamble, we only have to consider one oral amendment by Mr Faure to the effect that the words *in particular the official announcement of a forthcoming institutional referendum* should be deleted from the preamble.

I note that Parliament agrees to adopt this oral amendment.

I put the preamble so amended to the vote.

The preamble is adopted.

I call Lord St Oswald for an explanation of vote.

**Lord St Oswald.** — I should like to explain to the House and to Mr Faure in particular why I feel bound to vote against this paragraph, without trying to sabotage the resolution in any way. It was interesting that Mr Fellermaier himself referred to the delicate balance and to the fact that democracy could not stop short at a particular political boundary. I — in common, I suppose, with everyone else present — would agree with each of those statements, but taken together they are contradictory.

In circumstances of delicate — even volatile — balance, a particular political element can, if it wishes — and it may well wish — destroy an emergent democracy. I believe that the paragraph as it stands will be ill-received in Spain and will undermine the goodwill and even influence that exists between this Parliament and Spain. Señor Fraga is on record as saying that the exclusion of the Communist Party is intended to be only temporary. In the light of this, and in particular, of the English text, where the conjunction of 'all political parties' and 'without delay' is bound in my view to do much harm, I feel bound to vote against this paragraph.

I should add in parentheses that if 'without delay' were to be changed to 'rapidly' it would be an improvement. However, we must ask how rapid is 'rapid'. Sir Harold Wilson, lately the Prime Minister of my country, once uttered the dictum that 'a week in politics is a long time'. So if we are talking of that kind of rapidity I am worried by it. As I tried to demonstrate in my speech, I consider that the whole process is almost magically rapid, and if what Mr Faure is looking for in the matter of the admission of the Communist Party is to be even more rapid, or even as rapid as that, I am afraid that on this point I am bound to vote against him.

**President.** — I put paragraph 1 to the vote.

Paragraph 1 is adopted.

I put paragraphs 2 to 5 to the vote.

**President**

Paragraphs 2 to 5 are adopted.

I put the motion for a resolution as a whole to the vote.

The resolution is adopted.<sup>1</sup>

### 7. Change in agenda

**President.** — I call Mr Rivierez on a question of procedure.

**Mr Rivierez.** — (F) Mr President, it is quarter to five and we have only reached the second item on the agenda.

Since several very important matters remain to be dealt with by Parliament, in particular the report on fundamental rights, which I have the honour to present, I should like to know whether the sitting this evening will last long enough to include this report, because given our progress so far, there is little likelihood of our dealing with it before eight o' clock.

**President.** — Mr Rivierez, I do not think it is intended to resume the sitting this evening. That answers your first question. As for your other concern, perhaps the agenda will have to be changed.

I call Mr Fellermaier.

**Mr Fellermaier.** — (D) Mr President, a glance at the agenda makes it clear that it would be completely impossible to get through it without an evening sitting. Now although we Members of Parliament are people who like to work overtime and in night sittings, since there is a football match this evening which interests many Members and other citizens of Europe, I should like to ask the President, on behalf of all football fans and those who are not but nevertheless show sympathetic understanding, to postpone some of the items on today's agenda till tomorrow, especially since various items have been deleted from tomorrow's agenda.

I would therefore propose specifically that we should deal today with those points which require the presence of the Council, and that the remaining items should be placed on the agenda for tomorrow morning.

**President.** — I call Sir Peter Kirk.

**Sir Peter Kirk.** — I think that this Parliament is in danger of rendering itself ridiculous. I have never heard such an absurd proposal — that we should adjourn merely because a football game is to be televised. We have a very full agenda for today and also for tomorrow. I do not like football, anyway, so for me it does not matter. We have a very full agenda for Friday. I suggest that we go ahead and do the work that we are sent here to do. We are not sent here to watch football on television.

**President.** — I call Mr Broeksz.

**Mr Broeksz.** — (NL) Mr President, I shall also be able to sleep without having seen the St Etienne — Bayern match. Mr Rivierez is quite right when he says that it is almost impossible to fit in item 81 without an evening sitting. I did not hear Sir Peter Kirk suggest that we must suddenly now have an evening sitting. I think that we should continue until about seven o'clock. It will then no longer be possible to deal with item No 81.

I do not think that there can be any objection to postponing this item to the June part-session. The matter involved is important, but not urgent.

**President.** — I call Mr Bertrand.

**Mr A. Bertrand.** — (NL) Mr President, are you sure that we shall deal with the oral questions to the Council? We have not invited the representatives of the Council here for nothing. The points concerned are Nos 77, 78, 79, 47, 80 and 84. That leaves two reports. If the Rivierez report is dealt with in June, that leaves only the report by Mr Boano on Chile. Surely it must be possible to find time to deal with this report.

**President.** — I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — (F) Mr President, Mr Bertrand also mentioned item No 84. In fact this oral question with debate on relations with Uruguay is addressed to the Commission of the European Communities.

If I may be allowed to make a remark, with all due respect to the European Parliament and without wishing to interfere in its internal affairs, I would remind you that some months ago I asked the President of Parliament to set aside Wednesdays for debates requiring the presence of the Council.

Because of my attachment to this Parliament, of which I was a member for ten years, I have made a point of attending these debates in person, although I could have sent a Secretary of State in my place. I have been waiting for five hours to reply to the questions which Members of Parliament have thought fit to ask me. I had thought that the same procedure could be followed in this Parliament as in the national parliaments, i.e. to group together the questions addressed to the President-in-Office of the Council.

If it is not possible in future to make other arrangements, I shall send a Secretary of State to wait in the corridors. In any case, I shall have to leave the chamber at 7 o'clock.

**President.** — It seems impossible for us to complete our agenda today. In view of this Mr Rivierez has requested that his report on the primacy of Community law (Doc. 390/75) should be postponed.

Are there any objections?

<sup>1</sup> OJ C 125 of 8. 6. 1976.

**President**

That is agreed.

We must also consider as thoroughly as possible the agenda items which require the presence of the President-in-Office of the Council.

8. *Oral questions with debate: Equal pay for men and women*

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

— the oral question with debate, put by Mr Fellermaier on behalf of the Socialist Group to the Council of the European Communities, on equal pay for men and women under Article 119 of the EEC Treaty (Doc. 81/76) :

In case No 43/75 The European Court of Justice ruled, on 8 April, 1976, that the principle of equal pay for men and women under Article 119 of the EEC Treaty was directly applicable and could be successfully invoked by anyone in a national court of law.

1. In view of the fact that the Council has already stated that the principle of equal pay should be implemented through Directive No 75/117, what conclusions does the Council draw from this ruling?
2. What measures has the Council taken, or does it intend to take, to make this legal principle applicable in the Member States?

— the oral question with debate, put by Mr Fellermaier on behalf of the Socialist Group to the Commission of the European Communities, on equal pay for men and women under Article 119 of the EEC Treaty (Doc. 82/76) :

In Case No 43/75 the European Court of Justice ruled, on 8 April 1976, that the principle of equal pay for men and women under Article 119 of the EEC Treaty was directly applicable and could be successfully invoked by anyone in a national court of law.

What has the Commission done and what does it intend to do, in its capacity as guardian of the Treaties, to implement the principle of equal pay for men and women in the Member States?

I call Mrs Dunwoody.

**Mrs Dunwoody.** — I am grateful to the President-in-Office of the Council for remaining to hear what, if he will forgive my saying so, I believe to be probably one of the most important items on the agenda today.

Ever since Adam rather reluctantly, it seems to me, gave up one of his ribs to the good Lord to create Eve, there seems to have been an astonishing amount of misunderstanding between the sexes. Therefore, the question which appears on the Order Paper affords an opportunity which we hope the President-in-Office of the Council will be able to take to clarify what must be one of the most fundamental questions at present in the EEC.

It is not difficult to understand that we have been discussing equal pay not only in this Parliament but in all our national parliaments for a considerable

number of years. It is, however, possible that what has now happened because of the ruling of the European Court of Justice is that we have reached the slightly odd situation—I make no apology for giving my lay person's interpretation—that a basic right which was enshrined in the Treaty now appears to have been redefined by the European Court of Justice.

I know Mr Bumble said that the law is an ass—and who am I to disagree with Mr Bumble?—but this very basic right to make sure that women receive equal pay for equal work, and that there is no discrimination in the matter of equal opportunity, is the source of a straight-forward demand on which the Community will be able to advance.

What does the Council, which has said more than once that it agrees with the principle of equal pay, intend to do to implement the conclusions, and what measures has the Council taken or does it intend to take to make the legal principle applicable in the Member States?

I should begin by saying that I am probably not the one who should initiate this question, and the reason is simple. The longer I live, the more I believe that equality between men and women, although in theory it will be reached in my lifetime, is not actually a true reflection of affairs. I do not necessarily believe that men and women are equal. I have come increasingly to the conclusion that women are infinitely superior, because I believe that if this Assembly had really been representative of the proportion of women in the population of the nine Member States it might not have taken us quite as long in our procedures to reach the point that we have reached this afternoon.

Mine is the generation that has had a great many of the more difficult battles fought for it already. Women in the community have for too long provided the cheap labour-force. They have for too long been patronized. One of my female colleagues once summed it up by saying that women in the House of Commons were either patted on the head or patted on the bottom by their male colleagues—and that is not a bad definition.

I would utter a friendly word of warning not only to the Council but also to the Commission before they reply, because hypocrisy is not the province solely of the member governments. Those who pay lip-service to equal pay, those who insist that governments should implement these recommendations as soon as possible, should look to see whether they themselves have any work to do in providing greater equality of opportunity in their own fields.

I know that the Commissioners in particular do not choose themselves and may with some justification say that the member governments choose their representatives on the Council and in the Commission, but in both instances the gentlemen concerned pick their

### Dunwoody

own staffs. I am sure that that is one of the reasons why there are so many *chefs de cabinet* who are women—or is it in fact so?

What we are seeing today is not the first discussion in this Assembly. It has been estimated that there have been something like 37 different questions and innumerable debates in which the pious hope has been expressed that a long last woman will take her place as an equal of the male. My children will not accept the slow progress that we have seen until this stage. My daughter will not accept the fact that her brother should be treated differently. I would not sit in this Assembly as a Member unless I were paid equally and unless I had equal rights of opportunity. It would be a very brave man, whatever his nationality, who endeavoured to stop me sitting here and fulfilling that task.

I would, however, say that the reason why I am able to stand before you as a member of the Socialist Group, which has had a very long commitment to the principle of equal pay, is the work that has been done by other women—other women in the professions, other women in the unskilled trades and other women who have made enormous sacrifices to get the vote to enable me to come here as an elected Member of the Mother of Parliaments at Westminster and to demand—I do not ask; I demand—that something be done to implement this very small step in order really to put the Community on the road to true equality of opportunity.

I do not have the advantage of a legal education. Indeed, my children frequently tell me that I have no advantage of education at all. You will, therefore, forgive me if, when I read this erudite document issued from the European Court of Justice, I find it extremely difficult to understand how it can, on the one hand, say that Article 119 states that equal pay for equal work is enshrined in the Treaty—those rather tattered tablets from the seven hills of Rome which are eternally being called to account by everyone in this Chamber for every conceivable reason—but then, on the other hand, add a rider that the judgment cannot be retrospective and that, although the protection must be enshrined in the legal judgment, nevertheless only those cases which are at present *sub judice* can be considered. That seems to me to make confusion doubly confused. I do not find that surprising in courts of law, but I find it particularly unhelpful, because this debate has now been going on since the original Treaty was written in 1957.

The female of the species is astonishingly realistic. She does not expect the male to get round to doing something which he has been promising for many years tomorrow, next week or maybe even the year after next. She does, however, believe that it must be done with all sensible and justifiable speed.

My Parliament has at long last—I say that advisedly—passed an Equal Pay Act enshrining a specific date.

It has set up a commission to ensure that there is no discrimination between men and women as regards equal work. It has undertaken to move as fast as is humanly possible towards the implementation of the undertaking in the original Treaty. I must, however, confess that I do not honestly feel that the decision of the European Court of Justice will hasten that day.

I believe that, almost like a glacier, we are inching forward and that, like glaciers, we are scouring everything which stands in our way. It was, of course, an Irishman almost inevitably, although equally inevitably an Irishman living in London, who said that we were the monstrous regiment of women. Perhaps I may remind both the Council and the Commission that the monstrous regiment of women are on the march and will not be stopped. They will not be held back. They demand equality of treatment. They demand not only as Socialists but as Members of this Parliament that you support them actively, immediately and with all your hearts.

We are sick of the patronizing political gesture. We are sick of the statutory woman—and my God, how many of us have been a statutory woman—the one little symbolic figure sitting there to prove how understanding and forward-looking the men were so that they could have a committee consisting almost entirely of males but with one of the female gender to prove that we still exist. We are tired of the patronage. We want justice. We want it now, and we want to know what you are doing to support us today.

**President.** — I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — Mr President, I may be wrong, but I have the impression that this debate as presented by the honourable Member goes far beyond the wording of the question put to me.

Faced with an oral question with debate, I shall reply to the text of that question, although the subject raised by the honourable Member, which has far wider implications than the oral question, is indeed absorbing. Besides, if I may say so, this subject concerns the male representatives in this Assembly, just as much as the members of the Council, who are actually likely to be male. That is as far as the debate goes.

As to the question presented in Mr Fellermaier's name, let me point out that the Council Directive in question, i.e. Directive No 75/117, based on Article 100 of the Treaty, is concerned — need I remind you—with the harmonization of legislation in the Member States to apply the principle of equal pay for male and female workers, as provided for in Article 119 of the Treaty. This has perhaps been overlooked by certain honourable Members of this Assembly. In fact, Article 119 is being invoked together with Article 100, which is perhaps the cause of some confusion.



**Thorn**

The Directive in question clarifies in certain respects the material scope of Article 119 and provides in addition for various measures intended essentially to improve the legal protection available to any workers with cause for complaint about a failure to comply with the principle of equal pay referred to in Article 119.

If you ask me what conclusions the Council draws from this judgment, after maintaining up to now that the principle of equal pay should be enforced in practice by implementing the said Directive, my answer is that this question is based on a false interpretation. The Council has not maintained hitherto that the principle of equal pay should be enforced in practice solely by implementing Directive No 75/117, since the latter is based on Article 100 and the former on Article 119; in laying down provisions in the form of directives, the Council has not called into question the Court's ability to decide that the principle contained in Article 119 of the Treaty can be invoked in a national court of law.

As to the second part of Mr Fellermaier's question, which was enlarged upon by the honourable Member who spoke just now, namely the measures taken by the Council to ensure that this legal principle is implemented in the Member States, I would stress that the enforcement of the judgment in the Member States is not within the competence of the Council. The question here is the implementation of the judgment in the Member States; previously it was a question of bringing into line, of harmonizing legislation in the Member States; the implementation in the various states of a judgment from the Court is not the Council's responsibility.

**President.** — I call Mr Hillery.

**Mr Hillery, Vice-President of the Commission.** — First, I wish to speak about the approach of the honourable Member before dealing with what the Commission, the Council, national governments, enterprises and trades unions can do. No one institution on its own can make such remarkable efforts as to change here and now the condition of women.

I am seriously involved in the attempt to change the condition of women in the Community. In my view, it would be a great discourtesy if we demanded that something be done here and now rather than settled down to the long hard work before us to bring equality of treatment, pay and opportunities to women. This approach of impatient demands on others is a thing of the past. It has made very little progress.

Often, when I meet a woman who has succeeded in life, I am inclined to ask her what she has done specifically for other women. However, I do not do this because it is not a situation for charging people with hypocrisy and especially not a situation for charging those who are trying to help with hypocrisy.

I would like to think that the Commission has made one great stride in favour of women. In the two directives proposed by the Commission and adopted by the Council, the right has been established for women to go before the courts in their own countries when they feel they have been discriminated against in order to present their cases to the courts. In these directives, we have established our own machinery for reports on progress in the implementation of the directives to be brought to the Commission by governments. We can, of course, take action against governments if the legislation is not implemented.

Mrs Dunwoody asked what the Commission has done in its establishment for its own personnel. This is a problem which must be faced realistically. The Commission reflects appointments made from Member States' requirements. The senior positions in the Commission are filled by the governments of Member States. We must acknowledge that the structure of the careers available to women is such that the careers for women are mainly at the lower levels. It is a pyramid. There are very few women in the higher career levels of the Commission. Progress can be achieved only by having women in corresponding posts in the national governments, in enterprises and the trades unions to enable them to move into the Commission services.

Having said that, and having acknowledged that the Commission does not have a structure which reflects any credit on the Community by the employment of women, I would add that conditions of service in the Commission for women are far ahead of those of any other employers in the Community, whether private or public.

I regret that what has been said is always the approach of anyone who speaks on a motion relating to what the Commission or the Council is to do for women in the Community: 'What have you done about putting women into the top jobs in the Commission?' This will come about when the legislation brought about by the directives proposed by the Commission, examined by Parliament and adopted by the Council gives women equal opportunity for access to training, employment and promotion. Only then will women have the opportunity to take up senior posts, whether they be in the Commission, Parliament or the large enterprises in Europe.

However, it goes against everything we are attempting to do to stand up and demand that women here and now, regardless of any training, experience, background or other disability, be given senior posts. Therefore, we cannot say here and now that this change can take place.

I ask Parliament to accept the programme set out by the Commission to adopt a study of the condition of women in the Community. A very thorough study was undertaken of the discriminations against women and

## Hillery

the obstacles in the way of women's gaining promotion and access to employment and education.

A communication was sent to the Council with a directive calling for legislation to give equal opportunities. This directive must be applied in the Member States within two years of its adoption. After that, we can look forward to seeing the effects of the activities of the Commission.

There are other actions of the Commission which should be brought to the notice of the House. It is not just recently that the Commission has sought to help the implementation of equal pay in the Community. It started in July 1960 with a Community recommendation to Member States. In 1961, a special working-party, with government, trade-union and employer's representatives, was given responsibility for helping the Commission by examining ways and means of applying the principle of equal pay. The House will understand that this cannot be imposed but must be done by agreement between both sides of industry and the government.

Eight reports have been brought forward to the Council and Parliament. They are regular, detailed reports on the state of the implementation of Article 119. We have case studies, analyses, collective agreements, wage-setting techniques and statistical surveys. This is all essential information to tell us how progress can be made and if progress is being made. Dossiers have been opened in relation to two Member States suspected of infringing Article 119, each of which led to the adoption in the Member State concerned of corrective law.

I have already mentioned the two directives sent forward to the Council and adopted. A request was addressed the Commission that a Member State be temporarily exempted from the provisions of Article 119 and of the directive. That request was refused by the Commission although the Member State concerned felt that its serious economic difficulties justified its exemption from giving women their basic right as confirmed in the Treaty and the directive.

In the light of what I have said, we should look at the implications of the judgment given by the Court of Justice on 8 April. The Court adopted the thesis of the direct applicability of Article 119 to within certain limits only. The Court ruled that the principles of equal pay could be raised in courts or tribunals of the original Member States of the Community from 1 January 1962, as the beginning of the second stage of the transitional period, and from 1 January 1973 in the new Member States. That is the date of entry into force of the Treaty of Accession.

The Court specified that the retroactivity of financial claims could be recognized /only for workers who had commenced proceedings or made a similar claim before the date of the judgment. It appears, however, in both the operative part of the judgment and the

reasons adduced, that the self-executing nature of Article 119 is restricted to direct and open discrimination that can be established on the basis of the sole criterion of work identity and equal pay referred to in Article 119. Beyond these very narrow limits a far greater field is open as regards Community and national intervention, comprising the principle of equal pay for equal work and work of equal value and indirect or disguised cases of discrimination quoted by the Court.

I emphasize the Commission's determination to ensure that all Member States comply with Directive 75/117 of 10 February 1975, which defines and harmonizes certain procedures aimed at facilitating implementation of the principle of equal pay in the widest sense by providing in particular for the elimination from all aspects and conditions of remuneration of all discrimination on grounds of sex for the same work or work to which equal value is attributed. The directive also places an obligation on Member States to inform and protect the worker.

The first task of the Commission will be to verify, from information requested from Member States and already received in part, in accordance with Article 8 of the directive, whether the legal situation in the Member States, taking account of legal provisions previously or recently adopted, corresponds with imposed obligations, and, if necessary, to institute infringement proceedings, as the Commission has already done in two cases.

**President.** — I call Mr Härzschel to speak on behalf of the Christian Democratic Group.

**Mr Härzschel.** — (D) Mr President, ladies and gentlemen, on behalf of the Christian Democratic Group I can say that we shall continue to give our vigorous support to the implementation of the principle of equal pay for men and women.

We welcome the decision of the European Court of Justice and regret that the Council of Ministers has been so dilatory about the directive. If it had been implemented promptly in accordance with the wishes of Parliament we would probably not have got into this difficult situation. To a certain extent, Mr Thorn, I agree with you from the formal point of view, but I insist that politically the blame clearly lies with the Council of Ministers. The Council has dragged its feet in this matter for long enough, and no blame can attach to the Commission. The Commission has made several attempts to draw up a Regulation embodying this principle. The Regulation has also been delayed time and again. We have discussed this several times in Parliament and I had the honour of presenting the Resolution which dealt with this Directive.

Although we demanded that the Directive should be implemented without delay, it took over a year for the Council of Ministers to make known its views on the

**Härzschel**

subject. It is no use, following this judgment, our invoking the legal position and declaring that each country has the opportunity of lodging complaints; the important thing is for the provisions of the Directive to be made law in the countries of the Community as quickly as possible, thus putting an end to discrimination against women.

It should, however, also be noted that some progress has been made in the past few years, so that it is far from true to say that discrimination is still practised everywhere. Formal equality has been achieved in most countries of the Community, even if there are isolated infringements here and there.

In this context, however, I would like to point out that the motion for a resolution also dealt with other aspects of equality, for we took the view that it was not sufficient to achieve formal equality but that it was also necessary to attack these forms of discrimination which continue to affect women.

The question of access to trades and professions should be dealt with and the evaluation of women's work should be examined. Many women are classified in low-wage categories, which do not correspond at all to the work they actually do, and are strictly speaking discriminatory. There is also the question of promotion prospects and improved vocational training, since it became particularly apparent during the recession that lack of qualifications meant that many women could not find a job or were dismissed earlier.

These are all questions that must be discussed and decided on quickly. In connection with this we expect the Commission — and we shall also, on the basis of the judgment, ask for this at the meeting of the relevant committee — to present us with an interim report on the extent to which equality has so far been achieved in the various countries of the Community.

To my esteemed colleague, Mrs Dunwoody I would say that it is also important for all Members of this House to use their influence in their national parliaments to ensure that now that these principles have been decided on they should also be respected and implemented in the individual Member States. This is the only way to make real progress. We Christian Democrats will at any rate continue to support this principle.

**President.** — I call Mrs Kruchow to speak on behalf of the Liberal and Allies Group.

**Mrs Edele Kruchow.** — (DK) Mr President, I should first of all like to thank the President of the Council, Mr Thorn. We in the Liberal Group are satisfied with the President-in-Office's view of the legal position.

I should like to elaborate on some of the points in the speech by the Member of the Commission, Mr Hillery.

May I first of all say that many women — among them those referred to by Mr Hillery with a training and good jobs — in women's organizations in the Member States were very pleased that Article 119 was included in the Treaty of Rome. Many of us have said time and time again that this gives us a lever which some countries who are not Member States of the European Communities may well envy us.

Having said that, I should like to stress — as Mr Hillery already said — that the problems do not simply involve wages expressed in pounds and pence, but rather the social and educational background and whole range of family and other traditions which perhaps have religious roots.

In the years before 1972, we naturally had a major debate in Denmark on the position of women in the Community, and many of us were very pleased to read Mrs Sullerot's report on the condition of women in the Community, especially with regard to wage problems.

There are at present various study groups and various studies on this subject going on within the Commission, and I — like Mr Hillery — strongly recommend that these be pursued. In this context, I might point out that the seminar which the Commission held in Brussels a few months ago — and which Mr Hillery also attended — produced a lot of statistical material which might greatly interest those present here.

It is all right to plead — like the preceding speaker — that the time has now come for us to have a report on what the position is throughout the Member States. I feel, however, that it will be impossible to prepare such a report within one year, if it is to be of any use to us. What could perhaps be done, on the other hand — and this was one of the points raised at the Brussels seminar — would be to compare several different regions in the different countries.

Let us, for instance, compare country districts and towns in one country. Let us do the same in some of the other countries. And in those countries in which there are mountainous regions, let us compare one such region in each of them. This will give us something we can cope with. We cannot study this question in the whole of the Community, but we can produce a series of regional studies on the lines of what Mrs Sullerot did so thoroughly. I think that, in this way, we could learn a lot about why things are as they are. For, as I said, it is not just pounds and pence that are involved, but traditions as well.

Just as I emphasized before that countries outside the Community may well have envied us Article 119, the Community or the Commission might do well to get hold of certain Swedish studies. The Swedes have produced reports on experiments they have started in which women were given jobs which were traditionally done by men, while men went into work which had traditionally been reserved exclusively for women.

**Kruchow**

I therefore strongly suggest that the studies be continued and that more be done than has been done up till now. The fact is that half or more of us are women, and since we are interested in the economy of the Community, there can be no reason for not letting women take part in the economy to the benefit of the Community and society.

## IN THE CHAIR: MR BEHRENDT

*Vice-President*

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

**Mr Yeats.** — I think it is an excellent thing that this Oral Question was tabled. Indeed, I hope that Parliament will be discussing this topic at fairly frequent intervals until such time as we can be absolutely satisfied that the Directive on Equal Pay has indeed been incorporated fully, not merely into the legislation, but into the practices of all our Member States.

I should like to congratulate Mrs Dunwoody on the eloquence — indeed, the passion — with which she spoke. I found myself in agreement with very much, in fact almost all, of what she said, but I must point out to her that the gentleman who spoke of 'the monstrous regiment of women' was not an Irishman but a Scotsman.

Mrs Dunwoody mentioned what she described as a Socialist commitment to equal pay. I accept that there has been such a thing, but I think that it should be said that other groups also, not just one section of the political firmament, have been working over the years for equal pay. In the same way, it is not merely employers who have been dragging their feet over the years, though, Heaven knows, they have been clinging for long enough to the convenient idea of an abundant supply of cheap labour. One cannot always say that trade unions have been perfectly happy to work alongside fellow workers who happened to be women working for lower wages. We are all of us responsible in varying degrees for the inordinate length of time that it has taken to come as near as we are now to equal pay.

Mrs Dunwoody also spoke, as did others, about equal opportunity. I agree with her that the question of equal opportunity for women is far more important than that of equal pay. Equal pay in itself will achieve very little. The question of equal opportunity is also far more difficult. However, I do not propose to deal with this question myself, both because it is not really relevant to the strict terms of the question and because in my country we are not even particularly near achieving equal pay, and I think that the easier goal of equal pay should be achieved first before we go on to the more difficult and, as I say, more important task.

The problem of equal pay has always been that everyone has agreed in principle that equal pay is

necessary, but there has always been some reason when it comes to practice for not carrying it out. I regret to have to say that the directive which came into force in the Community on 10 February last has so far been utterly and completely ineffective in my country: nothing has happened. Indeed, within the past ten days or so agreement has been reached on a national pay award covering all the workers of my country which does not deal in any way with the problem of inequality of wages between men and women and which does not make any change in the way of even getting nearer to the concept of equal pay.

It is not simply that there is reluctance in Ireland, particularly at governmental level, to introduce equal pay. One could understand reluctance. One could understand delay. One must be candid and say that there has been what amounts to a blank refusal to carry out the terms of the directive.

Mrs Dunwoody referred to legislation passed in England effective on a definite date. We in Ireland passed legislation in 1974 saying that as from 1 January 1976 there would be equal pay in Ireland. Unfortunately, industry made no effort to prepare for this situation, and when the last months of 1975 came our industrialist, particularly those in certain industries such as the textile and boot-and-shoe industries which use many women as cheap labour, said that it would be impossible to pay in present conditions, that the cost was excessive and so on. As a result, at the end of January last a Bill was introduced to postpone the introduction of equal pay. Some humorist apparently decided to give this Bill, which proposed to enshrine discrimination in our laws yet again, the title 'Anti-Discrimination (Pay Amendment) Bill'. The Minister who brought in that Bill is a Socialist Minister.

The Commission considered this matter and unanimously decided to refuse a derogation to the Irish Government on this matter. The Minister for Finance thereupon referred to what he described as 'the irresponsible antics' of the Commission and said that if the EEC insisted—as he put it—on forcing equal pay on Irish womanhood it should pay for it.

The enforcement of the pay directive is primarily one for national governments. I accept this, but I think that the difficulty is that when a national government refuses to enforce it the Commission will have to come into the matter. There has been no change at all in equal pay in the private sector in Ireland. In the public sector the Irish Government has withheld equal pay on the basis that from a budgetary point of view they cannot afford to introduce it, and they have brought in instead different salary scales for married men and women and unmarried men and women. The Irish Congress of Trade Unions has protested to the Commission on the ground that, as it puts it, this is a subterfuge to try to avoid introducing equal pay. The Irish Government is now being sued in the courts by a Civil Service union.

## Yeats

In these circumstances I ask the Commission: what is the position with regard to an application which has been affected by equal pay? Does it consider that this arrangement for the Irish public service is in conformity with the directive, and generally speaking, what does it propose to do to try to bring in equal pay in the foreseeable future in Ireland?

**President.** — I call Mrs Goutmann to speak on behalf of the Communist and Allies Group.

**Mrs Goutmann.** — (F) Mr President, ladies and gentlemen, under the Treaty of Rome the Member States were obliged to apply the principle of equal pay by the mid-1960's. It is now 1976 and this question is still the subject of a full debate even today. In April 1974 and again in 1975 I pointed out to this House that not only had the situation hardly changed, it had in some respects deteriorated.

In 1976, it is continuing to worsen in every country in the European Economic Community. Men's and women's wages vary by between 20 and 40%. These disparities in earnings — and this had already been emphasized — are further aggravated by what can only be described as a penalization of work done by women, since the employers practice discrimination not only in wages, but also in job classification, qualifications, promotion and vocational training.

It can be seen, for instance, that it is those branches of industry which have a predominantly female workforce — textiles, clothing, leather and furs and foodstuffs — which pay the lowest salaries. Moreover, even in our own institutions, women encounter great difficulties — and this has also been pointed out — in reaching responsible posts.

The Member States are reeling under a crisis and this is affecting women in particular. The drop in public consumption, the austerity imposed on the workers by the governments, and by the major multinational concerns in particular, affect primarily the consumer goods industries — textiles, foodstuffs, clothing and electrical goods — in which large numbers of women are employed. One cannot therefore approve the policy of austerity and reduction of public consumption, as proposed by the Commission, by the European Council, by the Member States and in the Tindemans report, while at the same time shedding only a few token tears over the fate of the women workers. In France, for instance, women represent 37% of the working population and 51% of the total of unemployed. In our country this percentage is rising steadily, and with the spread of temporary and part-time working and flexible hours, the discrepancy between men's and women's earnings is becoming even more pronounced.

The austerity policy is also affecting communal and social facilities such as *crèches* and nursery schools. To take my own country as an example again, France has

only just over 1 000 *crèches* for more than eight million working women. This situation has not arisen by chance — it is the result of a deliberate policy on the part of the European Economic Community and the major monopolies. It is a policy which benefits large companies which are trying to use women as casual labour, badly paid and easy to fire. This policy is the direct consequence of a society based on so-called 'competition and free enterprise', but which is in fact 'free' to exploit the workers, to exploit young people, women and immigrants through discriminatory practices condemned in words but applied systematically by management and by all the Member States.

It is clear that this problem will not be resolved by passing and implementing a Community directive. In any case, we have already seen several directives passed, and the situation is still the same. The 'social' Europe so often promised has been a total failure, simply because one cannot implement a progressive social policy while at the same time supporting large companies and their policy of austerity.

What we therefore want to see are measures which will make it possible for men and women actually to receive equal pay.

What we want are measures to give effective opportunities for appeal to workers suffering from non-adherence to legislation, to the trades unions and to the works councils, and we also want provision for sanctions against the employers concerned.

I must, however, emphasize that even the judgement given by the Court of Justice is only of minor consequence and that, at national level, if all the women affected by discrimination were to bring changes, most courts would by now be snowed under with claims and complaints.

We must therefore have no illusions about any genuine resolve on the part of the Member States to enforce the existing laws and to impose sanctions which would oblige management to respect the rights of women workers — unless we assume that, if there really is a resolve on the part of the Community, the Community institutions are pretty ineffective, since we have been proclaiming this right to equality for more than twenty years and the decisions have still not been implemented! In actual fact, the European Economic Community is not even trying to make use of the legal means at its disposal!

In conclusion, I should like to say that the only possible course is to take the economic and political measures needed to implement this legislation properly, so as to free the Community from the control of the monopolies and to ensure that each country is free to introduce an economic, political and social system under which it really can apply equal rights for men and women and put an end to the monopolies' domination of the life of the Member States!

**President.** — I call Lady Fisher of Rednal.

**Lady Fisher of Rednal.** — During my research into this problem I read that in 1971 Parliament expressed great concern over the progress towards equal pay, and in its report adopted a resolution inviting the Commission, employers, employees and governments to do all in their power to achieve the goal of equality of pay. The report also appealed directly to women in the Community to endeavour themselves to implement the principle of pay equality. The report even went so far as to say that this should be done, if need be, by resort to law.

We are discussing in the main the result of the decision of the European Court in the case of one female who took Parliament's advice and decided to resort to law. If I correctly understand Mr Hillery, the controversial Article 119 of the Treaty means that the rule that women have a right to equal pay is directly applicable to Member States.

If I understood correctly, the Court also rules that women have a clear right to claim backdated pay. But I also understood that judicial impartiality was to some extent constrained by political expediency, and only those cases that were pending at the time of the decision could go forward. That shows that even now discrimination is being shown against women, because only the cases pending at the time the judgment was made can go forward.

In reply to my friend Mrs Dunwoody, Mr Hillery said that he was always tempted to ask the successful woman, 'What have you done for other women?' I am very tempted to say to Mr Hillery, 'What have you done for other men?' I do not suppose that that ever crosses his mind.

I accept that the long period of collective bargaining based on economic power has produced inequality towards women. Many workplaces in which women work are difficult to unionize. They were difficult to unionize when they employed only men. Sometimes women are criticized for not participating in trade-union activity. There is also some confusion in that it is difficult to achieve collective bargaining in respect of many jobs which women do.

While some progress has been made—perhaps it is slower than some Member States would like—most Member States have laws which in varying degrees are intended to give effect to equal pay. I understand on good grounds that separate women's wage-groups in collective agreements are still being maintained. I suggest that that is against the equal-pay principle.

What action do the Commission and the Council intend to propose if insufficient progress is being made? Is it still the practice of the Council and the Commission to report on progress at two-yearly intervals?

Women are not making impatient demands. We have been fighting for equal pay for over half a century. As

elected Members of Parliament, we must remember that women have votes at elections. The day has long since passed when principles satisfied the female voters. Their demand is that those principles be changed into practice.

**President.** — I call Mr Broeks.

**Mr Broeks.** — (NL) 8 April 1976 was a memorable day for all women in the nine Member States. They have every reason to be grateful to Gabrielle Defrenne, although she herself will be the only one not to profit from this ruling to the effect that any woman not receiving pay equal to that received by her male colleagues can take the matter to a national court and that the judge can only uphold her complaint, since the judge can only rule that men and women must receive equal pay for equal work. That is the significance of this judgment. The Court of Justice of the European Communities ruled that Article 119 of the EEC Treaty was directly applicable.

I have nothing at all with which to reproach the President of the Council. Indeed, I find that on this occasion the Council has taken a decision fairly quickly with regard to the proposals on equal conditions for men and women. It is just a pity that the Court has ruled that Directive 75/117 is no longer applicable as regards the date, since Article 119 is directly applicable. On the other hand, Directive 76/207 is very important, since this is not based on Article 119, but on Article 235 taken in conjunction with Article 119.

Mr President, it is a pity that we have so little time, since this is a question of vital importance. Mr Hillery asked what he can do. I would say that he must simply apply Article 169, which states that the Commission is responsible for ensuring that the obligations laid down in the Treaty are complied with. If they are not, the Commission must intervene. Now that Article 119 has been ruled directly applicable, it is the Commission's duty to look into the question of whether the various Member States in fact apply this Article. If not, the Commission must take action. Any woman can do the same thing personally. She can take the matter to court in her own country. This does not alter the fact that the Commission has a job to do.

If our Irish colleague says that his government has different regulations covering pay for male and female employees, these provisions are no longer valid, since the court explicitly stated that the ruling applies to both individuals and governments. Every Irishwoman can therefore take the matter to court and demand equal pay. This may be unfortunate for the budget of the government in question, but it must observe these provisions.

I agree with Mrs Dunwoody that it is not only a question of equal pay. Women have other rights too. This is why I welcome the Directive based on Article 235 which the Council approved on the proposal from the

**Broeksz**

Commission, and which guarantees other rights for women.

The right to equal pay was applicable in the six original Member States as from 1 January 1962 and in the three new Member States as from 1 January 1973. I think it is extremely important that this right should in fact be applied. I fully understand the answer given by the President of the Council, but I should nevertheless like to ask Mr Hillery whether or not he agrees with me that this judgment of the Court imposes certain obligations on him. These obligations are, in my view, quite clear and I feel that they should be fulfilled as soon as possible.

I still maintain that much of what has been said here is now out of date. Mrs Goutmann says that her party has always insisted that women should be able to take the matter to court. They can now go to the courts in their own country and the judge knows from the ruling of the Court of Justice what he must do. I look forward with great interest to Mr Hillery's answer.

**President.** — I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — (F) Mr President, I think that Mrs Dunwoody, Mr Broeksz and Mrs Kruchow have shown in their speeches that they have understood the main point of the Council's reply; it is now up to those concerned to make use of the legal basis established by this judgment to institute appropriate proceedings before the Court.

Allow me to reply to just two questions addressed more specifically to the Council. As I said, Directive No 75/117 is based on Article 100 of the Treaty, which is concerned with the approximation of legislation. This sort of thing is always a lengthy task, and if you say that the Council has taken too long, far too long over it, my answer is that the Member States' obligations existed from the end of the first stage, as Mr Broeksz has just reminded us, and this has been confirmed by the reasons adduced for the judgment of the Court. There can be no question of the Council's having neglected its obligations, and it should thus not be criticized on this account.

Moreover, since the Council issued its directives on approximating legislative provisions in the Member States on this subject in 1975, and now that the Court has handed down its judgment on the interpretation of Article 119, it is up to the Commission, in which, of course, Parliament and the Council have all the necessary confidence, to ensure that all these provisions are properly implemented.

**President.** — I call Mr Hillery.

**Mr Hillery, Vice-President of the Commission.** — I should like to refer to the position created by the interpretation of the Court, which means, as the President-in-Office of the Council said, that Article 119 was applicable directly in the Member States. What was

applicable was the definition in Article 119 of equal pay for equal work, which in itself is restricted.

Before the decision of the Court, the Council had adopted a directive proposed by the Commission and examined by the Council. There was about a year in the development of the directive to its adoption by the Council. It was one of the successes of the Council in these last few difficult years.

The directive gave a right to women to go to the courts in their own countries and demand equality of treatment, not in the restricted idea of equal, identical work but for work of equal value. That is the power that exists when the Commission is asked, 'What are you doing for women who are discriminated against?'

We have already legislated that these women have the right now in their individual cases to go to the courts in their own countries and have a decision of the court. The decision must be applied if the rule of law is to run in their own countries. The Commission's responsibility is to see that the law is there. Legislation to apply the directive on equal pay now exists in all Member States. How well it is administratively installed will be a matter for the reports which must be made at least at the end of two years. As I have said, however, reports are coming in to us about how well it is being installed.

As I have already said, under Article 119, before our directive, the Commission has instituted infringement proceedings against Member States, and, if necessary, the Commission will do that again. I hope I have made it clear that the existence of the law and the provision for the making available to individuals of their rights under our directive is the Commission's business; but the existence of this right in the Member States gives to every woman the possibility of going to court to make her own individual case and establish it in the law of her own land.

I can promise the House that the Commission will continue its work. We are at present developing another directive in the social welfare sector, where many discriminations exist. I promise that it is the Commission's intention to continue to work until all areas of discrimination have, as far as the Commission can make it happen, been removed. The way to do it is through legislation, the application of legislation and the use of the courts by the people involved.

**President.** — I call Mrs Dunwoody.

**Mrs Dunwoody.** — I must come back because the answer was not very acceptable. I ought to know, having been in Parliament for some ten years, that it is not surprising to receive an unacceptable answer. However, I do not think it is even a correct answer.

I draw the attention of the Commissioner to what the judgment says. There has been a great deal of play about Article 119. Taking the article in conjunction

**Dunwoody**

with Article 117, it is true that rights are already enshrined enabling women to go to their own national parliaments.

The judgment says :

The implementation of the principle of equal pay for equal work in such fields might, where appropriate, call for concurrent Community enactments and for national legislation.

Let us hear a little less about what the Commission has done to make it easy for people to go to their national jurisdictions ! That right already exists. What the judgment may have done — and it will take a legal mind to sort this out — is to make it slightly more difficult to take action retroactively than it was before.

We ask the Commission again not what it is demanding of the member governments but what it is doing concerning employment, for which the Commissioner is personally responsible, and in what manner it is instituting action.

When the Community seeks to aid commercial undertakings, it is able to raise the money, to vote millions of units of account through its budget and to distribute them from one Member State to another without great difficulty. However, when it comes to something as fundamental, difficult and vital as equal pay, it seems that we are not even prepared to discuss whether there is some way in which the Commission and the Community might do something to aid the implementation of equal pay at every level.

**President.** — I call Mr Broeks.

**Mr Broeks.** — (NL) After what Mrs Dunwoody has said I am looking forward to hearing Mr Hillery's answer.

As regards Directive 75/117, the Court explicitly ruled that the deadlines for equal pay had already passed, i.e. that the principle laid down in Article 119 was directly applicable in the various Member States as from 1 January 1962 or 1 January 1973. Thus the deadlines for equal pay, as laid down in Directive 75/117 no longer apply. I should like to stress this point. It is contained in item 3 of the Court's ruling. The article which binds the Commission is Article 169, according to which the Commission now has the duty to check whether all Member States are observing the provisions of the Treaty, Article 119 of which is now directly applicable.

**President.** — I call Mr Hillery.

**Mr Hillery, Vice-President of the Commission.** — Hope springs eternal ! I will endeavour to clarify this matter.

There are currently two matters in our minds affecting the rights of women to equal pay. One is the judgment of the European Court, which says that Article 119 is directly applicable in all Member States.

The idea of having further legislation is in no way incompatible with what I have said. The confusion arises when one talks about the directive. That is a separate legislative action. The directive must be applied to the Member States' own legislation, and is already enshrined in Community law. There can be no question of there being a difference of opinion between Mrs Dunwoody and me.

Article 2 of the directive states :

Member States shall introduce into their national legal systems such measures as are necessary to enable all employees who consider themselves wronged by failure to apply the principle of equal pay to pursue their claims by judicial process after possible recourse to other competent authorities.

Before the Court interpreted the application of the Treaty, that directive was adopted unanimously by the Member States. As I have said, the nine Member States have now introduced implementing legislation. In all nine Member States, any woman who thinks she has been discriminated against in terms of equal pay for equal work can go before the court in her own country. If the rule of law applies in that country, she must receive equal pay if the judgment of the court so decides.

The finding of the Court of Justice about the application of Article 119 directly reinforces the decision already made by Parliament, the Commission and the Council. The Court found Article 119 directly applicable. Article 119 deals with equal pay for equal work. That led to a great deal of hair-splitting in statements that the work was not equal. I spoke of this earlier because we overcame that in our directive by saying that the principle of equal pay for equal work means equal pay for the same work, or for work to which equal value is attributed. We called for the elimination of all discrimination.

Therefore, with the Court's interpretation being discussed today, under the directive adopted by the Council and now implemented in all Member States a woman can go to court, claim her rights and get them. The decision of the Court is in support of a more limited interpretation of the words 'equal pay'.

I do not doubt that more work is necessary. We are already in the process of preparing a directive on social security which we regard as very important in matters concerning equality in conditions of employment. I say this, not to widen the debate, but to establish that we have introduced in the Member States legal rights to equal pay for work of equal value.

It is now in the hands of people who feel discriminated against to make claims. It is not a question of opinion ; it is enshrined in the law.

We hope to continue, by way of further instruments, to deal with the impediments we found in the way of women's obtaining in their place of work not only equal pay but equal opportunity and a chance to enter careers.



**Hillery**

The career structure for which the Commission has been criticized, but which exists in all our institutions and in international organizations and private enterprise, must be reformed by overcoming the difficulties and giving equal access to education, employment and promotion. That also has been legislated for in a proposal of the Commission.

**President.** — I have no motion for a resolution on this debate. Since no one else wishes to speak, the debate is closed.

9. *Members of the European Parliament in the ACP-EEC Consultative Assembly*

**President.** — The chairmen of the political groups have informed me of the Members of the European Parliament nominated to sit in the ACP-EEC Consultative Assembly.

These Members are :

Mr Achenbach, Mr Adams, Mr Aigner, Mr Albertsen, Mr Ariosto, Mr Artzinger, Mr Baas, Mr Behrendt, Mr Berkhouwer, Mr Bersani, Mr Alfred Bertrand, Mr Pierre Bertrand, Mr Boano, Miss Boothroyd, Mr Bordu, Mr Bourdellès, Mr Brégégère, Mr Broeks, Mr Brugger, Lord Castle, Mr Colin, Mr Corona, Mr Cousté, Mr Dalyell, Mr D'Angelosante, Mr Della Briotta, Mr Deschamps, Mr Didier, Mr Dondelinger, Mrs Dunwoody, Mr Durieux, Mr Espersen, Mr Fellermaier, Mr Flämig, Miss Flesch, Mr Frehsee, Sir Geoffrey de Freitas, Mr Galli, Mr Girardin, Mr Glinne, Mrs Goutmann, Mr Guerlin, Mr Hartog, Mr Härzschel, Mr van der Hek, Mr Herbert, Mr Hougardy, Mrs Iotti, Mr Jakobsen, Mr Jozeau-Marigné, Mr Kaspereit, Mr Kavanagh, Mrs Kellett-Bowman, Mr Krall, Mr Laban, Mr Lagorce, Mr Laudrin, Mr Lautenschlager, Mr Ligios, Mr Lücker, Mr McDonald, Mr Maigaard, Mr de la Malène, Mr Memmel, Mr Mursch, Mr Brøndlund Nielsen, Mr Knud Nielsen, Mr Nolan, Mr Normanton, Mr Notenboom, Mr Nyborg, Mr Pianta, Mr Pisoni, Mr Premoli, Lord Reay, Mr Romualdi, Lord St. Oswald, Mr Sandri, Mr Santer, Mr Schuijt, Mr Schwörer, Mr Scott-Hopkins, Mr Seefeld, Mr Shaw, Mr Spicer, Mr Terrenoire, Mr Vandewiele, Mr Vetrone, Mr Walkhoff, Lord Walston, Mrs Walz, ... (Socialist seat).

The number of candidates is the same as the number of seats.

Are there any objections?

These nominations are ratified.

I would remind you that the inaugural meeting of the ACP-EEC Consultative Assembly will be held in Luxembourg on 1—3 June 1976.

10. *Oral question with debate: Effects of cooperation agreements on the common commercial policy*

**President.** — The next item is the oral question with debate, put by Mr Jahn and Mr Klepsch on behalf of the Christian-Democratic Group to the Council and Commission of the European Communities, on the

effects of the cooperation agreements and of private cooperation contracts concluded under them on the common commercial policy (Doc. 76/76) :

1. Is the Council/Commission prepared, since a number of agreements have already been published, to give the EP a list of the framework agreements for cooperation concluded between Eastern European and Asian Countries and the Member States, and their most important contents?
2. Can it do the same for the commitments and measures that affect trade mentioned in the second indent of Article 1 (1) of Decision No 74/393 of 22 July 1974?<sup>1</sup>
3. Is the consultation procedure introduced by that decision being correctly followed? Are there cases where such agreements have been concluded by a Member State despite Commission reservations as to their compatibility with the common commercial policy?
4. What machinery does the Council/Commission propose to use to supervise trade in goods and services under private cooperation contracts? Is the present volume of such trade known, and can medium and long-term growth forecasts be made on the basis of available information? Is information available on the effects on various sectors? Is the introduction of an obligation to notify private cooperation agreements envisaged to make for more comprehensive information?
5. Has the Council/Commission a list of the financial commitments (government credits, credit guarantees and credit insurance) entered into by the Member States to promote cooperation, and can it make this available to the EP? Are these export promotion measures compatible in every case with the EEC Treaty?
6. In view of the amount of financial aid from the Member States to promote cooperation, is the consultation and notification procedure established by the Council Decision of 3 December 1973 in the area of credit insurance, credit guarantees and financial credits considered adequate? Has it proved useful to hold consultations on cooperation agreements on the one hand and on finance for transactions resulting from them on the other in two different committees, chaired by the Council in one case, and by the Commission in the other? Are measures to harmonize the granting of credit so as to restore equality in competition between European suppliers, such as those in the regulation proposed by the Commission at the end of 1972 but not adopted, being envisaged?

I call Mr Jahn.

**Mr Jahn.** — (D) Mr President, ladies and gentlemen, the common commercial policy of the EEC Treaty has remained incomplete to this day. According to Article 113, the common commercial policy should have been based on uniform principles once the transitional period was over. By the Decision on the standardization of trade agreements with third countries and on the negotiation of Community agreements of

<sup>1</sup> OJ L 208, 30. 7. 1974, p. 23.

### Jahn

16 December 1969, this time limit was extended to 1 January 1973. Until then, Member States were authorized to conclude bilateral trade agreements which, among other things, made it possible to deviate from the common customs tariff. Common principles for standardizing liberalization measures, trade protection measures, etc. have since come into force, and the Community's monopoly in the conclusion of trade agreements is respected. But gaps still remain in the common export policy, the main concern here being the cooperation agreements. This question has been thoroughly discussed three times in this House, since at the time the EEC Treaty was concluded the instrument of cooperation agreements did not exist, or at least was not developed. In all three debates the entire Parliament agreed with the Commission that cooperation agreements, both agreements between states and private agreements — and these are what we are most concerned with today — must be properly controlled if the Treaty of Rome was not to be jeopardized in the long term.

The Council Decision of 22 July 1974, for which Parliament was largely responsible, on establishing a consultation procedure for cooperation agreements between Member States and third countries, is the final point reached so far — and I stress so far — in dealing with this disputed question — and I also stress disputed. It is disputed because the Member States cannot agree on whether cooperation agreements as atypical modern instruments of external trade policy do or do not fall within the competence of the Community. And if so, whether for example the agreements between the Federal Republic of Germany and the Soviet Union must be concluded by the Community in the same way as corresponding agreements by France and the United Kingdom.

The previously mentioned Council Decision must therefore be regarded as a compromise under which no restrictions are placed on the Member States' freedom of action other than the obligation to notify the Community.

Those who benefit most from this hesitant Community attitude, ladies and gentlemen, are the state-trading countries, who are thus able to conduct their external trade with the individual Community countries without recognizing *de jure* the existence of the Community at all. We will not know whether there has been any change in this attitude as a result of the recently submitted COMECON proposal — I refer to the visit by Foreign Minister Weiss of the German Democratic Republic to Mr Thorn at the beginning of February 1976 — until the proposals have been examined. I have been informed today that the Council has not yet examined these proposals.

A distinction must be made between, on the one hand, cooperation agreements concluded between states and, on the other hand, contracts concluded under them between private Community enterprises

and state-trading agencies of the COMECON countries. Under the Council Decision the obligation to inform the Community applies only to cooperation agreements between states and not to private contracts.

The agreements between states are, as it were, only the superstructure and contain nothing more than official declarations of goodwill. It is the interested organizations and enterprises on both sides which in each case agree on the terms of individual projects. Neither the planned extent of the economic exchange nor the terms of financing, credit, government guarantees, etc. are fixed in the agreements. This means that the Community, although notified of the agreements, is in no way informed of the volume and terms of the external trade involved. The Community bases its attitude on the principle of the free exchange of goods with the whole world. But that should not prevent certain measures being taken — because of the special nature of trade with state-trading countries — which take account of strategic, political and economic interests in the relationship between East and West as well as the completely different procedures involved in this type of trade.

In this connection two things are important: firstly, that there may be dangers involved if a comparable proportion of the production of selected industries is earmarked for export, and secondly, that the obligation to supply under cooperation agreements will only come into full force in the future, since at present we have only seen the tip of the iceberg of the agreements already concluded. Even the number of private cooperation agreements concluded is, even nationally, not clearly known. In reply to my question, the Federal Government in Bonn stated that it did not know the exact number, but estimated that the number of contracts concluded between the Federal Republic of Germany and Eastern European countries was in the region of 350, but it might even be 600. Today I was given a copy of *The Times* by a colleague in this House. It contains a report that Hungary alone has thousands of cooperation agreements with Western firms. If that applies to one state, and we know many others in which conditions are the same, another factor comes into play, and I should just like to finish by referring to it briefly.

It is common knowledge — what a pity that the Communist Members are not here — that Western firms are setting up more and more subsidiary factories and also warehouses in Poland, Hungary and Bulgaria, so that by using the underpaid labour forces there these subsidiaries can supply the West with large quantities of textiles, shoes or typewriters — it is all in the article in *The Times*. This means that the jobs of our workers are jeopardized, since goods are supplied at prices for which our workers cannot work. I felt this must be said, since it has been on the increase recently. Subsidiaries, or whatever you care to

**Jahn**

call these production links, might be described as a gift — that is what *The Times* calls them — to the workers in Eastern Europe in order to raise their economic level somewhat, a gift from capitalism so that there will finally be that total equality which earlier one of our lady Members wanted to see brought about. Thus state-cheapened labour in the Communist world of state capitalism is producing goods which are becoming a danger to us.

Let me say in conclusion that the question of cooperation policy also has important monetary implications. The trade balances between the Community and COMECON, particularly the USSR, are considerable. To illustrate the deficit of the Federal Republic from goods traffic with the state-trading countries for 1975 amounts to 9 000 million, or 8 753 million to be precise. You can be sure that this deficit, which is for the most part covered by government credits, means that the money supply is correspondingly increased while the supply of goods on the internal market remains the same, hence the trend is inflationary. In this are covered by cooperation agreements, public concerns and semi-public industrial enterprises take full advantage of their state support, their continuous subsidies, and with considerable risk and considerable advantage enter into business with the Eastern European state-trading countries, thereby causing not inconsiderable damage and upsetting competition where private industry seeks to operate.

These circumstances illustrate clearly that it is in the interest of the Community to create for the future an information network to record all supply obligations, broken down by sector, issuing from cooperation agreements. Otherwise, in the long term, the whole agreement might be jeopardized by the private cooperation contracts which get out of hand because governments no longer know whether there are 500, 800 or 1 000, what credits are involved or what provisions there are for repayment.

**President.** — I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — (F) Mr President, I would first of all like to refer to the information that Parliament was given on this same topic by the President-in-Office of the Council during the meeting of 9 April 1976.

In reply to the first and second questions, I would like to point out to Parliament that almost all the Member States have concluded framework agreements for cooperation with Eastern European and certain Asian countries. In view of the diverse nature of these arrangements, it is rather difficult to give a detailed list of the main provisions of these agreements or of the understandings and measures taken in this context.

I shall therefore confine myself to saying, in general, that these agreements, to all intents and purposes, constitute a declaration of intent by the two parties

concerning the development of cooperation, a declaration relating in some cases to the form and the appropriate steps to promote this development (the promotion of coproduction, of the creation of joint ventures, of exchanges of know-how, etc) and, in other cases, to a specific economic sector.

However, an important point should be stressed, namely that in every case the agreements establish a joint committee at which the representatives of the two parties meeting periodically, and thus play a major part both in implementing the cooperation and in supervising these agreements.

The main objective of the consultation procedure introduced by the Council Decision of 22 July 1974 is to ensure that the obligations assumed by the Member States in this field are in accordance with the common policies, particularly the common commercial policy. The results achieved by this procedure and the collaboration which has arisen between the Commission and the Member States may, without any exaggeration, be considered satisfactory, consequently it has been possible to avoid the difficulties mentioned by the Honourable Members.

The initiative for private cooperations contracts lies with the private sector, even though they are often the result of action initially taken by government authorities. In many cases, the public authorities have no knowledge of specific projects carried out by private undertakings, as Mr Jahn has just pointed out. The Council is therefore not in a position to supply information on this matter. Finally, it should be added that it seems difficult to put into effect the idea of keeping a check on private cooperation — and I think this is what you were concerned about — as there is a risk of this breaching industrial secrecy. I would add that I myself do not share this fear.

In connection with the financial commitments entered into by the Member States to promote cooperation, it should be noted that cooperation agreements only include very general provisions for such financial commitments as are only implemented at a later date. Consequently, it is, on the one hand, impossible *a priori* to gain an overall view of these financial commitments and, on the other, there is no proof, even at any given moment, that the available data correspond to all the commitments which will eventually be entered into in the context of a given cooperation agreement, and that is one criticism which I share with you.

In any case, it should be specified that since global credit arrangements within the meaning of Council Decision 73/391 are not involved here, the exact amounts of the financial commitments under the cooperation agreements are not known. In fact the procedures for Community consultation defined by the above-mentioned Decision make provision only for information relating to simple value categories for all operations other than such global credit arrange-

**Thorn**

ments. Finally, Council Decision 74/393 specifies that any information supplied is of a confidential nature.

Turning now to the application, pursuant to cooperation agreements, of the procedure for consultation and exchanges of information in the area of credit insurance, credit guarantees and financial credits, it should be stressed that the Council Decision on cooperation agreements extends the scope of preliminary consultations in relation to transactions which are not covered by these agreements. It is for this reason that, to quote a few examples, any credit with a duration of no more than five years and any untied credit must be the subject of prior consultations under a cooperation agreement; this is not so in the general context of the credit insurance consultation procedure.

Finally, I would like to add that the problems raised by competition in export credit far transcend the current problem of cooperation agreements.

After all, what matters most is the harmonization of the main credit terms, rather than harmonizing the granting of credit.

As is well known, efforts have been made on an international scale to achieve a certain alignment in this field — but no more than that — although, no definitive conclusions have yet been reached or are even in sight.

*(Applause)*

**President.** — I call Sir Christopher Soames.

**Sir Christopher Soames, Vice-President of the Commission.** — I thank Mr Jahn for returning to this important subject, on which we had an interesting debate last April. Over the past few years, cooperation agreements have become an important dimension in the development of international economic relations, and today each one of our Member States, with the exception of Ireland, is endowed with a whole set of cooperation agreements with the East European state-trading countries. A number of them have concluded cooperation agreements with oil-producing countries in Asia, other countries in Asia and with India.

Following an initiative by the Commission, to which Mr Jahn referred, on 22 July 1974 the Council decided to establish a Community procedure of information and consultation about these bilateral national agreements, a procedure under which the texts of cooperation agreements are made available to the Commission and other Member States. That was done with just the aim in view to which Mr Jahn has long attached the greatest importance — so, indeed, do we — that these agreements are not used by governments to undermine the conception of our common commercial policy, which is, let us face it, a risk. We therefore thought that a maximum of transparency was necessary.

Mr Jahn asked whether it would be possible to arrange for a list of these agreements to be made avail-

able. Mr Thorn gave his answer. We can certainly make a list available, but the Commission cannot give details of the contents of the agreements, for they were given to us in confidence by the Member States in order to go through this procedure. It would not be for us to make them public. It is for the Member States to decide how much public information is to be given about such agreements. I only hope that they will not find it necessary to be less transparent than it is possible for them to be.

Mr Jahn next asked whether the consultation procedure introduced by the Council decision of 1974 is being correctly followed and how it is working. We have taken advantage of it. Information about cooperation agreements is made available to other Member States and to us. We have been vigilant in our study of the projected agreements and, where this has given us cause to doubt their compatibility with the common commercial policy, which from time to time has happened, consultations have taken place in a committee composed of representatives of all the Member States and the Commission. At these meetings we have so far always found it possible to reach agreement, either on the basis of undertakings from the Member State in question, or on the basis of its taking into account the Commission's points and adapting the agreement accordingly.

Mr Jahn asked specifically about private agreements. We must recognize that it is primarily up to private industry — happily — to put into effect industrial cooperation with third countries. In doing this, our entrepreneurs are obliged to act within a framework of national and Community rules governing the various transactions which arise from every cooperation project. Apart from those obligations, we must recognize the logic of our open-market economic system. We must respect the confidentiality of private operations, and, while we count on a sense of responsibility on the part of our businessmen, we must expect then to expect of us the greatest possible freedom to get on with their job.

That is why there is no Community obligation to notify private contracts and why, in turn, I am not in a position to give the House details of the exact volume of trade flowing from them. We have fairly good estimates which suggest, taking the flow of exchanges between East and West, that between 3 per cent and 7 per cent of the trade between the Community and its Member States and the countries of Eastern Europe results from cooperation agreements — no more.

These figures represent an average for the whole range of trade, and in certain sectors the figure would be considerably higher. This is the average across the board.

## Soames

Mr Jahn's fifth and sixth points relate to one of the most sensitive aspects of cooperation agreements, which is their credit provisions. I regret that, because we are obliged to regard these details as confidential, we could not provide information about them without the agreement of Member States, and somehow I do not think that we should get it lightly.

The fact is that some Member States have made specific credit arrangements in connexion with cooperation agreements, and this would seem to have been an area of competition between those Member States. The Commission greatly regrets this situation. Indeed, the desire of certain Member States to be free to associate credit provisions with their cooperation agreements is one of the main obstacles to our making progress together in the export credit field generally.

Therefore, I do not believe that the cause of our difficulty lies in the fact that there are two separate committees on these issues, to which Mr Jahn draws attention. Our problems in this matter stem, not from an administrative cause, but from a determination by certain Member States to include credit provisions in their cooperation agreements.

How are we to assess the impact of the growing network of cooperation agreements upon the Community's policies? Cooperation is desirable; let there be no misunderstanding about that. The Commission is anxious that our economic and commercial relations with East European countries should be developed to the fullest degree on a basis of reciprocity, and cooperation agreements have their part to play in this. The consultation procedure has proved to be a useful first step towards ensuring the conformity of the basic cooperation agreement with Community rules, and I welcome the progress that we have made in our committee, limited though it may have been.

However, having said that, let me add that this basic framework of the agreements is now being filled out by a whole mass of subsidiary agreements, protocols and programmes. Their negotiation and the contacts which take place in the joint committees obviously offer occasion for the discussion of many aspects not only of economic relations but also of more strictly commercial matters and for official guidance on them.

It is in all our interests that the Community and its members should guard against the possibility of a divided approach emerging from these discussions, especially when areas of Community competence are in practice involved.

The Commission is also beginning to consider what more we now need to do to develop a common approach to the ever-expanding volume of international economic relations carried on under the aegis of cooperation agreements. I assure you, Mr President, that the Commission will not fail to discuss these ideas with the House when it has reached a more advanced stage in their formulation. There is no doubt

that we have a lot of thinking to do. I am grateful to Mr Jahn for raising this point.

(Applause)

**President.** — Since no one else wishes to speak, the debate is closed.

11. *Oral question with debate: Violations of the Helsinki Agreement by the Soviet Union*

**President.** — The next item is the oral question with debate, put by Mrs Walz, Mr Klepsch, Mr Aigner, Mr Artzinger, Mr Blumenfeld, Mr Härzschel, Mr Mursch and Mr Springorum to the Council of the European Communities, on violations of the Helsinki Agreement by the Soviet Union (Doc. 32/76):

What action is the Council of the European Communities taking on the Soviet Union's continued violations of the 1975 Helsinki Agreement (CSCE)? In particular, how does the Council intend to react to the specific case of the Ukrainian intellectuals V. Moroz, L. Plyushch, V. Chornivil, I. Svitlychnyi, Y. Shuchevich, S. Karavanskii, E. Sverstyuk, I. Kalynets, V. Stous and thousands of others, which was brought to the attention of the European Parliament by Petition No. 9/75 with an urgent appeal for the above named political prisoners to be released by the USSR authorities?

I call Mrs Walz.

**Mrs Walz.** — (D) In 1975, during International Women's Year, our colleagues Omelan Kowald and Paul Auverdin presented a petition concerning the release of Ukrainian women held as political prisoners in the USSR. At its meeting of 25 January 1976, the Petitions Committee decided to reject this petition, despite the fact that it concerns cases of exceptional hardship.

My group therefore took the view that we should not simply let this matter rest. Our aim in this is to induce the foreign ministers of the Community to concern themselves to a far greater extent with the humanitarian problems referred to both in the petition and in this question, and, further, to make their position clear with regard to the observed violations of the Helsinki Agreement on the part of the Soviet Union. It is true that the European foreign ministers discussed the consequences of the Helsinki conference only recently in Luxembourg, but it is apparent nevertheless that the West had had great expectations — too great, in fact — of the agreements contained in basket three, namely cooperation in humanitarian and other fields. This however, is precisely where the East is being particularly restrictive. Humanitarian measures, improved freedom of travel and free exchange of information still exist to a large extent only on paper, even if the reunification of families has become somewhat easier, and journalists have been granted a few more rights.

**Walz**

The outlook for the implementation of human rights is nonetheless still poor. For far too long in recent years, partly for the sake of a misconceived policy of détente, the tacit principle has been applied that constant reference to the violation of human rights could possibly hinder détente. But the state of ordered peace for which we are all striving and hoping can only be achieved on the basis of the establishment of human rights. In these circumstances we think it is absolutely essential to draw attention to the constant violation of these rights by the government of the USSR, just as we do for other countries.

The government of the USSR violates these rights both according to its own constitution and to the general Declaration of Human Rights, which it has signed. Human rights which are also guaranteed in the Ukrainian Soviet Socialist Republic. Thus, for example, at the end of last year the international executive committee of Amnesty International published in London a dossier on 'The treatment and conditions of arrest of political prisoners in the USSR'. This dossier also contains details of the fate of a number of the prisoners referred to in the above-mentioned petition. I myself am a Member of Amnesty International and last year I took up the case of one of these prisoners, the poet Irina Stasinov, and wrote to the Soviet Embassy in Germany, as well as to the Secretary General of the Ukrainian Communist Party, but naturally I received no answer. In connection with this I would just like to mention that Pope Paul VI also pointed out at his New Year audience on 12 January that, to use his own words, the excellent principles and guidelines could be considerably ennobled if they were supported by deeds. We are still waiting for these deeds.

If the Soviet Union has now covertly begun a new diplomatic offensive with the aim of further developing the East-West cooperation agreed on at the Helsinki conference and for which Europe continues to be prepared, then the government of the USSR must be made to understand in no uncertain manner by the foreign ministers of the Member States of the Community that the recognition and implementation of the agreements on human rights reached in Helsinki must be one of the indispensable conditions for further political and economic cooperation on a basis of trust with the USSR and the Eastern states.

The Final Act of the CSCE expressly provides for the possibility of bilateral negotiations in order to work towards wider respect for human rights. Therefore the accusations made here about the violation of human rights by the government of the USSR cannot simply be dismissed as interference in the internal affairs of another state.

We would like, therefore, to insist that the foreign ministers of the Member States of the Community should not let slip the chance of negotiations to

improve the conditions of the prisoners in the USSR and in other Eastern states from the humanitarian point of view, for those concerned are in urgent need of our help, and we should simply not pass over this injustice in silence.

*(Applause)*

**President.** — I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — *(F)* Mr President, I would like to assure Mrs Walz that I followed her account with interest and that I echo the hope, expressed at the end of her speech, that all my colleagues, will give it due attention. Moreover, I am sure that the permanent representatives and all the diplomats, who follow very closely the concerns expressed in this Parliament, will report this to the various foreign ministers. For my part, I shall personally see to it that the text of Mrs Walz's speech is transmitted to all my colleagues for their consideration which will make my task easier too. But she and all the honourable Members must understand if in my reply I do not follow exactly the oral question as presented, since the reply, as you can imagine, was decided on, under the political cooperation system, by nine politicians working together but at different times, on the basis of a text compiled by Mrs Walz. The wording of the question as communicated to us was: 'What action is the Council of the European Communities taking on the Soviet Union's continued violations of the 1975 Helsinki Agreement?'

My reply is as follows: the Final Act of the Conference on Security and Cooperation in Europe does not, strictly speaking, constitute an agreement in international law. It is perhaps necessary to point this out, not for your benefit Mrs Walz but for the sake of a large number of people who are unaware, or pretend to be unaware of this fact. Moreover, this is even explicitly stated in clause three of the conclusion to the said Act of the so-called Helsinki agreement, according to which the 'final act' is not eligible for registration under article 102 of the Charter of the United Nations. It is thus clear that the signatories in Helsinki were aware of the limited scope, from the legal point of view, of what we signed. Therefore, if you start out from the basic notion that this is not an agreement in the absolute sense under international law, then strictly speaking — forgive me for putting it this way — there can be no question of any violation: in fact, given that there is no agreement in the strict legal sense, there can be no violation of this agreement, and thus, *a fortiori*, there is nothing against which action can be taken.

The Final Act — I shall call it that — of the CSCE expresses, or was meant to express, more or less in the form of a political and moral undertaking on the part of all the delegations, the intentions of all the participating states with regard to their behaviour in the

## Thorn

fields covered by this Final Act. Thus there are several mentions of 'the determination of the participating states to act in conformity with the provisions contained in the adopted texts'.

And, as you can imagine, we spent weeks trying to avoid certain words which you and I have used just now. These provisions include in particular 'respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief'.

It should be stressed — and we hope this is one of the positive aspects — that this is the first time human rights have been thus recognized as one of the principles governing relations between states, while the declaration adopted in Helsinki states, moreover, that these principles are all of prime importance. It is important to remember that, this at least, is in the text, even if its legal scope is limited.

The participating states also declare that 'they will promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights', and that respect for these rights 'is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and cooperation among themselves'.

It thus seems to me, Mrs Walz, that this is essentially a declaration of intent, a consensus of all those delegations on what ought to be the common code of moral conduct to be adopted; only the future will show what the states do to follow up and give effect to this undertaking given in Helsinki.

The effective implementation by all participating states of all the provisions of the Final Act, including those concerning human rights, constitutes for our Community one of the elements for assessing the reality of *détente* and the way in which the multilateral process began by the Conference can be continued. Although some people are already talking of the second stage, we intend first to judge the follow-up to this initial declaration. You can rest assured that the Nine are in permanent consultation on the means to be used, both bilaterally and multilaterally, to encourage — that is the least I can say — and ensure the implementation of all the provisions of the Final Act of the Conference. In doing so, they — I mean the Nine — continue to attach very special importance to the implementation of the jointly adopted provisions concerning the human rights and freedoms of which you spoke.

It follows from what I have just said that efforts to obtain the implementation of texts agreed to by all participating states cannot constitute an interference in the internal affairs of one of these states. In the light of experience, the Nine consider that as far as governments are concerned diplomatic activity, which is often discreet and almost always forceful, offers the

best chances of achieving the desired result in this field. I can assure you personally that we have severally taken a large number of diplomatic initiatives, which have indeed been discreet but very often forceful.

*(Applause)*

## 12. Change in agenda

**President.** — Ladies and gentlemen, as I have a fairly long list of speakers, I would like you to decide now how our work is to be continued.

It is perfectly clear that we cannot get to the end of the items on the agenda today unless you agree to a late sitting. I would point out, however, that one late sitting is already planned for tomorrow, and I do not think that either the Members of Parliament, nor above all the Parliamentary staff, can be expected to hold two late sittings in a row.

I thus propose that we continue with the agenda, close the sitting at around 8 p.m. and then discuss the remaining items on the agenda at the beginning of tomorrow's sitting.

I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — *(F)* Mr President, I should very much like to accept your proposal, but my plane is waiting for me from seven o'clock on and at eight o'clock I must leave Strasbourg for further commitments. I shall therefore not be able to attend tomorrow's sitting and I take this opportunity of asking you to excuse me.

**President.** — This question with debate and the question by Miss Flesch to the Council are all that remain on the agenda. I can only urge you firstly to accept this proposal, and secondly to ensure that, if possible, speakers do not make full use of the five minutes.

I propose that we close the sitting at about 8 p.m., of course concluding these two items, and deal with the other items at the beginning of tomorrow's sitting.

Any objections?

That is agreed.

I call Sir Derek Walker-Smith.

**Sir Derek Walker-Smith.** — Mr President, in view of the added business for tomorrow, would it not be possible for the sitting tomorrow morning to start earlier than 11.30, thereby shortening the time given to the political groups? It seems a little paradoxical when we are so short of time and have such a crowded agenda that tomorrow's sitting should not start until half-past eleven. Could not consideration be given to starting earlier tomorrow morning in order more conveniently to accommodate these additional items?

**President.** — This proposal as such appeals to me greatly, but I must point out to you that there is a meeting of the Bureau tomorrow morning, followed by a tour of the new building. If you think that you should begin without the Bureau and without the group chairmen, I leave that to your judgment.

I call Mr Boano.

**Mr Boano.** — (I) Mr President, I would be grateful to you if you would ask Parliament whether it agrees to bring forward the start of tomorrow morning's sitting to 10.30 a.m.

**President.** — Mr Espersen, do you wish to raise an objection?

**Mr Espersen.** — (DK) Other meetings are planned for tomorrow morning, not only concerning the tour of the new building, but also meetings of the group chairmen, etc. It is very difficult at this stage to inform absent Members of any changes. Therefore I do not think that these discussions are so important as to warrant changing the time of tomorrow's sitting.

**President.** — I put to the vote the proposal that we should begin at 10.30 a.m. instead of 11.30 a.m.

The proposal is rejected.

13. *Oral question with debate: Violations of the Helsinki Agreement by the Soviet Union (Resumption)*

**President.** — I call Mr Brégère to speak on behalf of the Socialist Group.

**Mr Brégère.** — (F) Mr President, I shall be particularly brief since I am only standing in for Mr Radoux, who was to speak on behalf of the Socialist Group but who has had to depart.

In complying with his request I shall restrict myself to putting the two questions which he had prepared for the President-in-Office of the Council.

Firstly, as regards the provisions of the Helsinki Agreement which deal with cooperation in the humanitarian and other sectors the Final Act contains special mention of travel for personal or professional reasons. The stated intention is gradually to simplify and to render more flexible the various formalities on leaving or entering the signatory countries. Could you tell us, Mr Thorn, whether in accordance with other provisions of the Agreement contact has been maintained between all the signatory states with a view to checking that real progress has been made as regards cooperation in this sector?

Secondly, it is stated in the chapter dealing with the effects of the Helsinki Agreement that the signatory states must make renewed unilateral, bilateral and multilateral efforts in all sectors covered by the Conference. A meeting of representatives appointed by the

ministers of foreign affairs will be held in Belgrade in 1977 to discuss this. Can the President of the Council tell us what steps have been taken by the Nine Member States of the Community to ensure that this commitment will in fact be met and that in the meantime everything will be done to ensure that next year's meeting brings positive results?

**President.** — I call Mr Vandewiele to speak on behalf of the Christian-Democratic Group.

**Mr Vandewiele.** — (NL) Mr President, I should like to thank the President-in-Office of the Council for his remarks and his very understanding attitude towards Mrs Walz and the signatories of the petition.

I agree with him that an act of diplomacy, preferably as discreet as possible, is probably more useful in many cases than stormy debates which sometimes give rise to misunderstandings. I agree with him on this point. I believe, however, that the fact that Mrs Walz has brought the matter up following the announcement of the petition submitted by Mr Kowal and 27 signatories deserves publicity. Mr Kowal is the general secretary of the General Council of Ukrainian organizations in Belgium. He himself has Ukrainian nationality. The signatories of the petition rightly feel entitled to claim the rights guaranteed by the constitution of their country and the Universal Declaration of Human Rights.

I should therefore like to give my support on behalf of the Christian-Democratic Group to Mrs Walz' appeal.

In recent months our Parliament has devoted debates lasting many hours to the Helsinki Conference. We have repeatedly heard spokesmen for all groups express our satisfaction in respect of this Conference and our great expectations for the future. This is why we regret today that the Helsinki Agreement has in some cases remained essentially a dead letter.

We are prepared to say this in a friendly but firm tone. And we cannot do otherwise than to express our great anxiety regarding peace. We also know, however, that human rights cannot be adjustable according to the country in which the human being happens to be.

In our view, Human Rights are one and indivisible, as we read in the Final Communique of the Helsinki Conference — I have no intention of going into the question of the extent to which sanctions are justifiable; clearly, we subscribe to the legal point of view taken by the Council in this respect and we read with interest the following in the final communique of the Helsinki Conference: 'the participating states will respect Human Rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion'. We have heard this said hundreds of times. It is gradually becoming a refrain whose meaning is becoming lost to us.



## Vandewiele

Two paragraphs further we read in this solemn promise, which was signed by all the heads of State present: 'the participating States on whose territory national minorities exist will respect the right of persons belonging to such minorities to equality before the law ...' That is what we are discussing here today: the rights of minorities, including those of the Ukrainians.

This paragraph continues: '... will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms ...'

This is why we in turn thank the President of the Council for the answer he has just given. We have no right to maintain a diplomatic silence when we hear the cries of distress from Ukrainian intellectuals, in particular — and let their names be heard in this Parliament — Moroz, Plushch, Charnovil, Tsvetlitsny, Shukovich, Karavanski and so many others who were mentioned by name in the petition submitted to us.

We expect the Council to take steps to protect the rights and prospects of the Ukrainian political prisoners.

(Applause)

**President.** — I call Lord Gladwyn to speak on behalf of the Liberal and Allies Group.

**Lord Gladwyn.** — Why did so many Western statesmen seem to think that there was even any likelihood of the Soviet government's carrying out their more important obligations, whether explicit or presumptive, and notably in the humanitarian field, under the declaration of Helsinki?

In my intervention last September I said that it would be wildly optimistic to suppose that the Soviet Government would abide by its major obligations in this and other fields, if only for the simple fact that the Soviet régime would collapse if it did. (I can hardly believe that it would be in danger if a visa were granted to my great friend Lord Bethell.) On that occasion I said that, politically speaking, Russia had got what she wanted and, therefore, there was little inducement to do so anyway; that, naturally, any cooperation in environmental and, indeed, cultural affairs would be welcome; that the economic and industrial arrangement might be advantageous provided they did not enable the Soviet Union to increase its vast armaments expenditure without further reducing the standard of living of its people. What could be a disaster would be that, having got essentially what it wanted on frontiers and so on, the régime refused to respond by blocking any progress on mutual and balanced force reductions at Vienna. If there was no progress here, then — and here I quote myself —

the whole huge declaration of Helsinki will not be worth more than the paper on which it was written.

I stand by that statement and can only note, to my infinite regret, that so far there has been no progress in Vienna.

Why, therefore, have the major objectives of the Helsinki conference clearly not been achieved? I answer that in two sentences. The original idea was, I believe, that a whole new era could be initiated by the Conference on Security and Cooperation in Europe in which the great Communist bloc would co-exist peacefully with its capitalist neighbours, all normal means of intercourse being reinforced as time went by. By and large, *rapprochement* between the totalitarian and the free societies was believed to be not only desirable but also possible. One day, the huge Soviet Union would become to some extent *embourgeoisée* — was not the Soviet middle class even now emerging? No doubt, the Western powers might equally have to submit over the years to an increasing amount of state control. Thus, the developed industrial world as a whole might forge common interests *vis-à-vis* the under-developed world, the danger of conflict would be avoided and the lion would eventually lie down with the lamb.

It was a noble vision; it was also a sad illusion. In the distressing reality, the mission of the Soviet régime is to lead a world-wide movement against the capitalist system, or imperialism (all non-Communist governments, even social-democratic governments, are necessarily imperialists in that they are the conscious or unconscious agents of big business centred on America), and to create an alternative world system in which they will be surrounded by like-minded states or, as we should call them, satellites. It is a long-term task which they hope to carry out without a world war, believing that it can be accomplished by building up great armed strength at least equal to the combined forces of the so-called imperialists and, above all, by persuading the two-thirds of humanity now known as under-developed to disrupt the free societies by denying or rendering difficult the supply of vital raw materials. China is a pain in the neck to be dealt with when the West has been reduced to impotence.

There is no time to develop this argument. I have only another minute. I conclude by saying that while there are undoubtedly grave defects in our Western societies which must be corrected, and while there are certain things which may be done better behind the Iron Curtain, provided we accept the loss of all personal freedom, the only valid response — here I ask the President of the Council whether he agrees — of the non-totalitarian countries, particularly in Europe, is (a) to ensure that their defences, especially their conventional defences, are what is called 'credible', which they can certainly do at less expense if they harmonize their arms programmes in Europe and pool their R and D; (b) to make a success of the European Community, thus creating a valid and greatly superior alternative to Communism; and (c) to come to terms with the developing countries, even at considerable cost to themselves, possibly involving some lowering of the present standard of living.

**Lord Gladwyn**

If we so proceed there will be no third world war, and the Soviet Government may have tacitly to abandon its present philosophy. But that time is not yet.

(Applause)

**President.** — I call Lord Bethell to speak on behalf of the European Conservative Group.

**Lord Bethell.** — I agree very much with what my friend Lord Gladwyn has just said about our expectations when this agreement was concluded last autumn. Our expectations were extremely modest. We read through the agreement very carefully. It seemed too good to be true, and I do not think that any of us seriously believed that some of the signatory countries would adhere to such noble principles as freedom of expression, freedom of religion, freedom of association and freedom of the press, which are ostensibly guaranteed in the document under the signatures of Mr Leonid Brezhnev, Mr Janos Kadar, Mr Edouard Gierak and other East European leaders.

I mention this in passing only to point to the extreme and almost unbelievable hypocrisy of these East European leaders, that they should have felt it in their interests to put their names to such principles in the sure knowledge that they were not going to observe the agreement and in order to induce the West to make further concessions in the sphere mainly of recognizing the post-war conquests of the Red Army.

Lord Gladwyn is quite right. We did not really expect that much of these principles would be adhered to by the Soviet Government, but we did expect something. We expected that there would be a step, a movement, perhaps a concession here and a concession there. However, even those very modest expectations have not been fulfilled.

Last Wednesday I spoke on the telephone to Moscow, after a certain amount of difficulty, to the winner of this year's Nobel Peace Prize, Dr Andrei Sakharov, whose award was welcomed by Parliament in plenary session recently. He expressed very grave concern about the non-fulfilment of this agreement by the Soviet Union. He mentioned in particular the question of the reunification of families and a number of cases, in particular that of Mr Yefim Davidovich, an old man who had tried for years to be allowed to leave Russia to join his family in Israel and who had been refused leave year after year after year, until he, I regret to say, died about three weeks ago without ever having seen the family whom he had tried to see.

I have a number of other names — Mr Jacob and Mrs Rimma Sosna, who live in Leningrad and who likewise have tried year after year to gain permission to rejoin their family in a foreign country. They have been refused permission. I have other names, but I have no time to mention them. I will send these names to Mr Gaston Thorn, because I understand that the Council is monitoring this agreement. I ask anyone who knows cases of violation of this agree-

ment to send details to Mr Thorn, because I know that the Council is monitoring cases of violation of this agreement and these should be borne in mind and checked. I understand that the American Congress may also monitor the agreement.

What more can one say? I am very disappointed. There seems to have been very little progress. What possible movement towards military *détente* can one have when the Soviet Union refuses to do what it has solemnly undertaken to do — to warn the West of manoeuvres and to allow observers — and this has not been fulfilled? What possible free exchange of information can there be when journalists are denied visas, when only those who report favourably on the Soviet Union are admitted; or indeed when this principle is extended to Members of Parliament and only those who take a generally favourable attitude to the Soviet Union are admitted and those who speak critically in one way or another are excluded? What scientific exchange can there be when Soviet scientists who have spoken critically about their government have their mail and their telephones blocked and are refused permission to travel? The only suggestion I can make is that the Council should consider whether it should make an interim report on the monitoring to date of this agreement. I know that it will make a full report when the matter is raised again in Belgrade — in 1977, I believe — but would it consider making an interim report about the monitoring to date so that we could see exactly to what extent there have been violations of the agreement? So far as I can see, it is an agreement without any validity at all.

**President.** — I call Mr Stewart.

**Mr Stewart.** — Of necessity, we have had only a short debate on what is a very important subject. Its theme is essentially this: how does a Community like ours, dedicated to certain principles of human freedom and certain values, live side-by-side with a bloc which has a totally different philosophy about human freedom and which is also explosive and proselytizing? Our problem is to keep the peace on the one hand and to avoid the surrender of anything we regard as valuable on the other hand. This is not a problem to which one can find an immediate answer by looking it up in a book and knowing what to do with every twist and turn of East-West relations. It is a continuing problem.

When in 1970 I attended the NATO Conference in Rome at the time when the NATO Allies decided to embark on the course of action that led in the end to the Helsinki Agreement, I took the view that, for the purpose of trying to remain at peace without surrendering anything of value, it was better to embark on the conference and produce something like the Helsinki Agreement than to refuse to have anything to do with it. I put it no more strongly than that. On the whole, I believe that was a right decision.

## Stewart

However, as I have said, it is a continuing problem. Nobody, however gloomy a view might be taken of events since Helsinki, would suggest that we should scrap the idea and not hold the conference planned in Belgrade.

Therefore, we in the Socialist Group feel that we should make a further study of this matter and, in due time, ask for another and fuller debate on East-West relations.

**President.** — I call Lord Ardwick.

**Lord Ardwick.** — I am very glad to hear from my right honourable friend that there are prospects of a wider debate than has been possible today. Even if time had not been so limited today, it would not have been adequate for such a large subject.

I do not think we shall progress very far by alleging specific breaches of the Helsinki Agreement. Too many clauses are hedged by too many restrictions which can be conveniently cited. We must be concerned with breaches and violations of the spirit of Helsinki as was Mrs Walz. After all, Helsinki, feeble instrument though it is, is part of *détente*. The best definition I have heard of '*détente*' is 'that state of relations between East and West which enables their conflict of ideas and real interests to be kept within bounds'.

*Détente* is not a favour that we do the Soviet Union or that the Soviet Union does the West. It is very precious to us all. It is in danger of being eroded.

In America, particularly at this time of elections, there is a danger that *détente* becomes a dirty word, like 'appeasement'. Indeed, one of the front runners is already describing *détente* as a 'one-way street'. Many people are deeply disillusioned, believing *détente* to be one-sided as the Soviet Union shows considerable self-confidence while American diplomacy struggles along undermined, as it has been, by the domestic problems after Watergate and the uncertainties of the current election.

I am sure that in the high councils of the Soviet Union today there must be voices, as there always are when things seem to be going their way, urging that the restraints of *détente* should be further weakened.

The problem of what the West has to do is not just that of looking realistically at the pattern of events and then of using brave rhetoric and skilful diplomacy; nor is it enough to add to this formula by finding the will to retain an adequate defence, as Lord Gladwyn said.

There is the yet more difficult problem of restoring political balance. That means that we must fight our way out of the inflation and the recession that have threatened us since the end of the Vietnam war and the beginning of the energy crisis. It means convincing the Russians, and ourselves, that the Western industrial powers are not caught in a long,

insoluble monetary and economic crisis. It means repairing our relations, as Lord Gladwyn said, with the nations of the developing world, so often solidly lined up against us at the United Nations. It means dealing confidently, and in good time, with our Mediterranean political problems.

In the end, *détente* depends less on words on paper as in, say, the Helsinki Agreement than it does on maintaining the balance between the two great systems.

**President.** — I call Mr Dykes.

**Mr Dykes.** — I am sure, Mr President, that all the speakers in this debate should have your silver medal for brevity. It is one of the most amazing occasions, and who am I to spoil it, but I hope that the House will bear with me while I try quickly to deal with two or three points while adding my words to what has been said already, my congratulations to Mrs Walz and my hope, as expressed by Lord Gladwyn, that my good friend and colleague Lord Bethell will eventually get his visa to the Soviet Union. I feel strongly about this, because I applied for one myself but was turned down when I wanted to visit the Soviet Union to see some Jews in Moscow and Leningrad.

It is interesting to note that on this occasion, as usual, the Communists are not here. So much for the Italian *apertura, moderazione* or whatever they care to call it. Even Mrs Goutmann, who is much too nice to be a Communist, is not here; she has now left. Her main concern today was to ask why the Community had had Mr Geisel to visit France and the United Kingdom. As long as the Communists in Western Europe behave like that about the Soviet Union's refusal to honour the spirit and the words of the Helsinki Agreement — principally Basket Three but also the other elements of it — I think that public opinion in the Member States will take due note of the basic imbalance to which Lord Ardwick referred, and we shall all gain additional encouragement from such recent manifestations as the by-election in Tours, in France.

I think, however, that this debate is to some extent a logical adjunct — a phase two, one might call it — of the debate this House had in April on economic relations and, once again, the Soviet Union's failure to honour any of the economic elements of the Helsinki arrangements and, indeed, its desire to undermine the built-in cohesion of the Community by trading off one Member State against another on preferential commercial arrangements and so on.

I mentioned Soviet Jewry. As a former chairman of the British Parliamentary Committee for Soviet Jewry, I feel very bitter about this whole subject and wish yet again to take the opportunity in this forum to denounce the Soviet Union with all the strength I can command for its wholly inhumane attitude towards a specific section of the Soviet population, however

**Dykes**

numerous they may or may not be, who wish for their special characteristics to emigrate to another country — in most cases Israel. That is their special attribute.

The Soviet Union, not only because of Helsinki but as a solemn signatory of the Universal Declaration of Human Rights, has an obligation to let anybody leave the Soviet Union — and not only the dissidents, as Lord Bethell said, but Soviet Jews as well. The West must keep up the pressure on this subject, because the numbers now coming are minuscule in comparison with before.

On economic relations and Basket Two, may I say once again that the irony, to which Lord Ardwick referred, of underdeveloped countries aligning themselves against us in the United Nations is at its most poignant and painful and, indeed, ultimately absurd when we see yet again that the Soviet Union and the whole of the Eastern bloc refuses to acknowledge its own moral and real obligations *vis-à-vis* the underdeveloped countries. It takes very little interest in the future economic welfare of the underdeveloped states throughout the world, and in comparison with the trade that it does with those countries, which is now building up, it ought to be doing far more than it is.

Let the European Parliament unequivocally, aided and abetted on this occasion not merely metaphysically by the presence of the President-in-Office of the Council of Ministers, repeat and repeat and repeat its basic indignation!

**President.** — I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — (F) It is not my intention, Mr President, to speak at too great a length on this matter. I agree with the last speaker and with many of the others: this is an important matter and deserves a more extensive debate with wider participation by the various political groups. Personally, I agree with Mr Stewart's suggestion that we should, in due time, have another and fuller debate on East-West relations. At this stage, I shall deal only with the more specific questions. However, there is one general comment I should like to make. In my opinion, it is pointless to conduct this debate as if the West had made a major error in taking part in the Conference on Security and Cooperation in Europe. I believe that it was our duty to enter into negotiations to establish what substance could be given to the Conference, to make others face up to their responsibilities, and to make them prove to posterity what they really meant by 'detente'.

Any government would have been at fault if it had adopted a naive approach to such a conference and had lowered its guard by taking at face value any deceptive assurances which the other side might have given. I hope that no Western government approached the Conference in this manner. I believe that some day we shall have to take stock and, with history

as our witness, reveal both to our own countries and to those of Eastern Europe just who was mistaken and who was sincere about detente, to show just how far each and everyone was willing to go to give some meaning to the word. I have tried to draw up an interim report along these lines. I am ready, with your collaboration, to prepare a new report at another time, as Lord Bethell would seem to wish.

You will realize, however, that I can make no undertaking on behalf of the Council to the effect that we are ready to draw up an interim report and discuss it here in this House. But in my view your proposal is an interesting one and I shall convey it to the Council.

We are currently involved in serious preparation for the next conference. We must carefully assess the appropriateness of an interim report and then state all our thoughts on the matter. Perhaps it will be useful, perhaps not. But I should like some time to think things over and to discuss the matter with my colleagues.

I should now like to answer the two questions put by Mr Brégégère. Firstly, he asked if any contact has been maintained between the signatory states with a view to checking that real progress has been made as regards cooperation over travel.

I can tell him that the Community is constantly watching developments in this sector, gathering information and ascertaining whether there is any improvement in relations, especially on the part of the Eastern European nations. But Mr Brégégère's question amounts to asking if there is a body for multilateral contacts in which the countries of Eastern Europe are represented, and to this the answer is 'no'. I am sure you will remember that when this was requested from certain quarters, we were among those who did not wish any such body to take formal shape; we did not wish to see any permanent body set up for joint supervision by the two sides of the application of the terms of agreements as we wanted to preclude any unwarranted interference in the work of the European Community. Meetings like the one scheduled for Belgrade were planned for the specific purpose of avoiding the creating of permanent bodies.

However, although there are no general institutional procedures for contacts of a multilateral nature, any proposals or criticism which the Nine have to make are conveyed to the other parties.

Mr Brégégère is also wondering about our preparations for Belgrade. He asked if I could tell him what steps had been taken by the Nine Member States to ensure that this commitment would be met. I am not sure that I like the use of the word 'commitment'. It suggests that we had made some kind of unilateral undertaking. Events have to be viewed in their correct context.

The Helsinki Agreement is a declaration of intent.

**Thorn**

As I pointed out a moment ago — and I was one of the most sceptical at Helsinki, as you can easily check and some of you already know — we have allowed ourselves a certain time for thought in order to assess what practical interpretation each country will give to the ideas involved, before we renew contact at any level and before we decide whether it is worth pursuing them further or whether in fact the experiment has not proved conclusive.

Consequently, although the term 'commitment' is perhaps a little strong, I can nevertheless confirm on behalf of the Nine that we are not only ready but also willing to meet in the near future to take stock of the situation. If detente is important, it is important not just for one side, but for all countries. If there is a chance of consolidating it, of taking stock and establishing where everyone's responsibilities lie, let us seize it.

I should not like the impression to be given here that any of the parties made a commitment to the other. What is more important, in my view, is that the Community should go to Belgrade well prepared; consequently, the Community must establish procedures to study, item by item, to what extent the other signatory countries have respected the stated intentions, so that this second stage will not get bogged down in meaningless talk, but will lead to tangible results, with each country accepting its full share of responsibility.

*(Applause)*

**President.** — Since no one else wishes to speak, the debate is closed.

**14. Oral question with debate: Association of the Overseas Countries and Territories**

**President.** — The next item is the oral question with debate, put by Miss Flesch on behalf of the Committee on Development and Cooperation to the Council of the European Communities, on the Association of the Overseas Countries and Territories (Doc. 80/76):

Can the Council state why it has not yet taken any decision on the Association of the Overseas Countries and Territories with the European Community?

I call Miss Flesch.

**Miss Flesch.** — *(F)* Mr President, the question which I have the honour of putting on behalf of the Committee on Development and Cooperation, concerns the reasons why the Council has not yet taken any decision regarding the association of the Overseas Countries and Territories with the Community.

You will recall that the Council has, in fact, done no more than approve the provisions on trade and on the

right of establishment applicable to the Overseas Countries and Territories from 1 April.

It was on this date that the Lomé Convention became fully operational. But in the case of the OCTs the financial provisions and those for Stabex are still pending. This is a very regrettable state of affairs, firstly since these provisions are extremely important, and secondly since the five-year schedules for Stabex and the European Development Fund have already been cut by 13 months, as a result of the late ratification of the Lomé Convention by the Member States.

The unchanging attitude of the European Parliament in this matter has always been the desire for a parallel treatment of the Association of the Overseas Countries and Territories and the Conventions, formerly the Yaounde Convention and now the Lomé Convention. This was mentioned in particular during the debate on Mr Glinn's report on the association of the Overseas Countries and Territories, held when the second Yaoundé Convention came into force, and most recently on 16 October 1975 when this House adopted a motion for a resolution tabled by Mr Deschamps.

On the latter occasion, it was the particular view of this House that the most rigorous parallel relationship should be maintained in future between treatment of the Overseas Countries and Territories and the new Lomé Convention, in order to ensure that a clear policy line was followed. Furthermore, the House considered that such parallel treatment was all the more necessary in that some of the OCTs likely to become independent in the near future, are destined to become signatories of the Lomé Convention. During the debate on the Deschamps report Mr Cheysson, speaking for the Commission, had given the European Parliament an assurance on this point when he said, speaking of the need for the OCTs and ACPs to be treated alike, 'This will be ensured in every respect if you adopt the motion for a resolution and therefore the Commission communication.'

The resolution was adopted and the communications approved by the House but this similar treatment for the OCTs and ACPs has still not become a reality, since the Council has yet to adopt the regulation on the Overseas Countries and Territories.

Furthermore, according to the information we have managed to gather from various sources, especially the press, a general compromise solution might be found within the Council on the question of Papua-New Guinea's application for membership of the Lomé Convention and the financial provisions applicable to the OCTs. The financial resources needed to extend the fourth European Development Fund, with the aim of earmarking some aid for the new members of the Lomé Convention, should be drawn from the savings which will be made by transferring the French over-

## Flesch

seas departments from the EDF system to that of the European Agricultural Guidance and Guarantee Fund.

This transfer and other related measures would then be part of the general package of measures for the Overseas Countries and Territories. Finally, Mr President, I cannot help pointing out that it seems rather odd, to say the least, that the Community has seen fit to adopt such an authoritarian and paternalistic attitude in this matter towards countries and territories whose independence and membership of the Lomé Convention are just around the corner.

It is for this reason, Mr President, that the Committee on Development and Cooperation hopes to obtain precise information from the Council on the matter as a whole.

**President.** — I call Mr Thorn.

**Mr Thorn, *President-in-Office of the Council.*** — (F) Mr President, I should like to give a brief summary of the facts.

As a result of their association, the OCTs attached to France and the Netherlands have since 1958 enjoyed a privileged position in relations with the Community. Since 1 August 1975 the British OCTs have enjoyed the same privileges with regard to trade regulations. The situation of these associated countries and territories has been reviewed regularly every time the Community has signed new agreements with the member states of the two Yaoundé Conventions and the Lomé Convention.

Decisions on the OCTs relations with the Community, being internal Community decisions, have in the past always been taken far enough ahead to enable them to enter into force at the same time as the successive agreements with the Associated African States and Malagasy.

For the first time, this parallel timing was not respected when the Lomé Convention came into force, as Miss Flesch has just pointed out. This is the reason for her question. Although, personally, I deplore this state of affairs, just as much as she does, there are nevertheless two reasons for it.

Just before the Lomé Convention was due to be signed, the French government — and I intend no criticism here — made a last-minute request for its overseas departments to be included in the EAGGF system. A lot of time was devoted to studying the question and the necessary work got under way after some delay, for reasons which we shall not go into here. An agreement in principle was reached, and the aid programmed for these overseas departments under the EDF scheme will be cut considerably and the transfer made. The question then arose as to what could be made of the EDF resources now available after originally being intended for the overseas departments of France. I am sure that Miss Flesch will understand the

discussions which were held among the Member States on this matter. The majority of the Council members felt that the aid credits should be kept in reserve for allocation, in due course, to the new independent states which would become signatories of the Lomé Convention. However, many shades of opinion were expressed in the Council.

What began as a simple problem of reallocating aid credits has now grown into a discussion on the extension of the Lomé Convention to new developing countries. This discussion, Miss Flesch, is not yet at an end.

As we approached 1 April of last year, the date on which the Lomé Convention came into force and which, in the normal course of events, should have been the date on which the Council decision on the Overseas Countries and Territories also came into force, this office increased its efforts — I can assure you of that — to find an overall solution covering all these problems at the same time. Unfortunately this was not possible. It became apparent, in fact, that there were conflicting opinions within the Council on the question of possibly restricting the accession of new states to the Lomé Convention.

It is our aim, before our present mandate as President-in-Office of the Council runs out, to discuss this problem again. I shall therefore make every effort, as I have consistently done until now — unfortunately without success — to keep out of the debate questions of principle, the implications of which are already known to the House.

This being so, I am sorry that the decision on the Overseas Countries and Territories could not come into force at the appropriate time. Everything has been done, however, to minimize the detrimental effects on these countries and territories.

But, as is always the case in financial matters, no financial commitment can be made until such time as the decision is formally taken. The OCTs will therefore have to wait, both for aid projects and help from Stabex, until all the delegations of the Community have agreed on a Community solution.

**President.** — I call Sir Geoffrey de Freitas to speak on behalf of the Socialist Group.

**Sir Geoffrey de Freitas.** — The very last two sentences of the speech of the President-in-Office of the Council are what worry many Members, certainly of my group and of the committee. It is that developing countries which are still dependent should suffer because of disagreement on the Council. This is regrettable, to say the least, and it seems to us in the committee and to those who have tried to study the problem that the Commission and eight of the nine Member States are agreed but one is not.

It is perfectly understandable that different matters of geography and climate, different institutions and histories, should sometimes make it essential for one of our

**Sir Geoffrey de Freitas**

countries to stand out independently — they have particular national interests — but we cannot see how that can apply in this case or how the particular national interest can be involved.

That is why, on behalf of members of my group and other members who have spoken to me about this matter, I reinforce exactly what Miss Flesch has said on behalf of the committee, and I join with her in regretting, in the words of the question we put down, that the Council 'has not yet taken any decision'. I was encouraged only by the fact that the President-in-Office of the Council made it clear that sought to get the Council to take a decision. I wish him well.

**President.** — I call Mr Deschamps to speak on behalf of the Christian-Democratic Group.

**Mr Deschamps.** — (*F*) Mr President, as Sir Geoffrey de Freitas has just confirmed, Miss Flesch has expressed the general concern felt by the Committee on Development and Cooperation.

Mr Thorn's reply shows he is willing to do something about this disquieting situation, but when I heard it I had a further misgiving. Perhaps he will be able to dispel it in a trice.

The President-in-Office of the Council mentioned a transfer to the European Agricultural Guidance and Guarantee Fund of all or part of the European Development Fund's commitments to the French OCT countries. But certain food and agricultural sectors are not covered by the EAGGF.

I should like to feel sure that these French OCT countries will still be able to benefit from at least some of the EDF funds allocated to these other sectors, so that the latter will not suffer on account of any transfer.

That is the point I wished to make, Mr President. Naturally, we give our unreserved support to Miss Flesch's comments.

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

**Mr Bouquerel.** — (*F*) Mr President, ladies and gentlemen, first I wish to thank Miss Flesch for having put this very relevant question to the Council and for presenting it so well.

Actually the Council Decision of 29 September 1970 concerning the Association of the Overseas Countries and Territories with the Community expired on 31 January 1975, or almost eighteen months ago.

On the other hand, the Lomé Convention came into force on 1 April this year, a month and a half ago.

But the Overseas Countries and Territories are still waiting to see their position regularized.

During this Parliament's many recent debates on the Lomé Convention and our associates who make up

the OCT countries, the Community authorities have always respected Parliament's wish that the ACP and OCT countries should be treated on exactly the same lines. But now unfortunately we see that the Association with the Overseas Countries and Territories is still to be signed by the Council, even though the Lomé Convention is now operational. Our own territories have come off worse than the ACP countries.

Although the European Progressive Democrats welcome the implementation of all the provisions relating to the ACP countries, they also deplore the Council's shilly-shallying about the OCT countries.

It is all wrong and improper that the Overseas Countries and Territories should, by becoming independent and acceding to the Lomé Convention, be in a better position than other territories, some of which are integral parts of Member States of the Community. The Council must take the necessary corrective steps without delay.

We are well aware of the existing interim measures, but this situation is unsatisfactory both in theory and practice.

We are perfectly aware of the reasons for this delay, which is bound up with the general principles governing the accession of new states to the Lomé Convention and, especially, to certain principles concerning the geographic limits to be respected. But there is something wrong that a disagreement about the Lomé Convention — one we sincerely hope will soon be overcome — serve as a pretext for failing to honour our commitments to the OCT countries.

Although a general compromise may sometimes serve a useful purpose during negotiations, especially on account of financial provisions, this must never prejudice prior commitments. I agree it is a difficult matter to decide whether Papua-New Guinea should be included in the Lomé Convention, but the Association of the Overseas Countries and Territories is a different question which can be solved independently. All the relevant provisions are cut-and-dried. It is therefore inadmissible to relate these two questions for financial reasons.

It is high time that the meetings of the Nine ceased to be a horse trading arena and became a forum for well-knit, bold and effective policies.

We rely on the President-in-Office of the Council to deal with this matter.

**President.** — I call Mr Thorn.

**Mr Thorn, President-in-Office of the Council.** — (*F*) Mr President, I should first like to thank all the speakers who have taken part in this debate, and especially the last one for his confidence in me. I can assure him that Miss Flesch's predecessor at the head of the Committee she now chairs with such verve, and who is only in temporary control of the Council's

**Thorn**

destiny, will do all he can to push on with the current negotiations.

I only wish to point out, to prevent any confusion, that strictly speaking there is no transfer from the European Development Fund to the European Agricultural Guidance and Guarantee Fund. Since EAGGF aid had been requested and had been offset by a new allocation of funds, the OCT countries were asked to give up part of their share of the EDF funds. These were then held in reserve, but to date no unanimous agreement has been reached on their allocation.

True we found ourselves eight against one throughout these talks, but the odd-man-out was not always the same Member State.

Hence no national interests are directly involved; often these are simply differing views on the more restrictive interpretation of the Lomé Convention, everyone having his own protégé.

These are the problems before us, but they are not insurmountable, and I hope some progress can be made now that the European Parliament has drawn the Council's attention to the problem.

**President.** — Since no one else wishes to speak, the debate is closed.

15. *Agenda for next sitting*

**President.** — The Secretariat of the Council of Europe informs me that, as the result of a strike, the

French Electricity Board may cut off the current in this building between 8.00 a.m. and 12.00 noon tomorrow. This would of course interfere with our proceedings.

The next sitting will be held tomorrow, Thursday, 13 May 1976, with the following agenda:

*11.30 a.m., 3.00 p.m. and possibly 9.00 p.m.:*

- Boano report on Chilean political prisoners
- Oral question with debate to the Commission on relations between Uruguay and the Community
- Cointat report on the interinstitutional dialogue on certain budgetary questions
- Aigner report on the carry-over of appropriations from 1975 to 1976
- Früh report on the fourth financial report on the EAGGF
- Lagorce report on securities under the Common Agricultural Policy
- Hughes report on the restructuring of the inshore fishing industry
- Früh report on a system of aids for bee-keepers
- Glinne report on a Community social security system
- Oral question with debate to the Commission on urban decay
- Mitterdorfer report on the elimination of technical barriers to trade

The sitting is closed.

*(The sitting was closed at 7.55. p.m.)*



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## IN THE CHAIR: MR SPÉNALE

### President

(The sitting was opened at 11.35 a.m.)

**President.** — The sitting is open.

#### 1. Approval of minutes

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

Are there any comments?

The minutes of proceedings are approved.

#### 2. Tabling and inclusion in the agenda of an oral question with debate

**President.** — This morning the enlarged Bureau examined whether the oral question without debate on Concorde, which Mr Normanton had put to the Commission, should be placed on the agenda of the present part-session.

The Bureau asked me to contact Mr Normanton and suggest to him that this question be converted either

to a written question or to an oral question with debate.

Mr Normanton requested that this question be converted to an oral question with debate.

This document has been distributed under No 108/76.

I therefore propose that we place it at the end of today's agenda, on the understanding that it may not be dealt with until tomorrow's sitting.

Are there any objections?

That is agreed.

#### 3. Membership of committees

**President.** — I have received from the Group of European Progressive Democrats a request for the appointment of Mr Bouquerel to the Committee on Social Affairs, Employment and Education to replace Mr Terrenoire, and a request for the appointment of Mr Terrenoire to the Political Affairs Committee to replace Mr Cousté, this appointment to take effect from 22 May 1976.

**President**

I have also received from the Socialist Group a request for the appointment of Mr Guerlin to the Committee on the Environment, Public Health and Consumer Protection.

Are there any objections?

These appointments are ratified.

#### 4. *Threat to the lives of Chilean political prisoners*

**President.** — The next item is the report (Doc. 56/76) drawn up by Mr Boano on behalf of the Political Affairs Committee on the

motion for a resolution tabled by Mr Amendola and Mr Ansart, on behalf of the Communist and Allies Group, on the threat to the lives of Corvalán and other Chilean political prisoners.

I call Mr Boano.

**Mr Boano, rapporteur.** — (1) The motion for a resolution which is before us stems from a motion tabled by Mr Amendola and Mr Ansart on the threat at that time to the lives of Señor Corvalán and other political prisoners in Chile. I remember meeting Luis Corvalán, who has already lost a son in one of the Junta's internment camps, during a visit which a delegation from this Parliament made to Latin America in 1971. I remember his friendly attitude, his moderate outlook, and his constant calls to the other political parties which made up Unidad Popular to act with caution and to seek agreement with other political parties outside the coalition.

Subsequently, when the original motion was studied by the Political Affairs Committee, all names were removed from the text. This was done not only because the Corvalán trial, scheduled to begin on 22 March, was postponed to a later date, but also because we wanted to give a much wider meaning to the motion. We wanted to show that the tragic drama of Chile is not that of one man, is not just of one political colour, but is rather a collective drama, and indeed a tragedy, of a whole nation.

I do not wish to add anything to the spare but sad words of this motion, which was approved unanimously by the Political Affairs Committee. The motion once again condemns the persistent violation of the freedoms and rights of the citizens of Chile. It reaffirms the objection in principle to any persecution for political reasons and appeals to international opinion and to the responsible agencies to secure the right of imprisoned opponents of the regime in Chile to the human and legal safeguards to which, under the convention of political and civil rights of the United Nations, all prisoners are entitled.

At this point, Mr President, I should like to quote an accusation levelled not by any clandestine political party fighting against the dictatorship which has imposed itself in Chile, but an accusation which comes instead from a body of peace, from a group of men whose station in life excludes any political involvement. I am referring to the Chilean Bishops' Confer-

ence which last September issued a document revealing the existence of secret clauses in the law on the powers of the police. These clauses were not published in Chile's official gazette, in order to hide from the world any proof of the illegal and brutal methods used in that country. The bishops' document also denounced the unending anxiety and anguish which were caused by the total lack of any information on the location or the fate of prisoners.

The document stated:

There can be no secret articles in any law. Every citizen has a right to know the rules. No country should have mysterious places about which nothing is known, except rumour, suspicion and fear. A family has a right to know where each member is, whether he is guilty or innocent.

Our motion for a resolution goes on to protest against the torture and the inhuman penalties which are inflicted in Chile and calls upon the governments of the Member States of the Community and on the Community institutions to take all such measures as may help Chile to return to the path of democracy. But unfortunately we cannot pretend that our condemnation, although unanimous, will have any effect. The Chilean people will not even have the solace of being told of it. And even if some hint of our strong sense of indignation and solidarity should filter through, the hypocrisy of the regime would twist its meaning and its purpose.

The Members among us who follow closely the events and the problems of Latin America will know full well that if today's document were presented without any specific reference to Chile at the forthcoming conference on 4 June of the Organization of American States — that assembly where there are more dictators than free men — it would hypocritically be given their unanimous approval. Nothing has shocked me more than to see Chile's oldest newspaper, *El Mercurio*, which is now the most noted pillar of support for the Junta, carrying banner headlines deploring the attack on Bernardo Leighton and claiming — would you believe it! — that it was the work of left-wing assassins hired to discredit the regime.

It is a sad fact that the number of democracies is steadily shrinking in that part of the world which is so close to Europe in its way of life, its traditions and its manner of thinking, and which is a matter of concern to every feeling person for the infinite sorrows that are harboured there. Let us hope that the last few voices of freedom which survive in that continent, and which are becoming fewer and fewer, can shout out more strongly and more powerfully, and that we can do our part to encourage them.

It must be remembered that some governments in Latin America are linked to the EEC by treaties which are not formally preferential but which tend to be so in fact. For some of these treaties the question arises of their expiry, their renewal or their extension in scope. It is my proposal that we adopt certain criteria for selectivity in our relations with the Latin American countries, following the line of the US

**Boano**

Congress which took a firm stand last September in declaring that it would deny any form of aid to governments which rode roughshod over the rights of man.

I just wonder on what grounds — and I do not mean human or political grounds, but limit my comments to normal trading practice — one of these countries recently attacked as misconceived the agricultural policy which the Community follows to protect its own producers.

In reply to these charges, why do we ourselves not consider adopting a selective policy towards these countries?

Let me make one final plea; I hope that the Community will be increasingly on the alert and ready to denounce serious and systematic violations of the rights of man by any government, in any part of the world, wherever they may occur. This will reinforce the ethical and political image which Europe must present to the world.

(*Applause*)

**President.** — I call Mr Espersen to speak on behalf of the Socialist Group.

**Mr Espersen.** — (*DK*) I should like to start by expressing my great pleasure and gratitude at the unambiguous terms in which Mr Boano has just spoken. I think his words were very clear. It bodes well for the future if it is going to be the general attitude in this Parliament that we must be selective in our relations with the countries around us and far away from us, and that we must take moral considerations into account when deciding whom we want to have relations with.

We were discussing Spain yesterday, and many of us stressed how difficult it was, after forty years of dictatorship, to go over suddenly to a democratic system. It was emphasized that there are difficulties involved in replacing such a long-standing dictatorship with a new form of government. I need hardly point out that the longer a dictatorship exists, the more difficult it is to get rid of it.

This is why it is so important, when new dictatorships arise, that action should be taken as quickly as possible to lessen the dictators' chances of continuing their regime. This is why it is so important for this Parliament to discuss Chile again and again and to try to find the most suitable ways of weakening the government in Chile.

I myself have several times had occasion to visit that unfortunate country, most recently in January and February. Some months ago, this House adopted another resolution to the effect that, if there was no move towards democracy in Chile, we would have to reconsider the location of our office in Santiago. I therefore naturally investigated whether there was any sign at all of a move towards democracy in Chile. I talked with several members of the Chilean Govern-

ment, who were very frank with me. The president of the Supreme Court, for instance, stated clearly that there was no indication that Chile was moving towards any greater respect of human rights than at present. I spoke with a minister and asked him, 'Is there any sign at all that democracy will be restored?' He replied 'Of course we shall have a democracy, but it will be a new kind of democracy'. When I asked him what he meant by 'a new kind of democracy', he replied: 'It will be a democracy in which we shall allow the good politicians to operate, but not the bad politicians.' We can therefore be quite certain that there is no indication at all that the current regime in Chile intends to change its character in any way whatsoever.

Like Mr Boano, I feel that things are moving in the right direction in the USA, that the USA has realized that instead of perhaps supporting regimes of this kind or even helping — unofficially or officially — to bring them to power, it must in future do the opposite — help to restore democracy wherever it has been eliminated.

I think this is the attitude which Congress has now adopted. This is why it is also important that we, as the broadest-based parliamentary forum in Europe, should give expression to the same attitude, so that we can cooperate with others — including the USA — in helping to improve conditions in Chile. There can be no doubt that the position of the military junta is now much weaker than before, and this is naturally a development we must hasten and promote.

I do not know how many of you here have read the report produced by the UN *ad hoc* group on human rights in Chile. To those who have not read it, I can say that no more shocking material has ever been published in an official UN document. It is simply unbelievable what ingenuity the junta and the Chilean police display when it is a question of imprisoning and torturing their fellow citizens for political reasons.

This is why we have a clear obligation to discuss this again and again and to take appropriate action. I therefore welcome the broad agreement achieved in the Political Affairs Committee. I think it is gratifying that all the political groups in this Parliament can unite in condemning events in Chile and in doing whatever we can to bring about a change in government there.

The result is a more comprehensive and extensive resolution than was proposed by the Communists. I hope this will be appreciated. It is not just a question of a few politicians. It is a question of hundreds, of thousands, of at least 6 000 political prisoners in Chile who are calling for our support. This is why this resolution has assumed a broader objective than the original one had.

Apart from recommending that everyone should vote in favour of the resolution, I shall make only one remark on one point in it. This is point 4, which says

**Espersen**

that we 'call upon the governments of the Member States of the Community and on the Community institutions to take all such measures as may help Chile to return to the path of democracy and freedom and of the respect of the individual and the basic rights enshrined in the United Nations Universal Declaration of Human Rights'. This is an appeal to the governments of the Member States, but it is also an appeal to the Community institutions, including the Commission and the Commission office in Santiago. As long as we have this office in Chile, we must ensure that the best possible political use is made of it — among other things, to spread knowledge in Chile of the debates and resolutions of this Parliament. I was surprised to find that the status of this office is such that — as far as I understood — it is difficult for it to draw the attention of the Chilean authorities to what is going on in this Parliament. As far as I was able to gather, previous resolutions adopted here were not transmitted either officially or unofficially to the Chilean government, because this office has a special status. There may be diplomatic or other reasons for this, but in the present situation it must also be possible to use this office to transmit Parliament's views. I hope the Commission will make it possible for the office to do this in future.

*(Applause)*

**President.** — I call Mr Blumenfeld to speak on behalf of the Christian-Democratic Group.

**Mr Blumenfeld.** — *(D)* Mr President, the Christian-Democratic Group would like to thank the rapporteur and chairman of the Political Affairs Committee for his balanced and concise presentation of the motion for a resolution. There is not much for me to say. The previous speaker, Mr Espersen, expressed what are also our sentiments. Broad agreement was reached between all groups in the Political Affairs Committee. This will always be the case whenever we are called upon to condemn dictatorships anywhere in the world, particularly when people are being tortured and thrown into prison or concentration camps because of their political views, their beliefs, their religion or their race. The Christian-Democratic Group will join with the other groups in standing by these people and in ensuring that they obtain justice, and it therefore gives its full support to the motion for a resolution submitted by the Political Affairs Committee.

I would, however, make one remark about Amendment No 1 tabled by Mr Glinne, the purpose of which is to insert a sub-paragraph 4 (a). I should like to take up what the previous speaker said at the end of his speech, when he pointed out that the Community's office in Santiago should inform not only the Chilean Government, but also the other countries in Latin America, of the views expressed in our resolution.

Mr Glinne, I think there are two reasons why it would not really be advisable to insert the additional clause

you have proposed. In the first place, it would be fundamentally inappropriate for the European Parliament to address itself directly to another supranational body such as the Organization of American States. This would set a precedent which might lead to the creation of a direct relationship between the European Parliament and another organization. The second reason is that, in your proposal, you say that the governments of the countries belonging to the Organization of American States, and particularly those with a freely elected parliament, should take the appropriate steps. I am not sure whether this might not in fact jeopardize what we are trying to achieve. It would create a distinction between those Latin-American countries with a freely elected parliament — and they are in the minority — and those Latin American countries with no freely elected parliament, which are in the majority and which are also of importance to the Community. I therefore feel that the purpose of Mr Glinne's proposal can be achieved just as well, if not better, by our asking the Commission to ensure that the resolution — together with an appropriate verbal note — is transmitted through its office in Santiago to all the member states of the OAS, and in particular to those countries which we feel are especially qualified to call for freedom for the political prisoners — i.e. the countries with freely elected parliaments.

I hope that, in view of what I have said, Mr Glinne will be prepared to withdraw his amendment. Otherwise, I am afraid that the Christian-Democratic Group will have no choice but to reject it.

**President.** — I call Lord Gladwyn to speak on behalf of the Liberal and Allies Group.

**Lord Gladwyn.** — I do not want to make a speech, because I do not think that it is necessary. I should like to associate the Liberal Group with what has already been said, including the non-acceptance of Mr Glinne's amendment proposed by Mr Blumenfeld. All that I can say is that we entirely accept the resolution as it is and that I agree with what the chairman of the Political Affairs Committee has already said.

**President.** — I call Lord Bethell to speak on behalf of the European Conservative Group.

**Lord Bethell.** — Like other speakers, I should like to associate our group wholeheartedly with this motion for a resolution, which I am delighted to see was adopted unanimously by the Political Affairs Committee and which I hope will be adopted unanimously by this Parliament in plenary sitting.

There can be no equivocation about a motion for a resolution of this nature. The evidence suggesting that human rights are being repressed and being trampled upon in Chile is quite overwhelming. Those of us who viewed with reserve the previous government under Mr Allende and who perhaps hoped for some change have been sadly disillusioned, and the Conservative Group is united in its disappointment and its sadness at the fate which has overcome the people of

**Lord Gladwyn**

Chile under the present government of Pinochet. I am delighted to see that all groups are here. I wish to make only one small remark in passing, namely that I wish the same had been the case yesterday evening when we were discussing violations of the Helsinki Agreement. On that occasion the Communist Group absented itself from the Chamber and did not take part in the debate on this occasion all political groups are here expressing their support for this resolution and for the maintenance of the human rights of the individual.

*(Applause from certain quarters)*

**President.** — I call Mr Leonardi to speak on behalf of the Communist and Allies Group.

**Mr Leonardi.** — *(I)* Mr President, I feel I must offer my full support to Mr Boano's report, which is much more comprehensive than the motion for a resolution tabled by my colleagues, Mr Amendola and Mr Ansart. In his report Mr Boano views the protection of human rights as a general good applicable to all free nations. My Group will therefore vote in favour of his motion for a resolution.

Turning to the Glinne amendment, I feel that it is of definite value, since it seems a good idea to take advantage of the meeting in Santiago of the Organization of American States to draw attention to the problem which concerns us.

I believe that moves of this nature are extremely valuable, and I do not share the note of pessimism which has occasionally surfaced during the debate. A weak government like the Pinochet regime cannot fail to be affected by this type of move, and so we are quite right not to let slip any opportunity, including the opportunity offered by this forthcoming meeting of the OAS.

It would be a grave mistake on our part if we ignored this opportunity. And I do not feel that there is any justification for the fears expressed by the Christian-Democratic speaker that in this way we should be establishing direct contact between this Parliament and other regional organizations. I believe, on the contrary, that this could in some respects be of great benefit.

I could end my speech here, but I should like to say something in reply to the honourable Member who spoke on behalf of the Conservative Group.

I followed the debate in the House yesterday evening with great interest and I was happy to hear the subject discussed in a broad context, bringing in the whole gamut of East-West relations. I was happy at this, because in this way we can compare the various opinions in a calm, correct and democratic manner. Consequently, we shall not have to tackle future problems without a sound knowledge of each other's views. It will thus be possible to arrive at some definite conclusions, which will be truly helpful for the development of democracy in our own countries and, as far as possible, in others.

**President.** — I call Mr Covelli.

**Mr Covelli.** — *(I)* I should like to say that I fully agree with Mr Boano's report. Not only does it place the problem in a strictly political context, but it displays a human concern which cannot fail to move this Parliament.

The Chilean problem is one which neither the European Parliament nor any of the free and civilized nations of Europe can afford to ignore lest the situation worsen and become a political contagion threatening the other countries of that continent. I must also add that I do not share Mr Blumenfeld's concern that any action by this Parliament could constitute a dangerous precedent. Consequently, of course, I must support the amendment tabled by Mr Glinne. It could not be more appropriate.

I also agree with Mr Leonardi, who stated that a free assembly like ours must never ignore the opportunity of making its voice heard and of asking all freely elected parliaments — as the amendment says — to make every effort to draw maximum attention to certain situations.

I do not believe therefore that it constitutes a harmful precedent if we reaffirm — as this House is doing — our commitment to the principles of liberty and democracy. And it does not concern us greatly if certain strong views are communicated to the Organization of American States or to the freely elected parliaments of some of its member countries. This is simply a question of choosing the correct channels for our requests. The important fact is still the need to reaffirm at all times the principles of liberty and democracy on which this Parliament is built. I believe that this is the principal aim of Mr Glinne's amendment. I should like to express my full support for this, just as I gave my full support to Mr Boano's report.

**President.** — I call Mr Espersen.

**Mr Espersen.** — *(DK)* I have spoken with Mr Blumenfeld about his remarks concerning Mr Glinne's proposed amendment, and I have also spoken with Mr Glinne himself.

The purpose of our amendment was to ensure that the member countries of the OAS were informed of this resolution and of Parliament's opinion. This aim would also be achieved if, as Mr Blumenfeld has proposed, the Commission takes steps to ensure either that the resolution is transmitted to the member countries of the OAS through our office in Santiago, or that it is handed over in the context of the conference to be held by the OAS this summer in Santiago.

If the Commission undertakes to forward this resolution, we would regard this as a satisfactory solution, and I hope that this will also satisfy the Communist and Allies Group and Mr Covelli. We are prepared to withdraw the proposal for an amendment so that we can achieve complete agreement on the resolution as such.

**President.** — I call Mr Thomson.

**Thomson**

**Mr Thomson, member of the Commission.** — I shall not detain the House for long. I simply want to associate the Commission wholeheartedly with the motion for a resolution that is before Parliament. It enjoys a impressive degree of unanimity and reflects vividly the feelings throughout the civilized democratic world about the events in Chile. We live in a world in which there is much tyranny and in which human liberty is at risk in many places. But the events in Chile, described at first hand by Mr Espersen, attract a peculiar degree of repugnance from the rest of the world, and I therefore wish to associate the Commission with the resolution.

I shall pass on to my colleague, Sir Christopher Soames, the various points that have been made for which the Commission has a responsibility. Mr Espersen raised the question of the Commission's office in Santiago. It has been agreed that Sir Christopher Soames will appear before the Political Affairs Committee of Parliament on 22 June for the purpose of discussing the Commission office in Santiago as to both its operations and its general position.

In the meantime, I should like to consult Sir Christopher Soames about the best means of making sure that the views of Parliament expressed with such simple unanimity are conveyed to the meeting of the OAS in Santiago.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — I ask a rather ignorant question about the mechanics. When Parliament adopts resolutions of this kind, what is the procedure? How are the views of Parliament conveyed to governments? Is there an automatic procedure, or has there to be a discussion each time of how it is best done? Could it not be done through normal diplomatic channels?

**President.** — I call Mr Thomson.

**Mr Thomson.** — I am sure that the honourable Member realizes that I am present as a substitute and a deputy. Therefore, I couched my answer cautiously.

I think that the honourable Member is probably absolutely right. But Mr Espersen asked whether the Commission of itself might have a role to play. I did not want to make any final commitment about the method, beyond assuring the House that the Commission, supporting as it does the resolution, will of course seek the best ways and means in consultation with the Member States to carry out the wishes of Parliament.

**President.** — Mr Dalyell, the answer to your question is largely provided by paragraph 6 of the motion for a resolution :

Parliament instructs its President to forward this resolution to the parliaments and governments of the Member States, to the Commission and Council of the European Communities and to the Chilean authorities.

Thus the motion for a resolution provides for a procedure ensuring that all the parties concerned are informed. It goes without saying that in the forwarding letter to the Member States and the Commission we shall urge them to lend their entire support to this resolution.

Since no one else wishes to speak, the general debate is closed.

Before consideration of the motion for a resolution, I should like to ask Mr Glinne whether he upholds his amendments in view of the explanations just given.

**Mr Glinne** — (F) I withdraw Amendment No 1 and uphold Amendment No 2.

**President.** — We shall now consider the motion for a resolution.

I put paragraphs 1 to 3 to the vote.

Paragraphs 1 to 3 are adopted.

After paragraph 4, I had Amendment No 1 tabled by Mr Glinne :

Paragraph 4a (new)

After paragraph 4, insert the following new paragraph :

4a. In view of the fact, moreover, that the Organization of American States (OAS) will be meeting in Santiago de Chile on 4 and 5 June of this year, asks the governments of countries belonging to this organization, and particularly those with a freely elected parliament, to take the appropriate steps on this occasion to this end ;

This amendment has just been withdrawn by its author.

I put paragraphs 4 and 5 to the vote.

Paragraphs 4 and 5 are adopted.

On paragraph 6, I have Amendment No 2 tabled by Mr Glinne :

Paragraph 6

At the end of this paragraph, add the following :

... the Latin-American Parliament and the Organization of American States ;

What is the rapporteur's position ?

**Mr Boano.** — (F) I accept the amendment, Mr President.

**President.** — I put Amendment No 2 to the vote. Amendment No 2 is adopted.

I put paragraph 6 to the vote.

Paragraph 6 is adopted.

I put to the vote the motion for a resolution as a whole, incorporating the amendment adopted.

The resolution is adopted.<sup>1</sup>

<sup>1</sup> OJ C 125 of 8. 6. 1976

**President***5. Oral question with debate: Relations between Uruguay and the Community*

**President.** — The next item is the oral question with debate put by Mr Glinne, Mr Knud Nielsen, Mr Broeksz and Mr Walkhoff, on behalf of the Socialist Group, to the Commission of the European Communities (Doc. 77/76):

Subject: Relations between Uruguay and the Community

The Uruguay mission to the Communities has proposed that the EEC/Uruguay joint committee, which is responsible for administering the trade agreement between the two parties, should hold its first meeting in Brussels in the course of the first half of June, when it will review the functioning of the agreement since its entry into force in August 1974.

The Uruguayan Government also requested the EEC to consider including its country among recipients of tariff quotas for certain cotton textile products opened by the Community under the 1976 generalized preference arrangements.

It so happens that this request of the Uruguayan Government was made just at the time that the renowned organization for the protection of human rights — Amnesty International — launched a week-long world-wide campaign of protest against the unspeakable methods practised by the Uruguayan police against political prisoners, who outnumber those in the rest of South America, except in Chile.

1. Does the Commission not consider that it should refuse the Uruguayan request?
2. Does the Commission not consider that it should adopt the same attitude towards the present Uruguayan regime as it did towards the Spanish regime and the colonels' regime in Greece?

I call Mr Glinne.

**Mr Glinne.** — (F) Mr President, we all know of Amnesty International, the lack of bias in its work and its concern to make no distinction between east and west, north and south. For some months now Amnesty International has been releasing detailed information about the situation in Uruguay, and on 20 February it launched a large-scale campaign against the torture and flagrant violations of human rights which have become the sad lot of that country.

Following these charges exposing the brutal repression of dissidents there, Amnesty International published in particular a list of 22 people who died under torture between May 1972 and November 1975. This list was not up-to-date. Last January there were an estimated 6 000 political prisoners in Uruguay, one prisoner for every 450 citizens. Further, one person in fifty is a member of the police or the armed forces. This situation is all the more distressing in that Uruguay was formerly, and quite rightly, considered to be a bastion of political democracy in Latin America. It had often been called the Switzerland of Latin America.

The events since 1973 are therefore particularly disturbing. The political prisoners seem to come from all social classes and from all sectors of the political

spectrum: Communists, Socialists, Christian Democrats, or even members of the traditional centre-right *Colorado* and *Blanco* parties. In the light of this situation and following the disclosure of a whole series of detailed accounts of the torture methods used by the police and the army, a petition was circulated throughout the world. Uruguayan embassies unfortunately refused to discuss the matter with Amnesty International spokesmen. One or two members of parliament nevertheless managed to see Uruguayan diplomats. I, personally, was able to meet Uruguay's ambassador in Brussels. However, I was forced to realize that there was no possibility of a dialogue; my comments and my worries were simply noted for forwarding to the Uruguayan foreign ministry, with of course no follow-up.

The Uruguayan government has now approached the European Community with a view to improving trade between Uruguay and the EEC. The first meeting is to be held next month. In our view it would be singularly opportune not to accede to these requests from the Uruguayan government, at least until such time as assurances are given that human rights are once again being respected.

That is basically why we have put these written questions to the Commission. In view of the position which the Commission has taken in the past in such cases, we would expect it not to accede to the requests of the present Uruguayan government.

**President.** — I call Mr Boano to speak on behalf of the Christian Democratic Group.

**Mr Boano.** — (I) Mr President, I should be contradicting what I said earlier if I did not reiterate the need for a selective policy in our relations with third countries, particularly since it was the Uruguayan delegation at the FAO meeting in Lima which attacked what I called the unreasonableness of the policy adopted by the Community to protect its own meat producers. If we take a practical look at the normal trading practices of almost all the Latin American countries, we see that they are full of obstacles, barriers and conditions — and Uruguay is certainly no exception to this general rule.

It is my opinion, therefore, in view of the clear trend in most of these countries away from any liberalization of world trade, that we should begin to follow something of a selective policy when it comes to granting trade benefits to third countries, and that in this particular case — and this is my final comment — we must also consider the severe difficulties besetting the textile industry in the Community, which were the subject of a recent debate in this House.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — Mr Glinne in opening the debate paid tribute to Amnesty International. He based his case on the facts of one of its recent inquiries.



**Thomson**

Amnesty International would not be able to perform the work it does unless it received the support of free and democratic parliaments such as this Parliament. Therefore, Mr Glinne has performed an important service in asking this oral question with its implications for this Parliament.

As we have seen this morning, one of the jobs of this Parliament is the defence of human rights wherever they are threatened. Our Community is a community of states founded upon the principles of democracy and respect for the individual person. That is why I believe it is important that this kind of debate should take place whenever necessary in this Parliament.

Liberty, like peace, is indivisible. The duty of a free parliament is to be very vigilant wherever liberty is threatened.

It is for that reason that the Commission has said before — and I now repeat it — that it deplores every violation of democracy and human rights wherever that occurs. There can, therefore, be no possible doubt about the position taken by the Commission on questions like this, where fundamental principles are at stake. I believe it is recognized in the House, from the many debates of this kind that have taken place here, that the European Commission itself, without the embassies abroad or anything of that kind, has neither the competence nor the means to prove specific allegations of the violation of human rights. However, wherever such violations can be shown to have taken place, there is no equivocation in the Commission's participation in the condemnation of those violations.

The Commission therefore shares the preoccupation expressed by Mr Glinne at the reports that have appeared regarding the attack on human rights in Uruguay. I might add that that preoccupation in my view is very firmly shared by the Member States of the Community.

The question Mr Glinne has raised — and it has been raised in many previous debates of this character — against that background of unequivocal condemnation is what action the Community can take to give effect to its repugnance. Mr Glinne mentioned the positive actions that were taken by the Community towards the violation of human rights under the former régime of the colonels in Greece and in Franco's Spain. He is urging that the same sort of action should be taken against Uruguay. I have to tell the House that the kind of course that was pursued in the case of Greece and Spain is not available to the Commission because of the nature and content of the Community's relations with Uruguay. In fact, the Community's relations with Uruguay are much more limited than they are with Spain or were with the previous régime in Greece.

The Community's relations with Uruguay are organized round a non-preferential commercial agreement. Thus Uruguay does not benefit from any special treatment from the Community. In this respect, the

Community's relations with Uruguay are different from its relations with both Greece and Spain.

Furthermore, the nature of our relations with Greece and Spain in the period in question left considerable scope for the Community to exercise its discretion in respect of the régimes in those two countries, which the Community sought to do, as it was vigorously pressed to do on many occasions by this Parliament. That was because these relations were still being negotiated, or were subject to an ongoing agreement as, for example, in respect of financial assistance.

There is no financial assistance involved in the relations between the Community and Uruguay. As was said in an answer by the Commission to Mrs Goutmann the other day, there is no implication involved in the Community's non-preferential commercial agreement with Uruguay of any enlargement of that agreement, and certainly none is envisaged. Our relations with Uruguay are based on an agreement which is complete and which is not subject to further negotiation.

This, however, raises another rather difficult issue in dealing with a matter on which I think we all share the same strong feelings of condemnation about what has been taking place. The nature of the present agreement between the Community and Uruguay has the character of an international treaty obligation. We therefore face a certain moral dilemma which is not unfamiliar in these circumstances.

There is the deep concern which we all share for the issue of human rights in this particular country, and alongside it there is concern, which I think would again be widely shared throughout Parliament, for the sanctity of international treaty obligations and for the Community not to be held guilty of any breach of the rule of law in international affairs. The joint committee to which Mr Glinne referred is an integral element of the commercial agreement between the Community and Uruguay. I am afraid it follows that its meeting is a matter of legal obligation.

Here I should remind the House that for just that reason the Community always felt under a legal obligation with regard to the meetings under the Greek association agreement, even under the régime of the colonels, although we were able and had the opportunity to take action of other kinds towards that previous Greek régime.

Similarly, with regard to the point made by Mr Glinne about textiles, which was taken up by Mr Boano, the inclusion of Uruguay in the list of beneficiaries of the Community's generalized preferences and its inclusion in certain textile quotas follows from our legal obligation not to discriminate between the developing countries in the generalized preference scheme. Therefore, what I have to tell the House is that the relationship between the Community and Uruguay is different in significant respects from that between the Community and Greece and Spain. One other factor

**Thomson**

that the House will want to bear in mind is that Greece and Spain are European countries organically linked to Western Europe and looking towards membership of the Community in due course. It is because they want their future to be joined with us that when democracy is attacked or human rights are violated in these countries their potential for joining the Community is consequently undermined. In these circumstances, the nature of the ambitions in Greece and Spain during authoritarian regimes offered the Community means of pressure which are simply not available to us in the Community's relations with Uruguay.

What the Community can do, what this Parliament is doing and what the Commission is certainly ready to join with the Parliament in doing is to bring influence to bear by contributing to the world-wide climate of concern and disquiet about what has been happening concerning human rights in Uruguay. What would be dangerous and wrong for the Community to do would be to react to the situation in any one country by putting ourselves in breach of our general international undertakings and contravening the principle of non-discrimination in our international relationships. I think, therefore, that the House should earnestly reflect on the implications for our relations with many other states in all parts of the world if we were now to depart from those principles.

Having said that, however, I might perhaps return to the point I made at the beginning. The Commission deplores attacks on human rights wherever they happen in the world. The Commission particularly welcomes the occasion offered by Mr Glinne and by this debate in Parliament to make known that it shares the disapproval that the Community has with regard to the indefensible methods practised by the Uruguayan police against the political prisoners in that country.

**President.** — I call Lord Bessborough to speak on behalf of the European Conservative Group.

**Lord Bessborough.** — I, too, like to thank Mr Glinne for having raised this matter. Normally I might not venture to intervene in a question of this kind, on which I would certainly be inclined to back the Commission's judgment. However, I have a very special interest in Uruguay, because it was my ancestor John, Viscount Ponsonby — a very good Whig name, a good Conservative name and, indeed, a good Socialist name — who was the British mediator who in 1828 was largely responsible for creating the state of Uruguay as a kind of buffer between Brazil and the Argentine. He is still remembered, indeed, as the liberator of that country, and I may add that his portrait hangs prominently above the desk of the Foreign Minister in Montevideo.

A few years ago, before the present regime came to power, I paid an official visit to the country, and I was therefore very disturbed to read the more recent

reports that are mentioned in the preamble to this question. It may well be true, as Amnesty International claims, that very severe methods were employed in suppressing the left wing guerrilla movement, and on behalf of my group I should like to join Mr Glinne and others in expressing our profound respect for the work carried out by Amnesty International to help people who, for reasons we in the Western world cannot accept as valid, are suffering all over the world.

I am sure that Amnesty International would prefer not to be involved with the foreign policy of one or other country or party. We must certainly take these opportunities to condemn roundly such methods of repression, but for my own part I wonder whether we should allow trade agreements to be jeopardized by serious political questions of this kind. Clearly, if we are too particular about whom we trade with, there might be very few states which would fulfil the necessary pre-conditions.

I could understand if this oral question was put by certain Members who, in their enthusiasm for Amnesty International, did not see, perhaps, the foreign political implications of the question, but I do not think that this can be the case. The question is put by the Socialist Group and expresses, therefore, in my view, the group's policy. It follows that the Socialist Group, if it had a majority — and this Parliament had the power — could indeed freeze relations with all countries where police methods are used — and unfortunately there are many of them. This would mean in fact all countries where dictatorships exist or where human rights are not guaranteed.

I can only join the Commissioner when he implies that honourable Members should consider the consequences of the policy advocated in this question and I cannot imagine that the Socialist Group would in fact wish to freeze our relations with all such states — for example, the oil-producing countries. This would mean economic disaster to the Community at a time when unemployment is already high. It seems to me that there are only two possibilities that might explain the attitude of the questioners, and I must say that neither altogether appeals to my own group. Either the group considers that there is a difference between one dictatorship and another, and that only where dictatorships exist in smaller countries like Uruguay can the Community afford to show a courageous and firm attitude — I cannot believe that that can be its attitude — or it is expressing the slightly hypocritical attitude that, as the European Parliament has no power whatever in a matter of this kind, we can say anything which is popular without considering the possible effects if what we say were carried out in practice.

It is significant that it was Mr Nørgaard, a former member of the Socialist Group, then President of the Council of Ministers, who signed the regulation bringing into force this trade agreement. I wonder what the Socialist Group's attitude is on this point.

### Lord Bessborough

Finally, I should make clear that the Commissioner has the full support of my group. I would go further and say that he does not need to excuse the Commission to Parliament for acting — as I consider the Commission is acting — as a responsible body in taking up the attitude that it has taken up. I am glad, therefore, that the answers to these two questions are in the negative.

*(Applause from the European Conservative Group)*

**President.** — I call on Mr Espersen to speak on behalf of the Socialist Group.

**Mr Espersen.** — *(DK)* I have asked for the floor because Lord Bessborough has advanced certain hypotheses with regard to the reasons underlying the Socialist Group's attitude.

I should like to say first of all that the fact that Mr Nørgaard three years ago signed an agreement of the kind referred to clearly does not prevent us from adopting a new position today with regard to the country with which the agreement was concluded — if only for the reason that the information on the injustices perpetrated there came to light only within the past year or two. There is no inconsistency in this.

Lord Bessborough also asked whether the Socialist Group considers that there is a difference between one dictatorship and another. We do consider that there is such a difference in that we can exert our influence on some but not on others. In our view, we have a special responsibility when dealing with dictatorships in what we know as the free western world. If then we wish to criticize dictatorships under communist or other control, we have a duty — as we say in my country — to put our own house in order first. In addition, there are some countries where we can achieve something, get results. We feel that that is the situation with Uruguay, although I could name several other dictatorships with which we do not think we have the same influence. We think therefore that in this respect — as Mr Boano said — we are obliged to be selective. That is the reason for our attitude.

**President.** — I call Mr Glinne.

**Mr Glinne.** — *(F)* Mr President, there would have been no call for this debate if very serious events had not occurred in Uruguay since the signing and the entry into force of the commercial agreement. There might even have been no call for the debate if the Uruguayan government had agreed to allow an independent commission of inquiry to conduct an on-the-spot investigation into the charges made, apparently with good cause, by Amnesty International. However, there is a debate, and the least we expect of the Commission is that no new advantages are offered to Uruguay. This is in effect what the Uruguayan mission to the Communities is seeking; on the one

hand, it wishes the working of the agreement to be reviewed, while on the other, it wants certain cotton exports to be included in the 1976 generalized preferences scheme.

It would be quite unthinkable for the Commission to allow Uruguay this advantage while refusing it to a number of other countries. Consequently, we expect the Commission to adopt a negative attitude towards the request put by the Uruguayan mission to the Communities.

**President.** — I call Mr Thomson.

**Mr Thomson, Member of the Commission.** — May I immediately assure Mr Glinne that there is no question of offering any new advantages to Uruguay? We have to fulfil our existing obligations to Uruguay — no more than that.

**President.** — Since no one else wishes to speak, the debate is closed.

### 6. *Inter-institutional dialogue on certain budgetary questions*

**President.** — The next item is the report drawn up by Mr Cointat, on behalf of the Committee on Budgets, on the inter-institutional dialogue on certain budgetary questions (Doc. 97/76).

I call Mr Cointat.

**Mr Cointat, rapporteur.** — *(F)* Mr President, I am grateful to the Members who have just spoken. In fact, I was summoned hurriedly, together with my colleagues Mr Shaw and Mr Aigner, from the meeting of the Committee on Budgets which was taking place in C building, which is some distance away, and I was out of breath.

If one day we are to meet at the nearby motor-racing track, you would be well advised, Mr President, to make arrangements well in advance for skates or bicycles to get us quickly from the Committee rooms to the Parliament chamber!

*(Laughter)*

The report which I am to present, Mr President, is of great importance. It is the result of the decisions which were taken last December by the European Parliament when the budget for the 1976 financial year was being adopted. At that time, Parliament had taken a decision and expressed a hope. Its decision was to lay down a real budgetary policy and its hope was that a permanent and more thorough-going procedure of cooperation could be established before the 1977 financial year between the European Parliament, the Council of Ministers and the Commission of the Communities, with special reference to budgetary policy.

### Cointat

Mr President, you instructed your Committee on Budgets to make a general study of budgetary policy and to prepare the inter-institutional dialogue arranged for that purpose.

What general problems are involved in this inter-institutional dialogue? I will mention them under four headings.

Firstly, Parliament's budgetary powers must be defined, both within the framework of the current revision of the Treaties and in the light of the future election of Parliament by direct universal suffrage.

The second set of problems relates to budgetary income, particularly to the full implementation of the own resources system by means of Community VAT. The European Parliament expressed its willingness to have this Community VAT introduced by 1 January 1977.

Thirdly, problems of budgetary procedure. The system currently provided for by Article 203 of the Treaty is very complex and often even inapplicable.

We thank the Council for allaying our misgivings in this respect by agreeing to a pragmatic procedure. We think it is now necessary to define such a procedure, basing it on what was done this year and last year.

Finally, another set of problems relates to technical aspects of the budget. The Committee on Budgets established an ad hoc working party of its own to study this question; I had the honour to be its chairman and its members were Mr Lange, chairman of the Committee on Budgets, Mr Aigner, Miss Flesch, Mr Gerlach, Mr Lagorce and Mr Shaw. We selected a certain number of subjects which we thought were particularly important and required urgent study with a view to improving the technical aspects of the budget, namely the budgetization of loans, the budgetization of financial cooperation appropriations and the EDF, the concepts of commitment appropriations and payment appropriations, the problem of supplementary budgets, questions relating to budgetary nomenclature and, finally, the general question of budgetary transparency.

The report, numbered PE 44071/fin., which has been distributed to you, deals with these technical aspects of the budget. It is a very long, complete, detailed and exhaustive report and I think it would be a tedious exercise if I were to analyse it here. Moreover, you will find a summary of the conclusions at the beginning of the report.

I wish to thank my colleagues on the working party for their very considerable efforts in connection with the eight meetings we held to prepare this report. It was then, of course, merely a working document. The Committee on Budgets, after approving this text, took the view that, given the importance of the subject matter, it should be referred to Parliament so that this working document might become an own initiative report which would carry more weight with the Council and the Commission of the European Communities.

We then sent this document to the Commission and the Council. I am grateful to Mr Cheysson for having already informed us of the first reactions of the Commission in this matter, which might perhaps be described as being a mixture of negative and positive. My first impression is that they are rather cautious reactions. As regards the Council, there has been a hint, if not a promise, that it would let us have its reply by the end of May, that is in the very near future, and we would appreciate it if we could have a reply as promptly as possible so that we may continue our studies.

This report then contains a very large number of proposals. It would not be appropriate today to debate them; the Committee on Budgets would like you to express your approval of the underlying principle — I think I can speak here on behalf of my colleagues on the working party — so that work on the study may continue, for we are fully aware that we are raising issues which are sometimes sensitive and that these proposals cannot be approved straight away. Some points require further study and necessitate very close cooperation between the Council, the Commission and representatives of Parliament. It is really a question of defining some broad guidelines and basically making it clear that we intend to improve current budgetary procedures. What we should most of all like to see is the rapid adoption of a certain number of specific decisions, not presenting any particular difficulty, before the summer of 1976, that is before discussion of the budget for the 1977 financial year, thus opening the way to further discussions, and the settling of a timetable for the remainder of our work on the report. All preparations could then be made before the 1978 deadline; Parliament's budgetary policy and budgetary powers would be clearly defined before the election of members by direct universal suffrage.

The Committee on Budgets is presenting a motion for a resolution which merely restates the views which have been expressed in this report and which represent ideas of central importance: the budget must record all Community revenue and expenditure, including loans and appropriations earmarked for financial cooperation with third countries; it must be an instrument for economic forecasting and must therefore show all foreseeable expenditure and, while any recourse to supplementary budgets should be avoided, not more than one or two rectifying budgets should be allowed; the budget is an annual one, but commitment appropriations may be used to provide for certain multi-annual projects; finally, the budget must be as clear as possible, its entries must be transparent and its nomenclature intelligible.

Ladies and gentlemen, that concludes the comments which I wanted to make on the report. Your Committee on Budgets asks you to vote for the motion for a resolution and to approve this first report, which is intended more or less to clear the

## Cointat

decks so that the Committee on Budgets and the *ad hoc* working party may be enabled to continue work on improving the technical features of the budget and budgetary procedure and policy.

(Applause)

**President.** — I call Mr Cheysson.

**Mr Cheysson, Member of the Commission.** — (F) Mr President, I first have to disagree with Mr Cointat on one point: I think that the exercise which has already been carried out is a very remarkable one in itself and goes further than clearing the decks. I am therefore fully in agreement with his earlier remarks on the significant advance which this work represents. We should not, however, be surprised at this, in view of the capability of the rapporteurs and of the chairman of the Committee on Budgets, who have already had considerable experience in presenting either general reports on the Community Budget or reports on certain sections of it.

We must therefore continue this work of adaptation, this ongoing process, taking account of the new political and financial realities to which Mr Cointat very rightly refers in his report. Progress must be the result of agreement between the three institutions, and what Mr Lange, I believe, called a 'trialogue' has therefore already begun. On 7 April the European Parliament delegation presented the broad lines of the report to the other two institutions and, as your rapporteur kindly pointed out, the Commission sent a very detailed reply on 26 April, certain sections of which obviously include some reservations.

In view of the importance of this matter, I should like to deal here with our comments on the various points of the report.

I shall follow the order recommended by Mr Cointat, which is that of the motion for a resolution submitted to Parliament. This text states, firstly, that the budget should set out all Community revenue and expenditure. Setting out all revenue raises the problem of the budgetization of loans.

In this connection, I will repeat for the benefit of Mr Lagorce, who is the rapporteur, the views which I expressed at his request several months ago. The Commission approves of the budgetization of loans, its attitude on this has not wavered. It feels, as the rapporteur does, that if it is necessary in future to have recourse to loans, Parliament should exercise full supervision over the decision to raise them and over the way in which the proceeds are used.

There are some technical points which pose a problem for us. I shall not go into them in detail here; I should simply like to say that we are concerned not to enlarge the body of the budget unnecessarily and artificially by showing, as revenue and expenditure, items which in reality constitute break-even operations.

On the other hand, the recommendations put forward by the rapporteur with regard to the inclusion of an annex in which capital operations would be shown in full, and those which he makes concerning a marginal note of the volume of transactions, all these recommendations seem to us to be quite appropriate. Parliament must of course be kept fully informed of the conditions relating to the borrowing of sums referred to in the budget and to the conditions under which loans would be granted from them.

With regard to the classification of borrowing operations, we do not entirely share the views of Mr Lagorce, who considers that Parliament has the last word in all operations of any nature whatsoever; we are rather of the view that, to be faithful to the spirit of the Treaty, we require a classification similar to that which exists in different contexts for all other expenditure. The recording of all expenditure raises the problem, with which this House is quite familiar, of budgetizing all financial operations, especially the problem of reintegration into the normal Community system, therefore into the budgetary system, of cooperation with third countries, and not only with developing countries, for those which benefit from our assistance include some which are not developing countries.

Miss Flesch, who has a thorough knowledge of this subject in her capacity as budgetary expert and chairman of the Committee on Development and Cooperation, is also aware — as is the Assembly — that the Commission's position in this matter is identical to that of Parliament. The aim is not merely to ensure budgetary transparency, but to underline the unity of all the Community's projects and also the Community's determination, not merely to carry through sectoral projects, but to apply policies as well. The object therefore is to reintegrate these operations completely into the Community context. In this matter, the Council, at a meeting also attended by the Ministers of Finance and the Ministers of Foreign Affairs, showed itself more favourable to the Commission's proposals than in the past. We are now virtually certain — and I wanted to inform Parliament of this fact — that the Council will agree to the budgetization of financial operations relating to aid in the context of cooperation agreements as soon as the European unit of account can be introduced into the budget, thus enabling a more equitable distribution of the burden.

That is an important step forward, as Parliament will observe shortly when we submit the preliminary draft budget for 1977, in which cooperation items will appear both as revenue and expenditure.

With regard to Miss Flesch's report, we have very few comments to make. However, we do not believe that the progressive budgetization of the European Development Fund is legally possible, since the conditions under which the financial agreement relating to the

### Cheysson

Lomé Convention was ratified by the nine national parliaments exclude EDF expenditure from the Community budget.

We must seek a way of integrating it in the future, for we do not believe that it can be gradually integrated in the context of the present EDF.

We also doubt whether the EEC-ACP's Consultative Assembly should have the power to deliver an opinion on the discharge. It seems to us that, since we are dealing with a Community budget, it should be for the institutions of the Community to adopt it, supervise it and give a discharge after its implementation.

The next section of the resolution makes a point with which we are all familiar, that is that the budget must set out all foreseeable expenditure, thus making the supplementary budget an exceptional occurrence. Discussion of this subject continues in the duet between Parliament and the Commission, I might even say between Mr Aigner, the rapporteur in this case, and the competent Member of the Commission.

You know how opposed we are to supplementary budgets and how much we wish to have a system in which the initial budget would really cover all foreseeable expenditure so that supplementary budgets would be required only to cover expenditure which was by its nature unforeseeable and inevitable or the result of new decisions; you know that the Commission's objective in this matter is the same as yours. Our comments with reference to this section therefore relate only to points of detail.

The next section of the resolutions deals with multi-annual projects and commitment appropriations. Once again, I address myself to Mr Shaw, as I have done several times on this same subject of commitment appropriations and multi-annual estimates, but this time I wish to tell him that we are completely in agreement with the recommendations which appear in the report included in the group referred to by Mr Cointat.

On some points we would even go further than Mr Shaw, in so far as we take the view that the rules governing the management of EAGGF-Guidance Section appropriations and the conditions under which these commitments are entered into should be the same as the rules and conditions applicable to other commitment appropriations. Further attention will have to be given to some details of presentation. We do not think that it is possible to have a commitment timetable spread over several years; there is a commitment for a given year and a timetable for the relevant payments spread over several years. But these are technical budgetary details for which I do not think I need take up any more of Parliament's time.

The final section of the resolution, as Mr Cointat has reminded us, stresses the need for budgetary transpar-

ency, both with regard to its nomenclatures and the conditions under which budgets from different parts of the Community are administered.

With regard to nomenclature, we agree with Mr Cointat, that there should be a continuous process of adaptation, but we would place more emphasis than the rapporteur on the fact that this process is achieved as far as we are concerned with the adoption of successive budgets. The process may of course be planned in advance, but it seems to us that it is when the budget is adopted that formal adjustments are made to the nomenclature, whether they be supplements or amendments. This view is one reason why we are proposing an amendment to the Financial Regulation. We have a doubt with regard to nomenclature which is similar to that which I expressed just now concerning loans: it seems to us that Parliament's last word in this matter should, in accordance with the spirit of the Treaty, be consonant with the provisions to be found elsewhere. I shall not insist on this point.

With regard to the immediate changes proposed by Mr Cointat and by the Committee on Budgets, I would point out that, in the case of the horizontal changes, the proposals which we make in the 1977 budget tally broadly with those recommendations and that we should be very glad to see the proposed vertical changes adopted but, in the case of draft budgets, the possibility is not open to us.

With regard to transparency, Mr Gerlach, in a wide-ranging review of budgetary problems, drew particular attention to those associated with the Commission's decentralized bodies; he is very well qualified to speak on that subject since he has recently carried out a remarkable survey for which I should like to thank him very warmly on behalf of the Commission.

We agree with him that the control exercised by the budgetary authorities must be complete and must allow for the detailed presentation of all significant elements, but we also feel that the presentation of the budget for these decentralized bodies must be such as to ensure that you can exercise full control.

In short, Mr President, we have very few reservations to express with regard to the conclusions: they relate, firstly, to the manner in which the last word should be exercised; secondly, to the possibility of progressive budgetization of the European Development Fund; and thirdly, to our view that a supplementary budget is also necessary when a new decision has been taken. The extent of the consensus between Parliament and the Commission is clearly shown in that fact that only three points of detail have been raised with regard to a set of reports which are so complex and impressive and which are of such fundamental importance in that they relate to all the powers of Parliament and to the place the budget occupies in the life of the Community.

**Cheysson**

This consensus will, in any case, Mr President, be evident in the months ahead, firstly in connection with the discussions recommended by the rapporteur and which we ourselves would very much welcome, then in the presentation of the preliminary draft budget for 1977 in which a certain number of improvements will already be shown and lastly, next week, when the budgetary authority will receive the proposed amendments to the Financial Regulation finally adopted yesterday by the Commission, which will be sent to Parliament and the Council next week and which will very broadly reflect a certain number of the points already made in this report.

Mr President, speaking on behalf of the Commission, I feel that this matter was of such importance as to excuse the rather late adjournment of this sitting of the Assembly. I offer you my apologies for the delay.

*(Applause)*

**President.** — Not at all, Mr Cheysson. I thank you for your excellent commentary on the important work which has been carried out, and I am very pleased to note that there is quite a broad basis of agreement between your institution, the working party and the Committee on Budgets. I call Mr Dalyell.

**Mr Dalyell.** — I do not know whether it is convenient to put a question at this stage, but some of us will be attending the ACP/EEC Conference in Luxembourg in three weeks time. Frankly, when we attended the European Community/Latin America Inter-Parliamentary Conference we were not all that well briefed.

The question I should like to ask — it may be better to give the answer in a written brief of some kind to Members is precisely what the doubts are to which the Commissioner referred on the discharge of the budget in relation to the ACP/EEC Conference. I will just leave it at that.

**President.** — Mr Dalyell, your question is pertinent but it does not fall directly within the scope of this debate. You will be able to obtain this particular information elsewhere. In this instance we were concerned with finally ascertaining, by a more general study of the way in which inter-institutional relations are conducted with regard to the budget, the actual powers of the European Parliament, about which we are engaged in a minor running argument with the other institutions.

Besides, as our rapporteur said, the aim of this report was not to give rise to a proper debate, but to present the initial conclusions to give us strength and influence to continue the discussion with the other institutions.

I admired the scope and clarity of this document. It is an excellent basis for future discussions. I feel that it is for the entire Parliament to express, through me, its

gratitude to its authors: the Committee on Budgets as a whole, particularly the working party, its rapporteurs and most especially Mr Cointat.

*(Applause)*

Since no-one else wishes to speak, I put the motion for a resolution to the vote. The resolution is adopted.<sup>1</sup>

The proceedings will now be suspended until 3.00 p.m.

*(The sitting was suspended at 1.15 p.m. and resumed at 3.05 p.m.)*

## IN THE CHAIR: MR MARTENS

*Vice-President*

**President.** — The sitting is resumed.

7. *Carry-over of appropriations from the 1975 to the 1976 financial year*

**President.** — The next item is the report drawn up by Mr Aigner, on behalf of the Committee on Budgets, on the first list of requests to carry forward appropriations from the financial year 1975 to the financial year 1976 (appropriations not carried forward automatically) (Doc. 98/76).

I call Mr Aigner.

**Mr Aigner, rapporteur.** — *(D)* Mr President, ladies and gentlemen. What we are dealing with are the non-automatic carry forwards of appropriations pursuant to our Financial Regulation. There are three items involved.

The first is a small sum of 20 000 u.a. for the Economic and Social Committee. We did have some reservations here, since the original provision for this item in the budget was much lower than the appropriations now required, but we nevertheless approved it because of the need to purchase suitable office equipment.

The second item, Mr President, is in fact fully in line with our political objectives, since it relates to the remaining funds for hydrocarbons prospecting which it was not possible to spend last year. You will remember that in the budget debate, we ourselves used our margin of manoeuvre vis-à-vis the Council to propose these changes and managed to get them accepted. I think we can congratulate the Commission on having energetically pursued this work, although I am afraid that it will be unable to finance the many pending applications from these still relatively modest resources. We nevertheless, feel that this carry forward should be approved.

<sup>1</sup> OJ C 125 of 8. 6. 1976

**Aigner**

The third item, Mr President, concerns the carry forwards for the EAGGF Guidance Sector. Here again we feel that the carry forward is necessary. The blame for the fact that these appropriations have not yet been used certainly does not lie with the Commission, but can be attributed to administrative difficulties in the Member States. I therefore do not think we should cramp the Community's policy in this field by making things difficult.

This item alone, however, illustrates the extent to which these carry forwards affect an overall budget. If I add up all the automatic and non-automatic carry forwards, I get a total of 953 million u.a. You can see from this how difficult it is to draw up a budget punctually for a sector with so many unknown factors as agriculture in such a way that when the accounts are closed they accord with the budget actually approved. It is difficult, and I know that Mr Cheysson, in particular, took great trouble to update the estimates in order to bring them more into line with the actual figures.

Mr President, the Committee on Budgets gave its unanimous approval to this proposal to carry forward appropriations, and I should be grateful if Parliament did the same.

**President.** — I call Mr Cheysson.

**Mr Cheysson, Member of the Commission.** — (F) Mr President, let me first of all thank the rapporteur for his work and for the conclusions he has proposed to Parliament. We in the Commission naturally agree fully with these conclusions. We welcome the rapporteur's detailed remarks — both written and spoken — on the appropriation of 11.1 million u.a. for the hydro-carbons technology project and on the non-automatic carry forward of appropriations of 184 million u.a. from the EAGGF Guidance section. A final list of non-automatic carry forwards has now been drawn up and will be submitted to the budgetary authority within the next few days. The delay is due to the date on which the financial year ends in some fields, notably food aid, but I can already tell Parliament that this second list will involve a total of only 16 million u.a. — 2.4 million for research expenditure (Chapter 33), 8.1 million for the former Social Fund (Chapter 53) and 5.7 million for food aid (Chapter 92).

This means that the Commission will have requested total non-automatic carry forwards, from 1975 to 1976, of 140 million u.a. — the 124 million your rapporteur has recommended that you approve today, and 16 million on the second list.

This is a much lower sum than last year. In 1975 we had requested the very high sum of 600 million u.a. for non-automatic carry forwards from 1974 to 1975. This sum was quite exceptional as the Commission readily admits.

On the other hand, the Commission agrees fully with the recommendations of principle presented by the

rapporteur and which I hope you will be adopting in a few minutes' time. Abuse of the carrying forward procedure does represent a real danger to Parliament's budgetary role. The appropriations carried forward should not be of such an order of magnitude as to have the effect of seriously disturbing the annual budget, and the rapporteur's proposal in this context deserves to be taken seriously.

The Commission's intention is not only to follow the course Mr Aigner described a few minutes ago, but more particularly — thanks to the introduction of commitment appropriation — to make carry forwards the exception, something 'out of the ordinary'. They are 'normal' only insofar as the absence of commitment appropriations obliges us to insert excessive amounts in payment appropriations when we have to enter into a commitment covering a period of several years.

We must therefore continue our work to limit these carry forwards by improving the Financial Regulation which, as I have just said, will be submitted to you within the next few days.

(Applause)

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

The resolution is adopted.<sup>1</sup>

8. *Fourth Financial Report on the EAGGF, year 1974*

**President.** — The next item is the report drawn up by Mr Früh, on behalf of the Committee on Budgets, on the Fourth Financial Report on the European Agricultural Guidance and Guarantee Fund, year 1974, submitted by the Commission of the European Communities to the Council and the European Parliament (Doc. 70/76).

I call Mr Früh.

**Mr Früh, rapporteur.** — (D) Mr President, ladies and gentlemen, it is my privilege to present you today with a report on the Fourth Financial Report of the European Agricultural Guidance and Guarantee Fund for the year 1974. Now some people will say that this is ancient history and we should quickly pass on to another subject, since we can no longer do much about this one. I believe, however, that on the contrary this is highly relevant to the present situation. At the moment it is particularly apparent, in the Federal Republic of Germany at least, that the agricultural policy is under fire from all sides and that criticism of the policy — it is said to cost too much — is becoming more and more forceful.

<sup>1</sup> OJ C 125 of 8. 6. 1976



## Früh

For this reason I heartily welcome this Fourth Financial Report from the Commission, which once again sets out in a most clear and timely fashion how the money is being used. I would like to link my expression of appreciation to the Commission with a request, which, however, can probably not be met: namely that anyone who is writing about the agricultural policy should first study this financial report so that he knows exactly what it is he is presuming to criticize. Now after these preliminaries I would like, within the limits of the time I have available, to examine just a few points.

Our Committee, and I personally as rapporteur, deplore the fact that the share of EAGGF expenditure in the general budget is so high. This figure of 73 % naturally appals many observers, who say that this Community is after all not just an agricultural Community. But our report must also serve to point out why this expenditure is so top-heavy. The motion for a resolution quite clearly states that the agricultural policy has this excessive importance, and I quote, 'because of the underdevelopment of other Community policies'. We should bear this in mind in forming an opinion and always clearly underline the fact.

The various sections of the report then examine the guarantee section, food aid, the guidance section and the problems of Community financing, and I would just like to bring out the main points.

With regard to the guarantee section, which causes the most trouble because people are always saying that this is where most of the money is spent — and then there always comes the criticism that this money is used for the senseless building up of surpluses — it is made quite clear in this motion that the measures taken in this sector cannot and must not be cut back, I quote, 'until the measures to be financed in the social field are taken over by a structural policy.'

Anyone who knows enough to understand this text is well aware that in the guarantee sector the agricultural policy has to meet a number of obligations which, for want of a regional and social policy in the European Community, are unfortunately always settled out of the agricultural budget. Those who have to concern themselves seriously with this problem know that when criticisms are made of the regulations for olive oil or wine or other products it really comes down to the failure to implement a social and regional policy and that it is thus unfair to put the blame on the agricultural policy.

As regards food aid, it is clear from the report that we would be very pleased if, for the outside observer, food aid were separate from agricultural policy, thus avoiding the unfortunate impression that the only concern of the EEC in giving food aid is to get rid of surpluses. In fact it is time it was emphasized that food aid is a humanitarian task for the European Community which can only be fulfilled if there are also stocks and reserves in the Community. This is

the decisive point, which should be given greater prominence.

As regards the guidance section, it is always being pointed out that the imbalance between guarantee and guidance is a great burden for the agricultural policy.

The fact of the matter is, however, that the guidance measures, the structural measures, have remained largely the responsibility of national governments, whereas the guarantee measures, the expenditure for market support, have been taken over completely by the Community. This is why there is such an imbalance. I would hope, and this remark is also addressed to Mr Lardinois, that when the Commission now brings out a report on structural measures we will get a better idea of how the common structural policy can be reinforced.

As regards Community financing, the report notes that a large number of the applications submitted for individual structural projects cannot be granted, while on the other hand there are 325 million which cannot be fully used up because the common measures have not yet been implemented to a sufficient extent. For this reason we should really ask ourselves whether the system is satisfactory. We should indeed like to make improvements in the system, with a reduction in individual projects, but for want of common measures we always end up with a reserve. This reserve, about the existence or non-existence of which there have been lengthy debates in the Committee on Budgets, represents an unsatisfactory situation, as long as it has not been clearly established that there exists a substantial fund that can be used for structural projects in agriculture I hope that this fund will not, as has happened with regional policy, gradually be appropriated, for want of other policies, or different purposes, while public opinion ascribes the expenditure to the agricultural policy, although farmers do not benefit from it at all.

As time is getting on I would like to finish quickly. With regard to the last point, we naturally regard it as important that the checking of irregularities should be reinforced. All groups on the Committee were concerned about this, and the sub-committee was of great assistance here. I do not think that anything more needs to be said on the subject.

Allow me in conclusion to make one very brief comment. We need, and the report provides an opportunity, to put an end to criticism of the agricultural policy and make it quite clear that the aims of the policy, as laid down in the Treaty, have in fact largely been achieved, namely to stabilize to some extent the income of producers, increase agricultural productivity and ensure that supplies reach consumers at reasonable prices. This is not the time or place to give detailed evidence of the facts; the results are there to be seen by anyone who is willing to accept them.

Secondly, I would like to finish by saying that we must finally make sure that Agricultural Guidance and

## Früh

Guarantee Fund is not constantly used or misused to compensate for the lack of economic, monetary and financial policies, for inadequate regional and social policies or, to mention a different field, the lack of a Mediterranean policy. The Agricultural Guidance and Guarantee Fund must stop being a pot from which anyone can help himself in disaster situations where help has to be given quickly, just because there is no other fund in Europe to be called on in such cases. That would be a gain, not a loss, for Europe. The agricultural sector would have a clear allocation, as would the other sectors, and there would finally be an end to discrimination against the agricultural policy as the only real policy to be put into effect so far in Europe. The agricultural policy would be rehabilitated and could be a model for other sectors. As things are it is seen by many people, alas, only as a warning for other sectors. That is surely not the real purpose.

*(Applause)*

**President.** — I call Mr Liogier.

**Mr Liogier, draftsman of the opinion of the Committee on Agriculture.** — (F) Mr President, ladies and gentlemen, Parliament is called on to pronounce on the fourth financial report, which refers to the year 1974. This report, which is set out in four separate chapters, has been examined by your Committee on Agriculture.

Since the common policy on markets and agricultural prices is in effect the only full Community policy in which there is almost total financial solidarity, appropriations for the Guarantee Section represent approximately three-quarters of the total budgetary appropriations.

With this in mind, the main events of 1974 were as follows: extension of the common market organizations to cover dehydrated fodder; introduction of special measures for soya beans to encourage the development of soya bean production in the Community; introduction of a system of import subsidies on sugar; lastly, and most important, measures taken in the beef and veal sector following the appearance of a surplus. The increase in expenditure was particularly marked in this sector.

Whereas in 1973 this sector accounted for only 0.45% of expenditure, in 1974 it exceeded 10%. The measures taken (premiums, publicity campaigns, sales at reduced prices to certain categories of consumer) involved additional expenditure of approximately 320 million u.a., compared with 16 million the previous year.

On the other hand, there were savings in the cereals sector (553 million u.a.) and in the milk products sector (232 million u.a.).

In all, expenditure in the Guarantee Section for 1974 came to 3 107 million u.a., which was down by 15%

compared with 1973, when expenditure reached 3 614 million u.a. However, it should be noted, as the Commission rightly points out, that part of this reduction in expenditure is more apparent than real since it results from delays in certain Member States in making payment for certain support measures, in particular for wheat and olive oil.

As regards Community food aid for products covered by the market organization, expenditure increased in comparison with 1973 as a result of intensified Community activity under aid programmes for cereals and milk products from public stores.

A total of 204 million u.a. was allocated for food aid in 1974, an increase of 71% over 1973.

As regards the Guidance Section, I would simply like to point out that the funds available, namely 325 million u.a., are primarily intended for financing joint measures. Expenditure in 1974 for the various joint measures decided by the Council was higher than in 1973, amounting to 6 million u.a. instead of 2 million u.a.

Amounts intended for joint measures continued to be transferred to reserves in 1974, and the Council set aside a total of 11.5 million u.a. The aggregate amount transferred to reserve for joint operations between 1969 and 1974, which we have discussed on several occasions, is thus 526 million u.a. In addition, 150 million u.a. has been taken from the Guidance Section for transfer to the European Regional Development Fund.

Your Committee, in presenting its opinion, would like to return to the question of individual projects which has been discussed at length in the Committee on Agriculture. There have been repeated criticisms of the long delay between the lodging of applications for individual projects and their consideration by national or Community authorities. These delays are particularly damaging when the cost of living is rising. Would it not be advisable, in order to speed up operations in the Guidance Section, to provide for decentralized examination of projects at national and as far as possible at regional level, the task of the Community bodies being to draw up directives of a general nature and make on-the-spot checks of the use of EAGGF funds?

Finally, with regard to the auditing of the Guarantee Section, the efforts of the Commission's departments have been directed primarily at auditing the financial years 1971 and 1972 and have consisted of documentary checks and on-the-spot checks in connection with the closure of the accounts. This auditing activity has increased compared with the previous year.

For the Guidance Section, 24 individual projects were audited on the spot in 1974, representing 6.5% of the projects completed during the year. In the previous year only 5% of projects had been checked.

**Liogier**

As in the case of the 1973 financial report, your Committee deplores the lack of any real overall check on appropriations granted by the Fund, which is due in part to the lack of qualified staff. It should be borne in mind that this state of affairs is not only likely to damage taxpayers' interests but could also lead to economic disadvantages for beneficiaries of aid.

With regard to irregularities, your Committee feels that the Commission should propose improvements in the accuracy and detail of information supplied by national departments. Irregularities discovered should immediately be notified to the Commission, particularly those which reveal the existence of any new fraudulent practice which is likely to spread.

It feels that notification should not be limited, as at present, only to irregularities which involve financial loss for the EAGGF. It would surely contribute to more reliable and effective prevention if all irregularities, including unsuccessful frauds, were revealed.

This being so, were cases of irregularities revealed in 1974 — first of all, in the Guarantee Section? As in the previous year, the cereals and milk products sectors were the most affected by fraud. Out of a total of 96 cases reported, 68 relate to the cereals sector, 11 to the milk products sector, 5 to pigmeat and 3 to poultry.

The majority of fraudulent practices were found in the field of export refunds and intervention measures on the internal market. Irregularities in 1974 involved funds amounting to 3.8 million u.a., of which 12% has so far been recovered. The best method for tracking down irregularities is still the auditing of company accounts, since the majority of frauds consists of false accounts or false supporting documents.

In the Guidance Sector, the irregularities discovered related, as in 1973, almost exclusively to the payment of grants for the non-marketing of milk and milk products.

In conclusion, we warmly welcome the annual submission of a financial report on the EAGGF, which provides an opportunity of clarifying the financial management of the largest Community fund and the pattern of the common agricultural policy, which depends on the nature and size of the public funds allocated to it.

**President.** — I call Mr Scott-Hopkins to speak on behalf of the European Conservative Group.

**Mr Scott-Hopkins.** — I am in a strange position over this report. Nothing I say detracts from the extremely good report produced by Mr Früh and the opinion presented by Mr Liogier, both of whom have given a clear account of the report. It is extraordinary that in May 1976 we should be discussing what went on in 1974. At that time, during the price review, I

had the honour to be the rapporteur for the Commission's proposals which were eventually accepted by the Council. Yet we are now discussing the report by our good friend Mr Früh on what happened in those years. Instead, we should have evidence of what happened and be able to examine it in detail to discover whether the frauds mentioned by Mr Liogier were all followed up and whether there were other frauds. We should know how the money was spent. We should be able to call witnesses. We have done nothing of that sort. Indeed, it is not within Parliament's competence to do so.

In future, I hope that the work which we are now doing will be done not by the Committee on Budgets or the Committee on Agriculture but by the new committee which has just been set up to examine expenditure in previous years.

I cannot remember the details of what happened in 1974 up to the spring of 1975. I have looked back at the papers, which just give the cold, bare facts, and I have to rely on my memory. Parliament is virtually wasting its time, and I hope that under the new procedures we shall not have to go through this performance again. Mr Früh and Mr Liogier are correct in what they say. It is nonsense to continue to criticize the expenditure of the Guarantee Section or the Guidance Section of the EAGGF in 1974 and 1975 because it takes such a large proportion of the budget. It does, but that is not the fault of the EAGGF. There is nothing that we in the Committee on Agriculture can do about it. We want part of the expenditure taken from us and put into the Social and Regional Funds but what can we do?

You, Mr President, must be extremely bored with hearing this time after time. It is not our fault; it is not Parliament's fault. It is not really the Commissioner's fault. It is the fault of those absent gentlemen who are rarely with us except on a Wednesday — the Council of Ministers.

*(Applause)*

Applause always pleases me enormously but it does not help me much. There is nothing which we can do about it. I should like to censure the Council for its behaviour on agriculture. The Council's behaviour over the 1974 agricultural budget was not in the best traditions and did not help the agricultural industry.

I do not intend to go into details, because Mr Früh and Mr Liogier have already done so, on behalf of the Committee on Agriculture. The Conservative Group regrets that that we have to deal with matters in this way. We hope in the years to come that the new committee or subcommittee will examine these matters properly, take evidence and go through the issues directly. I hope that my honourable friend, Mr Aigner, who is chairman of the committee, will take this on board. We regret the criticism which has been levelled at the agricultural fund. We do not believe

✓**Scott-Hopkins**

that is right. The Guarantee Section operated in the interests of the farmer in 1974 and does so now.

We had difficulty in 1974: thank goodness we have less difficulty in 1976 with the agricultural section! We believe that it has operated in the interests of the farmer. Above all else, for all the words of denigration spoken by Members from all sections of the House about consumers and the agricultural policy, what it has done over the years — and particularly in 1974, when one must not forget there was a sugar crisis — is to ensure for consumers throughout the Community, and particularly in the United Kingdom, a guaranteed quantity of sugar available at a reasonable price.

I do not think that speaks badly for the operation of the common agricultural policy. God knows it has its faults. Heaven knows that this Chamber has heard enough of them over the years and will hear more of them in the years to come.

However, although the common agricultural policy has its faults, I believe that the operations of the Guarantee Section and Guidance Section in 1974 were in the interests of both consumers and farmers throughout the country.

As I have said, I regret that we have not had more chance to examine this in detail and call witnesses of experience to give evidence about it. However, as it stands, I support the motion proposed by Mr Früh.

I support the amendment put forward by you, Mr President, and various other Members concerning paragraph 10 and the Mansholt section. I hope, when the Assembly considers the amendment, to have the opportunity to give a brief explanation why I should like to see the amendment adopted by the House and why I support it. I understand that as you, Mr President, are in the Chair you will not be able to speak to the amendment. I therefore hope to have the honour to support the amendment which is to be put to the House for its consideration at a later stage.

**President.** — I call Mr Dalyell on a question of procedure.

**Mr Dalyell.** — This seems a convenient moment to register something that some Members have been thinking for some time.

This time next year, when by chance there will be the first British Presidency, some of us on these benches will be very vexed if, for any major debate, there is not some Minister present representing the Council of Ministers. We shall certainly be asking our Prime Minister and others: 'If not, why not?'

Good manners compel me to say nothing about the Dutch, but I am sure that Mr Laban and other colleagues will look after that aspect of the matter.

In recent times, we have seen what I can only describe as a certain petulance among the Council of

Ministers at having to be present in the Assembly at all. Some of us will be highly petulant and embarrassed if our own Ministers are not on that front bench when need be.

*(Applause from certain quarters)*

**President.** — I call Mr Aigner.

**Mr Aigner.** — *(D)* Mr President, I just want to say a few words because mention was made of auditing. It is of course understandable that people would like to deal with this sort of report nearer the actual time. In the Community budget sub-committee we also work on the principle of not proceeding consecutively with our audit but of working back from yesterday's situation to what went before. I hope that in this we have the support of the Commission and can make proper use of the means at our disposal — especially the external and internal checks.

But I would like to say something about the agricultural policy itself. I am very pleased that this subject has been raised so forcefully. If one looks at the implementation of the agricultural policy from the point of view of the Committee on Budgets and the audit, one is naturally concerned about this or that point; this is hardly surprising, and many things have indeed gone wrong. However, when I hear the criticisms which are made from outside with so much ignorance and stupidity it never fails to amaze me, and I think: you would have been wiser to keep quiet — at least then no-one would have doubted your intelligence. This applies not only to certain journalists, but unfortunately also to the highest government departments; even heads of government have shown themselves incapable of understanding this admittedly complicated subject sufficiently to allow them to make any real criticisms.

Of course, Mr Lardinois, we know about your worries too, the problem of maintaining balanced agricultural markets, etc. These are real problems, but they cannot be dealt with adequately simply by disrupting the overall policy. What I would like to ask today is: how would our agricultural policy, our food supply and the price situation look now if we did not have the common agricultural market, and what would the funds allocated in the various Member States add up to? Although I say this as a non-agriculturist, and merely from the point of view of the audit and the Committee on Budgets, I believe it simply has to be recognized that in one field a degree of security has been achieved in the Community, so that other countries — just think of the Soviet Union — would be very grateful if they had the same security of food supplies and the same sound agricultural basis as we have created. I feel this has to be said, budget man though I am.

*(Applause)*

9. *Commission statement on the cost of storing skimmed milk powder*

**President.** — I call Mr Lardinois, who wishes to make a statement concerning his reply to a question during yesterday's Question Time.

**Mr Lardinois, Member of the Commission — (NL)** I am very grateful that you have given me this opportunity, Mr President, since I have something to put right. Yesterday a question was put by Sir Geoffrey de Freitas, Oral Question No 10. I then got into the wrong track as a result of supplementary questions from Parliament and consequently gave incorrect information. I should therefore like to apologize now, and will try to put the matter right.

In the first instance I answered Sir Geoffrey de Freitas' question correctly yesterday. More detailed questions were subsequently put, particularly by Lord Walston and Lord Bruce. These were what led me onto the wrong track. They were not intended to do so, but this was the effect they had because I misunderstood them. I consequently more or less repeated the statement I had made in the first place. I should therefore now like to give the correct figures for the storage of skimmed milk powder in the Community in 1976.

Yesterday I said first of all that the actual storage costs amounted to some 10 million units of account, excluding the interest. I then confused matters somewhat. I will now give you the correct figures. The actual storage costs for 1 million tonnes of skimmed milk powder, which is roughly the amount we expect to have in 1976, are 10.4 million units of account. The interest charges, which will also have to be borne by the Community, will come to a further 72.8 million units of account, thus making a total of 83.2 million units of account. The costs involved will therefore be somewhere between 80 and 85 million units of account.

Lord Walston and Lord Bruce arrived at these figures on the basis of their own calculations. I was somewhat startled by these figures, since I did not have them in my notes and as a result I got onto the wrong track.

I complimented Lord Bruce yesterday on what an excellent accountant he was. The fact I have had to withdraw what I said in the second place yesterday simply shows that this is indeed true. Again, please accept my apologies. You now have the correct figures.

**President.** — Is Lord Bruce satisfied with Mr Lardinois's reply?

**Lord Bruce of Donington.** — I am greatly obliged to the Commissioner for his correction. Many of us feel that the alteration he has made — the admission

of error — only adds to the very high esteem in which he is already held by Parliament. Many of us would hope that we ourselves would be as free from mathematical error as he has always been in the past.

*(Applause)*

At the same time, the correction that the Commissioner has now given adds force to the validity of the suggestion put forward by Lord Walston yesterday that it would be better for the Community to give away half its quantity of skimmed-milk powder and thereby save Community funds to the extent of more than 40 m u.a. per annum.

At a time when millions of people in the world are starving, the existence of this monstrous skimmed-milk mountain in Europe is a disgrace to the Community and a disgrace to its Institutions. You will therefore expect Lord Walston and myself — and I have Lord Walston's authorization to say this — to seek early parliamentary means of having this whole question ventilated. We hope that when the matter is put to the Council, which it is our present intention to do, we shall have the full support of Mr Lardinois.

**President.** — The matter is now closed.

10. *Fourth Financial Report on the EAGGF, year 1974 (Resumption)*

**President.** — We shall now resume the debate on the Fourth Financial Report on the EAGGF, year 1974.

I call Mr Lardinois.

**Mr Lardinois, Member of the Commission. — (NL)** Mr President, I am looking forward to discussing this matter in greater detail with Lord Bruce and other Members of this Parliament once we get to the stage of really providing a solution to the problem.

As regards the report before us now, I should first of all like to congratulate Mr Früh on his report; it is a very thorough piece of work. I also thank him for the explanation he has just given and which, apart from some justified criticism of certain aspects, nevertheless represented an impassioned plea for the Common Agricultural Policy.

We agree with the approach put forward by Mr Früh, i.e. to attempt gradually to transfer those elements in the agricultural budget which do not really belong there to other items. Mr Cheysson and I have already done this very recently, for example, in the case of food aid. This is not simply a budgetary question — it also indicates that food aid should not be an extension of or dependent on the agricultural policy as such.

Secondly, I except that we shall be submitting a supplementary budget for this year in a few months' time, part of which, i.e. the supplementary budget

**Lardinois**

resulting from the existence of several different units of account, will be included elsewhere than in the EAGGF. I will not go further into this extremely important question at this time. Mr Cheysson, who is chiefly responsible for this matter, will no doubt explain it to you on a suitable occasion. In any case, it is clear that we agree with the rapporteurs that we must not make further demands upon the agricultural budget, and certainly not with matters which, strictly speaking, do not belong there.

Mr Früh also spoke about the Guidance Section of the EAGGF. One of the things he mentioned was what is popularly known as the Mansholt Reserve. Contrary to what was stated earlier, we do not expect there to be any need to have recourse to this reserve until 1978.

Mr Liogier spoke about delays in payments from the Guidance Section of the Fund. We are currently making these payments, partly as a result of the pressure which Parliament has brought to bear on us in the last two years. When I became Commissioner for Agriculture in 1973, there was a backlog of one year in this area which we have gradually made up. The funds budgeted for the Guidance Section in 1976 will, for the most part, also be allocated in 1977; delays in this area have been reduced to a minimum. I therefore expect that the complaint which Mr Liogier rightly made will not need to be repeated in the future.

In connection with Mr Scott-Hopkins' complaint that we are still dealing with the budget for 1974 at this time, I should like to say a word in defence of my staff. As stipulated, we submitted the report to Parliament just over six months after the end of the budgetary year, i.e. in July 1975. Owing to various circumstances this report is only being dealt with now. As I said, I think I must speak up for my staff for I feel that we kept fairly well to the agreed deadlines for 1974. I find it unfortunate that we have had to wait until May 1976 for an opportunity to discuss the budget here and I assume that it will not be necessary to wait so long with respect to the 1975 budget.

Mr President, I should like to express my sincere thanks to Mr Aigner. As Commissioner for Agriculture I have in the past repeatedly — and rightly — had difficulties to contend with as a result of the close attention with which Mr Aigner has followed financial matters in his capacity as vice-chairman of the Committee on Budgets. I should therefore like to give him my particular thanks, both in a personal capacity and also on behalf of European agriculture, for the convincing way in which he defended the general lines of the agricultural policy, even though it is always possible to criticize certain aspects. I am particularly pleased at the fact that this plea came from this unexpected quarter.

**President.** — The general debate is closed.

We shall now consider the motion for a resolution.

I put the preamble and paragraphs 1 to 10 to the vote.

The preamble and paragraphs 1 to 10 are adopted.

After paragraph 10, I have Amendment No 1, tabled by Mr Lückner, Mr Martens and Mr Ney on behalf of the Christian-Democratic Group:

Paragraph 10a (new)

Insert the following new paragraph after paragraph 10:

10 a. Notes the Commission's statements that positive use will be made of the Mansholt Reserve Fund from the beginning of the financial year 1977;

I call Mr Scott-Hopkins to move this amendment.

**Mr Scott-Hopkins.** — It is an enchanting position to be able to move an amendment on behalf of the Christian-Democratic Group. Nothing gives me more pleasure.

**Mr Aigner.** — Why?

**Mr Scott-Hopkins.** — Because we work so closely together, my friend. (I know that this is slightly out of order.)

May I quickly say to Mr Lardinois that of course I exonerate him from any blame concerning the lateness of the report. I had not realized that that there had been a technical hold-up in the parliamentary system. I apologize for any slur I may have cast upon him or his staff. If he had it ready in July, last year then it is our fault and not his.

I formally move the amendment, which concerns the Mansholt Reserve Fund and the positive use which [within the Guidance Section of the EAGGF] must be made of these moneys. The fund was set up some years ago. It is not for me to go into it now.

It looks from glancing round the Chamber as though it were a Friday morning, judging by the paucity of Members. I hope that I shall be excused if I do not go into the details. We have dealt with this subject many times in the Committee on Agriculture and on the floor of the House. It is quite clear that this reserve fund should be positively used and not used by the Commission as a switch or as something it can dip into at any moment.

That is the purpose of the amendment. I therefore formally move it on your and our behalf.

**President.** — I put Amendment No 1 to the vote.

Amendment No 1 is adopted.

I put paragraphs 11 to 21 to the vote.

Paragraphs 11 to 21 are adopted.

I put to the vote the motion for a resolution as a whole, incorporating the amendment adopted.

The resolution is adopted.<sup>1</sup>

<sup>1</sup> OJ C 125 of 8. 6. 1976.

11. *Regulation on the crediting of securities under the common agricultural policy*

**President.** — The next item is the report (Doc. 99/76) drawn up by Mr Lagorce, on behalf of the Committee on Budgets, on the proposal from the Commission of the European Communities to the Council for a regulation on the crediting of securities, deposits, and guarantees furnished under the common agricultural policy and subsequently forfeited.

I call Mr Lagorce.

**Mr Lagorce, rapporteur.** — (*F*) Mr President, ladies and gentlemen, I shall be especially brief in presenting this report. The purpose of the proposal before us is to clarify the financial regulations governing securities furnished by individuals or enterprises within the framework of the common agricultural policy, to ensure the proper administration of or to avoid possible fraud in the issuing of import-export licences, denaturing operations, private storage contracts or for the sale of goods from intervention stores.

Until now these forfeited securities have been credited to the Member States when an agricultural operator failed to meet his obligations. The Commission proposes that henceforth these securities be credited to the European Agricultural Guidance and Guarantee Fund, which in fact bears the financial risk in these operations. Both the Committee on Agriculture and the Committee on Budgets consider that the Commission proposal is justified. However, two objections are raised by the Committee on Budgets. Firstly, the Committee believes that these securities should always be credited to the EAGGF; consequently, it rejects the two exceptions suggested by the Commission since they are not justified in the Committee's opinion. The Committee on Agriculture raised the same objections to these two recommendations. Secondly, the Committee on Budgets felt that these securities should be regarded as true Community resources in the same way, say, as the fines imposed on commercial operators for infringements of the Community's competition policy. It follows that these securities should be written into the budget, possibly in the form of a token entry under the chapter regarding Commission funds, since naturally their total amount cannot be calculated beforehand. The revenue and expenditure accounts must be available before they can be entered.

The Community on Budgets proposes, in short, that the proposal for a regulation be amended as follows:

— deletion of the third recital, namely:

'Whereas, however, those securities which are unlikely to cause substantial financial disadvantage to the EAGGF should be retained by the Member States;'

— deletion of the second paragraph of Article 1, namely: 'However this regulation shall not apply to any security furnished:

- (a) in connection with the issue of licences without advance fixing of the rate of refund, levy or accession compensatory amount; or
- (b) under a tendering procedure for the sole purpose of ensuring the submission by tenderers of genuine tenders.'

With regard to the entry of these credits as revenue, the Committee on Budgets asks the Commission to take the necessary action so that the 1977 preliminary draft budget contains a budget heading for any revenue resulting from the crediting of securities.

**President.** — I call Mr Liogier.

**Mr Liogier.** — (*F*) Mr President, ladies and gentlemen, I should like first of all to thank Mr Lagorce for the report which he has presented to Parliament today. We are concerned with a budgetary question, and more precisely with the agricultural budget which has recently thrown up some tough problems.

The Commission proposal is designed to improve the situation somewhat, since it aims to supplement EAGGF funds. This additional revenue is the securities, deposits or guarantees, furnished according to various agricultural regulation and then forfeited.

Until now, these sums have been paid to the Member States, but this situation would seem to be quite unjustified. One is entitled to ask why it has continued for so long, particularly as the financial needs of the EAGGF never seem to stop growing. Although the total estimate of 8 million units of account does not seem much when compared with the Community budget, it is not to be disregarded at a time when it is difficult to find additional finance.

It is quite obvious that the proper place for this revenue is under the EAGGF section of the budget. The securities, deposits or guarantees are furnished by individuals or enterprises within the framework of the market organization to which the EAGGF is applicable. They ensure that prescribed administrative procedures are correctly followed, discourage fraud and guarantee the payment and conditions laid down in contracts. As it is quite clearly the EAGGF which bears the risks in these cases, it is right that it should be the beneficiary of all forfeited securities, deposits and guarantees. At a time when the Commission needs all the funds it can get to finance the common agriculture policy, it nevertheless proposes that the Member States continue to receive in two cases these securities, deposits and guarantees.

Logically, it would seem that there is nothing to justify these two derogations, since it is the EAGGF again which bears the risk of administrative expendi-

**Liogier**

ture due to speculation, market management or increased storage charges. We feel that in these cases, too, the forfeited securities should be credited to the EAGGF.

Our Group, Mr President, will vote in favour of the motion for a resolution.

**President.** — I apologize to you, Mr Scott-Hopkins; as deputy rapporteur, you should have been called earlier.

I call Mr Scott-Hopkins.

**Mr Scott-Hopkins.** — *draftsman of the opinion of the Committee on Agriculture.* Mr President, it is fortunate that I have the opportunity to speak after Mr Liogier, because not only do I as rapporteur of the Committee on Agriculture agree with what he has said, as he would expect me to do, but my group agrees with him also. I thank Mr Lagorcé not only for the clear way in which he has drafted his report but also for the way he has presented it to the House.

It seems extraordinary—I shall not go into the two derogations at the moment—that the House has not hitherto taken hold of this situation, that all the forfeited securities have not been rendered back to the EAGGF and it is only at this late stage in the game of the CAP that we are getting round to doing this.

I know that the system is administered by the national governments, but I find it extraordinary—we said this in the committee and I am saying it now that the Commission is not in a position to tell us the exact amount outstanding at the moment in securities. I know that there are 100—that is almost the figure, I believe—different types of security and methods whereby these securities are levied against the various issues, but I do not think that the Commission is able at the moment to tell us exactly what the situation is regarding this. I do not know whether the Commission knows the manner in which these securities are entered or how they are being levied at this moment. The Commission must take this in hand immediately.

Once again, I turn to my honourable friend Mr Aigner in the new committee which is being set up. This is one of the jobs he will have to do, to see what is happening about this and what the national governments are doing to call evidence and to examine what securities are being held. That is the purpose of a watchdog committee. The Commission, however, should be able to furnish that statistical information and should know about it. If there is any problem, I hope that Mr Aigner will come to the House and say so, and we will do what we can not only here but in our national parliaments also.

I need not go into the detail, which has been adequately covered by Mr Lagorce in his explanation, but I must turn to his main point concerning the two derogations. The Committee on Agriculture, as I am

sure all honourable Members will have read in the explanatory statement, is, as Mr Liogier said, absolutely against these two derogations.

I cannot think why the Commission is trying to make them. The Commission wants the money; why is it trying to pass it back to national governments? If the securities are forfeited, they are forfeited. I do not see why the Commission is being so generous or perhaps, weak-kneed. Perhaps pressure is being put on which we do not understand, but I am sure that is not true. I hope that the House will support the recommendations of the Committee on Budgets and the Committee on Agriculture, so that these two derogations from the Commission's proposal will be deleted, and there will be no derogations. In conclusion, I hope that the House will support the proposal of the Committee on Budgets in their entirety, as do the Committee on Agriculture and the Conservative Group.

**President.** — I call Mr Lardinois.

**Mr Lardinois, Member of the Commission.** — (NL) I should like to thank Mr Lagorce, rapporteur for the Committee on Budgets, for having stood fairly and squarely behind the objectives of this proposal, despite the fact that he has had quite specific criticisms to make and even takes a very different view. I should also like to thank Mr Scott-Hopkins for his report on behalf of the Committee on Agriculture. He too went into the two derogations mentioned by Mr Lagorce.

They asked why the Commission has not required the crediting to it of all the securities furnished. Why should certain exceptions be made? I will be very candid on this point. I had originally intended that all the securities should be set against EAGGF expenditure. The Commission's legal service drew our attention to the fact that we could find ourselves in a weak position *vis-à-vis* the Member States in this matter, since these securities are, in effect, nothing more than purely administrative securities covering the extra administration, i.e. not the administration proper but the extra administration which is always involved when licences are exchanged, etc.

Mr Liogier and Mr Scott-Hopkins asked why the Commission has only just put forward this proposal instead of doing so much earlier. The reason is that until not very long ago the only securities we really held were ones which could be called administration securities. They did not in effect play any part in the policy as such. But over the last two years we have been receiving more and more securities which do play a real part in the agricultural policy. This is because the world market prices in the last two years have been subject to much greater fluctuations than in the past, as witness, for example, the prices for cereals and sugar.



**Lardinois**

The securities two years ago were quite small and did not do much more than cover the extra administrative costs incurred when exchanging import and export licences. However, with the great fluctuations in the world market prices we have increased the securities considerably in a number of cases since we wish to avoid the trade profiting too much from the existing system by exchanging licences. Consequently the influence of securities on the agricultural policy has also increased considerably. This is why we say that the securities were not an urgent matter in the past, and have now become a much more significant factor, also as regards the actual amounts of money involved, among other things. We estimate — and we can do no more than estimate for the time being—that the income from these securities could amount to approximately 6 to 9 million units of account per year, which is no mean sum, and this is why we are now saying that the securities have now begun to affect the agricultural policy as such and we therefore want to recover them. However, since the problem also relates in large measure to administration, we feel that we should not unnecessarily increase the objections which the Member States will no doubt have. I also feel that the Council of Ministers is more ready for a measure of this kind at the present moment than it was a year ago when the problem was discussed informally for the first time. This brings me to the second and more fundamental objection put forward by the rapporteur, i.e. that this money must be regarded as true Community revenue and, as such, taken up in the budget; it must not simply be regarded a deductible item in the expenditure on refunds, etc.

I cannot at this stage make any definite statement on this matter, but I think I can say that very considerable legal objections will be encountered since we do not know whether it will be legally possible, in accordance with the 1969 decision on own resources, which was ratified by all the national parliaments, simply to include these funds under the heading of official Community resources. It is quite a different matter, however, simply to regard them as a deductible item.

That poses no legal problems whatsoever; but if these amounts are officially dealt with as own resources, in the same way as import duties and levies on imports from non-member countries or on sugar, this is something against which I must for the present put a big question mark from the legal point of view. I must therefore refrain from stating an official point of view on behalf of the Commission at the moment.

**President.** — I call Mr Scott-Hopkins.

**Mr Scott-Hopkins.**— I know that the Commissioner cannot answer now, but I ask him to make a great effort to find out—and be in a position to answer to Parliament when questions are asked—the precise amount of securities held in this context at any one moment, for example, as of last week or as of

last month. I understand that it is a question of getting the cooperation of Member States, but the Member States should be in a position to give that cooperation. If they are not, let the Commissioner tell us and we will do something about it. Without knowledge we cannot do anything, and neither can he.

The Commissioner has not answered the question put by Mr Lagorce and myself as to why he objects when we say that those derogations should not be made. Article 1 (2) (b) of the proposed regulation says that one reason is to ensure the submission of genuine tenders. I do not understand why these securities should not be forfeited. The one time, bearing in mind past history, when they should be forfeited is if they are not genuine tenders. The Commissioner has not told the House why not, and I think that he should.

**President.** — I call Mr Lardinois.

**Mr Lardinois, Member of the Commission.** — (NL) Mr President, I can assure Mr Scott-Hopkins that we will carry out a survey in all the Member States in the near future with a view to discovering the current level at which securities etc. are being furnished. I expect that we will be able to give him clear information in a month's time. I can tell him this officially.

I thought I had in fact answered his second question. If not, we must be talking at cross purposes. I think he asked why I object to the idea of deducting all the securities or including them under Community resources. Have I understood you correctly?...

**Mr Scott-Hopkins.** — Yes.

**Mr Lardinois.** — (NL) ... well, to the question 'why not all?' I answered the first place, 'because a number of these securities are purely administrative securities of the kind with which we were familiar three, four or five years ago'.

Only during the last two years have we occasionally used a system of securities in our market policy which are different in nature and mean much more than a simple guarantee against extra administrative costs. We now have securities which actually affect the market and which are necessary in a number of sectors at this time because of the great fluctuations in prices on the world market. In order to avoid too many exchanges of licences and delay such exchanges—thereby saving on costs—we have increased these securities substantially in a number of cases, sometimes 14—or 20—fold so that they are now very different in character and are no longer simple securities. We hope that the Community will, as it were, profit from the latter category, i.e. the securities whose function lies purely in their effect on the market.

**President.** — I call Mr Lagorce.

**Mr Lagorce, rapporteur.** — (F) Mr President, I listened very carefully to the arguments which Mr Lardinois put forward to justify the two proposed dero-

**Lagorce**

gations and I must confess—I hope that he will accept my apologies—that they failed to convince me. The classification he has given regarding the two exceptions, which are evidently of an administrative nature, is welcome and we accept it. We have to trust Mr Lardinois and the Commission's legal department. However, this information could have been given to Parliament earlier.

Furthermore, what is the overall sum involved? I believe that Mr Scott-Hopkins has already asked this question. The answer is approximately 8 million units of account. Consequently, what is the total amount of the two derogations? I do not think that it can be very much. We should therefore stick to the principle and not allow these two derogations.

The explanations about the entry as revenue do not in my view present any problems. In fact, although the 1970 decision on own resources does not mention them, loans are also income and appear in the budget.

It ought to be possible to adopt the proposal made by the Committee on Budgets, with regard both to the deletion of the two derogations proposed by the Commission and to the token entry in the budget. Surely this should not give rise to problems.

**Mr Scott-Hopkins.** — I agree entirely!

**President.** — I call Mr Lardinois.

**Mr Lardinois, Member of the Commission.** — (NL) I will look into the possibility of including this as a token entry in a separate budgetary heading under own resources. I promise Mr Lagorce that I will find out whether this is legally possible. If it is, we shall certainly act on his proposal.

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

The resolution is adopted.<sup>1</sup>

## 12. Regulation on the restructuring of the non-industrial inshore fishing industry

**President.**— The next item is the report by Mr Hughes (Doc. 66/76), on behalf of the Committee on Agriculture, on the proposal from the Commission of the European Communities to the Council for a regulation on a programme for restructuring the non-industrial inshore fishing industry.

I call Mr Hughes.

**Mr Hughes, rapporteur.** — The proposals from the Commission are part of a series dealing with Community fishing-policy. At a recent part-session one proposal attempted to regularize the legal position of quotas under the North Atlantic Sea Fisheries Conference arrangements.

The proposals before the Assembly are a further step in the Community's developing fishing-policy. To judge them as though they were a final Community position, as some in the press have suggested, is totally to misrepresent their intention.

May I start by briefly outlining the proposals? The Commission provides that, in collaboration with national governments and within multiannual programmes drawn up by the competent authorities within the national governments, the construction and modernization of fishing-vessels shall be undertaken and be eligible for Community aid.

I should like to clear up certain errors in the reporting of the proposals. One type of project aid is available for trawlers of over 12 metres and for other vessels, non-trawlers, of between 6 and 12 metres waterline length. A suggestion has been made in some parts of the press that this aid was available only for trawlers over 12 metres. This has given rise to unnecessary misgivings.

There is also the provision of assistance for the construction and modernization of shore installations, for the setting up of fish-farming for crustaceans molluscs and other forms of fish, and measures to encourage people to leave fishing where a programme provides for a reduction in fishing activities. In this last respect, annuities are indicated for persons between 55 and 65 years of age who undertake to give up fishing permanently. For vessels over 15 years of age, a lump sum of 200 units of account per gross ton can be provided for breaking up those vessels.

When one looks at the total envisaged expenditure of some 118 m u.a. over five years, the first point that should be made is that, as compared with the present levels of expenditure by national governments on individual projects in the fishing industry, this is not a very large sum of money. The weight of money will have to come from national governments as at present. This means encouraging national governments to work in harmony to improve inshore fishing.

The Commission in their working document indicated their desire to reduce the fishing-fleet in order to keep it in line with fishing-stocks. On page 16 of the report of the Committee on Agriculture, there is what appears at first reading to be a simple mathematical error. In the English text, the Commission's figures are based on an estimate that 80 000 gross registered tons will be scrapped out of a total of 550 000 gross registered tons, or 7% and presumably the least efficient boats. That is an elision. It is a drawing together of two rather different thoughts. We suggest that the capacity will be reduced by 7% even though the gross registered tonnage is reduced by nearer 15% because the capacity that will be scrapped is by definition likely to be made up of the least efficient ships. Therefore, for loss of one ton, there is not an equivalent loss of capacity.

<sup>1</sup> OJ C 125 of 8. 6. 1976.

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On the other hand, the modernization plans envisaged in the Commission's own proposals suggest the possibility of an increase in capacity of some 10%. There is, therefore, a fear that the proposal does not plan for a significant reduction in the actual fishing-capacity, because the efficiency will be improved more than the reduction in the tonnage will reduce the capacity. As a result there may be difficulties.

Inshore fishing is clearly related to three problems. First, the inshore fishermen are located physically in the peripheral regions of the Community, in areas where major problems of depopulation, regional unemployment and so forth already exist. Therefore, unless fishing policy is correlated with the Community's regional policy, it will fail to achieve its real object. It is a social and economic problem for those areas and one which goes far beyond the numbers involved. The removal of a viable inshore fishing trade for many small communities may mean only seven or ten people losing their livelihood, but it may easily mean the destruction of that community as a social and economic organism. Therefore, it must be seen first in its regional context.

The second aspect is that there is considerable evidence that over-fishing has become a major problem in the whole of the North-East Atlantic, both inshore and deep-water fishing. There is again a risk inherent in these proposals that by improving the capacity and the efficiency of the inshore fleet its ability to over-fish will be increased. Therefore a balance must be kept between improving the capacity of the fishing fleet and preserving the stocks of fish which it can go for.

Clearly there are well-documented cases where particular species of fish have been destroyed. Therefore one ends up with a requirement that for marine biological reasons there is a need for trawler-free zones, protection of the reproductive capacity of fish, species by species, the different varieties having different patterns of migration, and so forth, and at the same time not necessarily identical localized economic zones specified to the communities whose livelihood depends upon them.

Again, there is a danger of confusing these two rather different elements—first, the biological need to protect fish-stocks, which may require closed periods and trawler-free zones extending much more than 50 miles. It may be necessary to extend them to areas far beyond and proposals that the Conference on the Law of the Sea may make. Then, there is the need to have local marine regions associated with the requirements of the communities whose livelihood depends upon exclusive access to those waters. These regions will not be bounded by a straight line at a particular species of fish involved and the particular economic requirements of those communities.

Consideration of marine biology and regional economics must determine the controls which exclude fish-

ermen both of the country immediately concerned and of other countries from those areas. If, as seems possible, much of the deepwater fleet is forced nearer home as a consequence of international fishing changes, the risk of over-fishing will become considerably greater. Following from this, the control over the methods of fishing and the types of equipment used may also lead to over-fishing.

The need for the Community to control and monitor pollution throughout its area of interest is self-evident.

There are other minor problems concerning the aid for fish-farming which will face every Member State. I refer to the absence of legal protection for marine fish farmers. In the case of the British Isles, if they collect small fry to grown on their fish farms they are breaking the law and, having once broken the law by collecting them, if they then have them stolen or poached they have no redress in law because the seas and the fish therein are not capable of being owned by an individual. Aid for the farming of non-sedentary fish therefore involves legal problems which will not be easily resolved.

In the light of these doubts the Committee on Agriculture—here I can also speak on behalf of my colleagues in the Socialist Group — suggests three amendments to the proposed Regulation from the Commission.

The first is to Article 3, where we propose the addition of the words :

and shall conform to fish-stock preservation measures established under Community arrangements.'

We feel that it is necessary for the Community itself to take an active part in such measures.

Secondly in Article 5 we point to the need to 'ensure that fish-stocks are not endangered'.

Thirdly, in Article 9, where the Commission is giving assistance to the processing industry, we feel it necessary to except from such additional aid the provision or improvement of

'fish-meal installations, except for those treating trash fish ...'

It clearly cannot be in the interests of the Community fisheries policy to give Community funds for turning fish suitable for human consumption into fish-meal in order to feed cattle. Community funds should not be eligible for that purpose. Therefore, we wish to see this amendment written into the Regulation.

Coming to Article 9 (3) on farming, we wish to introduce the element of pollution control. Within this, as the motion for a resolution indicates, there are various reservations and changes of emphasis that the Committee on Agriculture would wish to draw attention to, but within the broad outlines of a limited series of proposals obtaining within a regional frame-

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work I have great pleasure on behalf of the Committee on Agriculture in commending these proposals to Parliament.

*(Applause)*

**President.** — I call Mr Vandewiele, to speak on behalf of the Christian-Democratic Group.

**Mr Vandewiele.** — *(NL)* Mr President, our worthy rapporteur has certainly made a particularly valuable contribution to the discussion on the very thorny problem of restructuring the non-industrial inshore fishing sector. I should like to compliment him on that. No one in the European Community today doubts that fishing is going through a crisis. A few weeks ago the Joint Committee on Social Problems in Sea Fishing pointed out that the income of sea fishermen depends very largely on the quantity and value of the fish brought in. Fishermen's incomes in some areas of the Community are falling so much that there is even talk of an imminent catastrophe. In his report, Mr Hughes writes that because of falling prices and rising costs, fishermen's incomes had fallen in 1974 by 30 to 40%, with an average working day of 10 to 17 hours.

We could well quote Heyerman's words: 'for fish there is a high price to pay'.

On 24 March 1970 the Joint Committee in Brussels unanimously adopted a report, a few paragraphs of which I should like to underline. It says that the responsible authorities should take emergency measures to guarantee fishermen in the whole of the Community a reasonable income, by strictly observing the goals of the common fishing policy. There must be urgent negotiations with representatives of owners and of fishermen's trade unions on social measures to combat the present crisis.

The proposed regulation is aiming at far more than temporary aid to cope with passing crisis phenomena. The Commission is aiming at a fundamental restructuring of non-industrial inshore fishing. A number of Community aid measures are proposed for projects to renew the fishing fleet, to break up obsolete or too small vessels, and to retrain some fishermen or retire them early. For the first 5 years a figure of 118 million units of account is proposed for this.

We should not hide from the fact that the measures proposed offering a solution in the medium term, raise particularly painful problems of many Community citizens. I would recall here the very difficult social problems that arose in the restructuring of agriculture when we had to solve problems arising from what economists sometimes call 'the exclusion of no longer profitable small farms'.

We are now facing similar problems: the number of fishermen fully employed in the Community is around 100 000. In view of the family character of the

trade, the Commission estimates the number of people dependent on this sector at 600 000. According to the Commission's explanatory memorandum it is especially older fishermen with small vessels that will have to abandon their profession. A number of them will probably shift to fish farming or raising of crustaceans and molluscs. It is expected that around 30% of the crews of ships from 0 to 12 metres and 20% of crews of ships from 12 to 24 metres will have to give up their trade. These are only estimates. We shall have to await the effects of the measures proposed. At any rate, there are 26 000 fishermen older than 55. For fishermen between 55 and 65 leaving the trade for good, an annual payment of 900 units of account is provided for the married and 600 for single people, including widows. This special payment will be made until the recipient reaches 65.

The Community fleet amounts to 45 000 vessels; most of them are smaller than 18 metres long. In Italy and France, 20 000 very small boats are in use. Italy has also a fleet of small unpowered boats. They are estimated to number 25 000 they are not recorded in the statistics.

There is no doubt that urgent measures are necessary to keep viable inshore fishing going, and to guarantee a reasonable standard of living in the coastal areas affected. Our group can therefore fully approve in principle the measures proposed.

However, we think that the fishing sector is at the moment characterized by considerable excess capacity. Inexorably, overfishing is being encouraged. This problem of overfishing has increased enormously in recent years, following the considerable investments made.

Our rapporteur has pointed out that fast boats, equipped with modern direction-finding and catching equipment, are now able literally to fish whole areas empty at particular times, thanks to their electronic equipment. Let us not forget that total fish catches in the world almost doubled between 1958 and 1968, but that despite constantly increasing investments, catches have not risen since 1968 and in some areas have even fallen.

On behalf of the Christian-Democratic Group I should like in turn to point out that the appropriations proposed will probably be inadequate for some items, especially for research, professional training and retraining activities.

Article 6 provides that the Commission shall submit an annual report on the structure of fisheries to the European Parliament. To draw up the multiannual regional programmes, we shall in the immediate future have to have much more accurate and certainly more detailed information. We cannot do very much with general figures. If, for example, I think of the situation in Belgium, I must say that I cannot possibly compare inshore fishing in Belgium with the situation

## Vandewiele

in Italy or France, and certainly not with Denmark. We are grateful that the Commission has announced that work is now in course to gather much more accurate data. That is also necessary so that we shall have a really useful report in our hands each year.

For a period of 5 years, the total costs of renewing vessels, of fish farming and shore installations, and also those for social measures, are budgeted at 118 million units of account. We are in agreement with the rapporteur when he says that it remains doubtful whether the multiannual programmes will reflect the real needs of a Community structural policy. He goes on to say that though the national programmes and proposals may be investigated by the Commission and the Standing Committee, this will have to be done without sufficient scientific and statistical data being available to make a clear choice among the complex of political interests — I suppose that what he had in mind here was the complex of very narrow national interests.

The future will show whether our rapporteur was correct in his conclusion, namely that the Commission proposal is a small step forward in the direction of the restructuring of European inshore fisheries. In any case expenditure in this sector must very soon be brought under Community criteria. I think that it is important to stress this once more, and to point out the positive aspects of it. However, a lot of water is going to flow under the bridge before we will again be able to speak of a really profitable inshore fishery.

Our group therefore hopes that the Commission will also supply Parliament in good time with all information regarding the economic analysis of projects in the fisheries sector. At the moment, as I have already pointed out, it is extremely difficult to get activities in the fisheries area presented in regionally comparable statistics.

Although we, as I have said, have some reservations regarding certain articles in the proposed regulation, I would state it as the hope of the Christian-Democratic Group that these measures will be applied very soon in all Member States of the Community. For our part, we shall gladly approve the motion for a resolution.

*(Applause)*

**President.** — I call Mr Kofoed to speak on behalf of the Liberal and Allies Group.

**Mr Kofoed.** — *(DK)* Mr President, ladies and gentlemen, may I congratulate the rapporteur. He has succeeded in giving an excellent picture not just of inshore fishing problems in Europe but of the situation and prospects of the fishing industry as a whole.

But I do not agree completely with some parts of the report, especially where it recommends ways of solving the problems. The conclusions sound as though they come from someone who has great faith

in political, selective control. In theory it might be attractive and logical but control is just not so simple when it is nature we are dealing with. Although we may think we know the laws of nature we just do not know how and to what extent nature makes up for the losses suffered.

I am for instance rather concerned about the statement in paragraph 31 of the Explanatory Statement that research and the collection of information should be far more politically orientated. I do not think the rapporteur means that research should be politically controlled. I do not think it should be the Commission that decides what information should be collected. If we are to evaluate the prospects of the fishing industry and how much the sea can produce research must obviously be carried out scientifically on the basis of the individual species of fish and their mutual dependence. It cannot be decided politically; the facts are decisive. It is only after the information has been collected that the political task of taking decisions on restrictions and the like starts.

In my opinion, our task as politicians is to decide how much economic aid should be provided to change the situation. There is for instance the question of restructuring the inshore fishing industry where — as the rapporteur rightly does — we should consider the situation of the fishing industry as a whole. This means that there should be a common Community policy, a common policy towards third countries, a common policy at international level and a common policy for Community waters.

We must in other words have a policy that enables us to make the best use of what the sea can produce and here factors such as pollution from ships and land-based pollution should be considered. But we should also consider whether such pollution research is right and up-to-date. We must be sure that what we understand as pollution today is pollution tomorrow. We must be aware that what we today understand as pollution will perhaps tomorrow become an essential element in the food chain.

I therefore agree with the rapporteur that more should be done to ensure a greater research capacity so that we get a better picture of the mutual dependence of different species of fish.

We must have a fisheries policy that could allow an increase in catches of one species to make room for other species for which there is a greater demand. It could for instance be an idea to increase catches of trash fish such as sprats, tobias fish and sparlings at a time when there is a shortage of herring. It might also be sensible to catch predatory fish so that herring has a better chance of reproducing.

But as far as control is concerned I heartily disagree with those speakers who are opposed to modern techniques. It is incorrect to create a fisheries policy that bans modern techniques. It would almost be the same

**Kofoed**

if Parliament decided that cars should not be used because they caused too many road deaths or if combine harvesters were banned because they create less seasonal employment. It is only reasonable that fishermen too should use modern techniques that make their work easier. It is unfair to say that fisherman should remain at sea for 14 days if they can catch the same amount in three days. What could be done is to introduce regulations, fishing periods, conservation regulations and the like. But the banning of new techniques is incorrect and can never be a realistic fisheries policy.

The Liberal and Allies Group supports the proposal before us although we feel that it will be difficult for the Commission to implement it since I do not believe that the costs given can be maintained and it will be difficult to obtain sufficient national aid in the various areas.

I hope that the Commission will work on these proposals and introduce them and at the same time tackle other problems discussed previously such as participation in the Law of the Sea discussion and improving the internal Community situation and the system applicable to fisheries. It is paradoxical that Community fish prices are so low that the fishing industry cannot cope at a time when there is a shortage of fish. There is also something wrong with our price system.

I would ask the Commission whether it is in keeping with Community objectives to have a price system that continues to allow imports of fish from third countries that provide huge national subsidies without the Commission being able to stop those imports. I am thinking specifically of Norway where subsidies amount to more than 100 million u.a. Its exports to the Community are subject to tariff preferences. Is it fair that these fish exporters compete with Community fishermen that do not receive the same national aid as the Norwegians?

The Commission should take a closer look at the price system and repurchase arrangements that are psychologically bad for consumers.

We have often had profitable fishery discussions here in Parliament; I think they are all the more essential now that three new countries have joined the Common Market for now we have greater problems; the fisheries policy is more important now than it was before. The two largest fishing nations in the Community are the United Kingdom and Denmark and therefore the fishing industry and the fisheries policy are more important than they were before. It is therefore essential for the Commission to introduce a fisheries policy.

When we had those fishery discussions, the Commission and Mr Lardinois were extremely favourably disposed to the proposals we put forward; but I have the impression that the Commission is unable to introduce a genuine fisheries policy. We agree that the

Community should have an international fisheries policy but I cannot see that either the Commission or the Council is able to represent all nine countries. I almost have the impression that the Commission's directorate is not on a par with the Fishery Ministers of the fishing nations. There are not the biological or other fishery experts needed to conduct a fisheries policy. If the Commission and the Council are not prepared to provide the necessary means for creating such a directorate, the Community cannot implement any fisheries policy since the directorate should have the necessary authority and this proposal is only a small beginning. The problem is much more complicated than at first appears. I am sure that Mr Lardinois will agree with me when I say that the Commission does not have enough expertise; there are not enough people and the people there are are not clever enough. When will the Commission take the initiative in obtaining the necessary means so that there is the necessary expertise? That is a prerequisite for a common fisheries policy.

*(Applause)*

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

**Mr Nyborg.** — *(DK)* Mr President, ladies and gentlemen, I am the spokesman not only for our group but also for the Committee on Regional Policy, Regional Planning Transport. There are regional aspects that are involved, here.

My Irish colleague, Mr Herbert, has drawn up an opinion on the report. I should like to begin with some minor points that he brings up. Mr Herbert says — and this is obviously also the committee's opinion — that in the first place the committee particularly welcomes the fact that, under Articles 3 and 4, Member States are required to submit to the Commission detailed economic analyses of their fishing industries. The lack of comparable statistical information can create considerable problems in evolving a common regional policy — a fact which the committee has brought to the attention of the Commission on a number of occasions.

It is very important that this state of affairs be emphasized. We have no comparable data. If we look at the figures proposed we note that contributions, loans and investments are mentioned and we do not know to what extent investments are made or whether the money should be paid back or at what rate of interest etc.

The committee also welcomes Article 7 which gives priority to regions and areas which may benefit from aid from the European Regional Development Fund. The committee is also extremely pleased to note that the Commission emphasizes the connection between inshore fishing and the regional problems of the peripheral areas.

**Nyberg**

I would like to thank Mr Hughes for the report he has submitted to Parliament today. It forms yet another important chapter in what is now a current debate by Parliament of fishery problems in the Economic Community.

There was one thing in Mr Hughes' report that made rather a bad impression on me, his mention of the advisability of national aid arrangements. I think that is a dangerous thing to emphasize since it can very easily lead to distortions of competition — not only will it do so, it already does. I therefore feel that if there are to be aid arrangements they should be at Community level so that there can be some measure of control without any further distortion of competition.

On the whole, I agree with what Mr Kofoed has said, especially about modern fishing methods and the price policy. I will not bore you by repeating what he said. I shall just say that I think this is something we should support.

The fisheries sector is currently going through a transformation and fish stocks have become smaller in the old fishing grounds. The main reason is overfishing and much more progress has been made in methods for tracking and catching fish than in methods for preservation. There is still some doubt about the 200-mile economic zones and the allocation of fishing rights between Community fishermen in those zones. The present Commission proposal pays no special attention to these problems but they must be discussed at the same time.

We are discussing a Community programme for restructuring the inshore fishing industry. We are dealing with the future of the small and very small fishing boats owned by the fishermen themselves of fishing short distances from the shore.

Many of those fishermen are based in fishing villages in the peripheral coastal regions where in many cases they form the backbone of the local economy. Such regions are very dependent on the fishing industry since they have very slight or perhaps no hope of industrial development. Any proposal from the Commission that is to the advantage of these fishermen and these areas is therefore to be welcomed. If the fishing industry is allowed to decline there is no alternative. There is only one thing to do: move. The economic, social and human consequences would be irreparable and would make the Community's regional and social policy and the Community itself a laughing stock.

It is therefore absolutely essential for the Community to channel some of its resources into the proposed development of the fishing industry in the peripheral regions.

Not only should fishing boats be modernized and fishermen retrained but harbours and fish processing

must be improved and an effort should be made to ensure that there are adequate fish stocks in the areas.

There will be some difficulty in achieving the latter but it is essential if the population of our peripheral coastal regions is to have any chance of survival. Community waters should therefore be the reserve first and foremost of Community fishermen. We could in that way effectively control catches and divide fish resources among our own fishermen.

The Community must pursue a policy to preserve fish stocks if an inshore fishing fleet is to exist in the future. Arrangements must be made for the fishing industry to prevent the use of unsuitable tackle. Such arrangements should be accompanied by measures to control pollution and a comprehensive fishery research programme.

Research is essential for the future development of the fishing industry. If the sea is properly exploited it can be an excellent source of food. The prevalent practice is to get as much as possible out of it without putting anything back. As far as supplies are concerned we are dependent on natural reproduction. With the amount of fishing now done and the increasing need for proteins we cannot afford to leave the situation as it is any longer. We must invest heavily in research to discover new methods of preservation and breeding techniques. Such research will be very expensive but the outcome will be worth it.

In conclusion, my group welcomes the Commission's proposals and Mr Hughes' report. We will vote in favour of the report before Parliament.

*(Applause)*

**IN THE CHAIR: LORD BESSBOROUGH***Vice-President*

**President.** — I call Mr Prescott to speak on behalf of the Socialist Group.

**Mr Prescott.** — I welcome the report which has been produced by my colleague Mark Hughes, who, at the same time as introducing it as rapporteur of the committee, has introduced his own Socialist outlook. To that extent I do not wish to repeat what is said in the report. Of course, I have my own reservations about some of the conclusions. There is a difference obviously within my group and also between nations and delegations.

The question to which we have to address our minds in tackling the problems of the fishing industry is how we conserve the fish stocks. I do not seek to repeat here the argument which we have debated before of whether quotas can assist in that process or whether an extension of the areas of the economic zones, as recognized at the Law of the Sea Conference, will be the best way of achieving control of fish

### Prescott

stocks. Nevertheless I welcome the work which has gone into the report. As one speaker has said, it takes the discussion and debate considerably further towards not only understanding the problems of the fishing industry but taking measures in some way to help to reduce the problems.

The report is about the restructuring of this important industry. Certain assumptions are involved in the solutions which the report proposes. There is the proposal to reduce the tonnage capacity available in the Community, and the paper gives an estimate of about a 15% reduction in tonnage. As my colleague pointed out, however, by improving the efficiency of existing fleets one does not necessarily reduce the total available capacity, and this has to be correlated with the amount of fish that is available. The problem may not necessarily be solved by the letting of blood in the sense of reducing the available tonnage capacity, certainly not if the fleets were to be improved by the measures hinted at in the paper.

I wish to come to a particular point in that regard because certain assumptions are made about the total catch capacity in European Community waters. This is a very important point which has to be taken into account, and it is in this respect that I wish to put certain specific questions to the Commissioner. I hope that my contribution will result in obtaining further information from him about the philosophy underlying this policy document.

It is made clear in the report which is before us that the problem cannot be solved by a market policy. The more we look at the fishing industry, the more that fact becomes clear. Indeed, one wonders whether there is any evidence in any part of the agricultural policy and the principles pursued in the Community's agricultural policy that market policy makes any useful contribution to the solution of the problem.

I wish to address myself now to the estimate which has been made concerning the quantity of fish available in Community waters. Different nations catch their fish in different parts of Community waters and many of them catch their fish outside Community waters. My country-Britain-catches a minority of its share of fish in Community waters, whereas, as pointed out in the document, other nations get considerably more of their catch within Community waters. We in Britain, particularly in the deep-sea industry, are very much dependent upon non-Community waters. Therefore, the actions taken by other countries in regard to a 200-mile limit have a considerably greater consequence for the British fishing industry.

It is clear that inshore fishing as at present defined according to length of vessel accounts for 70% of Britain's catch. If it is suggested that the measure of our tonnage capacity is to be the amount of fish that we estimate we can catch in Community waters, I presume that the figure will be about 4.1 million tons of fish.

Estimates have been produced by the industry in Britain in a document from British United Trawlers entitled 'Proposals for the United Kingdom's Fishing Policy'. Estimates have been made of the tonnage of fish available in Community waters. The estimate is about 6.2 million tons of fish. That is almost one-third more than the tonnage of fish caught at present. If the disparity is as great as that, clearly we may be in danger of cutting back the current catching capacity more than is necessary. It is possible, of course, that the figures include fish not necessarily for human consumption.

We should not dismiss too lightly or condemn too much the reference in the document to industrial fishing and trash fish. If one of the purposes of the exercise in restructuring the fishing industry is somehow to maintain the same level of economic activity in those areas which are severely disadvantaged — and over a third of the fish caught in the Community is caught in those regions where specific aid has to be given — we should not dismiss too lightly the possibility of developing new fish stocks or even catching fish stocks like blue whiting, which can be used for industrial fishing and probably explain the disparity between the figure of 4.1 million tons caught at present and the 6.2 millions tons estimated. Such fish could be used for the development of very important protein, perhaps not used for feeding animals, but rather for the Third World, which is desperately short of protein foods. To that extent, I welcome the statement in the report that it is very necessary for the scientist to make more accurate estimates than at present about the levels of fish, as evident in the conflict between my country and Iceland.

I wish to ask the Commissioner the following question. In determining the share-out of the catch capacity that each nation will have within Community waters — if this is a real probability — I note that one of the documents says that if a country was catching, for example, 40% of the total amount of fish in the Community, it could be guaranteed about that same proportion of the fish to be caught within Community waters; that is, 40% of the Community share. In the case of Britain, for example — the country with which I am most conversant — something like 25% of the total catch of fish caught by Community ships is Britain's share at the moment, representing about one million tons of fish. Would that mean that in the total estimate of 6.2 million tons — the new estimate I put to the Commission — Britain in those circumstances would get 1.6 million tons of fish? If that were the case, it would not be necessary to cut back on the capacity of fish as envisaged in the document. That is a specific point on which I wish to hear the Commissioner's views.

The next matter concerns the price of fish referred to by the previous speaker. The document states that



**Prescott**

there is no minimum price for imports of fish. Clearly the inshore industry is being very much affected by imports of fish which are alleged to be highly subsidized so that the fish processing industries are taking them in preference to fish caught by Community nations fishing themselves. Clearly one would want to do something about that.

Can the Commissioner explain why he should take action in regard to certain types of fish that suit certain countries better and no action on fish like cod? This severely disadvantages the British part of the fishing industry—or so the industry claims. I would like to hear the point of view of the Commissioner on that.

Finally, a very important point is made in the document, namely, that we must take into account the regional consequences of the proposals, particularly for inshore fishing. This is the main problem with recognizing the 12-mile limit. Will the Commissioner confirm—and this is something which many fishing people seem not to realize—that the Commission cannot accept a limit of further than 12 miles because, if it were to do so, the Treaty would have to agree to that! Therefore, it is highly unlikely that anything more than 12 miles will be agreed. Can the Commissioner spell that out for us today absolutely clearly? A 12-mile limit would have serious regional consequences for us.

I do not feel, as the document states, that assistance should be given as a priority to those regional areas determined by national governments. There are areas like mine that are given no priority of assistance, even though the unemployment level is considerably higher than in those areas which are receiving the grants.

This question should be looked at much more selectively, as will have to be done with our regional policies, in order not to compound the current problem of directing aid into those areas that may not need assistance as much as some areas where fishing is concentrated.

*(Applause)*

**President.** — I call Mr Spicer to speak on behalf of the European Conservative Group.

**Mr Spicer.** — It gives me very great pleasure to follow Mr Prescott and to agree so wholeheartedly, particularly with his last few words. Exactly the same situation applies to me, representing as I do the south-west of England, where large areas do not qualify for regional aid but where in fact unemployment, exactly as applies in his area, is very much higher and the need in fishing terms is very much greater. On behalf of the European Conservative Group may I say that we very warmly welcome this report. I personally very warmly welcome the way in which Mr Hughes presented it to the House. We agree absolutely with

his view on this, and we are in accord with him all the way down the line.

Having said that, may I make one very important point? We are speaking now of the restructuring of the inshore fishing industry. The problem that we face is the problem that Mr Hughes dealt with very strongly in the presentation of his report. It is no use at all our talking about conservation measures, about reducing our fleets, about paying people off, if at the same time we do not deal with the massive external pressures that are now being applied to the inshore fishing fleets by the deep-sea fleets as these in turn come under pressure in the waters further from the United Kingdom and from other countries in the Community.

Mr Hughes directed this point specifically to the North-East Atlantic and said that this was where the pressure was building up. I can assure him that that pressure is felt just as strongly in other areas, off the south-west of England and in the Celtic Sea particularly.

Having said that we agree wholeheartedly with the views that Mr Hughes expressed in this document, I will direct my attention specifically to the problem that we face there, which is the problem of whether the inshore fishing industry can survive at all to benefit from these measures, limited though they are in scope at present. They are welcome, they are limited, but they may come too late unless we take action in other fields.

The area off the south coast of England and in the Celtic Sea has traditionally been an area where the Irish, ourselves and the French have fished over many hundreds of years. Now, as a result of the pressure that is coming forward in the form of new refinements in fishing and larger fleets, we see the arrival in those traditional areas of what I would term pirate fleets, and in even a very short space of time we can see not only the depletion of our stocks of mackerel but the elimination of mackerel fishing as an industry in that part of the world.

It is very difficult to assess accurately how much these Russian and Polish fleets are scooping up. (I use the expression 'scooping up' advisedly.) Certainly they are taking five times as many mackerel off the south coast of England as our own British fleet, 17 times as much as the Irish, and twice as much at least as the French fleet coming out from the harbours of Brittany.

When that is translated into tonnage I am slightly horrified. One talks about research and about figures that are presented and are available. The latest figures I can get on that particular area of the sea are for 1973. Those figures have come to us from the International Council for the Exploration of the Seas. In that year the Russians took 63 000 tons, the Poles took 9 000 tons, the United Kingdom took 13 000 tons, Ireland took 4 000 tons and France took 34 000 tons.

### Spicer

I personally believe, and all my advice from the fishery advisory people at home makes it quite clear, that those figures are, if anything, an under-estimate, because they are based upon data supplied by the Russians and Poles, which, to say the very least, may be highly inaccurate and certainly will be underestimated.

All these fish are being caught in waters which, with the coming acceptance of a 200-mile limit, would be under the control of the Community, and by the time we receive the support envisaged in the Commission's proposals, decreases any help that the Commission can possibly be prepared to give.

It will not be a matter of phasing out the fishing boats and making payments to allow them to be broken up. That is already happening, and next year it will happen to an increasing extent. Therefore, the proposals contained in the Commission document may be too late.

These proposals are welcome, they make a lot of sense, and they are an earnest of good intentions toward the fishermen of the Community, but, at the same time, the vital requirement before we begin is to clear up the present situation. Even if we cannot agree on the 12 miles, if we cannot go along with Mr Prescott, if we cannot define whether the provisions are within the Treaty or whether the Treaty has to be reviewed or rewritten, that is of secondary importance. Let us first and foremost establish the rights of the Community, as other nations intend to do, and make clear that we can no longer tolerate the incursion into Community waters of fleets from third countries which destroy our stocks and make any thought of research or conservation a complete mockery. I support Mr Hughes wholeheartedly, thank him for his report and give the report the support of my group.

*(Applause)*

**President.** — I call Mrs Ewing.

**Mrs Ewing.** — When I first came to this House in July last, fishing was not on the Agenda very often, and it is gratifying to find that it has been on the agenda at every part-session since January. When I first came here Commissioner Lardinois said that there was not a crisis, or not as much of a crisis as many of us told him there was. I think we all admit now that there is a crisis. These facts should dispel any cynicism there may be, because even though time is short something seems to be moving.

I should like to congratulate Mr Hughes on all the work that he has done. I know his heart is very much with this industry in its crisis, and there are many good, practical proposals in his report.

Document No 438/75, I am glad to see, states the importance of the problem; namely, the number of people whose jobs depend on the industry. There is a figure here of 600 000. We are discussing the non-industrial inshore fishing industry, and other people have mentioned their areas. It is known that I often

beat a Scottish drum, or try to. It is known, I am sure, that 86 % of the inshore fishing industry of the United Kingdom operates from Scotland. The inshore fishing industry of Scotland is very important to the United Kingdom as a whole. It will be realized, then, that Scotland, with a population of only five million people, has a specific interest in all proposals that affect the inshore fishing industry.

May I deal first with some of the non-controversial matters and congratulate Mr Hughes on many of his suggestions? He referred to fishfarms, shore installations and helping fishermen who had given their lives to the industry but whose boats are unsuitable. It would be sad if they did not want to leave the sea. Here we have many practical, sensible proposals that will help to solve the problem.

I should also like to thank Mr Hughes for his heartfelt appeal on behalf of the areas that would be affected by depopulation. The Community should put this at the top of the list. If we have areas which happen to be viable because of the fishing, it would be crazy for the Community, by its lack of understanding, to watch them turn into non-viable areas because of wrong policies. This concerns me very much as a Member of Parliament representing a fishing area. But it is not just the jobs that are important. A way of life is involved here. It may be possible to create other jobs, or to retrain these men, but they want to go to sea and they want to fish. However dangerous, arduous and rotten the job may seem to many of us—and, like many Members of Parliament, I have been out in a fishing-boat—it is the choice that they make and that their sons often make. They are brave men, and important to the world because they are capturing protein for us. I beg all Member States to consider the coastal preference question a little more seriously than the Community seems to be doing.

I am very proud to be a Member of this House; but how am I to go back and explain to the fishing associations that I have not said enough to convince Parliament or have not said it frankly enough? The Community must listen to the voices of people who speak not just for Scotland but for inshore fishing industry of the rich pond right round Scotland, England, Wales and Ireland. We have the rich pond. The trouble with some Member States is that they have ruined their pond and now want ours without giving us a reasonable policy to make sure that our perfectly viable community survives.

I am trying to be reasonable, but I must ask Parliament to remember that I have to go back and talk to the Herring Industry Board and the White Fish Authority — which have come together — and the fishing associations, and tell them what I have said and what sort of reception I received. Very simply, it can be put this way: 12 miles will not do for a coastal preference. I have spelt it out many times in other speeches in which I dealt with fish stocks. Mr Prescott's speech was a very thoughtful one, and I do not need to rehearse what he has said.

## Ewing

There is enough fish in the 200-mile pond of Europe for every Member State if it is properly and fairly distributed. I have said this before, and it is the view that has been put to me by the fishing associations which have from time to time attempted to brief me. I know this is not the fault of Commissioner Lardinois or of any Member State, but at the time of the referendum in the United Kingdom an assurance was given repeatedly by spokesmen on both Front Benches who supported membership of the Community that this matter which we feared so much because of depopulation, was not fixed, that there would be some betterment. We were told that it was called 'renegotiation'. Commissioner Lardinois told me in his answers in this House that there is to be no such thing. It would appear that we were hoodwinked, and the people in the fishing communities were hoodwinked. Were we being misled, or did those spokesmen genuinely believe that to be so? I do not know the answer. That is not the fault of Commissioner Lardinois. He is not a Member of the House of Commons in London.

Fishing is certainly as important to the northern half of Scotland as it is to Iceland. I wonder if the House appreciates that. I sometimes feel as though I were talking to a desert of people who do not care. But bear in mind that I have the responsibility to go back and say how the Community treats my position. Twelve miles will not do. The 200-mile pond is enough for us all if we properly follow out the proposals in this document and all the other documents that are trying to take us a step forward. I have spelled this out in detail in speeches before and I do not want to rehearse it.

I sometimes think that this will be the one rock on which, if my country becomes independent — as may happen at the next election — the Community relationship with Scotland will perish. It will not be on oil, which is an expendable, temporary resource. It will not be anything other than the fact that fishing is a way of life for about half the population of our coastal territory. If the Community cannot understand that, I really wonder whether it can understand the problems that beset people who are already suffering grave depopulation. We are not asking for any favours. We are not asking for particular concessions. The fishermen are not asking for money. They ask only for the right to fish in the kind of extended pond that the Law of the Sea Conference will soon give to almost every fishing country in the world.

The trouble is that we are being asked to give our pond up equally to Member States, but I do not know that we are getting back anything in exchange. Fish to us is what wine is to France.

I am making my speech in as impassioned a manner as I can, and, I hope, as reasonably as I can. I want once again to thank Mr Hughes for his work. There are many proposals in the document that will help

very many fishermen in my country and in all other fishing countries.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — Mrs Ewing says that she will have to go back to Scotland and say what sort of reaction she got from Parliament. For once — *mirabile dictu* — she will be able to say if she cares that she had a courteous reaction from Mr Dalyell — and that will be something new.

*(Laughter)*

Unlike Mrs Ewing, I do not represent a fishing area. Fishing is important, but today is the first time I have heard that fish is to us what wine is to France and Italy. Perhaps a more appropriate expression would be that whisky is to us what wine is to France and Italy. However, I am not here to quibble or nit-pick, merely to make one uncomfortable observation and ask a question.

As a non-fishing Member of Parliament I was disconcerted to be told by some Faeroese who recently visited Scotland that in comparison with the Faeroese boats our boats were old and often in a disgraceful state. There is an argument for the kind of capital help which my friend Mr Hughes proposed, and I support that proposal.

I should like to ask a question which I have been asked by some of my constituents who are interested in Common Market affairs. It was widely reported in our press that Commissioner Lardinois's colleague, Mr Gundelach, had visited Greenland. One reason for his visit was to discuss Greenland's accession and go into the question of the Greenland fishing-limits. Those limits will have a direct effect on our own situation. Following Commissioner Gundelach's visit, what is the present position? Is there anything that Commissioner Lardinois can say about fishing limits and the possible production of fish from the Greenland area in the future?

**President.** — I call Mr Lardinois.

**Mr Lardinois, member of the Commission.** — *(NL)* Like the previous speakers, I should like to start by paying a compliment to the rapporteur, Mr Hughes. I should like to associate myself with all those who have congratulated Mr Hughes on his report and on his introduction to it. I noted some 8 points in what he said on which I could always agree.

Mr Hughes started by saying that his report contains no proposals for a definitive Community structural policy; it is a proposal for a common structural policy for one part of fishing, namely inshore fishing. It therefore does not cover deepsea fishing or the related problems surrounding the 200 mile zone. I can imagine, however, that the 200 mile zone will in the long run also have an effect on structural policy

### Lardinois

regarding inshore fishing in the narrower sense, as dealt with here. I am pleased that the rapporteur agrees that we need not wait until all the problems have been solved, but should continue with the structural policy proposed now.

The rapporteur made it clear that it was his aim with this debate and with a number of his observations to improve the information situation. A number of reports have been made in connection with these proposals that are quite removed from reality. I am grateful to the rapporteur for having mentioned four of those points. For example, he pointed out that aid was not to be given only to boats exceeding a certain length. Aid is also available in principle for other vessels.

The rapporteur also made clear the regional nature of many fishing areas.

The fishing policy is not a regional policy, nor is the regional policy a fishing policy, but they do have a lot to do with each other, because fishing is important in areas that often have very few other means of existence. Fishing is therefore important not only in areas with a specific regional policy. I am pleased that this point too has been approached, and I can fully agree with what Mr Hughes has said on this.

There is a connection between the improvement of capacity and the danger of over fishing. Nevertheless, I feel that this should not lead to a conclusion that improving capacity always involves a danger of over fishing. That danger does not exist if we direct investment towards particular types of fish and towards areas that have not been over fished. Allow me to mention an example in Italy there is very definitely a danger of over-fishing for certain types of fish, but not, for example, for sardines. There are similar examples elsewhere in Community waters. Frequently it is a question merely of directing investment towards particular fishing activities.

Mr Hughes warned against unrestricted use of the most modern equipment. I agree. I do not, however, entirely agree with Mr Kofoed's views on this point. I certainly do not wish to oppose modernization of fishing, but nor do I wish to deny that cases may arise where limits have to be set. Allow me to mention an example. Our fishing boats, including those in coastal waters, are being equipped with more and more powerful engines. That allows more intensive fishing, bringing an increasing danger that fishing stocks in certain areas cannot be maintained. I can imagine that in particular areas we should have to set horsepower limits for fishing boat engines. That is certainly not a policy that is against modernization as such. After all, everyone accepts that we set limits for the speeds at which lorries can travel on our motorways. We also have to have the necessary means of bringing the modern equipment available in fishing, be it motor capacity, radar or whatever, into line with our endeavours to avoid overfishing.

A writer once said, and Mr Vandewiele has quoted this, that for fish there is a high price to pay. But what that writer meant was not the cost in money terms but in terms of lost human lives. Today one can also say that fish no longer have a chance, precisely because the capacity of fishing has become so great thanks to motor power and modern machinery. That is why over fishing is taking on such dreadful proportions in many areas.

I can only agree with the amendments Mr Hughes has proposed. On behalf of the Commission I agree with the amendments proposed to Articles 3, 4 and 9. I should however like to make a reservation regarding Article 9 (3). This proposes the implementation of measures for the continuous monitoring and control of pollution in adjacent waters. I cannot foresee all the consequences of this. I hope that the rapporteur will understand if I do not immediately adopt this proposal as a legal obligation. However, I understand his request, and I do not oppose it in principle; it is merely that I have legal reservations regarding this point. Legal adjustments may also be required to the wording of some of the other points. However, I have no objections at all to the intentions of the four amendments.

Mr Kofoed has noted that the Commission had insufficient resources to achieve a full fishing policy. There is only one point on which I can agree.

We cannot appeal to lack of funds nor to lack of powers, for instance to act in an international contest. The Treaty is quite clear on that. The point is that we have too small an apparatus as regards the fishing sector. This is generally recognized at the moment. We shall need to give this the requisite attention in the very short term. Almost all Member States have a directorate-general for fisheries, while at Community level there is not even a directorate, and a division has to suffice. That means that the few, albeit excellent experts we have in this area are in quite an inadequate position in talks with the Member States. We shall at the earliest possible date have to set up a directorate for fisheries at European level. We shall of course also adjust our staff strength accordingly.

I am grateful to Mr Nyborg for his warning regarding the giving of too many green lights to the granting of national aid. We certainly do not reject national aid, including that for structural improvements in fishing, but it must be given in a coordinated way, so that there is a feeling in the various regions of the Community that equal treatment is being received. The same applies to competition conditions.

Mr Prescott put a number of difficult questions in connection with some figures that he presented. I do not know exactly where he has these figures from. If I am not mistaken, a number of figures on the potential catch in Community waters originate from the British fishing industry. I should not like to comment on them, since I am certainly not in a position at the

**Lardinois**

moment to check the figures. They seem very optimistic to me. I would however gladly give a promise to prepare myself for a possible debate on the 200 mile zone and everything connected with it. A number of Members have already talked about it here today in connection with this proposal. I do not however wish to make it a major part of my speech, though I do wish to deal with a few points.

Mr Prescott correctly apprehended that if the 200 mile zone soon applies to Community waters, every Member State will not be assigned an equal share, as said by Mrs Ewing. Each Member State will in fact be assigned a particular quota, based on actual past catch figures and taking account of possible losses resulting from the withdrawal of the possibility of fishing in waters that would then fall within the 200 mile zone of third countries, for example, Iceland.

The losses that might result, for example, to British fishers, from removal of the fishing grounds around Iceland, will not be deducted from the British quota but from the Community quota before it is divided into the various national quotas. I know that it is extremely difficult to find a solution for the problem of the national zones. It is in fact our view, and I should like to say this explicitly to Mr Prescott, that the 12 mile zone cannot be exceeded as a national zone without Treaty amendments. Mr Spicer thought something like that was more or less a detail, and just had to be arranged. I would point out to him that amendment of the Treaty would involve Parliamentary ratification in the nine Member States, which was not necessary in connection with the so called renegotiations with the United Kingdom a year ago. In brief, the Community Institutions can take practically any decision and revoke any decision we have taken in the past, but then the necessary procedures must be followed.

I would in this case advocate the establishment of a good quota system taking account of any special circumstances, in preference to the possibility of following the path of an amendment to the Accession Treaty in connection with the 12 mile zone, with all the resulting political and legal complications, which could mean that the amendment would take years. I would emphasize that on adoption of the national 12 mile zone, very much can be arranged in the proposed quota system that has to be introduced by us after deduction of the losses to third countries. I think that we must point out to the fishing industries in the various countries that a lot can be arranged in this way, and that we ought not to lead the industry in the direction of national zones of 100 or 150 miles or whatever. In a quota arrangement at Community level with a distribution between the various Member States on the basis of objective methods, account can also be taken of specific factors. In my view, this can also solve the greatest difficulties that we are afraid of at the moment, although we do not yet know them.

Mrs Ewing, who is both very committed and very expert, once again made it clear what fishing in

general and inshore fishing in particular means to some areas in our Community. Mr Prescott and Mr Spicer also spoke clearly on this point. I am aware that if Mrs Ewing has been very committed on this point, she is not speaking merely of areas or of employment, but about people who are deeply concerned at their way of life and their livelihood. These people have been linked with fishing through their forefathers for centuries and centuries in brief, it is not fish but people we are dealing with.

Mrs Ewing said that she as a Scottish Member thought that fish was to Scotland what wine is to the French. I always thought that it was whisky and not fish that was to Scotland what wine is to France. I will certainly not dispute, however, that fish and fishing are extremely important for a country like Scotland.

Mr Dalyell spoke about the question of Greenland. Greenland will, I feel, eventually have to be involved in arrangements concerning fishing zones. The Commission is studying this problem. Personally, I have had talks on this once with the Danish government, which still has the political responsibility for the area. The question of Greenland will also have to be dealt with in the context of fishing zones round, for instance, Iceland. Icelandic fisherman also fish in Greenland waters. We even have problems with Norwegian fishermen who fish in Greenland waters, while Greenland fishermen do not fish in Icelandic or Norwegian waters, or in the waters of Community countries. In short, these are very complex relationships, but they will have to be discussed eventually. During his visit to Greenland more than 6 months ago now, Mr Gundelach was accompanied by the then acting director for fisheries, Mr Van Lierde, of happy memory.

I think I have dealt with all the questions. If the answer has been insufficient here or there, I would offer my apologies.

*(Applause)*

**President.** — I call Mr Hughes.

**Mr Hughes, rapporteur.** — I should like to thank Commissioner Lardinois for his reply and also to thank those who have made kind remarks regarding the merits, if any, of the report. I must pass all the credit for such merit as exists to those in the Secretariat and elsewhere who helped to produce it and claim only the errors for myself.

When we have had a chance to study in detail the very important statement that the Commissioner has just made about his views on national zones, 12-mile economic limits and so on, we would like to come back — I speak now as an individual Member and not as rapporteur — to discuss what he has said, because he has clearly made some very important statements regarding the legal difficulties concerning alterations to the Treaty of Rome and so on.

## Hughes

If I may turn — and I hope anyone to whom I do not refer will not take offence — to the various points raised by Mr Vandewiele and others about the inadequacy, as they see it, of the money to be devoted to information and research, I would only ask them to look closely at paragraph 12 of the motion for a resolution, which states

'considers that the envisaged appropriations of 1 000 000 u.a. for research and vocational training are far too limited to achieve the aims of the proposal'.

There is undoubtedly a suspicion that they will not be adequate.

In the case of Mr Kofoed's difficulty, there may be a problem of translation of the word 'policy'. I say research should be more policy-oriented. This does not mean that it should be politically oriented. Mr Kofoed gave the best example that could be given of research which indicated that increased fishing of one species could lead to an increased supply of another. This is what I mean by policy-oriented research. It is not party-political-oriented research. It is policy-oriented in that it enables those like ourselves, as Mr Kofoed rightly said, whose task is to make decisions to make them not in ignorance but in rather better informed conditions.

On the question of the difficulties of national subsidies raised by Mr Nyborg, I ask him to study closely Article 15 of the actual proposal from the Commission, which states in subparagraph (4):

'the Member State concerned shall participate in the financing of the project'.

It is clearly envisaged that there must be an involvement but that it shall not exceed the maximum amount provided for in Council regulations that have still to be laid down in detail.

It would be vain repetition to do more than accept entirely what was said by Mr Spicer and others regarding the enormous importance of the inshore fishing industry in areas which are not technically in receipt of regional aid. The problems facing the South-West are in no way lessened by its not being a development area; in fact, they are made more difficult. It would clearly be improper for the regional policy element of inshore fishing assistance to be restricted to regional policy in the narrower sense in which we tend to use it in the United Kingdom.

As time is pressing and we have a heavy agenda, I trust the House will forgive me if I omit any further comments and simply ask for its support for the motion for a resolution.

**President.** — I call Mr Spicer.

**Mr Spicer.** — I would not like Commissioner Lardinois to have the impression that I thought that deciding on the 12-mile national limit would be a small thing and could be resolved without difficulty. Of course, I did not mean that. If there has been any

misunderstanding, the fault is mine entirely. What I hoped to emphasize was that, above all else, before putting our own house in order we should get the unwelcome visitors out and then we should have a clean house in which to work and make our own decisions in our own Community.

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

The resolution is adopted. <sup>1</sup>

### 13. Presentation of a petition

**President.** — I have received a petition from Mr Volker Heydt on European Parliament initiatives to promote direct elections.

This petition has been entered under number 3/76 in the register provided for in Rule 48 of the Rules of Procedure and referred to the Committee on Rules of Procedure and Petitions.

### 14. Regulation on a system of aid for beekeepers

**President.** — The next item is the report by Mr Früh (Doc. 64/76), on behalf of the Committee on Agriculture, on the

proposal from the Commission of the European Communities to the Council for a regulation establishing a system of aid for associations of beekeepers.

**Mr Früh, rapporteur.** — (D) Mr President, ladies and gentlemen, it falls to me to present the report on the proposal of the Commission for a regulation on a system of aid for associations of beekeepers.

It was not altogether easy and unfortunately, as Mr Schwörer, my neighbour, has rightly said, the press has misunderstood the whole thing. When there was talk of beekeepers, the word went round that the European Parliament was now worrying about bees! Nobody understood at all what it was about, they thought it was a very simple matter.

The reason for the deterioration in beekeeping was that, as sugar became scarce, the denaturing premiums were no longer given, so that beekeeping in those areas of the Community where winter feeding is an absolute necessity for bees, found itself in a difficult situation.

The Commission's proposal, however, has not been approved by the Committee on Agriculture for reasons that it is surely not necessary to discuss in detail at this time. One difficulty lay in the fact that, as we all know, there is an allocation in the Community budget for aid to beekeepers but there is no proposal from the Commission as to how this money can be paid out to beekeepers.

<sup>1</sup> OJ C 125 of 8. 6. 1976.

**Früh**

I can say nothing about this but I have heard that the Committee on a Budgets has found a way of doing it. I can only tell you that the Committee on Agriculture recommends you to reject the Commission's proposal.

**President.** — I call Mr Lagorce, draftsman of the opinion of the Committee on Budgets.

**Mr Lagorce.** (*F*) Mr President, ladies and gentlemen, yesterday, after a thorough discussion, the Committee on Budgets unanimously decided to reject the proposal of the Commission of the Communities as well.

Before I give the reasons for this decision, allow me, Mr President to recall briefly to the Assembly the budgetary context of this question.

In October 1975, Parliament adopted an amendment to the 1976 draft budget allocating 2.5 m u.a. for a new action in favour of beekeepers.

In November 1975, Parliament adopted an identical amendment but relating to supplementary budget No 3 for the 1975 financial year.

Lastly, in December 1975, Parliament reinstated the amendment to the 1976 budget which the Council had not approved.

Parliament has thus decided on three occasions — by particularly significant majorities — to ask that appropriations be entered in the budget in favour of beekeepers in Europe. More specifically, Parliament asked that the abolition of the sugar denaturing premiums be accompanied by a grant whose purpose was to enable beekeepers to provide winter feed for their bees.

However, the proposal submitted to us by the Commission today is very different from the action which Parliament had originally envisaged and for which it had voted appropriations for the 1975 and 1976 financial years. Not only does the Commission's proposal for a regulation make no reference to Parliament's initiative in this field — which is regrettable in itself — but in addition, it provides for structural aid to be given without any special conditions solely to associations of beekeepers which, if I am not mistaken, account for 80 % of all European beekeepers. And it also provides for this aid to be financed under Article 820 of the EAGGF 'guidance' budget, whereas Parliament had entered the appropriations for the action it had in mind under Chapter 40, of the 1975 and 1976 budgets, which related to aid.

Parliament's proposal was therefore for non-compulsory expenditure and the Commission has replaced this with compulsory expenditure.

In the view of the Committee on Budgets we have here a vital question of principle affecting the very essence of Parliament's budgetary powers: the question is that of the enforceable nature of these amendments.

In this connection, but in another context, the Commission has recently confirmed to Parliament

that appropriations entered in the budget as a result of a Parliamentary amendment were enforceable and should therefore be paid out on the same basis as the other appropriations in the budget. The enforceable nature of Parliamentary amendments could not, in the Commission's view, be weakened if the Council should happen to oppose the action which Parliament planned to finance. Thus appropriations entered by Parliament in the budget have to be spent even in the absence of a Council regulation regarding such action.

Today, however, the Commission appears to be challenging the enforceable nature of Parliamentary amendments. In the case of the proposal for a regulation that we are considering, it seems to take the view that appropriations entered by Parliament in the 1976 budget may not be spent until the Commission has presented its proposal and Council has adopted it. Above all, it seems to think that these appropriations can be spent only in the manner that the Commission itself shall have chosen. This is tantamount to telling Parliament that its amendments are enforceable in relation to the Council but not in relation to the Commission!

Here, therefore, there is a particularly serious problem of substance which needs to be cleared up as soon as possible.

The Committee on Budgets yesterday took the view that:

- the appropriations entered by Parliament in the 1976 budget should be spent along the lines of Parliament's proposals, and
- the Commission should, for future budgets, prepare a proposal for aid to beekeepers in accordance with the main lines of Parliament's position, as indicated in its amendments to the 1975 and 1976 budgets.

It is for this reason that the Committee on Budgets finds, with the Committee on Agriculture, that it has to reject the proposal for a regulation submitted to us today.

*(Applause)*

**President.** — I call Mr Fehsee to speak on behalf of the Socialist Group.

**Mr Fehsee.** — (*D*) Mr President, the brief verbal amplification the rapporteur has given us of his written report throws a little more light than does that fragmentary document on the pitiful or pitiable — whichever you prefer — fate that the Commission's proposal met in the Committee on Agriculture. I have listened to the account of the position taken by the Committee on Budgets with interest.

It is important, Mr President, to say once again in this House that the voting figures in the Committee on Agriculture were most unusual. Three Members voted

**Frehsee**

for the Commission's proposal, 4 against and 7 of the total of 14 that were present abstained. Paragraph 5 of the explanatory statement of this second report by the rapporteur — replacing the first which asked for approval of the commission's proposal — says that the Committee on Agriculture therefore recommends Parliament to reject the Commission's proposal. I am not at all sure that this is consistent with the voting figures and with the attitude of the Committee on Agriculture that they express, that is to say 3 in favour of the Commission's proposal, 4 against and 7 abstaining.

Mr President, the Commission's proposal is obviously extremely controversial. It has been rejected by 4 members of the Committee. It is because of these 4 that there is this motion for a resolution and the recommendation to Parliament to reject the whole proposal. This proposal is certainly a matter that cannot afford any satisfaction.

Its implementation does not seem practicable to us in the Committee on Agriculture. It speaks about 'associations of beekeepers' which have to prove an adequate level of economic activity in the honey production and marketing sector. We have all been asking each other where such associations of beekeepers exist. In my country there are no such associations in the honey production and marketing sector. The aid itself is a mere sprinkling: every beehive qualifies for 1.2 u.a., a not very significant or convincing amount.

The Commission's proposal also speaks about 'structural improvement'. We tried hard to see some structural improvements but failed.

It is also difficult to see whether this is likely to be a effective measure in terms of income.

The result therefore, Mr President, is that this proposal of the Commission is unconvincing and there is certainly a wide measure of general agreement that it is not designed to reflect the decisions of Parliament, which entered 2.5 m u.a. aid to beekeepers in the budget, or to meet the views of the Committee on Budgets just presented by Mr Lagorce.

Mr President, my group takes the view that we should adopt the proposal of the Committee on Agriculture. It does, however, ask the House to remember that there is something to be said for assisting beekeeping.

Beekeeping is not merely important to large and small beekeepers or to honey producers. Beekeeping has considerable importance for agricultural production itself and in particular for certain kinds of crops. In fruit-farming, for example, pollination by bees is extremely important. Other examples are seed propagation, oil seed production and vegetable crops.

There has been scientific research on whether a substitute could be found for the function of the bee. Scientific institutes have been commissioned to investigate the possibility of training bumblebees and using hives

of them since they are less vulnerable than honeybees to the cold and wet. These investigations have shown that there is no substitute for the bees' function. We therefore have to be on our guard before categorically rejecting such aid, for which there are other examples like the silkworm aid to Friuli in North East Italy, the earthquake disaster area, which obviously has only local importance and does not have the same general significance as beekeeping.

Mr President, we ought now to do something similar to what was done from 1967 to 1973 when these aids for winter feeding existed at Community level. Though it is now said that the Committee on Agriculture proposes that the Commission's proposal be rejected, I and a number of my colleagues — though not all — take the view that the Commission ought to propose another approach along the lines of the statement of the representative of the Committee on Budgets. So I would not like to say at this moment what position the Socialist Group would take on another proposal.

Mr President, the result of the voting in the Committee on Agriculture was made public immediately afterwards. Naturally it attracted a great deal of attention and created a considerable rumpus. I am sorry to have to note that, according to a major German agricultural news service, the rapporteur accused the Socialist Group of taking a destructive line in this matter. I am also sorry to note that he named two members of the group and imputed wrong motives to them.

My purpose in speaking was to explain the reasons for our attitude in the Committee on Agriculture. I reject these insinuations with all seriousness both for myself and on behalf of the Socialist Group and ask whether such behaviour is consistent with the principles that we observe, for example the rules of procedure for discussions in a non-public committee or the parliamentary ethics that we observe in this House...

**Mr Fellermaier.** — (D) Hear, hear.

**Mr Frehsee.** — (D) ... Given all these conditions the Socialist Group is prepared to vote for the proposal of the Committee on Agriculture, but it asks you to consider whether the Commission should not threat this debate and these statements regarding the Committee on Agriculture's motion as a request to submit a new proposal that would, in my opinion, stand a better chance of adoption and which, perhaps would be equivalent to the old regulation, though without sugar having to be denatured, as Mr Lagorce has pointed out.

We see, which some concern, that the number of beekeepers is declining at an increasing rate. This activity is suffering from the effects of old age and one day governments may perhaps have to take the place of these people who do it voluntarily — and in all



**Frehsee**

probability beekeeping would become far more expensive if it were to be given up by those who now do it voluntarily and taken over by the state.

For those reasons I and many of my friends feel that some sort of aid, along the lines of what Parliament decided on the occasion of the discussions on the budget, is most desirable.

**President.** — I call Mr Aigner to speak on behalf of the Christian Democratic Group.

**Mr Aigner.** — (*D*) Mr President, ladies and gentlemen, I would like once again to recall how this regulation came about.

Like Pontius Pilate in the Credo, I have had to deal with bees because in 1974 I was rapporteur for the budget and on two occasions — I say this openly — found there had been major abuses with denatured sugar. Perhaps this should not be said in public but they were the starting point for our deliberations. We found that denatured sugar suddenly reappeared in sherry or port and that had certainly not been the purpose of this action. For this reason we abolished these denaturing premiums at that time — by agreement, incidentally, with the Commission and the then President of the Council — on condition that the same amount should be made available for feed for bees (we are not talking about be-raising but bee-keeping).

I can only confirm what Mr Frehsee said: we are faced with an almost catastrophic decline in a sector affecting not only bees but also agriculture in general. At that time we made it a condition that though the denaturing premiums should be abolished, the same amount should be made directly available for beekeeping.

Unfortunately, Mr Lardinois, it has taken a very long time; we had to vote three or even four times in this House because the whole matter dragged on over two financial years. But the Commission — and I would like to thank it most sincerely for this — has tackled the subject energetically and, in spite of all the confusion, understanding has grown not only in this House but also in the Commission, to the point where this common concern of ours is no longer imperilled.

I am no agricultural specialist and cannot therefore say whether the decision of the Committee on Agriculture was correct. It is true, Mr Frehsee, that the Commission's proposal goes farther in that, originally, we asked only for the reimbursement of the denaturing premiums, whereas the Commission's proposal extends to general aid. I consider this is necessary, too. The Commission should in fact submit an all-embracing regulation that also includes bee-raising. This would, no doubt, mean calling on the EAGGF. There would have to be intensive discussions in the House and I only hope that the Committee on Agriculture would then reach a positive vote.

The funds proposed in your regulation, Mr Lardinois, did not come from the Agricultural Fund but from

the budget, in which we had entered 2.5 m u.a. on two occasions. You wanted to take the money from the EAGGF. But if the proposal for a regulation is defeated, a problem arises that, to me, does not yet seem to have been solved. We have twice entered 2.5m u.a. in the budget for specific purposes, so that the 5m u.a. ought to have been spent long ago on aid to beekeepers.

This is a critical problem because it raises the question of what becomes of our budgetary powers if the Commission and the Council take no legislative action. You know that we entered the 2.5m u.a. out of our own margin for manoeuvre. That means that, through our budgetary decision, we had overruled even the veto of the Finance Ministers. We had charged 2.5m u.a. to our own margin for manoeuvre; for this reason we had the last word even in relation to the Council. But what is the use of these budgetary powers if the Commission and the Council state that the money cannot be paid out because they have not enacted the necessary legal instrument? In the last resort, it is the Commission and the Council who enact legal instruments, since we have only an advisory role. If, therefore, the Commission and the Council do nothing, our legal position as budgetary authority is, in practice, reduced to the absurd. That is something that this Parliament cannot, in any event, accept in silence. I admit that discussion on this point is in many cases difficult but I must say that it was the general view of the Committee on Budgets that if the Council fails to take action in cases affecting Parliament's budgetary powers, it forfeits its right to co-operate with us on the budget. The Treaty contains the provision that the Council and the Parliament must reach agreement when they act as budgetary authority whether it be the Council making a proposal to Parliament or Parliament making a proposal to the Council. If one of the two should not act within a given time limit, full legislative power then falls to the other body, in other words whichever fails to act forfeits its legal right. That is a principle of the budgetary legislation that is also founded in the Luxembourg Treaty, Mr Lardinois.

Therefore I am very grateful; I had earlier asked that at least one leading official of the Council should be present at this discussion —: Parliament cannot forego its budgetary powers, which are narrow enough as it is. We have to force home these votes overruling the Council with a three-fifths majority. In two budgetary debates we have, each time, obtained this three-fifths majority against the Council decision and have in this way, exercised our budgetary powers. If the Council now fails to act, e.g. in this case or in the case of the 20m u.a. development aid, then the Council, in practice, forfeits its share of the powers which then fall to Parliament if Parliament's budgetary powers are to be saved. This was the general view taken after a very thorough discussion in our committee and I feel that this Parliament should also take the same position.

**Aigner**

In relation to the present case, Mr Lardinois, this means — and Mr Lagorce merits our thanks, in my view, for the clear way in which he has shown this —: even if this regulation is provisionally defeated, the two amounts of 2.5m u.a. still naturally have to be spent on the budgetary purpose for which they were intended. This does not mean, of course, that if a given amount is entered in the budget it must inevitably be spent. But this amount is in place of the abolition of the denaturing premiums; it is precisely these 2.5m u.a.

For this reason you must find an answer. You do not need a regulation for it. We have entered this amount in the budget. You can of course go to the Council with your proposal and the Council may say yes or no. If it does say not that changes nothing because it cannot invalidate Parliament's budgetary powers once Parliament has decided.

I therefore ask the Commission — and I feel, even after what Mr Frehsee has said, that this is the generally agreed position of both the committees that have dealt with this matter — for the expenditure of these funds in the way that Parliament indicated in its budget resolution. If you can achieve the same effect with less we have no objection at all. But winter feeding must be possible, with the same advantage for beekeepers as if the denaturing premiums still existed. For that was the basis for our budget policy stand.

Mr Lardinois, I therefore ask you to do everything you can to avoid further conflict and to submit a proposal to Parliament as soon as possible so that the problem may be sorted out with the Council. Some members of the Council have told me that this was what they expected. I agree that certain objections to this regulation came from the Council because some Member States, with some justification, said Parliament did not want to take the money from the EAGGF but from its own margin. If the resources are now found from the EAGGF, then the Member States have to produce 50 % and because, naturally enough, they do not want to enter additional sums in their budget, part of the Council — naturally I was able to speak with only some of them — took the view that our approach, as we have just explained it to you, was the right one.

Mr Lardinois, you have twice 2.5 m u.a. available, you should have proposed that it be carried forward, for two years have meanwhile gone by. For two years the denaturing premiums have not been paid. We are not asking for additional payments for beekeepers. We are giving them back what they had before. We have not taken it away from them because we did not want to give it to them but for other reasons; the instrument was curtailed on the grounds of abuse.

We therefore ask you, Mr Lardinois, to propose to us, as soon as possible, a solution involving no conflict with which this Parliament can be satisfied.

*(Applause)*

**IN THE CHAIR : Mr YEATS**

*Vice-President*

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

**Mr Liogier.** — *(F)* Mr President, ladies and gentlemen, the Group of European Progressive Democrats approves the proposal for a regulation on a system of aid for associations of beekeepers.

We are pleased at this measure which will make up for the abolition in 1974 of the sugar denaturing premiums from which beekeepers had benefitted for many years before.

With the absence of any support for this branch of agricultural activity, there was a danger not only of discouraging honey producers but also of reducing beekeepers' irreplaceable contribution to ecological equilibrium.

Beekeepers have for long been faced with difficulties that are, no doubt, structural but are also attributable to the increasing cost of production inputs which cannot be fully passed on to the market. For this reason it is logical to give beekeepers effective aid enabling them to make medium and long-term structural improvements and to solve their immediate difficulties.

For this reason we approve the Commission's proposal that, to start with, aid be given for three successive years. We do not think that aid on a permanent basis would be the right way to strengthen this sector.

Conversely, the Commission's proposal fixing the annual amount of Community aid at 11.5 m u.a.—i.e. 4.5 m u.a. for the three years—to be paid out of the 'guidance' section of the EAGGF seems to us too timid.

The Council accepted the rectifying, supplementary budget for 1975, providing for an appropriation of 2.5 m u.a., as approved by the European Parliament in November 1975. In December 1975, Parliament adopted an amendment relating to an appropriation of 2.5 m u.a. in favour of beekeepers. This being so, the Commission's proposal to the Council ought to be based on the amount of Community aid approved by Parliament.

This amount is all the more justified in that the number of hives in the Community comes to a total of over 3½ million and we also know that 80 % of beekeepers belong to associations, to which the aid foreseen is limited. The effectiveness of the measures proposed will certainly depend, in a decisive way, on the adoption of a rate of aid were suited to the objectives in view and to the real difficulties.

**President.** — I call Mr Shaw to speak on behalf of the European Conservative Group.

**Mr Shaw.** — Happily, most of the arguments have been very well rehearsed, so I do not need to go into them all again. However, I think it right to say, first, that, as on the original motion put forward last December, we in the European Conservative Group will have a free vote on this matter. I can say, though, that I think the members will remain exactly of the view they then held as regards the original 2.5 m u.a.

The motion before us is not the one that we decided in favour of last December, and I think that there are certain important points of principle at stake here. I agree wholeheartedly with the excellent case advanced by my colleague Mr Aigner. I will not go through all the arguments again, save to confirm that I still wholeheartedly agree with the recommendation we made last December.

I think it is a poor argument, if I may say so to my colleague Mr Frehsee, to say that the voting was 3, 4, 7 and that therefore there seemed to be something wrong with it. That is not the point. If seven people choose of their own free will not to make a decision on a matter but to leave it to the other members of the committee, they are—I am happy to say—still free to take that course of action; but the one thing they are not entitled to do is then to grumble because the result was not the result that apparently they really wished.

Therefore, I believe that those figures must still stand, and, as they stand, they show that there was a majority against the proposal. However, if Mr Frehsee is still not convinced by my argument, may I tell him that in the Committee on Budgets there was no such indecision on the arguments advanced by Mr Aigner and others—indeed, by all of us, I think. I am not sure of the voting, but as I recollect it it was 14 to 0—perhaps 1. Anyway, it was overwhelmingly for rejection.

Therefore, I feel that this is not the figure that we suggested and succeeded in persuading Parliament to put into the Budget under Article 402. It is a different figure, and the problems that flow from that have been well expressed. Therefore, I am against the proposal, but at the same time I remain, and I believe the majority of my colleagues remain, in favour of supporting the 2.5 m u.a. that were agreed by us all last December.

*(Applause)*

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — This is a sticky subject, is it not, Mr President? But anything concerning honey seems to have a jinx on it, because the House of Commons Scrutiny Committee spent hours before eventually throwing out an EEC regulation on the labelling of honey.

Some of us have spent many hours listening to the argument in the Committee on Budgets, and I do not wish to go into the idea that perhaps the fate of the budgetary powers of Parliament depends upon our action in this matter. There is, however, a rather long question which is important to bee-keepers in the United Kingdom, who now, through the publicity, have become not uninterested in this subject.

The background is that the Commission suggests that climatic conditions, small-scale production and the high cost of sugar for winter feed place Community bee-keepers at a disadvantage when compared with those in other honey-producing countries. It points to the value of bees as pollinators of many crops, and for these reasons has submitted a proposal for a system of aid intended to assist Community bee-keepers.

What I am asked—here I would like a view from the Commission—is whether, if the situation in relation to pollination is half as serious as my colleague Mr Frehsee and others suggest, this is anything like enough. The worry of some of us is that, if one gets 1.2 or 1.7 units of account, or whatever the figure is, per hive, this is really not an incentive one way or the other to change one's action on whether one keeps bees. One therefore wonders whether the whole regulation is not ludicrously small if it is to have any serious effect.

I should make it clear that most United Kingdom bee-keeping is carried out on a small scale or as a hobby rather than for commercial honey production. It is, therefore, difficult to assess the extent to which United Kingdom bee-keepers would wish to participate in a scheme of this kind or the proportion that would be eligible or would become so under the proposal as at present drafted. The Member States with the largest number of hives—and therefore, most likely to benefit under the proposal—are West Germany, France and Italy.

I had better declare my interest. I come from the raspberry-growing area of Scotland that Commissioner Thomson knows so well, where people are concerned both about the economics of bee-keeping in the area and about the pollination of their raspberries and strawberries. I therefore ask, is this likely to be effective?

Mr Aigner talked about abuse. I gently say to him that as chairman of the sub-committee he is in a marvellous position to start investigating such abuses if they exist in relation to the financing of bees. I have an idea, however, that we might get stung!

**President.** — I call Mr Laban.

**Mr Laban.** — *(NL)* Mr President, I would like to make just a few comments in this thorny debate for the reasons advanced by Mr Frehsee, my Group is against the European Commission's proposal. There is very little left over from the total amount, which was

**Laban**

small enough, for beekeepers themselves, as least for providing winter feeding. The provision of winter feed differs from country to country, from climate to climate and from winter to winter. The amount is so small that we agree with the motion for resolution proposed by Mr Früh on behalf of the Committee on Agriculture which says that this could be better left to the Member States.

It is my impression that beekeeping is not of very great importance in farmers' incomes. It is well known that many people who are not farmers have a number of beehives as a hobby.

Honey productions in the EEC is completely insufficient to cover the honey demand. It is also known that honey can be imported from other countries 20 or 30 times cheaper than the honey produced in the EEC, even at the highest rate of duty.

We are unswervingly attached to the ecology issue but we take the view that it cannot be adequately served in this way. Far more assistance could be given for the keeping of beehives if the necessary work done by the Member States themselves or by a European association as regards the selection of the insecticides used in agriculture. This is what kills most of the bees. This is another reason why we consider the proposal to be inadequate.

A minority of my Group invites the Commission to look more closely into the possibility of replacing this proposal by one that is based on a subsidy going directly to beekeepers for the purchase winter feed.

I admit that the European Parliament has entered the relevant item in the budget. I believe—but I am no financial expert—this is means that the Commission is being called upon to draft an appropriate proposal, but it seems possible to me that the European Parliament, after closer consideration, could come to the conclusion that it would be undesirable for this item to be used for that purpose, and by qualified majority could decide to amend the budgetary decision and make the amount available for another purpose.

The European Parliament could thus very well, revise this item, possibly along the lines that I have indicated.

**President.** — I call Mr Lardinois.

**Mr Lardinois, member of the Commission.** — (NL) Mr President, I feel at this point as though I am in an impasse as regards this Parliament. Parliament has repeatedly called on the Commission and insisted that it come forward with a proposal.

I have seldom had to submit a proposal so often to the Commission to get it approved. Perhaps I should not say this because it is in fact a secret. However that may be, I was repeatedly shown the door.

Finally my proposal was approved by the Commission but now it is the European Parliament throwing it out, although it was Parliament that first asked me and

finally insisted that I should produce a proposal. This makes the impasse complete. Parliament wants this money to be spent but, by majority vote, the Committee on Agriculture does not want it to be done in this way. I am now completely at a loss. I certainly feel that the European Commission must comply with the clear wishes of a two-thirds majority of this Parliament to do something for beekeepers. But if the European Commission were to make use of this impasse to treat the matter for what it is and shelve it, this would not in my view be a fair way of dealing with each other. For me, therefore, there is no possibility of something like this happening.

I am willing to take the proposal back on condition that the Commission accepts a new proposal that the European Parliament will adopt. In that connection, perhaps it will be necessary for me to have further discussions with the Committee on Agriculture which I shall be seeing during next week and the week after. I am ready to consider a number of alternatives beforehand and to try, on an informal basis (it cannot, of course, be formal), to find a way, in discussions with the Committee on Agriculture, to a solution with which Parliament and the Commission can both agree. If the Committee on Agriculture is in agreement with this I shall try to convince my colleagues in the Commission of the fairness of this approach. I call on all of you to give greater weight to the Community spirit between Parliament and the Community than to the lack of experience displayed in certain quarters.

There is really no other solution I can find. In my view, Parliament has a right to a positive answer in this question, of which Parliament itself made so major an issue during the debate on the budget. I am ready to take up the case but I ask you all to help me in our efforts to find a way out of this impasse.

**President.** — I call Mr Aigner.

**Mr Aigner.** — (D) Mr President I shall confine myself to two comments which are, however, necessary in my view.

Mr Lardinois I would like to thank you warmly for your statement. I think it corresponds to our own thoughts here. I have just one request because you say you do not know whether you will be able to convince your colleagues. It would, indeed, certainly lead to a conflict if the Commission were not prepared to accept parliament's budgetary powers. In that case we would have a completely new situation. Here, it is not a matter of convincing, it is a matter of Parliament's rights. The Commission must be made to realize this. That was my first comment.

And now the second. Mr Laban, let me tell you that things are not the way you think when you say that this is no Community task. I am not talking now about this particular issue, but about denaturing premiums, and so on, in general. You said that that

**Aigner**

was only a matter for the Member States. Sugar policy is a Community affair.

Mr Lardinois, you know the problems we currently have on the sugar market. If we are unable to bring the wave of speculation in the flow of commodities to Italy to a halt we shall be paying unacceptable amounts on this market. The amount we have appropriated for corrective purposes in one sector would be a drop in the ocean compared with that might happen to us through the wave of speculation on the sugar market. If you accept the Community sugar regulation, you naturally have to accept the Community's corrective mechanisms for this market as well. That is no longer a national task it is a Community task. That does not mean to say, Mr Lardinois, that other support measures, of course, may not be necessary. I hope, however, that the Commission has learnt from this discussion that it is an important task. I would find it intolerable if we were to continue with it should the world market price fall again tomorrow. Already we have surplus sugar production again. Then we would be paying refunds for the world market. That means that beekeepers outside the Community would be paid by us to have cheaper sugar and our own beekeepers would have to buy dearer sugar and would therefore be at a further disadvantage in terms of competition with beekeepers outside the Community.

If you just consider this, even superficially — my apologies, Mr Laban, — then you must inevitably take a different view from the one you have just expressed. That is all I wanted to say.

**President.** — I call Mr Früh.

**Mr Früh, rapporteur.** — (D) Mr President, now that this debate has gone into matters so deeply and now that it is clear, as I believe, that the Commission, too, has every intention of trying to help, there is little I need add except perhaps one thing. It may appear unimportant but, Mr Lardinois, perhaps the thing that triggered it off — often it is just a question of language — was the fact that the proposal refers to a regulation on aid for 'associations of beekeepers'. This point was the subject of part of the debate because many felt that if there was only to be a very small grant at the outset and if this had to go to associations of beekeepers (whereas, as Mr Frehsee said, there are no associations at all which concern themselves with marketing and so on), then doubtless nothing will come of it at all. In this connection, therefore, there was a measure of contradiction and perhaps it would have been better if the wording had been: ... aid for winter feed, beekeeping, and so on. I am not against the associations acting as clearing house, if anything I am in favour of it. The opinion that many of us have that there will be nothing for beekeepers if the money goes to the associations is certainly wrong. But someone must act as clearing house. I am convinced that this would not be cheaper if it were done by a government office. This I wished to add by way of

comment and recommendation. I hope that goodwill will prevail in the Commission and that we shall have a new proposal.

I would like to add one further word of explanation. Even before this debate, Mr Frehsee expressed his indignation that I should have given an interview to an important agricultural news service. I can only tell you that I gave no-one an interview. After the meeting, however, a press statement was issued by Mr Aigner and myself. What an agricultural news service has made of it — I have not yet read it — I do not know. I shall look into it afterwards.

If I went too far in that press statement then I tender my apologies. At the same time I would like to suggest a possible reason for it. You know that I have just been through a particularly keenly fought election campaign in Baden-Württemberg. As I have said, if in the heat of battle I went too far then once again I beg your indulgence.

(Applause)

**President.** — I call Mr Laban.

**Mr Laban.** — (NL) Mr President I would just like to deal with a comment made by Mr Aigner who said that it would be really too absurd not to have a Community regulation. I have already pointed out that the Committee on Agriculture's explanatory statement says that a majority of Members of the Committee on Agriculture took the view that where aid to beekeepers is necessary, it could be provided by the Member States themselves. The committee considers that the situation of beekeepers in the individual Member States is so varied that no Community regulation can be devised. With this I, too, agree.

Socialists are certainly looked upon as 'regulators' but I, at all events, am not one to such an extent as to want to regulate every tiny problem at Community level. For heaven's sake let us leave something to the Member States who can see, on the spot, what is best for their beekeepers.

**President.** — Mr Früh, as I understand the position, if this matter is put to a vote and the resolution is adopted, the opinion of Parliament will have been given and no further discussions can take place in the committee.

In the light of that, would you prefer to move that the resolution be referred back to the committee?

**Mr Früh, rapporteur.** — (D) Having heard the statements of the Commission I imagine that no irreparable damage will be done if we adopt the motion for a resolution. Mr Lardinois has promised to work hard on finding a solution that he will discuss with the Committee on Agriculture the week after next. We shall no doubt then reach a satisfactory result.

**President.** — I call Mr Aigner for a procedural motion.

**Mr Aigner.** — (D) Mr President, now that the Commission has declared that it is ready to withdraw its proposal and that we are accordingly agreed on what our policy should be, there would be no point in voting. The Commission withdraws its proposal and we wait a new one. One way or another, we shall then have an opportunity to discuss it in committee.

Mr President I make this proposal in order to avoid giving the wrong impression to outsiders that anyone here is against beekeeping. I think that this procedure is more suitable in this case.

**President.** — I call Mr Fellermaier.

**Mr Fellermaier.** — (D) Mr President I would first like to point out that the matter would have to be referred back to the committee only if the reporting committee so proposed and the committee responsible for the report is the Committee on Agriculture not the Committee on Budgets.

Secondly, I feel that the Commission ought to have known what it was proposing to us. I therefore take the view that we should now vote on the motion for a resolution. That is the normal parliamentary procedure. The Commission ought to have thought earlier about submitting a better proposal than the one that has inevitably led to the full scale debate on bees that we have had today.

**President.** — I call Mr Lardinois.

**Mr Lardinois, member of the Commission.** — (NL) Mr President, I am sorry, but this is going too far. I have told Parliament that I stand by this proposal and that I consider it a good one. When 4 of the 14 Committee members present vote against it, whilst the rest say nothing, and when I am then told that I ought to have come forward with a better proposal, this does not seem to me to be in the same spirit as that in which I spoke.

I said that I feel it would be an unhappy combination of circumstances if this proposal were to end in this way but in view of the budget discussions at the end of last year I would nevertheless do what I could to help reach a solution. That is what I said but I did not say that the Commission has not thought hard before it produced this proposal. If that is the way it is interpreted I feel that the Commission will be unable to co-operate in framing a satisfactory proposal.

**President.** — Mr Fellermaier, under Rule 26 of the Rules of Procedure, any Member is free to move reference to committee.

Mr Aigner has moved that this matter be referred to committee. Mr Fellermaier has spoken against that motion.

I put to the vote the motion to refer the matter back to committee.

The motion is rejected.

I put the motion for a resolution to the vote.

The motion for a resolution is rejected.

### 15. Community social security system

**President.** — The next item is the report by Mr Glinne (Doc. 89/76), on behalf of the Committee on Social Affairs, Employment and Education, on the motion for a resolution tabled by Sir Brandon Rhys Williams concerning a Community Social Security System.

I call Mr Albers, who is deputizing for Mr Glinne.

**Mr Albers, deputy rapporteur.** — (NL) Mr President, I am faced with the difficult task of having to replace Mr Glinne the rapporteur for this important motion. He told me this only a short while ago. However he has made it possible for me to use his notes so that I can inform Parliament of his views. He wishes to state that the Community needs an efficient and credible social policy, in other words an income structure needs to be brought into being guaranteeing a fair distribution of wealth and security. In his view this cannot be left to the free play of economic forces. The authorities, as guardians of the general interest, must give the directions for macro-economic trends and in this way, possibly with the support of the social partners and trade and industry, defend and secure social justice. In Article 117, the Treaty establishing the European Economic Community says that the Member States agree upon the need to promote improved working conditions and an improved standard of living for workers, so as to make possible their harmonization while the improvement is being maintained. In order to implement this provision of the Treaty it will be necessary to make a new study of existing or planned social security systems in the Member States. Social security systems must embrace the whole population, give advantages to those who are worst placed in relation to economic growth and gradually harmonize the conditions to which the beneficiaries are subject within the Community. These objectives imply the need for compiling data on the factual situation.

The merit of Sir Brandon Rhys Williams' motion for a resolution lies primarily in the fact that the Commission is called upon to collect data and to evaluate them in terms of real purchasing power or purchasing power equivalents. The motion for a resolution that, after thorough discussion, was unanimously approved, with two abstentions, by the Committee on Social Affairs, Employment and Education refers particularly to family allowances, pensions and other benefits,

**Albers**

reference here being to unemployment benefits the levels of which vary considerably in the Community.

Paragraph 4 of this motion for a resolution makes special reference to the indispensable role of the social partners — employers and the trade union movement — for which the second Congress of the European Trade Union Confederation recently held in London has again given the necessary guidelines. The Committee on Social Affairs, Employment and Education wishes to emphasize that the development of a Community social security system is a matter that needs to be discussed by the tripartite conference that is to be held for the third time and which has already resulted in the Standing Committee on Employment meeting on a regular basis. It is through this continuous consultation that the conditions should be created leading to the implementation of the aims out in the EEC Treaty, particularly those in Articles 117 and 121.

From the note prepared by the Commission on its current statistical work, it can be seen that studies are in progress in the fields of personal income, distortions of competition and the effect of taxation and social charges on the prices of consumer goods, and that taxation and social benefits are also being analysed. In its motion for a resolution, the Committee on Social Affairs, Employment and Education requests that these studies be continued and that priority be given to the question of family allowances, pensions and other benefits so that a comparative study may be made and proposals drawn up for areas where harmonization would be possible.

Mr President, so much for the comments of the rapporteur. If you will allow me. I shall now on behalf of the Socialist Group, comment on both Mr Glinne's report and Sir Brandon Rhys Williams' motion for a resolution.

The Socialist Group recognizes that the Treaty of Rome gives us little to go on as regards the social policy to be followed. The articles referred to, namely 117 and 121, state that it is necessary to achieve harmonization as conditions are improved. It is of course very clear that the resources available for this purpose are insufficient.

For interest's sake the Socialist Group has once again analysed the improvements that have been made in a few decades and what use can be made of an instrument like the European Social Fund.

At the same time account has been taken of the decisions taken by the Council on 21 January 1974 in its social action programme, particularly with regard to the free movement of workers, the retraining of manpower and the promotion of mobility.

In the light of what has so far happened in the social field, our Group wonders whether this is the right moment to ask for a study covering so wide a field as that suggested by Sir Brandon.

He sets this study against the background of the desire to achieve European unity and argues that, in a

united Europe, there must be a harmonized social security system — a Community system — to safeguard personal income. This would then be a counterpart of an investment policy and a regional policy.

It is perfectly clear that investment policy still has to take definite shape and that also applies, in a certain sense, to regional policy. Control of investment still leaves everything to be desired. There was a broad discussion on this point this week when the multinationals were on the agenda. It is the multinational companies themselves that are in a position to exert pressure on employers and political parties to guide investment in a certain direction. For the Community the opportunities in this respect are not particularly great.

The rapporteur stated that the Community needs a credible and efficient social policy. With that we agree, and wherever there is a way of taking a step in that direction we shall be glad to co-operate. However, we are somewhat sceptical regarding the results of the study that Sir Brandon is asking for and feel that they will not be worth the considerable effort that would be necessary.

At the moment we see that, under the pressure of economic difficulties and large-scale unemployment, various countries are engaged on improving their social legislation. In Italy a guaranteed wage has been introduced for temporary unemployment or short-time working; in Belgium a bridging pension scheme has been introduced for the older workers; in the Netherlands the period for the payment of half-pay unemployment benefits for older workers has recently been lengthened; in Ireland the period of unemployment qualifying for benefit has been extended; in France higher rates of benefit have been agreed for temporary unemployment and in Luxembourg a cost-of-living allowance is given for small pensions. These measures have been taken under the pressure of economic circumstances. The social measures in the countries concerned are part of the package deal between the authorities and the trade union movement.

Naturally enough what is achieved at national level may to some extent act as an example for other countries. In addition it must also be acknowledged that, as far as social policy is concerned, the Commission and the Council have been active as well. On 17 June 1975 the Council took a number of decisions including measures for combating unemployment among young people, proposals for combating poverty, a 40-hour working week and the co-ordination of policy on working conditions. On 18 December another decision was taken regarding equal treatment for men and women, an important resolution was adopted regarding migrant workers and assistance again became possible in the textile and clothing sector.

### Albers

Thus a social policy is gradually being built up by the European Community. Measures are being taken that are directly relevant to the present situation. Observing this, we naturally wonder whether these actions are effective enough to combat inequality for that is Sir Brandon's ultimate objective in his motion for a resolution. Well, of course, it is very clear from all these measures that a social policy is being followed in the European Community and value is certainly attached to these measures. But the extent to which these measures go specifically in the direction of combating existing inequalities permitting a redistribution of wealth and the levelling out of existing differences falls short, in the view of our group, of what we would have liked to see in a socialist policy.

In this connection we are in agreement with the statement in the Committee on Social Affairs' motion for a resolution to the effect that the studies should concentrate to a greater extent on certain specific areas, in the field of child allowances, for instance, and that of retirement benefits to older workers. We feel that, in view of the present difficulties in wage negotiations and the wage restraint that is being advocated at the moment and also in view of the changes that are being made to the social security systems in various countries, it could be useful to do something in this direction and that it is certainly important to collect more data on these points.

What seems to me to be the most urgent need at the moment, as regards social policy, is that action should be aimed as far as possible at full employment. On this point we differ completely from the views put forward by Sir Brandon in his motion for a resolution and wish to dissociate ourselves completely from them for they imply a difficulty which, for us, is unsurpassable. What he says is this:

— noting the weakening of the incentive to work which follows inevitably from the adoption of systems of income support which concentrate benefits only on the lowest paid or on individuals who are unemployed or sick, leaving them with little advantage in returning to work or improving their earnings,

This is a paragraph which we reject absolutely, because it is all too clear that many people hit by unemployment — and there are a considerable number of them in the European Community — feel this as a reflection on their personal potential. There is nothing these people would like more than to go back to work as quickly as possible and surveys have shown that they are ready to be satisfied with a lower wage or with work that is inferior to what they were doing before. In any discussion on social security, considerations of the kind that I have just quoted should not be brought into the arena because they throw blame on those who, at the present time, are hit by unemployment which they feel to be a punishment.

With regard to the fight against poverty, Sir Brandon makes another remark that we cannot accept and which, in fact, we find incomprehensible. He says, that it must be recognized

that the cost of living of single people and of families may vary widely according to the number of dependants and the numbers of breadwinners in each household; and that intervention to secure minimum rates of wages, or of earnings for the self-employed, cannot take account of all the factors contributing to the persistence of poverty,

As we see it, here he is relating things to one another that cannot be so related. Poverty has completely different origins in society. It is a matter of combating these causes and ensuring that, in the future, poverty will not exist. For that we need an incomes policy and different measures from those envisaged by Sir Brandon.

In the view of our group, one of the needs of our time is to give heed to the signals coming from society and some important signals have come from the London Congress of the European Trade Union Confederation, to look no further than that — in this we agree entirely with the rapporteur. And in the resolutions that were adopted at that Congress first place was not given to a demand for the harmonization of social systems; other things were asked for: I would like to recommend Parliament to read these resolutions and act accordingly. Our group agrees completely with Mr Glinne's report and with the motion for a resolution adopted by the Committee on Social Affairs, Employment and Education.

**President.** — I call Sir Brandon Rhys Williams to speak on behalf of the European Conservative Group.

**Sir Brandon Rhys Williams.** — I would like to thank Mr Albers for introducing this subject on behalf of our rapporteur, Mr Glinne, who unfortunately is not able to be with us this evening. I would have liked to have an opportunity to express a personal word of thanks to Mr Glinne for the very considerable study that he made of this subject and for the terms of his report, which, with the exception of one small section, and that perhaps only a ambiguous one, I warmly welcome.

I am glad, for instance, to see the first paragraph of the motion for a resolution which says:

'The European Parliament ... welcomes, in principle, the initiative of Sir Brandon Rhys Williams concerning a Community Social Security System.'

Though there are many aspects of this vast topic on which we are not agreed, I think that I can claim that Mr Glinne joins me in seeing that the European Community needs to be united by social links, not of a vague kind, but capable of being defined precisely in terms of cash.



## Rhys Williams

I read long ago that under the feudal system it was possible for a man to go through his whole life without ever handling a piece of money. Of course, those times have now completely changed. Cash dominates our human relationships, and in my resolution I am concerned that the cash relationships between individuals and their community should be as transparent and as just and humane as possible.

I recognize that, particularly in my preambles, I am looking ahead to the 21st century or possibly at least to the Historic Compromise; but Europe is rapidly changing. Our society is demanding new solutions to social problems, and I think that the European Parliament would be wrong to neglect a serious study of the issues involved in harmonization of our social security systems.

I have often drawn attention to the different principles underlying the benefits which are obtainable from the many different social security schemes which operate in our various countries. There are really three roots of entitlement to benefit. There is need, there is a record of contributions, and there is citizenship. To my way of thinking, entitlement to benefits based only on need is deeply unsatisfactory. I hope to say a word in a moment about the particular part of my motion for a resolution which Mr Albers has touched and which I know has caused a good deal of misunderstanding.

I feel that it is not sufficient for us to work in our individual nations to improve our social systems. Of course we must do that, and we are doing that. But we need to work with an awareness of what goes on in other Community countries, and, where possible, we should seek to harmonize our systems. For one reason, we hope to see an increasing movement of workers from one Community country to another.

The Commission was kind enough to work out for me a few weeks ago some comparisons of family benefits in different Community countries. One finds the wildest contrasts. Family benefits in one major country, it seems, are only one-sixth or one-seventh of what they are in one of the nearest countries to it.

But let us look, too, at the problem of pensions. If a man begins his career in one Member State and spends perhaps 20 years accumulating pension rights, then moves to another Community country and completes his service there and then retires, perhaps in his country of origin or possibly in a third Member State, who will be confident that he can calculate that man's retirement rights? One would have to look back over a lifetime of different systems, different exchange rates, changes in statutes and all the different schemes for post-retirement adjustment in levels on entitlement which also are introduced from time to time. We need to have a clear basis for all these things so that the individuals themselves can make their life plan with an awareness of where they stand.

I see the Community as a personal commitment of growing importance for individuals. I am not ashamed to use an expression which is more often used among our colleagues on the Left wing—the social contract. Individuals need to understand why they pay taxes, why they pay contributions to social security schemes and what is being done with the money. They want to know why their tax rates are what they are. Equally, they need to know precisely where they stand and what they are entitled to expect in exchange from the community to which they are contributing. I will go so far as to quote a famous phrase which, I think, is much older than Karl Marx: 'From each according to his capacity, to each according to his need.' I would be happy to see that principle put into effect in strictly calculable cash terms; but we need to progress by specific measures and not simply to deal in vague slogans.

I should like to say a word about the part of my motion for a resolution which has caused so much misunderstanding. It is possibly a particularly British problem that there are many people—not just thousands or tens of thousands, but more still—who are caught in the vicious system that is now well known as the 'Poverty Trap'. It is brought about through the application of the means test—though nowadays we use another phrase. This misery must end, and I am not ashamed to have said so specifically; but I am sorry that the form of words I used in my motion for a resolution has caused so much misunderstanding.

This is possibly a particularly British concern because of the sharp contrast we apply in the rates of family benefit for those inwork and for those who are out of work or have no other means of supporting their families. There is a sharp drop in child benefits for people who return to work, and this, of course, deprives them in very many cases of the incentive to work. Many of them—the vast majority—in spite of that go back into jobs when the opportunity is provided. It is, however, wrong that we should expose them to this situation by a social security system based on 19th century principles of entitlement through need.

I consider that benefits based on need are always socially divisive. Those based on a record of contributions are an incentive and none the worse for that. That based on citizenship bring self-respect. But benefits based simply on need are growing more and more unacceptable in our civilized and increasingly equal society.

The redistribution of income is at the root of our regional policy; of our common agricultural policy—to a very great extent; and of the limited Community social policy which has so far been achieved with a sense of responsibility as individuals, carried into effect in terms of transparent lifelong commitments expressed in cash terms.

**Rhys Williams**

I do not like to feel that the European Community is just a Community of economic success. There has perhaps been too much emphasis on the tremendous leaps forward in the production of wealth, in investment and so forth since the signing of the Rome Treaty.

In our civilized Western European democracy, we must manifest positively our concern for the failures—for the people going on into old age and loneliness, for the children raised without proper nourishment, for widows who cannot manage, for the unemployed and for the disabled. The European Community must manifest its concern for these all-too-large groups, running into millions in our society. Citizenship of the European Community must be a guarantee of freedom from poverty and neglect.

For those Members who have not studied my motion carefully, I emphasize that it makes no policy commitment and no calls for significant expenditure. However, it requires the Commission to publish the facts and to analyse the implications in detail. We shall make no progress in social reform without detailed studies. I should like to see work being done in the Community like that of the Brookings Institution in Washington where such extensive, penetrating studies have been made of the poverty problem and field work has been carried out on such a splendid scale.

Whether we make real progress must rest largely with the Commission. I hope that it is not controversial to ask the Commission to make similar serious studies.

In his report, Mr Glinne used one phrase that might be taken as ambiguous. Paragraph 5 states—

Calls on the Commission to set to work without delay, on the basis of the priorities set out in this resolution, on a study of certain specific areas ...

Earlier in his recommendations, Mr Glinne touched on family allowances—particularly dear to my heart—and on pensions and other benefits. But I need to know from the Commission whether it intends to study the wider aspects—as I believe it does—including the varying impact of personal taxation and the anomalies within the national schemes, or whether it intends to be content with a quick but necessarily superficial study of the basic scales of benefit. That, I consider, would not serve a serious purpose. Hence the amendment which I and a group of my friends tabled last night which may give the European Parliament the opportunity to amend Mr Glinne's text to make a much more specific requirement of the Commission. When we have heard from the Commissioner, it may well be that I shall not need to press the amendment. I certainly do not want to do so, because I would like to avoid controversy in regard to this report. I believe that we should be united as a Community of compassion and concern.

However, we must place particular emphasis on the largely unseen effects of taxation and the different

rates of social security contributions, which often have more significant effects on the net value of wages than is widely appreciated.

The German Government have recognized the link between taxation and social benefits in their pioneering reforms of family benefits. In passing, I might mention that family benefits in Western Germany are more than five times larger for a two-child family than they are in Britain.

I believe that what we are deciding today will be of lasting significance because we are beginning to look beyond the Treaty to the implications of a living European social union. We are starting to build our democratic Community not on links between governments, institutions and business, but on the personal obligations, contributions and the rights of the millions of Europeans citizens.

Where Parliament can lead, the Commission must follow through with studies in depth so that all who are concerned about social reform can readily find up-to-date facts for all Member States and examine the various national systems on a truly comparable basis. The Commission must accept that it has a great opportunity and a vital responsibility in the next phase of evolution of Western Europe not just to create an economically prosperous Community but to help in building a living human association which is compassionate and just.

*(Applause from the European Conservative Group)*

**President.** — I call Mrs Ewing.

**Mrs Ewing.** — The Conservative have taken a radical look at this subject. When I became a Member, one of the first questions I asked of a Commissioner, by letter, was an attempt to learn how our benefits compared with those of other countries. I received all the information I wanted, but I realized immediately that the piece of paper which set out the benefits did not help. We needed to know more about the background, to know what people paid in tax and in rent as a proportion of income, and many other things.

There is not much difference between the views expressed by Mr Glinne and Sir Brandon. Looking at the text before me as a lawyer, I see that Mr Glinne

Calls on the Commission to set to work without delay on the basis of the priorities set out in this resolution.

Paragraph 3, however, refers to a 'very cautious and slow process'. Anyone who is concerned with many categories of people, as I am, will find the resolution a little confined. Phrases such as 'certain areas, such as family allowances and other benefits' are used, which leave the matter open. There are many other areas; for instance, disabled people. In Britain, a committee has recently been studying battered children. The more general phrases used in Sir Brandon's wording make it plain that we wish to cover all categories.

**Ewing**

I am not worried about calling on civil servants to provide a lot of information. Perhaps it is unfair to the civil servants who have to do all the work, but that is why they are there. I was once criticized for asking too many parliamentary questions in Westminster, but I was on very good terms with the civil servants, who thoroughly enjoyed the exercise. There was no animosity. It is not a bad exercise to call for a specific programme of information. Sir Brandon's paragraph 2 is more radical, more specific and more advanced than the rather cautious wording of Mr Glinne. It is almost as though the Left and the Right have become mixed up in this debate.

There is no point in knowing the facts unless we also know other factors that affect basic income and ability to survive. We have to know all the factors before we can judge whether the family allowances or disabled persons' allowances paid in Germany are better than those paid in the United Kingdom. I have genuinely tried this exercise and have had to admit defeat because I did not have enough information. I do not blame anyone for that. This is a big subject and we should perhaps have to ask questions of many civil servants, but it is surely non-controversial. There is a great deal of good will. It would be wonderful if all the Member States undertook to ensure that there was no deprivation among the disabled, the blind, children, mothers and deprived wives. A Member State could surely say, if Germany is ahead, 'Let us move forward and do what Germany is doing.' If Denmark were ahead, we could do the same as Denmark. Each Member State would then have to find a way to raise the money to do it.

Speaking as a neutral, it seems to me that we are having an unnecessary argument. We are almost on the same side. As a lawyer, I have a great deal of sympathy with this subject. Sir Brandon's wording calls for more and for slightly quicker progress towards the end which we all desire.

*(Applause from the European Conservative Group)*

**President.** — I call Mr Ellis.

**Mr Ellis.** — I thank Mr Albers for introducing Mr Glinne's report, which I welcome. I also welcome Sir Brandon's original motion for a resolution. I pay tribute to Sir Brandon for his intellectual honesty. He is intellectually honest in that he is trying to speak outside the old constraints of our former class societies, which tend so often to stir within us so many prejudices which confuse what is, in any case, an extremely difficult and complex subject. I find it complex not simply because of its size and scale but because one can so easily see the problem and yet find it impossible to see even the road to a solution, let alone the solution itself.

I apologize to Sir Brandon, who has done so much work on this subject, but I should like to spell out the British situation to show the reality of the problem.

In the United Kingdom 70 % of the revenue which the Government get is obtained from income tax. The present burden of income tax is as high as is politically and practically tolerable in a democratic society. For example, a family man with two children pays about 42 % of his income in direct tax. His predecessor 20 years ago at the same point in the income scale would have been paying about 22 %. That is the measure of development in the past 20 years.

Oddly enough, in my constituency, which is a working-class area, coal miners are seriously beginning to object to paying tax, as indeed our former coal owners—using class language—would have objected many years ago.

If the United Kingdom were to apply a confiscatory tax so that the top net earnings were limited to £ 6 000 per annum, the extra revenue obtained would be equivalent to an increase of about 3 % in the total revenue of the country. Putting it another way, it would be equivalent to a drop of 1 penny in the standard rate of income tax.

Much development during the last few years has been very progressive in terms of incomes distribution. As a Socialist, I welcome this development, but, at the same time, there has been a serious regressive effect, especially on those people who are just crossing the tax threshold.

A married man with two children who is receiving social benefits—supplementary benefits, as we call them—of about £ 1 370 per annum, which is a very modest income, has to pay income tax of about £ 1.80 a week. By the British Government's admission, 50 000 people were now paying tax at a marginal rate of over 100 %; that is to say, if they get an increase in wages, they are financially worse off.

I have taken the trouble to spell this out simply to show that there is a real problem which needs to be tackled by men of good will as intelligently as possible. For that reason, I am happy to welcome Sir Brandon's motion for a resolution and my friend Mr Glinne's report. At the same time, difficulties face us in trying to do the right thing. Here I might part company a little with Sir Brandon. His proposal is twofold. First, he is trying to strike an ideal balance in a social security system reconciling the demands of the compassionate and equitable society with the need to give everybody the opportunity to fulfil his social responsibility. At the same time he wants to use this opportunity also to harmonize the social security systems throughout the Community to help to forge a homogeneous system right throughout the Community; with the thought ultimately of leading to economic and monetary union.

**Ellis**

The whole scope of this issue that has now been raised is so enormous that there is a tendency for us to be very worried indeed that we will get nothing done because of the complexity. When Sir Brandon adds in all kinds of diversions he, I think, may probably be doing a disservice to the cause he has in mind. For example, he talks about having a Community scheme for the support of personal income for social security purposes, as a counterpart of investment policies in the less prosperous regions. I am not sure that that would not do a great deal of harm to the particular region. I do not see that the viability of the economy of a region is to be ensured by following that line of attack.

My friend Mr Albers referred to the whole question of the incentive to work. These are very important issues, but they might tend to get away from the nub of the problem. Our systems have grown like Topsy, and I do not know if this is the best method by which to devise a social security system. On the other hand, I also feel that if we tried, as it were, to devise a system out of the air we might also make a complete mess of it. The example that occurred in my country where a government attempted to introduce an Industrial Relations Act out of the air and the complete mess we got into makes one feel that the strictly analytical approach is not completely satisfactory.

I suppose the right answer is somewhere in the middle. That is why I welcome Mr Glinne's approach of taking the thing a step at a time very cautiously. I think that we have a very long way indeed to go. Mr Glinne's point essentially is that the long journey begins with the first step. That is why I welcome his approach to the problem.

**President.** — I call Mr Härzschel to speak on behalf of the Christian-Democratic Group.

**Mr Härzschel.** — (D) Mr President, ladies and gentlemen, I would just like to add a few brief comments.

I too feel that we ought, first of all, to thank Sir Brandon Rhys Williams for his initiative. He has certainly tackled an important sector that has been inadequately covered in the past. We should make every effort to achieve this harmonization of social legislation in the Community. On these grounds, my Group can but welcome this initiative.

We feel however, that we cannot try to do everything at once because otherwise there will be a danger of nothing happening at all. To that extent I agree with the Member who has just spoken. We can only tackle areas where there are prospects of success and where we see opportunities for harmonization.

The research that is needed can hardly be effected with our present facilities. We first need to create the necessary conditions and in particular the same statis-

tical basis, because the criteria differ from country to country. If we want comparable figures then we must first have a yardstick that is the same for all. So far, no such yardstick exists.

I am also afraid that the different countries are not in a position to carry out the debated studies called for in the report. The Community certainly is not. The Commission can obtain this information only from the individual countries. But whether the data can be provided by those countries to the extent required is questionable. I am afraid that it will not be possible. For example, where Sir Brandon's motion for a resolution says that a number of things will have to be estimated, I feel that this will not be possible. If we are to have a solid basis for harmonization the starting point will have to be concrete figures making harmonization a practical possibility.

In our opinion, Mr Glinne's is a well balanced report. It provides for concrete measures that are possible and calls on the Commission to make greater efforts towards harmonization in the social field. We therefore agree with that motion for a resolution.

We cannot, however, agree to the proposed amendment which, in our view, goes too far and involves the risk that, for wanting everything, we shall in the end achieve nothing. For us, the important thing is that we should arrive at concrete measures in the near future.

I would conclude by thanking Sir Brandon once again for taking this initiative. We feel, however, that we must first take concrete steps and not ask for too much lest all that is left at the end is just a piece of paper and nothing for people. Our object must be to help human beings and for that the important thing is to move forward step by step. The Glinne motion for a resolution offers the best chance of this.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I think you will agree, Mr President, that this has been an extremely interesting debate, and I certainly have been most interested to listen to all the speeches that have been made. I had a certain fellow-feeling for Mr Albers when he opened the debate, because he said that he was deputizing at very short notice for Mr Glinne but, fortunately, Mr Glinne had left him his notes in order to help him with the excellent speech that he gave us. I think I can claim that I was left at even shorter notice to deputize for Dr Hillery, the Commissioner with a special responsibility for these matters, and, fortunately, Dr Hillery has left me with his notes. I am glad, therefore, to have been able to be here for this debate.

I would like on behalf of the Commission to thank Mr Glinne for his report and also to pay tribute to Sir Brandon Rhys Williams for his resolution. I thought that my Scottish colleague Mrs Ewing perceptively put

**Thomson**

her finger on one of the most fascinating features of this debate, namely a very radical and, I found, fascinating and moving exposition of what I hope Sir Brandon will not mind my calling Tory Socialism from the benches on the right of you, Mr President, and a very cautious, very realistic brand of Fabian Socialism from Mr Albers and my friend Mr Ellis and others on the left.

What has happened, however, is that Sir Brandon's initiative and the attention that has been given to it by the Committee on Social Affairs, Employment and Education have meant that the Parliament has had brought before it an important topic which is bound to be of increasing interest as Community social policy develops in the years ahead. The Commission has been doing research in this field since the earliest days of the Community, and certain aspects of the topics mentioned in both Sir Brandon's motion for a resolution and Mr Glinne's report are currently being studied through the Commission's Statistical Office in Luxembourg and various directorates-general concerned.

I do not wish to detain the House, but I should like to say clearly that the Commission could agree to make a comparative study of the kind which Mr Glinne's report recommends to Parliament. The making of such a study would be in line with the Commission's policy of bringing greater transparency to the social situation in the Member States.

Having said that, however, I have to say on behalf of the Commission in regard to the amendment tabled by Sir Brandon, that the Commission's position must be one of considerable caution and reserve. While Sir Brandon's study proposal is certainly interesting, we would be against orienting the study towards a particular line of recommendation at this early stage. The whole question of new approaches to social security in the Community will have to be looked at again and again in the years ahead.

To be more precise, I could say to Sir Brandon on behalf of the Commission that we would be content to follow paragraph 2 (A) of his proposal for a study, but would not be able to follow him in paragraph 2 (B), (C) and (D). The Commission has never so far advocated a standardization of social security in the Member States, exciting and inspiring though the vision of a European social union is as long-term aim.

I thought that Mrs Ewing in the remarks she made was inclined to overlook the magnitude of the problems involved in harmonizing social-security benefits upwards, as she wished to do, as I understood. She talked about taking the best of what there is in the various social security systems of every Member State and then said that, if we did that, a way would be found to get the money for it. I would regard that, I am afraid, as a doctrine of Utopianism that is not within our reach in present stages. Indeed, if one were

to try to do that too fast, one would, as I am sure Sir Brandon would be the first to agree, contribute in a major way to a completely new stage in the inflationary problem within the Community.

I would therefore agree, on behalf of the Commission, with Mr Albers and with Mr Glinne that the type of reform proposed by Sir Brandon is bound, I am afraid, as I think Sir Brandon concedes, to be a long-term business. It is, however, the Commission's policy, expressed in the guidelines to the Social Action Programme, to establish minimum standards which are capable of being regularly improved.

I think that what came out of the debate generally was the intense preoccupation which I think is felt in all quarters of the House, and in these days throughout the Community, about the overshadowing magnitude of the unemployment problem, particularly as it faces so many of the young people leaving schools and colleges. There is, I think, an increasing awareness that this is not merely a problem associated with the present recession, but that once the recession begins to disappear we shall have left behind a more permanent problem of structural unemployment, especially among young people. It is natural and inevitable that we all give priority in the social policies of the Community to try to deal with that problem.

Nevertheless, I personally — and I think that I speak for the whole House in this — welcome the note of longer-term idealism that was inherent in the proposals that Sir Brandon put before us. It is important that we keep our eyes on the longer-term perspectives as well as facing the shorter-term problems. When Sir Brandon talked about the philosophy behind his ideas as being the creation of a Community of concern and compassion with a guarantee of freedom from poverty and neglect for all its citizens, I am sure that that is the kind of Community that all of us in all the different political parts of the House would wish to see achieved in the end.

*(Applause)*

**President.** — I call Sir Brandon Rhys Williams.

**Sir Brandon Rhys Williams.** — I should like briefly to thank all those who have contributed to the debate but particularly Mr Thomson. I listened closely to that he said. He gave me what I asked for, which was a commitment on the part of the Commission to study the specific areas which I have outlined in paragraph 2 (A). That, I think, meets the point that Mrs Ewing made, and I was particularly grateful to her for her warmth and support.

My view is that having this commitment on the part of the Commission makes it necessary for me to move my amendment. I think that the Commissioner has united the House, and there is nothing that I would like better than to feel that the European Parliament

**Rhys Williams**

can go forward in unanimity on the basis of Mr Glinne's report.

I am happy to read it in the sense in which the Commission is reading it. Success for my motion in the reponse of colleagues to the resolution put forward by Mr Glinne is better than a victory in terms of the precise wording which I originally drafted, which might lead only to controversy in the end.

I hope that we can go forward united in our resolution to bring poverty to an end in our Community as quickly as possible. If perhaps I differ from colleagues, it is that I shall not be content to see this as a lifetime job.

**President.** — The general debate is closed.

We shall now consider the motion for a resolution.

I put the preamble and paragraph 1 to 4 to the vote.

The preamble and paragraph 1 to 4 are adopted.

On paragraph 5 I had Amendment N° 1 tabled by Sir Brandon Rhys Williams on behalf of the European Conservative Group, Lord Gladwyn and Mr Yeats :

In this paragraph replace the words this resolution by paragraph 2 of the Rhys Williams motion for a resolution (Doc. 382/75.)

Sir Brandon, however, wishes to withdraw his amendment.

I therefore put paragraph 5 and 6 to the vote.

Paragraphs 5 and 6 are adopted.

I put the motion for a resolution as a whole to the vote.

The resolution is adopted.<sup>1</sup>

*16. Tabling of a motion of censure*

**President.** — I have received from Sir Peter Kirk on behalf of the European Conservative Group a motion of censure on the Commission of the Communities.

This motion of censure will be printed and distributed under the number 109/76.

It will be debated in accordance with the procedure of Rule 21.

I call Mr Hamilton for a procedural motion.

**Mr Hamilton.** — Mr President, what does the reference to the particular rule imply? Does it imply a debate tomorrow?

**President.** — No. Under the provisions of Rule 21, the debate on such a motion must take place at least 24 hours after its receipt. In view of that, it cannot now be debated at this part-session and therefore will be debated at the part-session in June.

<sup>1</sup> OJ C 125 of 8. 6. 1976.

*17. Oral question with debate :  
Community action on urban decay*

**President.** — The next item is the oral question with debate by Mr Barnett, Mr Albers, Mr Albertsen, Lady Fisher of Rednal and Mr Prescott (Doc. 78/76) :

Subject : Community action in relation to problems of urban decay

Many cities in Europe are suffering from the problem of urban decay which gives rise to serious social and economic problems for those who live in inner-city areas.

1. Has the Commission made any studies, or does it intend to do so, to ascertain the extent of this problem within the Community?
2. Does the Commission intend to make any proposals for Community action to deal with the situation, or has it already done so?
3. To what extent could the Social Fund and/or the Regional Fund be utilized to combat the problems prevalent in inner-city areas, or would the Commission consider the possibility of setting up a fund specifically for this purpose?

I call Lady Fisher.

**Lady Fisher of Rednal.** — I shall not keep the House very late at this time of the evening. Our cities grew from economic activity, and much of the dereliction and urban decay arises from the movement of people and industry away from city centres.

The solution of giving families the opportunity to live in new town housing and to work in new factories in those areas is a commendable one and one which I fully support, but the problems of urban decay arise in the inner parts of our towns and cities and arise very often from this particular action.

Most large cities in every one of the Member States have their deprived areas, due very often to the fact that they were not planned cities. Their development was uneven and related to the economic situation at the time the building took place.

I appreciate that the opportunities for rehabilitation of these deprived areas will perhaps be costly and that there may be a limit on the options for solving many of the problems. In inner city areas there is normally a preponderance of old and decaying dwellings which are used for housing. According to the town or city concerned, these dwellings are often described as giving the area character. That is not always the description applied to them by the people living in those dwellings.

In these areas there is a run-down atmosphere, a real sense of feeling neglected, a feeling that they are forgotten by society generally, by politicians, by governments, by everybody. Frustrations manifest themselves in many serious social problems. We find the easy breakdown of marriage in these areas and very serious female ill-health. There are also the problems of juvenile crime and vandalism.

### Lady Fisher of Rednal

These inner city areas often become the areas where the migrant workers and the very underprivileged people in society live. Because of this problem, they create a very highly volatile situation where prejudice can easily breed and which is obviously a grave cause of concern.

It is to these problems and others that the questions that we pose today relate. We are asking for special attention from the Commission.

*(Applause)*

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I greatly welcome the fact that Lady Fisher and her colleagues have brought this subject before the House for debate. What the speech she has just made helps to do is put the regional policies of the Community in general in what ought to be their proper perspective.

The Regional Development Fund of the Community, for which I have a personal responsibility within the Commission, for example, is concerned primarily with what are the traditional under-privileged regions of our society — the regions of agricultural poverty or the regions of over-concentration of early 19th century building which are now in decline.

We are sometimes so busy working on these problems that we forget that the regional problem of the Community should be seen as a whole. It includes the living conditions of our cities, and certainly includes the problems of the policies of renewal in the centres of our great conurbations to which Lady Fisher drew attention.

It was for that reason that when the Community was establishing the new Regional Development Fund a year ago we set up alongside it something which is certainly as important as the new fund. That is the new Regional Policy Committee, which is a committee of senior officials in the development field in general within our Member States, and I personally insisted that we had written, by regulation, into the mandate of that committee — into the obligations of that committee — the question of dealing with urban congestion. That committee has now begun its work, and we are seeking to provide it with the material of research studies which will help it to do that work constructively.

I turn first to the question that Lady Fisher asked — that is, for some information about the kind of studies that are going on at present. There are, I think, five separate studies being conducted by the Commission in various ways. Two of these are in the field of the environmental services of the Commission. One of them is dealing with the general problem of town centres in modern cities. They are problems to which Lady Fisher has just drawn attention. The other one is studying in a more general sense the urban policies of Member States.

The first study will be available to the Commission this year. The second should be finished next year. Three studies are being conducted under the regional policy department of the Commission. One is a study of the decentralization or decongestion problems in Copenhagen, the results of which, I hope, will be of wider interest than simply for our Danish colleagues. That will not be complete until 1978.

There is to be another study next year about decentralization in Germany. There is a general study of the problems of geographical concentration in relation to finding jobs for people and in relation to the location of industry. The results of that should be available this year.

The question whether these studies will all be published at the end of the day depends, first, on an estimate being made of their real value, because one does not want to add to the mountain of paper that we all have in the Community. This depends to some extent on the availability of finance for publication.

I would say to Lady Fisher that it would certainly be our aim to make the information available in all these studies accessible to members of the Committee on Regional Policy, Regional Planning and Transport if the committee feels that this would be useful.

Of course, what matters much more than studies is the action that flows from the studies or from Community policies even without studies. Here, as a Community, we have been able to initiate over the last few months the beginnings of a social programme deliberately concentrated on the problems of urban poverty in the centres of our cities.

The Commission was able last July to get the Council of Ministers to agree on a series of pilot schemes lasting over two years and costing the Community altogether six million units of account. These schemes are financed to the extent of 50 % from Community funds and 50 % from funds in the Member States. In November the Commission approved 25 such projects, several of which are concerned directly with urban renewal.

Each scheme has a different emphasis. For example, one in Brussels is concerned with providing means for immigrants and low-paid workers to get across to the public authorities their anxieties about their own living conditions and about the development taking place in the inner-city areas of Brussels. This pilot scheme will study the effects of housing renovation and try to ensure that people are not displaced permanently and that a large-scale slum is avoided. Another scheme in Copenhagen is looking at the problem from a different angle. It seeks to help people who have been rehoused permanently in new urban dwellings and to resolve their resettlement problem with help from the social services.

**Thomson**

In Britain there is a series of schemes, some concerned with family day-care centres in the heart of the London conurbation and some with the care of children of one-parent families. I should be happy to provide further details of any of these for Lady Fisher and her colleagues.

I emphasize that all of these projects are very modest. It brings us down to the fact that Community policies in these areas are still at a very early stage of development. It brings us down to the fact, of which I never tire of reminding the House, that the Community budget altogether amounts to about one half of 1 % of the national wealth of our respective states. Three-quarters of that relatively small budget goes to one particular section of Community activity. At present, I believe I am correct in saying, out of about 7 500 m u.a., 5 500 m u.a. are taken by agriculture. Even if we were to exploit fully the financial resources available under the present system of the Community's 'own resources', we should have only approximately 11 000 m u.a. available to us. Therefore, half of the total sum would still be going to our agricultural policies which are, of course, a very important element of the Community.

I mention that because one must see realistically what the limits are and recognize whether we are able to persuade our member governments to see Community policies in a much wider context. The main responsibility for dealing with these problems of urban renewal will continue to rest with the national governments.

As I see the matter, the problems lying immediately ahead of us, arising from Lady Fisher's speech, are, first, to try to establish the kind of effective regional policy which endeavours to bring the economic resources of the Community, the private capital of the Community, to where the human resources of the Community are, rather than adding to our existing urban problems by pressing more and more migrants of various kinds into the cities.

Secondly, we must try to establish some sort of Community basic rules to prevent one country of the Community and one region of the Community bidding against other regions in a Dutch auction for a limited amount of new industry. The people in the poorer regions suffer most from that. Even in the richer regions there is a problem. In the Randstad of the Netherlands, where the Dutch Government have sought to take some very positive steps to prevent overcrowding in their great urban areas, they see the industry going across the estuary of the Schelde into the national territory of a neighbouring Member State of the Community.

Finally, we must all face the fact that there are some very difficult new problems of employment to be faced when the present recession disappears.

I believe that Lady Fisher comes from the Midlands of the United Kingdom. One of the surprising and

disturbing features of the new is that unemployment rates in the Midlands are now beginning to run at the levels we used to associate simply with the traditionally depressed areas of the United Kingdom. What is true of Birmingham is true of the industrial areas of Germany and other areas in the Community which have been accustomed in the past to regard high levels of employment as something taken almost for granted.

For those reasons, I believe there is an immediate challenge to the Community, as has emerged during the debate. It is to seek a much more effective coordination of the various policies of the Community in this regard. The Social Fund, Regional Fund and environmental policies of the Community should be integrated and seen as a whole.

One of the last tasks of the present Commission, which is about to end its term of office, will be to do some of the thinking about how to achieve that. One of the first tasks of the new Commission that will take up office at the beginning of next year will be to undertake the review of the Social Fund, which is down for 1977, and the review of the next stage of the Regional Fund, which is down for 1977.

I hope that the kind of debate that Lady Fisher has initiated will help to create positive ideas by which the Community can begin to have a real regional policy, dealing not only with the under-privileged regions but with the problems of urban renewal to which Lady Fisher has correctly drawn attention.

*(Applause)*

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — Are allowances being made in the study of central Brussels for the siting of the European Parliament in that area? *(Laughter)* I wish to have an answer from the Commissioner one way or another.

**Mr Thomson.** — My friend is very ingenious in raising this subject. However, it is not relevant to the question being debated at present, which deals with the problems of urban renewal and urban poverty in the heart of our great cities.

The siting of the European Parliament should properly be dealt with in its own context on the agenda.

**President.** — Since no-one else wishes to speak the debate is closed.

I call Mr Fellermaier for a procedural motion.

**Mr Fellermaier.** — *(D)* Mr President, in view of the late hour and our duty towards the welfare of the interpreters, you ought now to check whether items on the agenda may not be held over to tomorrow, since it is expressly stated that items not disposed of on Thursday may possibly be dealt with on Friday.

**President.** — I call Mr Mitterdorfer.



**Mr Mitterdorfer.** — (D) Since, on Monday, this item was removed from the agenda for Friday and brought forward to Thursday I would find it rather strange for it to be put back again. I feel that this matter can be disposed of very quickly.

**President.** — I call Mr Normanton.

**Mr Normanton.** — I concur with the idea of taking my oral question, if I may so suggest, as the first item on Friday's agenda. In the circumstances, I am strongly in favour of following that course.

**President.** — As has been pointed out, it was in any event proposed that we might finish today's business tomorrow. I therefore suggest that we take Mr Mitterdorfer's report as there are no speakers listed. We can then adjourn the proceedings until tomorrow.

Are there any objections?

That is agreed.

#### 18. *Directives on the elimination of technical barriers to trade*

**President.** — The next item is the report drawn up by Mr Mitterdorfer on behalf of the Committee on Economic and Monetary Affairs (Doc. 73/76) on the

proposals from the Commission of the European Communities to the Council for the elimination of technical barriers to trade in goods, in particular the proposals for directives on the approximation of the laws of the Member States relating to

- measuring systems for liquids other than water
- the marketing of high nitrogen content ammonium nitrate based fertilizer
- the permissible sound emission level for tower cranes
- the permissible sound emission level for current generators for welding
- the permissible sound emission level for current generators for power supply
- check-weighing and grading machines.

I call Mr Mitterdorfer.

**Mr Mitterdorfer, rapporteur.** — (D) Mr President, ladies and gentlemen, once again I have the honour to present to you a report on behalf of the Committee on Economic and Monetary Affairs on the elimination of technical barriers to trade.

As regards the content of the proposed directives today submitted for our consideration, they have in common — though relating to different goods — the fact that they are based on the principles laid down by the Council in its Decision of 28 May 1969 and brought into force by its Resolution of 17 December 1973 in connection with industrial policy.

These are the so-called status quo principles, namely compulsory notification, mutual recognition of tests, adaptation to technical progress and finally optional or total harmonization.

For years, the Committee has considered it was bound by these principles in the framework of its responsibility for the Community's internal market and, whenever possible it checked proposals for directives on the elimination of obstacles to trade against these principles even when lumped together and relating to widely different goods.

After all, we are a political institution and our judgement on proposals for technically-oriented directives should therefore also be primarily political. The existing procedure is, of course, unsatisfactory. The Committee on Economic and Monetary Affairs has therefore taken this opportunity to draw the Commission's and Council's attention to the need for a speedier and better organized procedure for the elimination of technical barriers to trade and one which guarantees effective intervention and monitoring by the Community Institutions. The European Parliament would when be in a position to examine the elimination of barriers to trade — broken down by sectors — and to say what would be important for the understanding of our position.

In this connection I am happy to be able to tell the House that the Commission received most favourably the proposal of your Committee on Economic and Monetary Affairs which — as you will remember — suggests that action programmes should be drawn up to eliminate technical barriers to trade. These programmes should contain the basic principles and be legally binding.

The Commission should then submit outline directives to Parliament and the Council, pursuant to Article 100 of the EEC Treaty. The technical implementing provisions should then be laid down by the Commission on its own responsibility, pursuant to Article 155 of the Treaty.

As the European Parliament, we must insist that the existing decision procedure in the Council should be speeded up. As has already been said, the first programme for the elimination of technical barriers to trade was already laid down by decision of the Council on 28 May 1969. During the 4 years that followed, it proved impossible to keep to the timetable set out in the decision and the programme had to be revised in 1973.

Since that time, further considerable delays have again occurred in relation to the revised timetable. For example, the Council was to have adopted 23 proposals for directives in the foodstuffs sector by 1 January 1976. In fact only 3 have been adopted. In the industrial goods sector, 60 directives were to have been adopted between 1974 and the end of 1975 whereas in fact the Council has only approved 25.

In the Ninth General Report the Commission complains specifically about this unacceptable situa-

### Mitterdorfer

tion and the European Parliament must not relax in its criticism of the indecision of the Council.

I have already spoken on earlier occasions about the importance of the question of unrestricted trade in goods for the competitiveness of European industry. These barriers to trade have the effect of dividing up the market and undermining the efforts made to rationalize the Community's industrial production resources. For this reason, as Parliament, we must persistently urge the Council to meet its obligations as it ought and to streamline the scrutiny and adoption procedure.

Precisely because we live in such economically-speaking difficult times, and because unilateral frontier and exchange control measures are being introduced, it is especially important that we should, in this area, endeavour to go on dismantling, whenever possible, at least the technical barriers.

I shall not keep the House by dwelling on the individual directives but instead I shall deal with the central problem, namely the harmonization method that is proposed. In this connection I would say that it is our view that total harmonization should be aimed at wherever possible. It has to be said, however, that optional or part-harmonization features increasingly in the proposals before us. Whilst this part-harmonization admittedly means that the goods covered by the Community rules must be allowed into every country, at the same time it allows the standards applicable in the individual Member States to continue in force.

Clearly this no longer guarantees the free circulation of goods. On the other hand we realize, in view of the often considerable economic interests involved particularly in a time of economic difficulties, that compromises have to be worked out and that, in certain circumstances, harmonization measures which go too far, because they could create difficulties for certain industries and in particular for small and medium-sized firms and could also affect the employment situation, have to be dropped. For this reason the Committee on Economic and Monetary Affairs agrees to the optional approach. On the other hand, the Commission should be expected to give a more detailed explanation in each case for the reasons why it proposes optional harmonization. Only then will the Committee on Economic and Monetary Affairs be in a position to judge a proposal.

With these brief basic considerations I come to the end of what I have to say and would ask you to approve the motion for a resolution submitted to you and the amendments recommended by the Legal Affairs Committee which are accepted as they stand by the Committee on Economic and Monetary Affairs.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — Mr Mitterdorfer will perhaps excuse me if I do not follow

him at this stage of the evening into his interesting general remarks about optional harmonization or non-optional harmonization. I shall concentrate on the resolution before us.

The Commission would like to thank Mr Mitterdorfer for his report and for the characteristic care with which he has presented it tonight. The Commission welcomes the resolution of Parliament, in particular the importance it attaches to the need for accelerating procedure for the elimination of technical barriers to trade. To give practical effect to the resolution, the services of the Commission have been preparing a test case which we hope will be submitted to the appropriate committee of Parliament in the near future. As for the test case, my colleague Mr Gundelach will remain in permanent contact with the committee about it. I turn now to the proposed amendment to Article 6.2. The Commission prefers the original wording of this proposal, because it states that the Commission will be informed of all draft laws, regulations or administrative provisions which the Member States intend to adopt, in sufficient time to enable the Commission to submit its comments. The proposed amendment to Article 6.2 envisages adding the words:

'which the Member States have adopted'.

That refers to the laws which the Member States have adopted. In such a case, in the view of the Commission, the Commission might not have sufficient time for the necessary examination of the law or regulation. For that reason we urge Parliament to agree to retention of the original wording.

As for Article 4.2 of the proposal for checkweighing and grading machines, the Commission proposes to make that identical to Article 6.2 of the proposal, which I have just mentioned. In short, the Commission takes the view that all proposed legislation in the area governed by the directive should be seen by the Commission's services before adoption by member governments. That will give the Commission the opportunity to present its observations in good time and consequently offer greater security to Member States in the adoption of their own national legislation.

Finally, we note with satisfaction the general approval by Parliament of these proposals, in particular the proposals relating to ammonium nitrate fertilizer.

**President** — The general debate is closed. We shall now consider the motion for a resolution.

I put the preamble and paragraphs 1 to 4 to the vote.

The preamble and paragraphs 1 to 4 are adopted.

After paragraph 4 I have Amendment No 1, tabled by Mr Liogier on behalf of the Group of European

**President**

Progressive Democrats, Party, inserting a new paragraph 4(a):

- 4 (a) Confirms, in connection with the Council directive on the marketing of high nitrogen content ammonium nitrate based fertilizer, that where public safety is concerned it has always preferred total harmonization; draws attention to the outline directive of 27 June 1967 on the classification, labelling and packaging of dangerous substances and takes the view that the special provisions on ammonium nitrate based fertilizers should comply with the general provisions of that directive;

I call Mr Hunault to move this amendment.

**Mr Hunault.** — (F) Mr President, ladies and gentlemen, the motion for a resolution adopted by the Committee on Economic and Monetary Affairs is confined to general aspects.

The purpose of the proposed amendment is to recall firstly Parliament's unchanging position with regard to the need for total harmonization in everything relating to public safety and, secondly, the outline directive of 27 June 1967 regarding the classification, labelling and packaging of dangerous substances.

It was his concern for consistency between this outline directive and the specific directive on nitrate-based fertilizers that was in the mind of the author of this amendment, which I propose you should adopt.

**President.** — What is the rapporteur's position?

**Mr Mitterdorfer, rapporteur.** — (D) Mr President, I would like to say the following about this proposed amendment.

As regards the first part, the amendment expresses what we have said as well. In the normal way we should strive for total harmonization. Precisely in the areas of safety and public health we feel it is essential to achieve total harmonization. The amendment says that this should be examined and possibly introduced. I feel I can agree to this part.

As regards the second part, I would not like to get involved in a technical discussion on a difficult chemical and agricultural problem. The technical discussion with the specialized authorities takes place in the Commission and I have to assume that the Commission has checked all these matters thoroughly. For my part I would like to hear the opinion of the Commission on this point and, for the rest, leave it to this House to vote for or against it.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I have expressed the Commission's view and have nothing further to add.

**President.** — I put Amendment No 1 to the vote. The amendment is rejected.

I put paragraph 5 to the vote.

The paragraph is adopted.

I put the motion for the resolution as a whole to the vote.

The resolution is adopted.<sup>1</sup>

### 19. Agenda for next sitting

**President.** — The next sitting will take place tomorrow, Friday, 14 May 1976, at 9.30 a.m., with the following agenda:

- Oral question with debate by Mr Normanton to the Commission of the European Communities on the Concorde aircraft;
- Vetrone report on tariff quotas on heifers, cows and bulls;
- Nyborg report on the permissible sound level of motor cycles;
- Nyborg report on the field of vision of motor-vehicle driver (without debate);
- E. Muller report on the repayment of import or export duties;
- Schwabe report on the emission of pollutants from diesel engines;
- Brégère report on jams, jellies and marmalades;
- Lagorce report on the protection of the Mediterranean;
- Joint debate on the De Clercq report on access to occupation of carrier of good by waterway, and Albers report on the recognition of diplomas for carriers.

I call Mr Albers for a procedural motion.

**Mr Albers.** — (NL) Mr President, would it be possible to bring forward slightly the discussion of items 109 and 110? The fact is that I have accepted to present the former on Mr De Clercq's behalf but I find myself in a somewhat difficult situation because I have to leave the Assembly at about half past ten in connection with other duties in the framework of the European Parliament.

**President.** — It is very unlikely that the sitting will go on late in the morning. If you wish to raise the matter, I think it would probably be better to raise it in the morning, when there will be more people present than now.

The sitting is closed.

(The sitting was closed at 8.55 p.m.)

<sup>1</sup> OJ C 125 of 8. 6. 1976.

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IN THE CHAIR : MR SANTER

*Vice-President*

(The sitting was opened at 9.30 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. *Documents received*

**President.** — I have received from the Council of the European Communities

(a) requests for opinions on

- the proposal from the Commission of the European Parliament to the Council for a regulation opening, allocating and providing for the administration of Community tariff quotas for certain wines of designation of origin, falling within sub-heading ex 22.05 of the Common Customs Tariff, originating in Algeria (1976-77) (Doc. 53/76).

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

- a proposal from the Commission of the European Communities to the Council for a directive on the limitation of noise emission from subsonic aircraft (Doc. 59/76).

This document has been referred to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible and to the Committee on Regional Policy, Regional Planning and Transport for its opinion;

- (b) a proposal for the transfer of appropriations between chapters in Section II: Council, Annex III: ECSC Auditor, of the general Budget of the European Communities for the financial year 1976 (Doc. 110/76).

This document has been referred to the Committee on Budgets.

3. *Oral Question with debate: Concorde aircraft*

**President.** — The next item is the Oral Question, with debate, by Mr Normanton to the Commission of the European Communities, on Concorde aircraft (Doc. 108/76):

Will the Commission use its best offices in the international field to ensure that Concorde aircraft go quickly into service on the air routes around the world?<sup>1</sup>

I call Mr Normanton.

**Mr Normanton.** — The Treaty of Rome, which provides the legal basis upon which this Parliament was founded, has as one of its many highly laudable objectives the promotion of coordination and cooperation in all aspects of life within and throughout the European Economic Community. I therefore

<sup>1</sup> This question, which was originally tabled in the form of an oral question without debate, has been converted, on a proposal from the enlarged Bureau and with the agreement of its author, into an oral question with debate.

### Normanton

suggest that it follows logically that whenever we as European parliamentarians see evidence of such cooperation, however or wherever it happens to arise, it behoves the House to give full credit where it is due.

There are undoubtedly honourable Members of the House who have been highly critical of the ability of European industry to compete effectively in world markets, particularly in the high technology sector, an area which regrettably is deemed by many to be dominated by the United States.

There may still be some honourable Members who see in the European Economic Community an institution which might serve as a bulwark against any such domination. For the record, I wish to make my position quite clear and say that I do not accept or share that view.

Where, however, in the Community technological excellence and commercial enterprise is so strongly in evidence, as it is, I believe, in the case of Concorde, this House should applaud it, express pride in it and ask the Commission to throw the greatest possible weight and influence behind its successful exploitation. This is the point and purpose of my question.

In 1961 two independent European aircraft manufacturing companies, Aérospatiale in France and Bristol Siddeley in England, a company which later changed its name to the British Aircraft Corporation, took an initiative. They decided to pool their resources and their know-how and to produce a major breakthrough in this field of high technology, to produce a commercial aircraft which would operate at twice the then generally accepted limits of speed and altitude. By 1962 their respective national governments agreed to give them backing, and in 1963 work was underway.

At its peak there were, I understand, as many as 55 000 men and women in France and in Britain working at the two major assembly plants and also in a very large number of small firms as sub-contractors — the biggest single case in European history of transnational cooperation from the drawing-board right through to the finished product.

This House is, of course, fully aware that there have been critics — and no doubt there will continue to be critics — who challenge the wisdom of having started with the Concorde project, but I suggest to the House that no one here has a right to challenge the technical achievement in itself.

In February of this year, Air France and British Airways introduced Concorde into commercial service, the former between Paris and Rio de Janeiro, the latter between London and Bahrein. Both services are, I understand, proving very worth while in a highly competitive market, giving greatly improved service to the public and, at last, beginning to give a profitable return to the operators.

On 24 May, Concorde aircraft will open up a further route, and this will be across the Atlantic. I am

completely confident, and I hope that the House will share this confidence, that this will prove an even greater success than the operations to date, since this is precisely the kind of route for which Concorde was designed — over open seas, with no problems arising because of aircraft noise and the like. The aircraft will undoubtedly fly at optimum efficiency almost from take-off to landing.

But the House should not underestimate the obstacles which lay, still lie and are being made to lie in the path of greater acceptance of Concorde by world airlines. We in Europe know only too well what we mean when we refer to non-tariff barriers. As the Parliament of the European Economic Community, we are committed to abolishing, and are certainly actively engaged in abolishing, these undesirable barriers in the path of trade.

Concorde acceptance, its purchase and its operation depend upon the setting aside of that kind of opposition, which might at best be described as of dubious validity and at worst as sheer unscrupulous duplicity. It is here that I ask the Commission to instigate an urgent inquiry into the nature of the opposition to greater and wider acceptance of Concorde.

If the Commission finds — and I think that it may well find — that the opposition is spurious and for reasons of trade protection, I ask it to take such energetic and urgent steps as it considers necessary to deal with this appropriately. As the biggest single aircraft-operating territory outside the United States, I believe that we, the Community, have the leverage. I hope we will show that we also have the will to use it.

Before I sit down, Mr President, the House may well be interested to learn that 12 members of the Committee on Energy, Research and Technology last year had an opportunity to participate in proving flights of Concorde. Individuals flew to Bahrein and to Gander. Indeed, on one of those flights crossing the Atlantic between London and Gander, the Concorde aircraft broke the record time for the crossing. It crossed in the space of two hours seventeen minutes. I think that is really evidence of European technological capability.

I might also add that during the proceedings of this part-session of the Parliament there have been, and still are, in the public gallery representatives of the management of the manufacturers of this superb aircraft. They have been greatly inspired by what they have seen taking place in this European political forum. They have voiced their enthusiasm for the commercial and technical experience of close cooperation across Community frontiers. They have expressed their complete faith in the Concorde aircraft itself and in their own industrial and technical capabilities. I only hope that this House and the Commission will endorse that enthusiasm and that confidence with its — the Commission's — energetic support.

*(Applause from the centre and from the right)*

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — The Commission is grateful to Mr Normanton for asking this question and for raising a discussion on the position regarding Concorde. Whatever the arguments of the past about costs and other aspects of Concorde, these arguments are over. The plane is now flying across the skies of the world, and, as one who took some part in the political arguments in the past, I must confess that every time one sees it on the ground or in the air one feels a sheer thrill of satisfaction at the technological grace and beauty of this aircraft, and in a very real way it now stands as a symbol of European technological advance, as a symbol of the kind of European technological community that we in the European Community seek to create.

In any case, the fact is that the Concorde is now flying on various air routes in the world, and it is in Europe's interests to see it in service as quickly as possible on as many routes as possible.

Having said that, I must remind the House that overflying and landing rights for aircraft remain areas in which the Member States retain full competence and in which the Commission has a very limited role. Therefore, there are sharp limits on what the Commission can do to respond to Mr Normanton's appeal to promote the extension of Concorde's services. Nevertheless, I think that the Commission can claim that it is pressing up as hard as is practicable against the limits that are imposed upon it. It has, whenever there has been the opportunity, even in the absence of common Community policies in the air transport field, sought to act in favour of Concorde. For example, the Commission delegation to Washington recently expressed to the United States Secretary of Transportation the Commission's anxiety lest a negative decision on American landing-rights for Concorde should have repercussions on commercial and industrial relations between the Community and the United States.

In the meantime, the Commission continues its efforts to promote common policies in fields which will have a vital effect on the future of Concorde — fields such as landing-rights and overflying rights where a common Community position would mean an immense practical strengthening of the Community's role.

The Commission has made a proposal to the Council for the common negotiation of agreements, and this was communicated to the Council on 1 October of last year. In addition, as the House knows, the Commission has taken a major initiative in seeking a coordinated industrial policy for the civil aeronautical industry. In all these ways we shall press ahead, hoping to help to create the kind of environment which will ensure the ultimate success of the Concorde aircraft.

*(Applause from the centre and from the right)*

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

**Mr Hunault.** — *(F)* Mr President, ladies and gentlemen, I should like to address Mr Normanton, on behalf of the Group of European Progressive Democrats, and say how grateful we are to him for having allowed us, thanks to this question, to raise the problem of the Concorde aircraft in this House. The difficulties with which the Concorde is meeting at the various airports, and particularly those on the other side of the Atlantic, are disturbing indications of American sectarianism in relation to the advanced-technology aeronautical industry.

I will, if I may be allowed, express one regret regarding the organization of our proceedings. I feel that a debate on a question of such importance concerning the interests, even prestige, of Europe should be better prepared and take place at some other time than the end of a part-session.

However that may be, I take this opportunity to express our opinion on Europe's attitude towards the censurable, to say the least, and worrying measures taken against Concorde in the United States. The attitude is disappointing.

The fact is that while there is not one single discordant voice in the chorus of European nations when it comes to proclaiming that Europe needs to have its own advanced-technology industries or that the future of Europe is bound up with the development of advanced-technology sectors such as research, computer technology, nuclear power and aerospace, whenever Europe has an opportunity to promote truly European achievements we find these grand unanimous statements crumbling away into hesitation and discord, to be immediately followed by decisions of no consequence.

The European aeronautical industry has suffered and is still suffering from this affliction. What is Europe doing to fight United States discrimination? It is just standing by while measures of trade discrimination are accumulating, the American market is gradually closing its doors to European industry and agriculture and the American government is taking one isolationist measure after the other.

Meanwhile, Europe remains divided and appears to take no interest in its finest achievements. Are the powers that be in Europe waiting for a threat from Concorde workers to prevent American aircraft from landing at our airports?

Europe once suffered from the brain drain because of its technological weakness; today, Europe has hoisted itself up to world level in a number of advanced-technology industries, including the aeronautical industry. Unfortunately, European solidarity no longer

**Hunault**

appears to be displayed as it should. It is high time that Europe acted. We feel there is a need for discerning and energetic action by the Commission, without delay, to help ensure that the Concorde is increasingly brought into service on air routes around the world and so bring into being a real European aeronautical industry.

*(Applause from the centre and the right)*

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — I am as interested in Concorde as is Mr Normanton or anyone else in the House. I went on a testing flight over the Bay of Biscay — not to Bahrain or Gander. Parts of the engine of Concorde are made in my constituency.

I hope that there is no question of the Commission's instigating an inquiry, as Mr Normanton would have, into opposition to Concorde. Some of us think that this is not the business of the Commission. It is all very well to ask, as Mr Hunault did, for energetic action by the Commission. We have to be clear what is the Commission's role. Mr Thomson, in his reply, seemed to give the impression that the Commission had a role. If it has, it should be made abundantly clear precisely what the Commission's role is. I am glad that Mr Hamilton, the chairman of the Committee on the Rules of Procedure and Petitions, is in the House, because we are wondering by what alchemy this item arrived on the agenda on Friday morning out of the proverbial blue. Bluntly, I think that it is an abuse of the procedure of the European Parliament, and I hope that Mr Hamilton and his committee will look into what has happened.

*(Applause from certain quarters on the left)*

**President.** — I call Mr Fellermaier to speak on behalf of the Socialist Group.

**Mr Fellermaier.** — *(D)* Mr President, I did not intend to intervene in the debate and join in the hymns of hate or praise about the Concorde; but the cheap sophistry of a Gaullist who has used the Concorde as a platform for his anti-Americanism cannot go unanswered. For someone speaking on behalf of the Group of Progressive Democrats, it seems to me not progressive but, in fact, regressive to make sweeping statements and flatly accuse Europe's ally, the United States of North America, which is helping to safeguard peace by its military presence in Europe, of wanting to shut itself off from industrial and agricultural imports and then to link that up with the contentious question whether Concorde workers ought not to ban American aircraft companies from landing in Europe. I believe there are a few other aircraft manufacturers in addition to Concorde. There is the Fockler Company in the Netherlands, to name one. There is VFW in Bremen, in my country, to name another. There are also other European projects.

So please let us not behave as though the people who take decisions in America do not take them as freely-elected representatives of the nation. If an American Senator or Congressman personally reaches a parliamentary decision I respect him because I take the view that over there the decisions we take in our Parliaments and in the European Parliament are respected as well.

At a time when we are striving to dismantle obstacles to trade, to do everything we can for international understanding and to strengthen interparliamentary cooperation, when contacts between the American Congress and the European Parliament are being steadily promoted, and when our colleagues in Dublin have for the first time been in a position to come to an agreement with their American colleagues on working out a code for the judgement and behaviour of multinational firms, I do not think it serves any purpose to build up post-Gaullist barriers that do not exist. For my group I wholly reject this, because we are supporters of international cooperation.

*(Applause from the left)*

**President.** — I call Mr Hamilton.

**Mr Hamilton, chairman of the Committee on the Rules of Procedure and Petitions.** — I rise only because of the intervention of Mr Dalyell and the points he made concerning the way in which this matter has been raised.

If my recollection is correct, Mr Normanton raised the question yesterday, as was his right. I gathered — I was present when the President made his ruling — that the debate would take place as the last item of yesterday's business. That is what I understood, if that was not the case, certainly the President ruled that it would be acceptable to take the debate during the current part-session.

For my part, the matter rests there with one exception. I hope that in the very near future the House will discuss a paper on procedural questions which has now been prepared by my committee for a debate to be held in a plenary session of this Parliament. I hope that the House will accept this in order to prevent possible abuses. I am not saying that there has been an abuse, but this procedure could quite easily lend itself to abuse.

Mr Normanton said that in the public gallery there are some of the directors of the companies concerned. There is nothing wrong with that. However, I should like some investigation of how they have got there and how this has been engineered. It might make interesting reading.

In my view, this is the kind of pressure to which we must have regard. It may be perfectly correct procedurally, but we have a right to know the facts. That is all I am saying. I am casting no aspersions. I am saying



**Hamilton**

merely that it seems a strange coincidence that we have arranged the debate, that the makers of the plane are upstairs and that Mr Normanton has come here and made this propaganda for the companies.

I agree with some of the technical arguments that have been put forward. I shall not repeat them. I happen to believe that Concorde is a magnificent example of what can be achieved by technological cooperation within the Community in a much wider sphere. However, beyond that, I do not believe that this House has any competence at all. I do not believe that it is right to come here and present a spurious case saying that somehow the Commission must make a ruling.

We can object in our own national parliaments, as we do, about the ways in which the United States in particular is going about seeking to thwart the commercial capabilities of this aircraft. It will be for nation-states themselves within the Community to take what action, by way of retaliation, they choose in this respect. However, it would ill become the Commission to make any pronouncement on such a question. We stand for quite the reverse of what the Americans might do. Of course, if there is room for joint action by members of the Community, no doubt they will take that action as they see fit.

We must look very carefully at the danger — and I revert here to the procedural question — of having debates of this kind projected by questionable tactics. I think I had better leave it at that.

**President.** — I call Lord Bessborough.

**Lord Bessborough.**— I wish to make two points.

First, this question was discussed in some depth at the meeting of the Bureau in Paris, when Mr Fellermaier was present. I understand that he was also present in the Bureau yesterday. It was agreed by the Bureau that this should be an oral question with debate. That may answer the procedural point raised by Mr Dalyell.

I wish to make one further point in connection with what Mr Fellermaier said. I am certain that Mr Normanton, in presenting this question, did not mean in any way to overlook the other cooperative efforts, such as the European Airbus, in which Germany has played such an important part together with France and Britain, the multi-role combat aircraft, equally a European project, in which Germany has played a great part, or such cooperative efforts as the Jaguar Strike Trainer, the helicopters and so forth.

As Mr Fellermaier said, there is a number of cooperative projects. I believe that we should draw attention to these cooperative projects as well as to Concorde, although Concorde perhaps represents the greatest technological advance so far made in the civil aircraft industry.

Otherwise, I strongly support Mr Normanton in urging the Commission to facilitate in every way

possible the passage of Concorde in the skies of the world.

**President.** — I call Mr Hunault.

**Mr Hunault.** — (*F*) Mr President, you will understand that I cannot allow Mr Fellermaier's remarks to pass without protest.

What are we talking about? The Concorde aircraft and nothing else. If, in so doing, we have censured the measures currently in force in the United States against bringing this aircraft into service, I cannot see in what way that is an attack on the United States. In the group I represent, I do not think we need anyone — Mr Fellermaier or anyone else — to lecture us on good relations between the United States and France. Let us keep our minds objectively on the difficulties that we are all forced to admit exist! What are we doing? What are we going to do? What ought we to do? — These are the questions we have to answer, Mr Fellermaier!

**President.** — I call Mr Normanton.

**Mr Normanton.** — I am grateful if I may take the time of the House for no more than two minutes by way of reply to the points which have been put in the course of this brief debate.

Lord Bessborough, to whom I am grateful, has at least given the answer which I think should be made, and had to be made, in reply to Mr Dalyell and part of the comments by Mr Hamilton. This question did not arrive out of the blue by any alchemy. The whole procedure has been in strictest accordance with the rules of the House. Questions have been put through the normal channels, the issue has been raised on three occasions in plenary session when we were discussing the agenda, and I hope that the House will not accept the kind of innuendo which might be misconstrued as far as Mr Dalyell's comments are concerned.

As regards Mr Fellermaier, I would only add that the question has not been introduced — nor, I suggest, would it be necessarily appropriate — as a plug or commercial for any individual company. In that context, I am grateful to Mr Fellermaier that he mentioned other companies. This is, however, a plug, and I hope that the House will always have the courage of its convictions and the interests of Europe to plug evidence of technological achievement by European industry, never mind which Member State or company is responsible for it. In that sense and in that spirit, I am therefore grateful to Mr Thomson for his response to my question. I earnestly hope that, within the limits relating to the Commission which are imposed upon him, he will do all that can be done to promote the interests of European technology.

*(Appluse from the right)*

**President.** — I call Mr Lange on a point of order.

**Mr Lange.** — (D) Mr President, ladies and gentlemen, I very much doubt whether a debate of this kind about a clearly successful and outstanding technical achievement is of any use, because it involves completely different — business and political — interests. A discussion of the type we are having this morning serves no useful purpose either for us — that is, the Europeans — or for the object the questioner would like to see furthered. In addition, I feel that the Bureau — regardless of whether it accepted this question or not — ought, when deciding whether to accept certain questions in the future, to consider carefully whether, in Parliament and the European Communities, there is no confusion of certain interests whose discussion in this way may be positively harmful to the individual parties concerned.

I would therefore, Mr President, sound a warning against holding such debates under the headings of 'economic policy', 'competitiveness on the world market' and the like. Of course, the question still needs to be put whether certain technical achievements do in fact serve the interests of mankind or are even compatible with them.

I wished to make this comment purely to show that, in the future, we should go about such things more carefully.

**President.** — I call Sir Peter Kirk.

**Sir Peter Kirk.** — I am getting confused. It should be put on record that the proposal to convert this question from an oral question without debate to an oral question with debate was made by one of Mr Lange's political colleagues — a colleague also in the Bundestag. It was not our wish, it was not Mr Norman's wish; it was the wish of the SPD.

*(Laughter from the benches of the European Conservation Group)*

**Mr Lange.** — It doesn't matter anyhow.

**President.** — I call Mr Stewart.

**Mr Stewart.** — I agree with Mr Norman that the Concorde is an interesting and gratifying example of international cooperation. It is also an interesting example of the growing role which public enterprise has to play in our economy.

*(Cries of 'Hear, hear!' from the left)*

The project was so large, and its success or failure so unpredictable at the start, that it could not have proceeded unless governments had been prepared to take decisions and to put at risk public money on a large scale. The more technical our civilization

becomes, inevitably the greater the part public enterprise will have to play in its development.

Public enterprise is open to certain criticisms. Like private enterprise, it has its weak suits and its strong suits, but, because of the age in which we live, it is totally out of date to decry public enterprise. Our energies have to be increasingly devoted to seeing how we can successfully run public enterprises.

*(Applause from the left)*

**President.** — I call Mr Fellermaier on a point of order.

**Mr Fellermaier.** — (D) I have just two points for Sir Peter.

It was not one of Mr Lange's SPD colleagues, but Vice-President Behrendt, who yesterday proposed to the Bureau on behalf of our group that Mr Norman's question, if accepted, be converted into an oral question with debate. He did so because we do not believe that in this House it ought to be possible for a question to be put, an answer given by the Commission and the matter then closed. All Members should have an equal right to take part in the debate.

That, Sir Peter, was the reason for the application made by my group yesterday. But perhaps you were not in the Bureau's office at that moment.

*(Mirth among the Socialist Group)*

**President.** — I call Mr Lange on this point of order.

**Mr Lange.** — (D) I would like to say just one thing to Sir Peter Kirk. I do not need to repeat the answer Mr Fellermaier has already given. I spoke from my experience and gave my opinion of the debate without discussing the issue, and I would once again ask Members to take what I said very seriously, because we may well cause ourselves harm by such debates.

**President.** — Returning to the subject of the debate, I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I would not have taken up the time of the House on Friday morning by seeking to speak again if the Commission's response to the original question had not been directly questioned. It goes without saying that the Commission is not concerned with any companies, private or public. I knew nothing about the presence of representatives of aircraft companies in the House until I heard of it in the Chamber this morning. The Commission is concerned about the Community interest. That is its responsibility. It is a proper expression of that responsibility, now that the Concorde aircraft, the product of French and British technology, is flying, to seek to look after the Community interest in the matter.

**Thomson**

Equally, the Commission has a responsibility under the Treaty for seeking to forward common policies both in the production and in the operation of aircraft within the Community. Perhaps if we are able to get a positive response to the Commission's proper proposal to the Council for a common policy on over-flying rights and landing-rights, it might be possible for Members of Parliament to travel between one part of the Community and another by air more cheaply. Equally, it is the Commission's responsibility to put forward policies — which it has done over a long time and now finally in an extremely articulate form — for a common industrial policy for the civil aeronautical industry. I hope that the Commission will enjoy the support of all parties in the House in carrying out its proper responsibilities.

**President.** — Does anyone else wish to speak?

The debate is closed.

4. *Regulations on tariff quotas for cows, heifers and bulls*

**President.** — The next item is the report (Doc. 58/76) drawn up by Mr Vetrone, on behalf of the Committee on External Economic Relations, on the proposals from the Commission of the European Communities to the Council for

- I. a regulation on the opening, allocation and administration of the Community tariff quota of 30 000 head of heifers and cows, not intended for slaughter, of certain mountain breeds falling within subheading ex 01.02 A II b) 2 bb) of the Common Customs Tariff; and
- II. a regulation on the opening, allocation and administration of the Community tariff quota of 5 000 head of bulls, cows and heifers, not intended for slaughter, of certain alpine breeds falling within subheading ex 01.02 A II b) 2 bb) of the Common Customs Tariff.

Since the report has been distributed by the time-limit laid down in the Rules of Procedure, we can dispense with its oral presentation.

I call Mr Thomson.

**Mr Thomson, member of the Commission.** — The Commission welcomes Mr Vetrone's report. It is fully aware of the problems which the report illuminates, which consist in a lack of uniform criteria for veterinary controls on importations from third countries. We are, in fact, facing the very unpleasant situation that our common commercial policy is hampered by non-tariff barriers created because of national laws that are unharmonized in the veterinary field. Despite every attempt from the Commission, things do not yet seem to be moving adequately at the level of the Council of Ministers, where proposals from the Commission have been under examination now for

more than a year. In response to the report, the Commission will make new efforts to get out of the present deadlock. We therefore very much welcome the useful support which can be obtained for these Commission efforts with the Council from the European Parliament.

**President.** — Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.<sup>1</sup>

5. *Directive on the permissible sound-level of motor-cycles*

**President.** — The next item is the report (Doc. 93/76) drawn up by Mr Nyborg, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the permissible sound-level and to the exhaust-system of motor-cycles.

Since the report has been distributed by the time-limit laid down in the Rules of Procedure, we can dispense with its oral presentation.

I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I think that my only service to the House now at this stage is to give the Commission's view on the amendment that is being proposed in Mr Nyborg's report. It is an amendment that relates to the rather fundamental argument that goes on between Parliament and the Commission on the question of optional harmonization and total harmonization. What Mr Nyborg's amendment seeks to do is to insist on total harmonization after a period of time.

The Commission cannot accept the amendment that is being proposed, for the following reasons: First, the proposed directive here relates to an overall EEC approval procedure, and this overall procedure is based exclusively on the optional harmonization method.

Secondly, and on the substance of it, I think that experience with directives has shown, in the Commission's view, that optional harmonization gives satisfactory results both for the elimination of trade barriers and also for the protection of the consumer and of public health and safety. It is not necessary to state explicitly in an individual directive that the Commission, which is committed to a wide-ranging programme for the protection of the environment, recognizes the obligation to take immediate action if the proposed measures do not bring the expected results.

<sup>1</sup>OJ C 125 of 8. 6. 1976.

**Thomson**

My colleague Mr Gundelach, who deals with these matters on behalf of the Commission, has referred several times before in this House to a change in the Commission's attitude to harmonization in that it endeavours to follow the most flexible solution to these problems while taking proper account of its responsibilities. This has been in the motor-vehicles field the successful application of the solution of optional harmonization.

The issue that is raised by Mr Nyborg's amendment is the issue of optional or total harmonization. I plead with Parliament to take a look at the record of experience in this respect and to recognize that in this field the flexible application of optional harmonization is the wisest course in the interests of the Community.

*(Applause)*

**President.** — I call Mrs Kellett-Bowman.

**Mrs Kellett-Bowman.** — I simply speak in this debate to welcome, on behalf of the European Conservative Group, both the Commission's proposals, which I think are excellent, and Mr Nyborg's report, and to call the attention of the House to my very minute amendment.

The purpose of the amendment is to allow manufacturers of motor-cycles a slightly more generous lead-time in which to make the necessary alterations to both current engine designs and exhaust-systems in order to conform to the proposed noise-levels. Honourable Members will appreciate that in the motor-cycle industry, as in the automobile industry, new models are planned many years in advance, and it seems to me that my amendment takes more account of the difficulties and extra costs which manufacturers would face were they obliged to make fundamental changes to models already at an advanced stage of design.

There is one further point: the weighted system of testing with the machine in second gear adds to the difficulties, and if the testing of all machines, not merely those below 350 cubic centimetre capacity, since now a large percentage of machines have five speeds, could be carried out in third gear, along the lines set out in paragraph 4.4.2.3. of Annex I, it would be much easier for manufacturers to adapt.

**President.** — Does anyone else wish to speak?

We shall now consider the proposal for a directive.

On Article 6 (1), I have Amendment No 1, tabled by Mrs Kellett-Bowman on behalf of the European Conservative Group:

'In this paragraph, replace '1 October 1977' and '1 October 1978' by '1 October 1979' and '1 October 1980' respectively.'

I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I could not recommend the House to accept the

Amendment proposed by Mrs Kellett-Bowman. There have been thorough consultations about this matter and the dates arise from these consultations.

**President.** — I put Amendment No 1 to the vote. Amendment No 1 is rejected.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.<sup>1</sup>

*6. Directive on the field of vision of motor-vehicle drivers*

**President.** — The next item is a vote without debate on the motion for a resolution contained in the report (Doc. 94/76) drawn up by Mr Nyborg, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the field of vision of motor-vehicle drivers.

Does anyone wish to speak?

I put the motion for a resolution to the vote. The resolution is adopted.<sup>1</sup>

*7. Regulation on the repayment of import or export duties*

**President.** — The next item is the report (Doc. 54/76) drawn up by Mr Émile Muller, on behalf of the Committee on External Economic Relations, on the proposal from the Commission of the European Communities to the Council for a regulation on the repayment or remission of import-duties or export-duties.

Since the report has been distributed by the time-limit laid down in the Rules of Procedure, we can dispense with its oral presentation.

I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I do not think that there is anything for me to say on this matter. The Parliament has supported the Commission's point of view here and the Commission is grateful for Mr Muller's report and would like to thank him very much for it.

**President.** — Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.<sup>1</sup>

<sup>1</sup> OJ C 125 of 8. 6. 1976.

8. *Directive on the emission of pollutants from diesel-engines*

**President.** — The next item is the report (Doc. 65/76) drawn up by Mr Schwabe, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the measures to be taken against the emission of pollutants from diesel-engines for use in wheeled agricultural or forestry tractors.

I call Mr Brégègère, who is deputizing for Mr Schwabe.

**Mr Brégègère, deputy rapporteur.** — (F) Mr President, ladies and gentlemen, my speech will touch much lower heights than the debate we have just had on the Concorde, particularly since it was only at the last minute that I was asked to take the place of Mr Schwabe, who found himself unable to present his report.

This proposal for a directive falls within the EEC-type approval procedure for wheeled agricultural or forestry tractors, which was the subject of a Council directive of 4 March 1974. It thus supplements various other proposals for implementing directives within the framework of the outline directive.

This proposal is clearly of a technical nature, but beyond its technical purpose it is aimed at achieving a number of general objects, which I should like briefly to recall.

The first and main object is the protection of the environment and the abatement of pollution, the purpose being — through approximating the laws of the Member States — to reduce the emission of pollutants by the diesel engines which power a large number of tractors. The measure is timely, because there is no doubt that tractors form an increasingly large proportion of the traffic in certain of the Community's rural areas. It is therefore necessary to make tractor-engines subject to the same limits as those laid down for motor-vehicles in a 1972 directive.

As the committee concerned points out in its explanatory statement, these provisions present the advantage of applying equal treatment to all diesel-engined machines using the roads. They will thus help to simplify the task of the authorities responsible for approving and testing such vehicles.

Beneficial effects at the economic level may also be expected from the entry into force of the directive, introduced as it is pursuant to Article 100 of the Treaty of Rome. It will help to bring into being the internal Community market and to rationalize production.

The opening up of the European market for the sale of tractors should help manufacturers to make economies of scale and so reduce their production costs. Their buyers — the farmers in the Community

— should thus eventually benefit from the lower costs, which is a point worth considering in this inflationary period.

I shall not dwell upon the text of the proposal for a directive itself. Suffice it to say that it is intended to enter into force on 1 April 1978 and requires that 'Member States may not refuse or prohibit the sale, registration, entry into service or use of tractors if they satisfy the requirements laid down in the annexes'.

The Committee on the Environment, Public Health and Consumer Protection has approved the proposal of the Commission for the reasons I have just outlined. It nevertheless had one reservation with regard to the text submitted to us. This relates to the optional harmonization formula, whose inadequacy our Assembly has already stressed where environmental protection or safety is involved. The fact is that this principle means it will still be possible, within Member States, to authorize the marketing of engines that do not comply with the standards laid down in the annexes — in other words, which emit greater quantities of pollutants than those authorized by the proposal. In the motion for a resolution it has submitted to you, therefore, the committee feels that approval should be refused and the sale, registration, entry into service and use of such engines prohibited if they do not satisfy the requirements laid down in the annexes. In accordance with the opinion of the Committee on Regional Policy, Regional Planning and Transport, your committee invites the Commission and Council to replace the optional harmonization method as quickly as possible by uniform Community legislation for all Member States. The Commission is invited to adopt the proposed modifications along these lines.

Subject to these comments, your committee approved the Commission's proposal and hopes that the Council will adopt it without delay, since it will contribute to the abatement of pollution and the rationalization of the internal Community market.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — Contrary to what some Members of Parliament might think, this is not at all an issue to be taken lightly. Briefly, my question to the Commission is: Does it have any readily available figures of the cost of doing this?

If I may put it this way, my first interest in the issue of the balance between environment and cost in farming matters was raised 10 years ago by a man whom Commissioner Thomson will remember, the late Dick Crossman, who produced figures about the cost of applying various regulations on his farm in Oxfordshire. They were doubtless very worthy regulations, but, nevertheless, some kind of balance has to be struck between doing virtuous things in relation to the environment and the extra cost not only in monetary terms but also, for instance, in fuel terms that such measures require.

**Dalyell**

I can quite understand that in Belgium or the West Midlands such regulations are highly desirable and necessary. On the other hand, imagine Achiltibuie or some other remote part of the Community where there are forestry tractors. Are we absolutely certain that it is sensible to add, I suspect, rather more to the cost than any of us might imagine in relation to the benefits to the environment?

I therefore say to the Commissioner that there is here an issue of balance. To what extent do we blithely assume that every environmental measure like this is good and must be pursued regardless of money cost and regardless of energy cost? If the Commissioner has any information on the cost of the recommendation easily available, Parliament might be interested to have it.

**President.** — I call Mr Mitchell.

**Mr Mitchell.** — The first part of what I intended to say has already been said by my colleague Mr Dalyell. I should like to know what cost factors are involved. We tend in this Parliament, for all sorts of reasons, to harmonize all sorts of things without ever investigating detailed cost factors.

Secondly, however, I am very unhappy with paragraph 4 of the motion for a resolution, for the very reason that Commissioner Thomson gave in answer to the last question. In my view, it is far better if we can do these things on the basis of optional harmonization rather than by trying to make some sort of regulation which enforces them upon all the various Member States. I think that the Community will do much better if these things are left optional than by introducing compulsion. Frankly, therefore, I am not inclined to vote for the motion for a resolution.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I first thank Mr Brégégère for the way in which he introduced the report on behalf of Mr Schwabe. The report raises exactly the same issue, as Mr Mitchell has said, as was raised on the previous report a few minutes ago.

I do not think there is any dispute between any of us about the importance of improving safety regulations and of seeking to prevent pollution of the environment, but there are two issues that are certainly raised in these matters. One is the overall issue of the balance of cost to the Community, which was raised by both Mr Dalyell and Mr Mitchell, and the other is the issue, raised particularly by Mr Mitchell, whether it is right for the Community to seek to impose a rigid and total set of standards in any particular sector to apply from Greenland to Sicily.

On the question of costs, I cannot offer Mr Dalyell any precise figures, but I can tell him that one of the reasons for the Commission's strongly recommending

the more flexible optional system to the Parliament is precisely that its costs are very considerably less — and not only that. The costs which are less are often the costs that fall upon the smaller manufacturer, the smaller farmer, the smaller business-man, the person least able to bear these costs, and often in environmental circumstances where, as Mr Dalyell said, the arguments are not particularly compelling. He made a very good point about Achiltibuie.

I press on the House the reconsideration of the other points made by Mr Mitchell. Nothing gets the Community into greater misunderstanding and unpopularity than our temptation to seek to impose rigid and uniform standards over all the 250 million people of the Community. United Kingdom Members of all parties will remember that during the referendum debate the question of rear mirrors on tractors was one of the issues discussed. The issue before us today is of the same kind.

Although the Commission fully agrees with what Mr Brégégère said in the general interests of health and safety of the environment, we recommend Parliament not to accept the proposed amendment, which seeks ultimately a rigid system of total harmonization. I advise Parliament that the Commission would not be able to accept the amendment.

**President.** — I call Mr Mitchell.

**Mr Mitchell.** — May I ask for a separate vote on paragraph 4 of the motion for a resolution?

**President.** — Certainly, Mr Mitchell.

I call Mr Dalyell.

**Mr Dalyell.** — I should like to ask the Commissioner whether there is a case for a cost-tag to be attached to a proposal of this kind. I quite understand that the Commission cannot give exact figures, but I should have thought that the Commissioner would have in his notes general cost-figures.

A financial appendix to the proposals which Parliament often lets through on the nod would enable us to do our job a bit better. Curiously enough, proposals of this kind cause as much concern — if not more — among our constituents as many of the momentous world issues which Parliament discusses. I shall be asked more questions about this issue than about our attitude to Spain or any of the other great issues we have discussed this week.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — In response to Mr Dalyell's question, the formal position is that the Commission is obliged to provide cost estimates only where cost falls on the Community budget, and that is not the case in this instance. Mr Dalyell is absolutely right. I should have had figures

**Thomson**

in my notes but I do not have any. I shall see what figures can be produced for Mr Dalyell, and I shall draw the attention of my colleague, Mr Gundelach, to the point he made. The overall cost of the environment proposal to the Community as distinct from the Community budget is a very relevant consideration.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — I do not wish to make too much of an issue on this matter.

I am not complaining about the absence of information on costs. However, if the principle of a financial appendix could be discussed in the Commission, I should be grateful.

**President.** — Does anyone else wish to speak?

We shall now consider the motion for a resolution.

I put to the vote the preamble and paragraphs 1 to 3.

These texts are adopted.

I put paragraph 4 to the vote.

Paragraph 4 is adopted.

I put paragraph 5 to the vote.

Paragraph 5 is adopted.

I put to the vote the motion for a resolution as a whole.

The resolution is adopted.<sup>1</sup>

### 9. *Consumer and public-health aspects of the manufacture of jams*

**President.** — The next item is the report (Doc. 74/76) drawn up by Mr Brégégère, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the consumer and public-health aspects of the manufacture and sale of fruit-jams, jellies and marmalades, and chestnut purée.

**Mr Brégégère, rapporteur.** — (F) Mr President, ladies and gentlemen, this is an old issue but presented to you, today, by a new rapporteur. I therefore must — begging your indulgence — briefly outline the background.

On 18 December 1975, the European Parliament decided to refer to our committee the amendments which Mr Liogier had tabled in his first opinion on the proposal for a directive on the approximation of the laws of the Member States relating to taximeters, lifting appliances, lifts, fruit jams, jellies and marmalades — I will spare you the rest — which, it must be admitted, was a fairly strange mixture.

The fact was that these amendments — unanimously adopted, it may be recalled, by our committee on 20 November 1975 and then forwarded to the Committee on Economic and Monetary Affairs, to which full information was given, were not referred to in the latter's report.

That committee considered, in the words of its rapporteur, Mr Mitterdorfer, 'that it was not desirable to deal with problems of public-health policy or chemical food products' in connection with the report submitted, and asked for the matter to be referred to the Committee on the Environment, Public Health and Consumer Protection with a view to Parliament's being consulted afresh. I would add that this statement was supported by Mr Broeksz, Mr Lange and Mr Scott-Hopkins. These amendments were therefore made the subject of a draft report tabled by Mr Liogier on 26 January 1976 on the problems regarding consumer policy and public health raised by the manufacture of the products to which the directive refers. Since that time, Mr Liogier has ceased to be a member of the committee, and I had the honour of being appointed to take his place and to speak in support of this new draft report.

On 27 January 1976, a number of members submitted to the Committee on the Environment, Public Health and Consumer Protection a note to the effect that several provisions in the directive would create difficulties as regards the manufacture and consumption of fruit jams, jellies and marmalades. Swayed by the arguments presented, our committee felt it would be better for its motion for a resolution not to be discussed immediately by the European Parliament, and decided to hold a meeting in order to consider the problems raised regarding the application of the directive, altered as applicable by the amendments we had tabled. The exchange of views about these problems which took place at the following meeting led to some changes in the initial report, and the explanatory statement and motion for a resolution presented to you today take due account of them. Allow me briefly to give you the reasons.

In some countries, and particularly in Denmark, production is currently growing of a low-sugar marmalade that is appreciated not only for its taste but also for its dietary advantages. However, this low sugar-content does not preserve the products used long enough and means that preservatives have to be used in addition to sugar, which used to be sufficient in jams with over 63 % soluble dry matter. It was also pointed out that the moulds forming in these jams shortened their storage-life and might have a carcinogenous effect.

The argument put forward in support of the above may be summed up as follows.

Firstly, one of the directive's objects is to eliminate technical barriers to trade in this sector of production. It is, however, clear that any proposal which tended to restrict the designations solely to products with at least 63 % soluble dry matter would discriminate

<sup>1</sup> OJ C 125 of 8. 6. 1976.

**Brégégère**

against the production of marmalades with less than 63 % soluble dry matter.

This first, economic, argument seemed to us to be very well founded.

Secondly, I would recall with emphasis that our committee puts the consumer's interests and the protection of public health first. It is for this reason that it has taken so strict an attitude towards artificial preservatives.

However, one member of our committee, who wished to retain the exemption provided for in Article 13 allowing preservatives to be added to products with less than 63 % soluble dry matter, produced such convincing arguments that our committee, which had asked for this exemption to be deleted, changed its mind after hearing them.

These preservatives are said to present no danger to health, because they prevent the appearance of moulds carrying carcinogenous substances. Incidentally, it should be noted that a mould can cause a product to deteriorate without the deterioration being immediately detectable.

To the objection that high-sugar jams do not involve the same risk of deterioration and are preserved by a physical process without the addition of any chemical agent, it may be answered that sugar in itself may be dangerous for consumers' health. If I may be permitted, I would say personally that sugar is also essential to the human body and that everything is a question of moderation.

However that may be, your committee, demonstrating its Community spirit, agreed to fall in with the wishes that had been expressed, bearing in mind the precautions taken to protect consumers.

Thus, whilst essentially repeating Mr Liogier's report, we may add that, although the Committee on the Environment, Public Health and Consumer Protection initially intended to restrict the denominations contained in the directive exclusively to high-quality products, it finally approved the text which leaves Member States the option of permitting these designations also for products with a soluble dry-matter content of less than 63 %.

Since the latter products, however, require the use of chemical preservatives, the innocuousness of which is not proven, the committee insists that these chemical preservatives be subject to controls. It also points out that consumers must be informed that marmalades with a soluble dry-matter content of less than 63 % must be stored in a cool place, otherwise there is a danger of mould forming, recalling once again that such moulds are highly carcinogenous. Furthermore, as the Commission's explanatory memorandum clearly indicates, the unmistakable aim of this provision is to bring products with a soluble dry-matter content of less than 63 % within the directive's field

of application after a period of 5 years and to promote internal Community trade in them. However, the innocuousness of the preservatives which have to be added to these products is not proven, as I have just pointed out.

Your committee, therefore, invites the Commission, in the light of the lessons learned during the trial period, to frame regulations paying full regard to consumers' interests.

I venture to hope, Mr President, ladies and gentlemen, that you will kindly approve the motion for a resolution presented to you today by the Committee on the Environment, Public Health and Consumer Protection in the form of Mr Liogier's first report — whom I thank for all the work he has done — and a new report by myself on the health aspects of the production of jams, marmalades and chestnut purée, with a view to facilitating the marketing of these products whilst taking every precaution for maximum consumer protection.

Your approval will bring to a conclusion the proposal for a directive submitted to us by the Commission on 8 September 1975 and so rescue this project from the jam it had got into — so to speak — considering that it was first discussed by the European Parliament on 20 December 1975, then referred to committee, as I have said, and now re-submitted to you in the hope that it will be adopted, for which I thank you in advance.

**President.** — I call Mr Mitchell.

**Mr Mitchell.** — Once again we have reached the same point as on two previous occasions.

Paragraph 4 (f) tries to compel a Member State to label in the way in which the Community wants it to label rather than in the way in which the Member State itself wishes to label.

Paragraph 4 (g) proposes the replacement of *may* by *must*.

Paragraph 4 (h) proposes the replacement of *optional* by *obligatory*.

I find paragraphs 4 (l) and (m) quite offensive :

Member States shall, within one year following notification of this directive, make such amendments to their laws as may be necessary ...

If the Commission adopted that proposal and took it to the Council, I know exactly what would happen to it : we should be adding to the many things that the Council has left on the table, about which Mr Broeks and others have complained in this House on many occasions.

The fundamental mistake being made by the committee is this : if one starts trying to make things obligatory, all that will happen is that they will go to the Council, will be forgotten, and will not be



**Mitchell**

discussed. This will add to the host of things currently lying on the table that are not being discussed at all. On the other hand, if one permits the inclusion of the optional clause, there is a very good chance of making progress, moving forward and getting the Council to agree.

I do not see how I can possibly vote in favour of this. All that will happen if the Assembly votes in favour of it, and if the Commission accepts it — which I do not suppose it will — and produce it to the Council, is that this will just lie on the table for years to come.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — Anybody looking at the agenda of the European Parliament might be forgiven for wondering why a bunch of politicians should spend their time discussing this subject.

I have some qualms, because tonight I go to make a speech at a civic reception in Bo'ness for a football team in my constituency that won the Scottish Cup. The supporters of Bo'ness United will say, as they always do, as it is the 'in' joke, 'What were you doing for us today?' If I say to Bo'ness and the Secretary of the National Union of Mineworkers at Kinneil, 'I was taking a firm stand on the subject of chestnut purée', they will be a little surprised. Indeed, there might be some ribald comment. They might think that I should be employed more purposefully in their interests.

On the other hand, having read the report, one sees that it is important. Anything to do with cancer is, of course emotive.

I wish to ask two questions, one of which I have posed before, as well as echoing Mr Mitchell's speech, which I need not repeat.

First, are any figures available for the cost involved?

Secondly, the explanatory statement in paragraph 4, page 10, states:

The consumption of marmalade on which mould has formed is extremely injurious to health, since moulds produce carcinogenous substances.

I heard Mr Brégère say that it was not simply a question of the moulds that anyone can see, and that I think most of us take off the top of marmalade. If it is proved that there are undetectable moulds and that these are cancer giving, that is a matter of very considerable importance.

Perhaps the Commission will be able to give the background — of course I do not ask for any details — to the research that prompted this. As I say, marmalade and chestnut purée may be a more important subject than at first sight appears.

**President.** — I call Lady Fisher.

**Lady Fisher of Rednal.** — Mr President, following upon the comments made by my friend Mr Dalyell, may I say that paragraph 1 of the motion for a resolu-

tion emphasizes that the considerations are based primarily on consumer policy and public health, which I support. Then the resolution says the directive shall not apply to products intended for export to countries outside the Community.

It seems to me that we are adopting a rather selfish attitude. We will make our own jams and marmalades to keep ourselves healthy, but we will export sub-standard jams and marmalades regardless of the health effect on others. I should have thought that if the Community has decided that there are harmful effects in such products as jams, marmalades and chestnut purée we should not even include them in our exports. It seems a very selfish attitude to kill off everybody else but let Europe live.

*(Laughter)*

**President.** — I call Mr Lange.

**Mr Lange.** — *(D)* Mr President, Lady Fisher is right on this point. But I would like to say something about the question raised by Mr Mitchell.

I will not refer to the elimination of technical barriers to trade or the fact that we want an open internal market. I just want to say that, in the different Member States, we have different food legislation which needs to be harmonized. There are health-policy considerations involved. The products traded in the Community must be subject to uniform food-legislation requirements. Because, in the Federal Republic, we have a wide range of British marmalades, jellies and so on, as a result of internal European trade, British manufacturers have to satisfy all the food-legislation conditions drawn up on health-policy grounds. To this extent — that is to say, for export goods — British manufacturers already do something; whether what they do also satisfies the conditions applying on their own domestic market is another question. It would unquestionably be useful if each and all of us had to meet the same conditions and thus break down the barriers within the Community.

This is what I wanted to say about the point raised by Mr Mitchell. To me, harmonization in this area seems more urgent than in motor-cycle noise-levels, the item we discussed earlier.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — In view of the course that this debate has taken, with the argument between my German friend Mr Lange and my various British friends, I had better explain right at the beginning that I stand here as a substitute representing a Dutch Commissioner and a Danish Commissioner; and, therefore, the fact that I come from the City of Dundee, where marmalade was invented, is a pure coincidence which has nothing to do with the speech with which I have been presented and which I am about to impose on Parliament at this late stage.

**Thomson**

May I say one word to the chairman of the Committee on the Rules of Procedure and Petitions, whom I am pleased to see in his place, because one aspect of this morning's debate is, first, that it is a debate of very great public interest. It is a debate of immense technical complexity. It is unfortunate that it comes on at 11 o'clock on a Friday morning. There are some other more complicated procedural aspects that I would like to say a few words about, because they affect a little the decision that the Parliament will finally take.

The history of this matter is that Parliament gave its opinion on the Commission's proposals on 18 December, as Mr Brégégère indicated. Perhaps those who were there at that time will remember that after a great deal of confusion Parliament gave a favourable opinion on the proposal of the Commission, but it referred 16 amendments to the Committee on the Environment, Public Health and Consumer Protection. Those who are not members of that committee should know that when these matters were further discussed in committee it was not possible to sort out the technical details involved. The discussion was of a very brief nature—indeed, far too brief.

This House, sparsely attended, is being asked to deal with complicated matters today. I do not think that it can fairly be said that they were dealt with in the way in which they would normally be dealt with by one of the specialist committees in this House. Notwithstanding all that, I invite Parliament to resist the temptation to rubber-stamp this report. As Mr Brégégère gave the details of the various amendments proposed, I have no alternative but to take the House through the suggestions contained in the motion for a resolution, giving in each case reasons why the Commission would recommend the House to reject them. I apologize for this.

Paragraph 4 (a) of the asks that not only Article 43 but also Article 100 of the EEC Treaty should be the legal basis for the directive. The Commission thinks that Article 43 is a sufficient basis and that it is in the mutual interest of Parliament and the Commission to avoid Article 100, which requires that the Council act unanimously.

Mr Mitchell correctly drew attention to that aspect of proposals which come from the Commission and are commented on by Parliament. Is Parliament aware that the committee, in seeking this amendment, is asking for a right of veto by the Member States for this directive?

'Paragraph 4 (b) states that

the concept of 'a short time' during which chestnuts intended for processing may be soaked in an aqueous solution of sulphur dioxide is too vague.

I draw Parliament's attention to the fact that only simple washing is envisaged here and the directive

sets an extremely tight limit on the sulphur dioxide which may be contained in the final product. We are satisfied with the safeguards there.

Paragraphs 4 (c) and (d) ask for quantitative restrictions on the use of colouring matter and other additives. Mr Mitchell drew attention to this. The Commission does not think that it is necessary, because these substances are self-limiting: manufacturers will limit the use of these substances, which are not dangerous because beyond a certain concentration they do not add to the quality of the product and, indeed, often have the opposite effect.

In paragraphs 4 (c), (e), (f), (g) and (h), the committee put forward amendments for dealing with labelling. Again Mr Mitchell drew attention to this. Contrary to what the report appears to believe, the Commission's proposal provides for the obligatory labelling of additives. That is, I hope, reassuring to Lady Fisher, who rightly drew attention to the serious health aspects, which I shall come to in my concluding remarks. Article 4 (5) of the draft directive gives some freedom to Member States with respect to the modalities of labelling, but it does not give freedom to Member States with respect to the principle of telling housewives that there are additives in the preserves.

Secondly, an indication of the sulphur-dioxide content does not seem necessary to the Commission, because we are concerned with the residue, and the residual quantities are negligible.

Thirdly, the Commission considers that the problem of the languages used and other modalities of labelling as well as datemarking should be dealt with in a general so-called horizontal directive for all food-stuffs and not specifically here. The Commission has submitted a programme for such a directive which is being examined by Parliament.

As the detailed rules concerning methods of sampling and analysis will probably not be available before the date of application for the directive, the request mentioned in paragraph 4 (i) cannot be met. The Commission deplores this, but does not consider that these detailed rules are a condition for the application of the directive, nor would it be wise for Parliament to be party to holding up a process which it wishes to see enacted.

The institutional problem raised in paragraph 4 (j) is an old one. Parliament knows the position of the Commission, which has been made clear on several occasions, and I need not take up the time of the House by going into it in detail. Special labelling of products intended for export to third countries, as asked for in paragraph 4 (k) and commented on by Mr Lange, the Commission does not consider necessary. Manufacturers have to prove that products are manifestly intended for export; that is to say, the products should be accompanied by a set of export documents.

**Thomson**

Paragraph 4 (l) wants the directive to come into force sooner, given the time necessary to modify national legislation and to adapt manufacturing technique. This does not seem realistic to the Commission.

Paragraph 4 (m) wants Member States to communicate to the Commission all provisions of internal law which they intend to adopt in the field covered by the directive. The Commission is content to receive only communication of essential provisions. With other directives this has proved to be a satisfactory procedure.

I come to the specific points that were mentioned. They might be summed up in the question whether, if the Commission's advice is accepted by Parliament, there is any danger to health involved in the Commission's advice. I should like to assure Lady Fisher and Mr Brégère that of course the Commission would not be taking the position, it has taken, would not be defending them in detail as I have just done to Parliament, unless we were absolutely sure that the health considerations were properly safeguarded. Therefore, I give Mr Dalyell, who asked about cancer in particular, that general assurance.

I also have to say to Mr Dalyell, on the cost question, that to try to measure the cost of these proposals would be impracticable. The costs are probably incalculable in any serious sense. What is certain, however, is that, if Parliament votes to follow the Commission's advice, the cost of doing that will certainly be less than the costs that would be incurred in accepting the amendments put forward by the committee.

I have presented on behalf of the Commission these detailed comments on the motion for a resolution, since detailed proposals were put forward by the rapporteur, and I invite Parliament to reject the amendments. I might add that Parliament can do so without delaying the adoption by the Council of the proposal of the Commission, because that was dealt with, as I have said, on 18 December last year. For the same reason, in our view it is not necessary to have the Liogier report referred back to the Committee on the Environment, Public Health and Consumer Protection.

I apologize for taking Parliament through these details, but in view of the procedural background it was necessary to put these points firmly on the record, especially in view of the health anxieties which have been expressed.

**President.** — I call Mr Brégère.

**Mr Brégère, rapporteur.** — (F) Mr President, after the statement made by the Commissioner, I feel there is no point in my dwelling at length on this report.

Whilst the Commissioner did not bore me at all, I nevertheless have one criticism. When the representatives of the Commission appeared before the Committee on the Environment, Public Health and

Consumer Protection, they took a different position from that which the Commissioner has just taken. In fact, the proposals we are submitting today are almost identical with those put forward by the representatives of the Commission. You will understand if I find it somewhat strange for the representative of the Commission to pass comments that were never made to us before. As far as I am concerned, I fully agree about the dangers involved in this matter. The Committee on the Environment, Public Health and Consumer Protection must keep a particularly close watch whenever it is a question of carcinogenous products.

I know very well, Mr Dalyell, that moulds are difficult to detect and you cannot remove all danger just by skimming off the slight mould visible at the top of the pot, because the rot has already started.

This is what I wanted to add, voicing both my surprise and my approval of this proposal for a directive. I would point out that the Commission first raised the problem as early as 1964.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — In my last dispute with the Commissioner this morning, may I say that marmalade was not invented in the City of Dundee, which was represented in so distinguished a manner by Mr George Thomson before he became a Commissioner. The first record of it is in my constituency, in Linlithgow, in 1540, when Mary de Guise, one of the many princesses from the more comfortable court of France who were exiled to Scotland whenever there were difficulties, brought her own sour oranges from France and consoled herself with making these delicacies. She was the mother of Mary Queen of Scots.

(Laughter) (Applause from the left)

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — I would only say to Mr Dalyell that if he believes that he will believe anything. He might even believe that Bo'ness Football club, having won the Scottish Football Cup, is a better team than *les verts de St-Étienne*.

(Laughter)

**President.** — I call Mr Broeks on a point of order.

**Mr Broeks.** — (NL) Mr President, one comment on a matter of order and not about the question where marmalade was invented. A little longer and I should be claiming that it was in the Netherlands, but I do not believe that myself.

The question in front of us is one of some difficulty. When we are in committee, we have with us the representatives of the Commission and the Council. If the Commission takes a different stand in our committee meetings from what it says in the Assembly, then the

**Broeksz**

question becomes exceptionally difficult. When Mr Thomson asks us to reject the proposal and Mr Brégère — rightly, in my view — makes the point that we ought to have been told this in committee, then Mr Brégère is absolutely right. We cannot go along with Mr Thomson. I therefore propose that the matter be referred to our own committee and that there the Commissioner — not Mr Thomson, but the Commissioner responsible for these matters — be invited to say clearly what the Commission wants. It is wrong for us to be told, in this Assembly, anything different from what we are told in committee.

**President.** — What is the rapporteur's view?

**Mr Brégère, rapporteur.** — (F) I leave it to the wisdom of the House.

**President.** — I consult the House on the request for reference to committee.

The request is approved.

10. *Petition on the protection of the Mediterranean*

**President.** — The next item is the report (Doc. 63/76) drawn up by Mr Lagorce, on behalf of the Committee on the Rules of Procedure and Petitions, on Petition No 8/75, submitted by Mr Virgile Barel on the Protection of the Mediterranean.

I call Mr Lagorce.

**Mr Lagorce, rapporteur.** — (F) Mr President, ladies and gentlemen, this petition is the third that Mr Virgile Barel, French Deputy for the Alpes-Maritimes and doyen of the French National Assembly, has submitted to the European Parliament.

Moreover, Mr Barel is not the only one to be concerned at pollution in the Mediterranean. Several questions in the same vein have been tabled in the European Parliament by Mr Hansen, Mrs Goutmann and myself. In the French parliament as well, several written questions put down by Deputies eventually resulted in a commission of enquiry being set up on 27 June 1974 on the pollution of the Mediterranean coastline.

Mr Barel's persistence — if so it may be called — is at least equalled by the obstinacy of the Montedison company in continuing, in defiance of judgements against it in the Italian courts and in spite of the dangers it is creating for human health by marine pollution, to discharge waste unquestionably harmful in nature into the Mediterranean by boat.

Montedison was convicted by the Leghorn court on 27 April 1974, this judgement having been delivered at the petition, among others, of the Guild of Bastia fishermen, jointly with the *département* of Corsica and the Bastia, Nice and Marseilles municipalities. But the Montedison company was given the benefit of

mitigating circumstances — firstly, because it had solemnly undertaken to neutralize its waste products and to retain four-fifths of the heavy metals contained in the effluent, and, secondly, because it had just as solemnly undertaken to have its recycling station in operation as from 31 December 1975 and therefore to cease discharging its waste into the sea off Corsica.

The Montedison company, however, appealed against the judgement of the Leghorn court and also failed to keep its undertaking to stop discharging waste and to recycle it on land. It was this kind of defiance that prompted the French government's enquiries of the Italian government as to the reasons for this failure to perform the undertakings entered into and prompted Mr Barel's latest petition.

The petition should first be considered from the viewpoint of its admissibility. Under Rule 48 of the Rules of Procedure, the petition is unquestionably admissible, since it falls within the sphere of activities of the Communities in the same way as Mr Barel's earlier petitions.

As regards the substance, I would first point out that titanium-dioxide pollution is not confined to the Mediterranean. As you know, the Community is a big producer of the titanium dioxide that causes the 'red mud' insofar as it accounts for 39 % of total world production. Every day over 8 000 tonnes of titanium dioxide waste are dumped in the North Sea and the Channel, either in estuaries or out at sea. In France, for example, Thann & Mulhouse in Le Havre discharge 1 600 tonnes of sulphuric acid and 480 tonnes of ferrous sulphate into the Seine estuary, plus traces of heavy metals. And the world's titanium-dioxide producers are hoping to double production over the next 10 years. The danger, therefore, applies to other waters as well as the Mediterranean. Even so, the danger is more acute for the Mediterranean, since pollution there is aggravated by the inadequate dispersion of pollutants in a virtually land-locked and vulnerable sea.

Pollution in the Mediterranean cannot be tackled by just one country. It needs to be tackled jointly by all riparian states, in particular by the Member States of the European Community.

A number of international agreements are already in force, such as the Barcelona Convention and, more recently, the Monaco Agreement. But it is essential that the various rules contained in these agreements should be applied in a uniform manner in the Community countries. On top of this, there is the fact that the special pollution problems in a land-locked sea like the Mediterranean call for stricter rules than those which may be agreed for marine pollution in general.

In 1975, the Commission presented to the Council a proposal for a directive on waste from the titanium-dioxide industry. It has recently submitted a proposal

**Lagorce**

for a directive concerning the dumping of wastes at sea by ships and aircraft, on which Parliament is being consulted. In Annex I, this latter proposal for a directive contains a list of substances whose dumping would be prohibited. The list includes the acids and alkalis from the titanium and aluminium industries.

For its part, the European Parliament expressed its views on this point on the occasion of Mr Barel's earlier petitions and the submission of the proposal for a directive on titanium-dioxide wastes.

In conclusion, it may be said that the motion for a resolution submitted to you should satisfy the petitioner, particularly since the Commission has recently put forward a new proposal for a directive on the dumping of wastes at sea.

When it comes to marine pollution and in particular the pollution of the Mediterranean, we cannot be too strict. The European Parliament, rightly alerted by Mr Barel, should ensure that very strict rules are applied — and swiftly. Unfortunately, so far as Montedison is concerned, it would not appear that the Merli Bill — passed or about to be passed by the Italian Parliament — can really prevent the company from continuing to discharge effluent into the Mediterranean.

As regards the appeal to which I referred earlier, this has discouraged Italian fishermen, and they have backed out of the case. This leaves the French fishermen, who have filed a complaint on the grounds of unconstitutional action, to battle single-handed for their rights against this powerful company.

However that may be, a delegation from the Committee on the Environment, Public Health and Consumer Protection will have an opportunity to go to Scarlino and find out for itself, on the spot, whether and to what extent the Montedison company, accused by Mr Barel, is complying with the ban on dumping in the Mediterranean.

I should like to wind up what I have to say by drawing your attention to the appeal launched by Mr Maurice Fontaine, Director of the Institut d'Océanographie and President of the Académie des Sciences in France, for mankind to realize that 'the ocean — this great liquid, living, port — must be saved because man's survival depends on it'.

Allow me also to quote the motion that was recently adopted, on his proposal, at the discussion day of the Comité permanent mondialiste, which asks for

the establishment of a specialized international institution at world level with authority to frame the legislative rules, control procedures and penalties that are essential to safeguard the oceans of the world and their peaceful, rational and equitable exploitation for the benefit of the whole of mankind.

Mr Barel's petition will at least have had the merit of forcing us to think for a moment about the seriousness of this problem of marine pollution, in which titanium dioxide is only one of the culprits. Its gravity is

underlined by an item of news in this morning's papers :

A sixth dead dolphin, over three metres long, has been sighted off Porquerolles and, according to Colonel Besson, representative of the La Rochelle centre for research on mammals in the Mediterranean, all these dolphins died from mercury pollution.

All this, I am sure, ladies and gentlemen, must prompt you to approve the motion for a resolution that I have the honour to present to you on behalf of your Committee on the Rules of Procedure and Petitions.

*(Applause)*

**President.** — I call Mr Brugger.

**Mr Brugger.** — *(D)* Mr President, in this House I represent the country in which, as we have just heard from the rapporteur, an industrial firm has been the cause of this motion for a resolution. I can only emphasize the fears and concerns that have been expressed by the rapporteur concerning environmental and water pollution, and I agree with him in urging, as he does in his report and in the motion for a resolution, that the directives on environmental protection proposed by the Commission be finally adopted by the Council and thus be given the force of law.

We are in favour of every Community measure that serves the cause of environmental protection. We are convinced that industry has made the welfare society possible, but we must also recognize that this welfare society is imperilled by pollution and that human health is at risk. We must realize that, unless certain limits are imposed, the welfare society may choke in its own waste. Environmental protection is one of the factors contributing to the quality of life, and its importance, in my view, is such that a modicum of the well-being we have achieved may possibly have to be sacrificed for it.

Admittedly, the particular reference in this motion for a resolution is to the situation in the Mediterranean, and you have seen that courts of justice in the Member States, too, are often not in a position to enforce the appropriate attitudes towards environmental protection. Montedison is a big firm. We know that these big firms producing titanium dioxide, for example, do not operate, particularly in the Member State that I represent, under optimum economic conditions. We also know that marine pollution is particularly dangerous in the Mediterranean and that it is particularly difficult to prescribe pollution-control measures for the industries concerned. Treatment plant and other equipment of this kind is very expensive. In this case, it is now a matter of finding the right balance, so that pollution-control plant for Mediterranean firms does not cost so much that they are forced to close down.

**Brugger**

Social questions are also involved: the costlier the pollution-control plant, the less economically viable the firms become. We should avoid going to the point where a profit margin is turned into a loss, giving firms grounds for closing down and so reducing the number of job opportunities. The resulting growth in unemployment figures, particularly in Italy, would be followed by all the other social troubles bound up with such closures.

For this reason I shall be voting for the motion for a resolution, but I should like to make one recommendation to the Commission and the Council, in connection with a thought expressed by the rapporteur in his explanatory statement. The difficult and costly measures taken in pursuit of environmental protection and designed to prevent further marine pollution will cost more in the case of the Mediterranean than for similar firms which are able to channel their waste into the ocean.

Bearing in mind the fact that a large number of these polluting firms are no longer very profitable and might be forced to close down under the burden of these high charges, we in the Community should lend some material aid, in one way or another, to the firms in the sectors concerned. We should recognize that the question of pollution in the Mediterranean is not confined to the Member States of the Community but must also be shared by other, non-Member States.

I am therefore very much in favour of the rapporteur's suggestion that the Barcelona Convention, which has already been signed by 12 of the Mediterranean countries, might also be signed by the Community as such. In this way it would be justified in providing support, of itself, to ease the particularly grave effects of the heavy charges on these firms in the interests of environmental protection and the control of marine pollution. With this recommendation I propose that we vote in favour of this motion for a resolution.

*(Applause)*

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — This is a motion for a resolution to the Council and not to the Commission. Therefore, I need not take more than a few moments of the time of the House at this stage.

The Commission strongly supports the Parliament in putting this resolution forward to the Council. I would simply respond to the last question asked by Mr Brugger, about the intergovernmental meeting in Barcelona. The Commission represented the Community at that Barcelona meeting; following that, it reported to the Council on the results of the negotiations and recommended that the Council approve these results. It has further recommended that the Council endorse the convention and the protocol that

arises from the convention. It has called upon the Council to adopt the proposed decision that the Community should conclude and sign the agreements arising from the Barcelona Convention.

Therefore, the Commission's proposal is on the lines of what Mr Brugger has just said — that is, that, apart from governments of Member States being signatories, the Community as a Community should be a signatory to it. The European Parliament will be invited to take a stand on this proposed decision about the Barcelona Convention in the very near future, so there will be an opportunity then for further debate on this important point.

**President.** — Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted<sup>1</sup>.

11. *Directive on access to the occupation of carrier — Directive on the recognition of diplomas for transport operators*

**President.** — The next item is a joint debate on two reports drawn up on behalf of the Committee on Regional Policy, Regional Planning and Transport:

— by Mr De Clercq (Doc. 90/76), on the proposal from the Commission of the European Communities to the Council for a directive on access to the occupation of carrier of goods or of passengers by waterway in national and international transport; and

— by Mr Albers (Doc. 91/76), on the proposal from the Commission of the European Communities to the Council for a directive aiming at the mutual recognition of diplomas, certificates and other evidence of formal qualifications for road or waterway passenger transport and goods-haulage operators, including measures intended to encourage these operators effectively to exercise their rights to freedom of establishment.

I call Mr Albers to present both reports.

**Mr Albers, rapporteur and deputy rapporteur.** — (NL) Mr President, the two reports which I have to present form part of a series of 8 proposals which the Commission has tabled and whose purpose is to help regulate the markets for goods transport in the framework of a Community transport policy.

Mr De Clercq's report regarding access to the occupation of carrier by waterway supplements an existing directive on road transport. By this proposal, the Commission hopes to bring about a structural improvement in the profession of inland-waterway carrier and a rationalization of the transport market.

<sup>1</sup> OJ C 125 of 8. 6. 1976.

**Albers**

The conditions proposed may be summarized as follows :

- (a) the personal probity of the carrier ;
- (b) his financial standing ; and
- (c) his professional competence.

The same conditions would also apply to freedom of establishment.

The Committee on Regional Policy, Regional Planning and Transport regrets that responsibility for the probity conditions will have to be left to the Member States. The committee is, however, prepared to accept this shortcoming, because it feels that, at the moment, it is impossible to harmonize penal law in the different Member States.

Although the committee is pleased in general with the proposals, it regards the evidence demanded of financial standing as inadequate if a bank certificate is all that is required. The committee feels that it is necessary to ask for a certificate from the chamber of commerce or other body deemed to have the necessary authority in the country of origin. Members of the committee expressed the view that existing trade organizations with public status in the Member States might possibly play a part in this matter.

On the other hand, of course, rules that are too rigid would be fundamentally wrong, because difficulties would then certainly arise from the fact that the authorized bodies differ from country to country. For this reason, the amendment opts for broader wording.

A comment is also called for on the steadily-increasing difficulties in waterway transport.

There have, as you know, been all kinds of action taken by waterway operators, who have gone to extreme lengths in order to draw attention to their case. The blockading of waterways is still fresh in our memories. It should also be put on record, therefore, that the Council should take complementary measures regarding capacity on the basis of the proposals submitted by the Commission as long ago as 1967.

The question arises what will now happen to these proposals and the opinions given by Parliament. Only a short while ago the Council decided to do nothing about a proposal from the Commission that was fully supported by Parliament and which was one of the series of eight I referred to earlier. This was a regulation regarding the Community quota for goods transport by road between the Member States. Another relevant point is that as long ago as September 1968 a report was produced by Mr De Gryse on access to the market for goods transport by waterway.

Last Wednesday evening, at a meeting with the Committee on Regional Policy, Regional Planning and Transport, Mr Mart, President-in-Office of the Council, spoke about the 69 (or 79) proposals that had not yet been dealt with. During his speech he was

able to reduce this number drastically in so far as, as he said, some of the proposals had to be considered by the Ministers for Economic Affairs and some others were not yet sufficiently mature to serve as a basis for Community policy. This left 20 out of the 69 (or 79) existing proposals that were in the Council's files, waiting to be dealt with.

With regard to the two proposals that are now being discussed, it is naturally important for us to be told by the Commission which category they fall into. Should they rightly be grouped with the proposals that still have to be looked at by the Ministers for Economic Affairs? Perhaps they have not yet been sufficiently worked up to serve as a basis for Community policy? Or may we look forward to the Council considering them with all speed?

Now that we have come to the end of this part-session, I do not think that we should beat about the bush on this point. It must not turn into a quiz game. These proceedings with regard to Community transport policy, which began a considerable time ago, must now produce results. Trade and industry are asking for them and have a right to them ; the people who still believe in Europe are counting on them.

Incidentally, in a judgment dated 21 June 1974, the Court of Justice ruled that the provisions of the Treaty regarding the right of establishment were immediately applicable. The issue we are now discussing has therefore been overtaken by events.

To conclude, I would say that, if any value at all is attached to a regulation in this difficult sector, then these proposals that I have been describing need to be adopted as soon as possible and brought into force. The Committee on Economic and Monetary Affairs has delivered a favourable opinion on both proposals.

**President.** — I call Mrs Kellett-Bowman to speak on behalf of the European Conservative Group.

**Mrs Kellett-Bowman.** — We endorse the intentions of the Commission in respect of both these items, and we welcome the reports produced by the two rapporteurs.

I very much sympathize with the concluding remarks of Mr Albers on the speed with which these matters are sometimes considered.

We entertain doubts, however, on a small point common to both proposals — namely, the provisions for demanding from persons active in these sectors evidence of good reputation and financial standing. We do not dispute the need for such evidence, but we are not convinced — any more than Mr Albers is, of course — that sufficient account has been taken of legal differences between Member States in respect of the exact status of those bodies called upon under the proposed directive to supply certificates relating to an operator's standing.

**Kelett—Bowman**

We believe that Mr Albers' proposed amendment to Article 4 of Document 324/75/IV goes some way towards resolving this difficulty. However, we would much prefer the Commission to reconsider that aspect of the question. Because the status of chambers of commerce in some countries is very different — as we pointed out in committee — from their status in others, this does not mean we are prepared to vote against the reports, which in the main we support.

**President.** — I call Mr Thomson.

**Mr Thomson, member of the Commission.** — On behalf of the Commission, I congratulate Mr Albers both on his own report which he has presented today and for presenting the other report in the name of Mr De Clercq.

May I tell Mr Albers straight away that the Commission is happy to accept all the amendments which the Committee on Regional Policy, Regional Planning and Transport has put before us referring to the Tenth Recital as well as the addition to Article 4.

I hope that the addition to Article 4 will help to reassure Mrs Kellett-Bowman. It is certainly designed to meet the point that, I think, was in the minds of both the committee and Mrs Kellett-Bowman.

As to the prospects of making progress, the Commission welcomes the support it has from Parliament. The Commission shares the conviction of Parliament about the necessity of making progress. The proposals contained in Mr Albers' report have the modest advantage that they do not require the expenditure of any Community funds. This may, perhaps, help them before the Council. It will, I think, be the Council of Transport Ministers that will deal with these things.

All we can say is that those of us who believe in the importance of the development of a Community transport policy must remain optimists about the possibility of making that progress. Certainly it will be the purpose of the Commission, strengthened as it is by the support of Parliament and of its specialist committee, to try to persuade the Council of Ministers that the time is now ripe to make progress.

I should like to thank Mr Albers and Mr De Clercq very warmly indeed on behalf of the Commission.

**President.** — Does anyone else wish to speak?

The joint debate is closed.

I put to the vote the motion for a resolution contained in the report by Mr De Clercq (Doc. 90/76).

The resolution is adopted<sup>1</sup>.

I put to the vote the motion for a resolution contained in the report by Mr Albers (Doc. 91/76).

The resolution is adopted<sup>1</sup>.

#### 12. *Dates for 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 debates. The enlarged Bureau proposes that our next sittings be held at Strasbourg during the week from 14 to 18 June 1976.

Are there any objections?

That is agreed.

#### 13. *Adjournment of the session*

**President.** — I declare the session of the European Parliament adjourned.

#### 14. *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.

The sitting is closed.

*(The sitting was closed at 11.50 a.m.)*

<sup>1</sup> OJ C 125 of 8. 6. 1976.



## ANNEX

*Question put by Mr Vernaschi to the Council of the European Communities*<sup>1</sup>

Subject: Concentration camps for political prisoners in the USSR

Will the Council approach the Government of the USSR to discover the truth or otherwise of the television broadcasts by several European countries, including Italian TV, on the existence of concentration camps and labour camps for political prisoners? Does it intend to propose that a delegation from the UN or the International Red Cross visit Russia to check this information? If it proved true, what consequences would this have on relations between the EEC and the USSR?

## REPLY

The films broadcast by several European television companies on labour camps in the Soviet Union do not add anything new to our knowledge of internment conditions in that country. Such films are at most a documented confirmation of a situation of which public opinion in the West has been aware for a considerable time.

The feelings of the Community countries on this question have already been brought to the attention of the Soviet authorities on numerous occasions.

In the view of the Member States of the European Community, a solution to this problem is unlikely to be facilitated or brought about by an international procedure. They do not therefore consider it advisable to request international organizations, such as the United Nations or the International Red Cross Committee, to send a fact-finding mission to the USSR, particularly as such a mission could only take place with the prior consent of the country concerned.

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<sup>1</sup> See Question-time, 14 January 1976. OJ Annex: *Debates of the European Parliament*, No 128, p. 81.

