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from 9 to 12 March 1976
Europe House, Strasbourg

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NOTE TO READER

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

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

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IN THE CHAIR: MR HOUDET

(*Oldest representative*)

(*The sitting was opened at 11.05 a.m.*)

President. — The sitting is open.

1. *Opening of annual session*

President. — Pursuant to Rule 1 of the Rules of Procedure, I declare open the 1976-77 annual session of the European Parliament.

2. *Address by oldest representative*

President. — Ladies and gentlemen, twelve months ago I opened the eighteenth session of our Parliament in my capacity of oldest representative. A further year has now passed, and once again I have this uncertain privilege.

First of all, I would assure our national parliaments, not forgetting public opinion in our nine countries, that those whom they have appointed to this House to champion and promote the European idea on the plane of reality, have not failed in their duty. The scale and significance of the opinions you have submitted, after careful consideration, to both the Commission and the Council provide indisputable evidence of this, although we may regret that these

opinions have not always been taken into account as carefully and, above all, as speedily as they deserved. These delays make our task appreciably more difficult in some of our member countries.

I appreciate the burden your double mandate, both national and European, imposes on you; called upon, as you are, to move constantly from place to place, you spare neither time nor effort. For this you deserve the gratitude of all.

Our work could, I think, be made easier if proposals of a strictly administrative, specific nature not immediately connected with policy-making or the controls exercised by the legislature — even though this is as yet no more than a consultative body — could be precluded from our debates, both in plenary sitting and in committee. A simplification of procedure and the granting of exclusive administrative powers to the Commission might well be considered advisable.

Be that as it may, our present task is to convey — and to convey more effectively — to our peoples the unshakeable faith in Europe which is evinced here in our debates. You are as firmly persuaded as I am that by bringing the construction of Europe nearer to the minds of the people we are championing democracy, to which we are bound by its twin foundations of freedom and brotherhood.

Houdet

As the oldest Member, perhaps I have a better chance than most of impressing upon you the need for sensitizing, so to speak, the younger generation to the challenge of building Europe. The young have not experienced our crises and our conflicts; they have not been carried away, as we have, by the *élan* inspired by a Schuman, an Adenauer, a de Gasperi or a Jean Monnet; they are less conscious than we are of the bridges that still remain to be crossed. It is for us to show them that what has so far been achieved in building up a Community is still very fragile, that the point of no return has still to be reached and that the final goal is in their hands.

A year ago, on 11 March 1975, when taking the chair as the new President of this Parliament, Mr Spénale told us of his desire to strengthen the role of this Parliament among the Community institutions, to maintain the independence of Europe by promoting its integration and — I quote — ‘by serving Europe, to serve both our countries and the human race’. We were already aware of the prominent part he had played in the Committee on Budgets to ensure that our Parliament should be given real budgetary powers; but in the course of the past year he has proved an authoritative champion of this Parliament’s aspirations as regards its direct election by universal suffrage and the creation of a social, economic and political European Union. With the Bureau’s help, he has shown skill in conducting our debates and has demonstrated the reality of our contribution towards the building of Europe. It was my especial desire to pay him this tribute, for he has continued the happy tradition created by his predecessors, Presidents Poher, Scelba, Behrendt and Berkhofer, whom we are happy to see still in our midst.

Our gratitude extends to the other institutions of our Community. First of all, the Commission. A month ago, President Ortoli told us: ‘The struggle for Europe is no different from any other struggle. It will not be won unless our hearts are in it. Nor will it be won without that “political resolve” we hear so much about, which, after all, is no more than a high-sounding abstraction for ordinary, everyday tenacity.’

During the course of the past year, he has given us ample evidence of this passion for Europe and of his own tenacity. Naturally, this Parliament has discussed, analysed and often criticized the proposals made by the Commission, but in doing so it was only exercising its proper function; and the broad cooperation that has taken place in the committees of this House has shown how beneficial such cooperation between our two institutions can be. President Ortoli deserves our thanks for his part in bringing this cooperation about, and I would ask Mr Brunner to convey these thanks to him and to the whole of the institution over which he presides.

If the President-in-Office of the Council, Mr Thorn, were present at this moment, I would tell him — and

I hope that this message will be conveyed to him — that we do not know whom to salute in him most: the man who was the youngest Member of this Parliament, who is now playing a decisive part in our association policy, who has the task of presiding over UN debates at a time when the world is in full evolution, or rather the man who is now presiding for the third time over the Council of Ministers of the European Communities and who, in the European Council, will have to translate into practice the great principles that we have put forward and discussed for building a political, democratic and living Europe. No one more than he would appear to be a worthy vehicle in which to place our hopes.

In 1975, we witnessed the commemoration, with all due ceremony, on the 25th anniversary of the Robert Schuman speech; as I said last year, we have continued to bear in mind the vital point of his message — the need for pragmatism. The achievements of our 18th session may seem to us inadequate, but they are nevertheless considerable. In spite of, or because of, the difficulties inherent in the world economic crisis, a greater awareness of Europe made itself felt in 1975 and assumed concrete form in the application of common policies. The Lomé Agreements, by virtue of the open dialogue and cooperation that took place with the developing countries and by the all-embracing treatment of economic and social problems, have assumed world-wide significance as a model of how to conduct relations with the Third World.

Our Mediterranean policy, by means of trade agreements, is marked by a desire for closer collaboration in defending the common interests that we have with third countries in this area. We wish to see this policy pursued yet further while ensuring that these agreements do not produce any profound disturbance in our internal common policies.

Our lack of progress towards economic and monetary union has endangered our common agricultural policy, even though this policy has for ten years stimulated public opinion in our countries, thanks to its undoubted achievements and also to the desire to see an improvement in its mechanisms.

Another cause for regret is that the imperative needs created by the economic crisis should have failed to produce an effective stimulus for defining a genuine Community energy policy that would assure us a certain degree of independence. The need for research into alternative sources of energy should have prompted us to adopt a more advanced research policy, but despite the efforts of this Parliament the necessary appropriations were not forthcoming. Europe is ahead in some spheres of advanced research. Given insufficient means for applied research, are we going to lose this advantage? This is a question we must ask ourselves.

Houdet

While expressing these regrets, I should like to emphasize the primary importance, when drawing up our policies, of bearing in mind our social aims and seeking, whether by Community measures or by harmonization, to improve the employment situation, whose present deterioration is a grave danger to all forms of economic policy.

A building that is uncompleted will not withstand the ravages of time: it must be finished if it is not to collapse.

'The year 1976 may be a great year for Europe', President Ortoli has told us. We share his hopes, but we are anxious to know the decisions of the forthcoming meeting of the European Council. What we await are Community decisions which, in full respect of the Treaties, impose an equal obligation on all Member States, whatever their population and relative size.

This year is witnessing, in the public opinion of all our Nine countries, a growing reaction to Europe through the discussions raised, in the national political groups and in the information media, on the question of direct elections to the European Parliament. These discussions are in full swing, and while the principle of such elections is widely admitted, the manner in which they should be held is still as much a subject of debate as the role of our Parliament once it has been elected democratically.

During the course of this year, this Parliament should, I think, following up the Patijn report which we have adopted, consider the links to be created, after 1978, between it and our national parliaments. This raises the question of the double, or multiple, mandate. Without a national mandate, should we not be depriving ourselves of those opportunities for assessing the situation which our work in the national parliaments gives us? On the other hand, would not a double mandate make it more difficult for Members of the European Parliament to achieve a greater independence of judgement?

Ladies and gentlemen, you fully appreciate the usefulness of the link that you have provided between the European Parliament and your national parliaments. But, whatever will be decided about the mandate, once direct elections have taken place, relations among the parliaments of Europe may suffer from the diversity of their members. What does that matter, some may say: the national parliaments will no longer be called upon to play anything but a marginal role in European affairs. Let us not delude ourselves! For a long time to come, the national parliaments will play what I would call a strategic role in the building of Europe. They may equally well act as a driving-force or as a brake — or even be an indirect cause of break-downs.

In this House, therefore, we shall have to devote considerable attention to the question of tightening up our relations with the national parliaments. Liaison bodies, in the form of specialized committees, will

have to concretize this desire for cooperation, for the legislative assemblies of Europe will not be rivals but allies in the search for ways and means of strengthening the democratic dimension.

This year, we shall be opening the debate on the report on European Union and, in particular, the part to be played by this Parliament in the strengthening of the Institutions.

Some of the more disappointed ones will, no doubt, express the view that our Institutions have failed to establish the common policies required or authorized by the Treaty, and have failed to take advantage of a favourable opportunity to set up Community mechanisms which, once having got into their stride under favourable economic circumstances, would have made us better prepared for the recession to which the world is now exposed. Experience shows that the Common Agricultural Policy's ability to maintain itself in the face of monetary upsets and reversals on the world's markets is due not only to its own intrinsic contribution but also to the faith it symbolizes in the construction of Europe throughout a large sector of public opinion in our countries.

This year, we shall be continuing the negotiations on the conditions governing accession, or on decisions concerning the accession of new Member States.

Thanks to the success of the British referendum, 1975 saw the finalization of the Community of the Nine, which for us assumed material form in the integral participation of the British delegation in the work of this Parliament. We had hoped to be ten in number: it is still our hope that Norway will join us.

We know that Greece wishes to join us as soon as possible. For political reasons, we were previously obliged to suspend all discussion of this question, but now we know that Greece, by her accession, wishes to defend her economy and consolidate her democratic life.

Each decision must be taken with care and with the facts of the situation in mind; at the same time, the commitments required and accepted must be respected in a spirit of solidarity according to the principles of the Treaty of Rome. We must make sure that no further enlargement shall slow down the vital consolidation of our Community of Nine.

This year, the idea of Europe as a closely united and independent entity must be given credence, both at home and abroad, within the precincts of international conferences both present and future. We should like to see its democratic and social features acknowledged as an original model whose social aims are based on the maintenance of economic equilibrium, on a continual striving for full employment and on the elimination of social inequalities, whether structural or regional, under a common legal and disciplinary régime applicable to all and respected by all.

Houdet

These, ladies and gentlemen, are the reflections that I, as the oldest Member of this House, wanted to lay before you on the occasion you have given me for opening our 19th session.

It has been my intention to devote the last years of my life to defending that ideal of European unity which, brought up as I was on Victor Hugo's premonitory speech at the Peace Congress of 1849, has never been far from my thoughts ever since I was a young man, despite all the dramatic events that have imperilled it.

I shall not live to see the day, but my faith in its materialization is unshakeable. I know that you share this faith: prove it by convincing all our peoples of what we believe in, by working, closely united, for the happiness of man, for a flowering of those moral virtues which, for centuries, have been at the foundation of our common civilization.

(Prolonged applause)

3. Election of President

President. — The next item is the election of the President of the European Parliament.

I have received from the chairmen of the political groups the candidature of Mr Georges Spénale.

Since no other candidature has been put forward, and in the absence of a request for an election by secret ballot, I think that the European Parliament would wish to re-elect Mr Spénale by acclamation.

(Prolonged applause)

I therefore declare Mr Spénale President of the European Parliament. I should like to offer him my congratulations, and invite him to take his place in the Chair.

(Applause)

IN THE CHAIR: MR SPÉNALE

President

4. Election of Vice-Presidents

President. — The next item is the election of the twelve Vice-Presidents of the European Parliament.

I have received from the political groups the following names, in order of precedence: Mr Bersani, Mr Berkhouwer, Lord Bessborough, Mr Yeats, Mr Bordu, Mr Behrendt, Mr Lückner, Mr Gul'berg, Mr Martens, Mr Corona, Mr Santer and Sir Geoffrey de Freitas.

Since the number of candidates corresponds to the number of seats to be filled, I think that the House

would also wish to elect the Vice-Presidents by acclamation.

(Applause)

I therefore declare elected as vice-presidents those candidates whose names I have just read out, in that order of precedence.

I congratulate them on their re-election.

5. Address by the President

President. — Mr Houdet, ladies and gentlemen, first of all, I wish to thank you for the confidence you have placed in me in electing me to the Presidency of the European Parliament for a second year, which I consider an honour, even if this has now become almost standard procedure.

It is an exciting task, at a time like the present, to be the first servant of our Parliament, and I am particularly happy to have received, this year, the votes of all the political groups in this Assembly. As our work becomes daily more political, I take this as evidence of the opportunity for wide ranging cooperation between the Presidency and the political groups. Our work is the more effective for this cooperation, which gives the President added authority as Parliament's representative in inter-institutional relations and outside this Institution.

With your permission, I should also like to express my gratitude on behalf of the members of the Bureau, whom you have also re-elected unanimously and with whom we work in a spirit of close cooperation, for which I thank them.

I now wish, on behalf of the Assembly as a whole, to express our gratitude to the oldest Representative, Mr Houdet, who opened this nineteenth session of the European Parliament with such distinction. We are deeply grateful to have benefitted from his enthusiasm, his hopes and his example. Although he is the only one of us to have been born in the nineteenth century, we had completely forgotten that he is our oldest Representative. He is so clearly young in heart and in mind that he commands everyone's respect and affection.

(Applause)

His speech contained such wisdom and vision that there is no need for me to draw up any kind of statement or programme of the work of our Assembly, I shall merely give a brief outline of the general situation and the particular tasks ahead.

First of all, there is no doubt that these are difficult and exciting times.

Within the Community, we are regrettably faced with excessive unemployment, continuing inflation,

President

diverging fluctuations of monetary parities, and all that this entails; compensation rates, an evident slow-down of economic integration, the decline, in certain quarters, of agricultural incomes, occasionally leading to desperate gestures.

On an international level, the volume of world trade has declined for the first time since 1945. The world situation is confused. A new equilibrium is being sought in Asia. Various conflicts are breaking out in Africa. Latin America is extremely unsettled. The Israeli-Arab problem remains unsolved. In Europe, the revolution in Portugal is not finished and Spain wavers on the threshold of democracy.

This is the troubled world of inter-dependence, where everyone feels the effects of events that occur elsewhere. As Valéry put it: 'Le temps du monde fini commence.'

But it is also an exciting time, probably because difficulties often work as a stimulus.

Confronted with the economic crisis, a new dialogue is being established between North and South, and a charter is being tentatively drawn up on the rights and economic duties of nations. In this context, the Convention of Lomé has shown the way.

The end of the tunnel, although still a long way off, is in sight: a more balanced world, and thus more peaceful and more human.

By virtue of the numerous requests for contacts received by the European Parliament, we know that the latter has an important part to play in this evolution, and that it will be worthy of it.

On a Community level, we are faced with numerous and important tasks.

We will press for the ratification of the new agreements on the budgetary powers of Parliament, the drawing-up of proposals, long overdue, on its assimilation into the legislative process, and the creation of a common basis of assessment for VAT.

On 31 May the Consultative Assembly of the Convention of Lomé will take its seat in Luxembourg.

On the institutional level, we must get to work in this Parliament, in the national Parliaments, in our parties and everywhere else, to ensure that the election of the European Parliament by direct universal suffrage will be held within the stipulated time-limits.

This is our greatest concern, for it signifies the entry of ordinary people on the Community scene, a decisive step towards European parliamentary democracy and a new equilibrium between the Institutions, which has been made necessary by the increased political influence and strength conferred on the Executive by the European Council.

Finally, the Tindemans report will call for considerable and painstaking study, with the aim of avoiding

any amalgam or confusion between, on the one hand, the Patijn convention, which is an extension of the Treaty of Rome and does not itself imply the transfer of new responsibilities to the Communities or further supranational powers, and, on the other hand, the Tindemans report, which sets out new proposals for the future and represents a starting point.

1976 should see the definitive agreement on the election of the European Parliament by direct universal suffrage: 1977, the adoption by the Member States of measures concerning its organization; 1978, the election itself.

In other words, as well as being a year of great efforts aimed at restoring an economic, social and regional equilibrium, 1976 should be a decisive year for the institutional consolidation of the Community and its role as a parliamentary democracy.

These are just some of the most important tasks that I wished to mention today, and on which we shall be working in the coming months.

They affect our citizens, our workers, our regions, our countries, Europe and the world.

But all these tasks are fundamentally motivated by a common concern, which we all share, whatever our political ideologies: to create a fellowship of men and ensure the best possible lives for our own and other people's children.

(Prolonged applause)

President. — I call Mr Brunner.

Mr Brunner, Member of the Commission — (D) Mr President, on behalf of the Commission I should like to express our most heartfelt congratulations to you and to the Vice-Presidents. I should also like to thank the oldest member for the kind words he has used in speaking of the Commission.

You are taking up your duties at a decisive moment in the development of Europe. This Community, which has stood fast during a time of recession, is now looking ahead. It is entering into a new phase, in which it wishes this Parliament to give ever more vigorous expression to the political resolve of Europe's citizens that Europe should become a unity. You will have an increasingly important role to play in the construction of Europe. With your election and the election of your Vice-Presidents you have girded yourself for this momentous task. We should like to congratulate you very sincerely.

(Applause)

President. — Thank you, Mr Brunner.

I Call Mr Memmel on a point of order.

Mr Memmel. — (*D*) Mr President, I am sorry to have to trouble you, very sorry indeed. You asserted, however, just now that the Vice-Presidents were elected unanimously by acclamation. You did not ask for votes against. I should like, therefore, to put it on record at this point — I am compelled to do so — that I have not had hand, act or part in the election of a Communist Vice-President and I never will.

President. — I have taken note of your statement, Mr Memmel. The proceedings will now be suspended until 4 p.m.

The House will rise.

(The sitting was suspended at 11.35 a.m. and resumed at 4.15 p.m.)

IN THE CHAIR : MR SPENALE

President

6. Documents submitted

President. — I have received the following documents :

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

— the proposal from the Commission of the European Communities to the Council for a regulation amending Council Regulation (EEC) No 2051/74 of 1 August 1974 on the customs procedure applicable to certain products originating in and coming from the Faroe Islands (Doc. 3/76) ;

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

— the proposal from the Commission of the European Communities to the Council for a regulation laying down general rules for the supply of skimmed-milk powder as food aid to certain developing countries and international organizations under the 1976 programme (Doc. 4/76) ;

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

(b) — oral questions by Mr Blumenfeld, Mr Osborn, Mr Cousté, Sir Geoffrey de Freitas, Mr Seefeld, Mr Durieux, Mr Fletcher, Mr Dykes, Mr Mursch, Mr Spicer, Mr Leonardi, Mr Cointat, Mr Hamilton, Mr de la Malène, Lord Bethell, Mr Noé, Mr Dalyell, Mr Marras, Mr Hazschel, Mr Evans, Mr Nyborg, Mr Scott-Hopkins, Mr Howell and Mr Normanton, pursuant to Rule 47a of the Rules of Procedure, for Question Time on 10 March 1976 (Doc. 1/76).

7. Verification of credentials

President — At its meeting this afternoon the Bureau verified the credentials of Mr Van der Mei, whose appointment was announced yesterday.

Pursuant to Rule 3(1) of the Rules of Procedure, the Bureau satisfied itself that this appointment complied with the provisions of the Treaties.

I therefore propose that this appointment be ratified.

Are there any objections ?

The appointment is ratified.

8. Tabling of a motion for a resolution and reference to committee (Doc. 2/76)

President. — I have received from Mr Amendola and Mr Ansart, on behalf of the Communist and Allies Group, a motion for a resolution with request for debate by urgent procedure pursuant to Rule 14 of the Rules of Procedure, on the threat to the lives of Corvalan and other Chilean political prisoners.

This motion for a resolution has been distributed under No 2/76

Are there any objections to the request for urgent procedure ?

I call Mr Fellermaier on behalf of the Socialist Group.

Mr Fellermaier — (*D*) Mr President, ladies and gentlemen, this Assembly has expressly and in unmistakable terms denounced the regime in Chile and its continued violation of human rights. My group in particular, which both here and in other places has repeatedly given public testimony to its solidarity with the persecuted democrats in Chile, has no need to emphasize that at this time also its entire sympathy goes out to these harassed Chilean democrats. I believe that all the other groups in this House are in agreement with us on this matter.

Both at the meetings of the Political Affairs Committee and also in the plenary Assembly we were assured by the Commission in the context of the motion for a resolution tabled by my group that it would take a final decision in the first months of the new year on whether or not to close the European Community Information Office in Santiago and that it would then communicate its final decision to this House. Since the Political Affairs Committee has taken this matter in hand and since the Commission knows that the longer it delays in giving Parliament the answer it is looking for, the more it will be getting itself into a corner, I feel certain that the Commission will announce its final decision in the next few weeks. This will then inevitably lead to a debate on relations between the European Community and Chile.

Fellermaier

For this reason I feel, Mr President, that there are no grounds for having an urgent debate at this point on events in Chile. For years it has been an every day occurrence in Chile for political prisoners to be brought before a military tribunal. Given the inadequacy of the means available to this Parliament, one of the possible measures that might be taken is to consider whether the Commission ought not to withdraw its office from Santiago as a protest against the attitude of the Chilean regime. We cannot discuss this matter, however, this week, only when the President of the Commission has announced its final decision.

For all these reasons my group and I cannot agree that this matter should be dealt with by urgent procedure.

President. — I call Mr Bertrand on behalf of the Christian-Democratic Group.

Mr Alfred Bertrand. — *(NL)* Mr President, on behalf of the Christian-Democratic Group I should like to support what has been said by Mr Fellermaier. My group is also against dealing with this resolution by urgent procedure.

President. — I call Mr D'Angelosante on behalf of the Communist and Allies Group.

Mr D'Angelosante. — *(I)* Mr President, ladies and gentlemen, even if I approve of the last part of Mr Fellermaier's speech, in which he mentioned the possibility of adopting sanctions against the Chilean military junta, I must confess my profound disappointment at his affirmation that such a serious matter as the trial of these political leaders, former ministers in the government of the assassinated president Salvador Allende, is a simple administrative affair on which Parliament should not express an opinion. I am extremely surprised and disappointed by that view.

As we all know, Mr Ruiz Jimenez, the Spanish Christian-Democrat lawyer and one of the defenders of Luis Corvalan, has revealed that 22 March will see the trial not only of Corvalan but of other leaders, ministers and politicians under the democratic regime in Chile brought down by the fascist military junta. Naturally, I am not saying for one moment that all the other trials, assassinations and massacres by the Chilean junta are of no importance, and that only this particular trial is important. Indeed, our group has proposed in the past—and the proposal was adopted by Parliament—that we should condemn such actions and decisions. But there is now going to be a trial, with accompanying attempts to give it a semblance of legality, in the name of the very principles of democracy which we uphold and believe in. Politicians guilty only of having been freely appointed members of a democratic and constitutional government are to be tried by a court divested of all powers

save the 'de facto' power of assassination. And it will very probably exercise that power.

Among those dragged before the courts are men with left-wing views, communists, socialists and even members of other parties. In view of the political standing of the accused and the intended display of arrogance and self-confidence by the fascist military junta, this trial is the climax of Chilean repression.

How can this Parliament refuse to do everything in its power to prevent these ends from being achieved? How can this Parliament, after adopting positions of a general nature, refuse to take up a position on a specific case which has been expressly drawn to its attention and which involves men belonging to many of the parties represented in this House? In such a situation, can we really remain silent, Mr President? If we could discuss and express our opinions on this matter in some way other than under urgent procedure, we would accept your answer without more ado. But when we meet again in April, Corvalan and the other democrats accused will have been tried, the sentences delivered and probably—although I hope I am wrong—carried out. In this case more than ever Mr President, the urgency of the matter stems from the imminence of the event. If we do not condemn it today, it will be too late. The refusal to adopt a position would be interpreted by those concerned as an acceptance, if not of the principles involved, at least of the fact, and of the unremarkable nature of such atrocities.

That is why, Mr President, we have made a request for urgent procedure; and that is why we have not been swayed by opposition from influential quarters in this House, and ask you not to let a firm and deep political commitment, which should be impressed upon those assassinating and massacring in Chile, be hidden, behind bureaucratic arguments. We cannot take refuge in hypocritical justifications when faced with such a serious matter. The ideologies and past work of the people about to be tried are similar to those of many of us here. Let us welcome the closing of the Community's office in Santiago and the other measures taken against Chile. But the trial of Corvalan and the other socialist leaders will take place on 22 March, and if our Parliament sets store on its honour, it must make its voice heard before that date. Otherwise, part of the responsibility for the outcome will be ours.

President. — I put the request for urgent procedure to the vote.

The request is rejected. The motion for a resolution will be referred to the Political Affairs Committee.

9. Order of business

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

At its meeting of 26 February 1976 the enlarged Bureau drew up the draft agenda which has been

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distributed. A number of changes have since been requested. We have just discussed them in the enlarged Bureau and I have been asked to make the following proposals.

At the request of all the group chairmen, the debate on the Tindemans report will be replaced by a debate on a motion for a resolution tabled by the political groups, relating to direct elections to the European Parliament.

The Commission has informed us that Mr Lardinois would like to make a statement to Parliament on agricultural prices. This could be entered on Thursday's agenda to follow the debate on direct elections.

Moreover, if the Committee on Agriculture is able to adopt today a report on aids to private storage of protein products, this item could be placed on the agenda for Friday, after the report by Mr Martens on the fat content of milk.

Finally, at the rapporteurs' request, the report by Lady Fisher of Rednal on colouring matters in foodstuffs could be taken as the last item on Friday's agenda.

Are there any objections?

I call Mr Lange.

Mr Lange — (D) Mr President, in the original agenda proposed for Thursday, it was planned to have a joint debate on the reports by Sir Brandon Rhys Williams and Mr Artzinger. There is no point, however, in joining the debate on Mr Artzinger's report on the present economic situation in the Community with that on Mr Brugger's motion for a resolution, on which Sir Brandon Rhys Williams is rapporteur. Since two completely different areas are in question, it would be better to drop the idea of a joint debate and to debate these two matters separately.

Sir Brandon Rhys Williams' report deals basically with a subject that is of medium-term and long-term interest, whereas the Artzinger report is concerned with a subject of short-term interest, namely, trends in short-term economic policy in the Community for the year 1976. If we have a joint debate on medium-term and long-term questions on the one hand and short-term questions on the other, then at the end of it all we will neither know what was said on the Rhys Williams report nor what points we wanted to make on the short-term picture of the Community's economic situation in 1976.

That is why, Mr President, I make this urgent request to you that the idea of a joint debate should be dropped and that the two matters should be dealt with separately. In principle this would also be the wish of my colleagues in the Committee on Economic and Monetary Affairs; I speak therefore on their behalf and also on behalf of the rapporteurs.

President. — I call Sir Brandon Rhys Williams.

Sir Brandon Rhys Williams. — I am grateful to Herr Lange for his intervention. Naturally, it concerns myself. I should like to advise my colleagues and yourself, Mr President, with deference, that I think it would be nonsense to take the two reports as if they were a single subject. I am sure that in the interests of this House we should have separate debates.

President. — It was decided to consider these two items jointly with a view to saving time, since tomorrow's agenda is extremely full. However, Parliament has heard the arguments put forward by Mr Lange and Sir Brandon Rhys Williams, and the proposal that these two debates be held separately.

Are there any objections to this proposal?

That is agreed.

The agenda for this part-session will therefore be as follows:

Wednesday, 10 March 1976 at

10 a.m., 3 p.m. and possibly in the evening:

- Question Time
- Joint debate on an oral question to the Council on the decision-making procedure of the Council and an oral question to the Commission on outstanding Council decisions
- Joint debate on an oral question to the Council on the convergence of national policies and an oral question to the Commission on the same subject
- Joint debate on the Council's statement on relations between the EEC and Greece and two oral questions on Greek accession to the EEC
- Oral question with debate to the Conference of Foreign Ministers on defence in the context of a European foreign policy
- Oral question with debate to the Conference of Foreign Ministers on the denial of parental rights by the GDR
- Joint debate on a motion for a resolution on an action programme on education, an oral question to the Council on the action programme on education and an oral question to the Commission on the European schools system
- Joint debate on an oral question to the Council on a tunnel under the English Channel and an oral question to the Commission on the same subject.

Thursday, 11 March 1976 at

10 a.m. and 3 p.m.:

- Debate on direct elections to the European Parliament
- Commission statement on agricultural prices;
- Rhys Williams report on the Community of stability and growth,

President

- Artzinger report on the economic situation in the Community
- Rhys Williams report on a Community institute for economic analysis and research
- Springorum motion for a resolution on the DRAGON project.

Friday, 12 March 1976 from

9 a.m. to 12 noon :

- Possibly, continuation of Thursday's agenda
- Della Briotta report on a conversion premium in the wine sector
- Martens report on the fat content of milk
- Report on private storage of protein products (possibly)
- Della Briotta report on the Community list of less-favoured farming areas
- Houdet report on the common organization of the market in fruit and vegetables (without debate)
- Seefeld report on summer time
- Spicer report on the approximation of legislations on mayonnaise
- Zeller report on arrangement applicable to agricultural products originating in the ACP states or the OCT (without debate)
- Schwörer report on customs warehouses and free zones (without debate)
- Report on the EEC-Malta Association Agreement
- Lady Fisher report on colouring matters for use in foodstuffs.

Are there any objections?

That is agreed.

10. — *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 limited 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 of the question ;
- 5 minutes for other speakers.

Are there any objections?

That is agreed.

11. *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.

12. *Membership of committees*

President. — The next item is the election of the members of the parliamentary committees.

In accordance with Rule 37(2) of the Rules of Procedure, the enlarged Bureau has drawn up the following lists of candidates for the various committees :

- (1) *Political Affairs Committee*: Mr Achenbach, Mr Amendola, Mr Andreotti, Mr Ansart, Mr Ariosto, Mr Behrendt, Mr Berkhouwer, Mr Alfred Bertrand, Mr Blumenfeld, Mr Boano, Lord Castle, Mr Colin, Mr Corona, Mr Corterier, Mr Cousté, Mr Covelli, Mr Durieux, Mr Espersen, Mr Faure, Lord Gladwyn, Mr Guldberg, Mr Jahn, Sir Peter Kirk, Mr Klepsch, Mr Lenihan, Mr de la Malène, Mr Mitchell, Mr Patijn, Mr Radoux, Lord Reay, Mr Scelba, Mr Schuijt, Mr Scott-Hopkins, Mr Seefeld, Mr Stewart.
- (2) *Legal Affairs Committee*: Lord Ardwick, Mr Bagemann, Mr Bayerl, Mr Bermani, Mr Broeks, Mr Brugger, Mr Calewaert, Mr Cipolla, Mr Concas, Mr d'Angelosante, Mr de Keersmaecker, Mr de Sanctis, Mr Duval, Mr Espersen, Mrs Ewing, Sir Geoffrey de Freitas, Mr Geurtsen, Lord Gordon Walker, Mr Jozeau-Marigné, Mr Krieg, Mr Lautenschlager, Mr Memmel, Mr Pianta, Mr Pohér, Sir Brandon Rhys Williams, Mr Rivierez, Mr Rizzi, Mr Santer, Mr Scelba, Mr Schmidt, Mr Schuijt, Mr Schwörer, Mr Shaw, Mr Vernaschi, Sir Derek Walker-Smith.
- (3) *Committee on Economic and Monetary Affairs*: Mr Achenbach, Mr Albertsen, Lord Ardwick, Mr Artzinger, Mr Bordu, Mr de Broglie, Mr Burgbacher, Mr Carpentier, Mr Cifarelli, Mr Clerfayt, Mr Cointat, Mr Cousté, Mr de Keersmaecker, Mr Delmotte, Mr Deschamps, Mr Dykes, Mr Fabbrini, Lord Gordon Walker, Mr Guldberg, Mr van der Hek, Mr Hougardy, Mr Lange, Mr Leenhardt, Mr Leonardi, Mr van der Mei, Mr Mitterdorfer, Mr Normanton, Mr Notenboom, Mr Nyborg, Mr Prescott, Sir Brandon Rhys Williams, Mr Schwörer, Mr Starke, Mr Suck, Mr Thornley.
- (4) *Committee on Budgets*: Mr Aigner, Mr Antoniozzi, Mr Artzinger, Mr Bagemann, Lord Bessborough, Lord Bruce of Donington, Mr Brugger, Mr Caillavet, Mr Cipolla, Mr Clerfayt, Mr Cointat, Mr Concas, Mr Dalyell, Mr Durand, Mr Fabbrini, Mr Faure, Miss Flesch, Mr Fletcher, Mr Früh, Mr Galli, Mr Gerlach, Mr Hansen, Mr Lagorce, Mr Lange, Mr Lautenschlager, Mr Maigaard, Mr Mursch, Mr Notenboom, Mr Patijn, Mr Pêtre, Mr Radoux, Mr Schmidt, Mr Shaw, Mr Terrenoire, Mr Yeats.

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- (5) *The Committee on Social Affairs, Employment and Education*: Mr Adams, Mr Albers, Mr Albertsen, Mr Bermani, Mrs Caretoni Romagnoli, Mr Carpentier, Mr Creed, Mr Dondelinger, Mrs Dunwoody, Mr Durand, Lady Fisher of Rednal, Mr Geurtsen, Mr Girardin, Mr Glinne, Mrs Goutmann, Mr van der Gun, Mr Härzschel, Mr Howell, Mr Kavanagh, Mrs Kellett-Bowman, Mr Laudrin, Mr Marras, Mr Meintz, Mr Nolan, Mr Pianta, Mr Pêtre, Mr Pisoni, Mr Premoli, Mr Prescott, Sir Brandon Rhys Williams, Mr Rosati, Mr Santer, Mr Terrenoire, Mr Walkhoff, Mr Zeller.
- (6) *Committee on Agriculture*: Mr Baas, Mr Boano, Mr Bourdelles, Mr Brégégère, Mr Cifarelli, Mr Cipolla, Mr Della Briotta, Mrs Dunwoody, Mr Frehsee, Mr Früh, Mr Gibbons, Mr Hansen, Mr Houdet, Mr Howell, Mr Hughes, Mr Hunault, Mr Kofoed, Mr de Koning, Mr Laban, Mr Lemoine, Mr Ligios, Mr Liogier, Mr Lücker, Mr McDonald, Mr Marras, Mr Martens, Mr Ney, Mrs Orth, Mr Premoli, Lord St. Oswald, Mr Scott-Hopkins, Mr Suck, Mr Vetrone, Lord Walston, Mr Zeller.
- (7) *The Committee on Regional Policy, Regional Planning and Transport*: Mr Albers, Mr Antoniozzi, Mr Ariosto, Mr Bangemann, Mr Caillavet, Mrs Caretoni Romagnoli, Mr Colin, Mr de Clercq, Mr Delmotte, Mr Ellis, Mr Evans, Mrs Ewing, Mr Fletcher, Mr Gerlach, Mr Giraud, Mr van der Gun, Mr Hamilton, Mr Herbert, Mr Houdet, Mr Kavanagh, Mrs Kellett-Bowman, Mr Liogier, Mr McDonald, Mr Marras, Mr Meintz, Mr Mitterdorfer, Mr Mursch, Mr Knud Nielsen, Mr Noè, Mr Nyborg, Mr Osborn, Mr Pêtre, Mr Schwabe, Mr Seefeld, Mr Starke.
- (8) *The Committee on the Environment, Public Health and Consumer Protection*: Mr Adams, Mr Pierre Bertrand, Lord Bethell, Miss Boothroyd, Mr Bourdellès, Mr Brégégère, Mr Creed, Mr Della Briotta, Mr de Sanctis, Mr Didier, Mr Evans, Lady Fisher of Rednal, Mr Gibbons, Mr Giraud, Mr Hartog, Mr Härzschel, Mr Hunault, Mrs Iotti, Mr Jahn, Sir Peter Kirk, Mr Kofoed, Mrs Kruchow, Mr Martens, Mr Willi Müller, Mr Emile Müller, Mr Ney, Mr Knud Nielsen, Mr Noè, Mrs Orth, Mr Premoli, Mr Rivierez, Mr Schwabe, Mr Spicer, Mr Springorum, Mr Walkhoff.
- (9) *The Committee on Energy and Research*: Lord Bessborough, Mr de Broglie, Mr Burbacher, Mr Dalyell, Mr Ellis, Mr Flämig, Mr Frehsee, Mr Giraud, Mr Giraud, Mr Hartog, Mr van der Hek, Mr Herbert, Mr Hougardy, Mr Krall, Mr Krieg, Mrs Kruchow, Mr Lautenschlager, Mr Leonardi, Mr Liogier, Mr van der Mei, Mr Memmel, Mr Mitchell, Mr Willi Müller, Mr Knud Nielsen, Mr Noè, Mr Normanton, Mr Osborn, Mr Pintat, Mr Pisoni, Mr Rizzi, Mr Romualdi, Mr Schwabe, Mr Springorum, Mr Vandewiele, Mrs Walz.
- (10) *Committee on External Economic Relations*: Mr Antoniozzi, Mr Baas, Mr Barnett, Mr Bayerl, Mr Bermani, Mr Bersani, Mr Brégégère, Lord Castle, Mr Corterier, Mr Cousté, Mr d'Angelosante, Mr de Clercq, Mr Didier, Mr Dunne, Mr Dykes, Mr Kaspereit, Mr Klepsch, Mr de Koning, Mr Maigaard, Mr Emile Muller, Mr Nyborg, Mr Patijn, Mr Pintat, Mr Radoux, Mr Romualdi, Mr Sandri, Mr Schmidt, Mr Schulz, Mr Schwörer, Mr Scott-Hopkins, Mr Spicer, Mr Thornley, Mr Vandewiele, Mr Vetrone, Lord Walston.
- (11) *Committee on Development and Cooperation*: Mr Aigner, Mr Barnett, Mr Bersani, Mr Pierre Bertrand, Miss Boothroyd, Mr Broeks, Mr Corona, Mr Deschamps, Mr Dondelinger, Mr Durieux, Mr Espersen, Mr Flämig, Miss Flesch, Sir Geoffrey de Freitas, Mr Galli, Mr Girardin, Mr Glinne, Mrs Goutmann, Mr Härzschel, Mrs Iotti, Mr Jakobsen, Mr Jozeau-Marigné, Mr Kaspereit, Mr Krall, Mr Lagorce, Mr Laudrin, Mr Ligios, Mr Brøndlund Nielsen. Mr Nolan, Lord Reay, Lord St. Oswald, Mr Sandri, Mr Schuijt, Mr Walkhoff, Mrs Walz.
- (12) *Committee on the Rules of Procedure and Petitions*: Mr Bayerl, Mr Berkhouwer, Lord Bruce of Donington, Mr Calewaert, Mr Covelli, Mr d'Anglosante, Mr Hamilton, Mr Lagorce, Mr McDonald, Mr Martens, Mr Memmel, Mr Willi Müller, Mr Brøndlund Nielsen, Mr Rivierez, Mr Schulz, Mr Vernaschi, Sir Derek Walker-Smith, Mr Yeats.
- D (1) *Delegation to the Joint Parliamentary Committee of the EEC-Greece Association*: Lord Bethell, Mr Bourdellès, Mrs Caretoni Romagnoli, Mr Concas, Mr Corterier, Mr Dalyell, Mr de Clercq, Mr Dunne, Mr Giraud, Mr Glinne, Mr Jakobsen, Mr de Koning, Mr Laban, Mr Rivierez, Mr Rosati, Mr Schulz, Mr Terrenoire, Mr Vetrone.
- D (2) *Delegation to the Joint Parliamentary Committee of the EEC-Turkey Association*: Mr Albertsen, Mr Bass, Mr Behrendt, Mr Carpentier, Mr Corona, Mr Cousté, Mr Fellermaier, Mr Hansen, Mr Hughes, Mr Jahn, Mr Klepsch, Mr Lemoine, Mr Emile Muller, Mr Notenboom, Mr Pintat, Mr Pisoni, Mr Spicer, Mr Vandewiele.

13. *Agenda for next sitting*

President — The next sitting will be held tomorrow, Wednesday, 10 March 1976, with the following agenda:

10 a.m., 3 p.m. and possibly in the evening:

- Question Time
- Joint debate on an oral question to the Council on the decision-making procedure of the Council and an oral question to the Commission on outstanding Council decision
- Joint debate on an oral question to the Council on the convergence of national policies and an oral question to the Commission on the same subject
- Joint debate on the Council statement on relations between the EEC and Greece and two oral questions on Greek accession to the EEC
- Oral question with debate to the Conference of Foreign Ministers on defence in the context of a European foreign policy

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- Oral question with debate to the Conference of Foreign Ministers on the denial of parental rights by the GDR
- Joint debate on a motion for a resolution on an action programme on education, an oral question to the Council on the action programme on education and an oral question to the Commission on the European schools system

- Joint debate on an oral question to the Council on a tunnel under the Channel and an oral question to the Commission on the same subject.

The sitting is closed.

(The sitting was closed at 4.35 p.m.)

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IN THE CHAIR: MR SPÉNALE

President

President. — The sitting is open.

(The sitting was opened at 10.05 a.m.)

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 adopted.

2. *Authorization of a report*

President. — Pursuant to Rule 38 of the Rules of Procedure, I have authorized the Political Affairs Committee, at its own request, to draw up a report on the Greek application for accession to the Community.

3. Question Time

President. — The next item on the agenda is questions addressed to the Conference of Foreign Ministers of the Member States of the European Communities and to the Council and Commission of the European Communities pursuant to Rule 47a, paragraph 1 of the Rules of Procedure (Doc. 1/76). I would ask Members to put their questions in strict conformity with the Rules. We shall start with the question addressed to the Conference of Foreign Ministers of the Member States of the European Communities. This is Oral Question No 1 by Mr Blumenfeld:

'How does the Conference regard the fact that the French government has recognized the MPLA government in Angola without waiting for all the Member States of the EEC to take joint action on this matter, although, only a few days previously, the President of France had expressed regret at the lack of a common European policy on Angola?'

Mr Thorn, President-in-Office of the Conference of Foreign Ministers. — (F) May I point out first of all that the procedure of Question Time is not yet applicable to problems of political cooperation. You yourself, Mr President, recently sent me a letter in which you stressed this fact and — as I understand it — expressed Parliament's wish that the procedure could be changed so that, at a future date, questions could be put on problems involving political cooperation.

I have passed your letter on to my colleagues and I hope to be able to inform you soon of our views on this fundamental matter to which I, too, attach great importance.

Speaking personally, I might add that I share your view and hope to have it accepted by my colleagues. Mr Blumenfeld will appreciate therefore that it is unfortunately not possible for me, in my capacity as President-in-Office of the Conference, to give a detailed answer to his question without having the agreement of my colleagues.

He will undoubtedly be familiar with the Ministers' declaration on this question of 23 February, to which I could not in any case add very much. I should, however, like to point out that the question is based on a false assumption since, for several Member States, it was not a question of recognizing the government — as the author of the question said — but of recognizing the state, whereas other Member States had recognized the State of Angola as early as last autumn. Furthermore, I would also point out here in plenary session that I was somewhat more explicit at the Political Committee meeting yesterday, so that a large number of Members are acquainted with the essentials of the problem.

Mr Blumenfeld. — (D) May I ask the President of the Council, in his capacity as President of the Conference of Foreign Ministers, whether he will be surprised if we express our disappointment that he was unable to give a concrete reply today and that, in such a fundamental question of cooperation and cohe-

sion between the Nine on a question which was not, after all, so difficult, the European Community was unable to give a unanimous vote, in spite of the fact that there had been considerable preparatory work and broad agreement had already been reached?

May I ask him whether there will be no repetition of this lack of cooperation or of the precipitate moves of individual governments, which have given rise to real indignation among the European public, and whether we may hope that we can speak with one voice on such matters in future?

Mr Thorn. — (F) The Prime Minister and Foreign Minister of Luxembourg entirely share Mr Blumenfeld's disappointment.

The reaction of this House and of many other parliaments has made the Council more sensitive on this point, and I think I can say that my eight colleagues, too, now realize that this kind of 'slip' should not recur in future.

Mr Fellermaier. — (D) Mr President of the Council of Foreign Ministers, may I ask you how Parliament should regard the assurance of the Heads of State and Government at a past summit meeting that matters involving European political cooperation should be brought into the open dialogue between Parliament and the Council of Foreign Ministers, now that two years have passed and that, in March 1976, you are still unable for legalistic reasons — not through your fault, but because the Council of Foreign Ministers apparently regards the matter from a legalistic point of view — to answer Parliament on a matter of such political significance?

Mr Thorn. — (F) You are aware that, in the field of political cooperation, we are reduced, or condemned, to improvising the procedures somewhat, since they are not covered by the provisions of the Treaty of Rome.

The dialogue with Parliament, for instance, is at present based on talks held between one of my predecessors, Mr FitzGerald, and Parliament, with a view to finding a *modus vivendi*. We are trying to improve it and we shall improve it, but we must find certain *ad hoc* solutions, particularly in the field of political cooperation.

This is why the dialogue with Parliament exists, although it is not always held in public. Last night, for instance, we were able to spend two hours exchanging views more freely in a fairly large committee — your Political Affairs Committee. I feel that this procedure, too, has its advantages. You will appreciate that, in the field of political cooperation, where some matters are studied for years, it is not possible to say everything in public at any given moment. However, as I have just told the President of this House, I shall try to have political cooperation included, in principle, in the procedure for Question Time, although even if we get that far, you will appreciate that the Council cannot answer every question in public regardless of its nature.

Sir Derek Walker-Smith. — Is it not now important to look not so much at the past as at the present and future situation in Angola and in southern Africa as a whole? As recognition in this case depended on the control by a government dependent on the presence of foreign troops, will the Conference of Foreign Ministers take speedy and concerted action to secure, by way of representations to the United Nations or otherwise, the speedy withdrawal of these foreign troops and arms from Africa?

Mr Thorn. — (*F*) What I feel to be the most positive aspect of the Foreign Minister's talks in Luxembourg at the end of February is that, on that day — and you can read this in our declaration — the Council of Foreign Ministers not only analysed past events and the current situation, but also discussed the future, not just of Angola but of the whole of southern Africa.

I think this factor is a step forward in our political cooperation activities, in that a question has been considered with all its implications, and with possible future developments being taken into account.

In reply to the last part of your question, I can therefore say — without being able to give you further details — that we are in fact studying the problem.

Mr Klepsch. — (*D*) Did the Council get in touch with the Commission before the decision on recognition, to clarify the problems concerning our overall policy towards Africa and deriving from our special obligations under the Lomé Convention and the agreements with the North African States, and if so, what were the Commission's views?

Mr Thorn. — (*F*) I am not sure that I fully understand the sense of the honourable Member's question when he asks 'Did the Council get in touch with the Commission before the decision on recognition?' The answer to this is no. Why should there be prior discussions? The ministers themselves do not consult each other before the discussions — only when the ministerial meeting begins. The Commission also takes part in these talks on the same basis as the Member States, so that the meeting is attended by the nine ministers plus the Commission representative. The Commission is thus involved in the talks at all levels and makes its views known. I think this reply should satisfy you. Furthermore, you will be aware that Angola has long been a likely candidate for accession to the Lomé Convention. This is something the Commission and the Council discussed, and there has been a new move in this direction — our declaration that we are prepared to discuss Angola's accession to the Convention as soon as it expresses a wish to join.

President. — Ladies and gentlemen, I relaxed the rules somewhat for this first question because it raised problems of principle and procedure, but I would now ask you to be as brief as possible in view of the number of questions to be dealt with.

We turn now to questions addressed to the Council of the European Communities. I would ask the President-in-Office of the Council to answer these and any supplementary questions.

I call Oral Question No 2 by Mr Osborn:

'How near is the Council to an agreement on Community standards for weights and dimensions of commercial vehicles?'

Mr Thorn, President-in-Office of the Council. — (*F*) On 10 and 11 December last, the Council agreed to have the possibility of finding a concrete solution to the problem of weights and dimensions of commercial road vehicles examined and investigated with the assistance of the Commission, and in the light of earlier discussions within the Council.

The Council has asked that a report be made to it at its next meeting on transport questions.

Mr Osborn. — The lack of urgency in reaching a decision in the Community has kept the commercial vehicle manufacturers in suspense for far too long. Does the President-in-Office see an opportunity of reaching a compromise and could that compromise result in there being more than one standard of axle weights, horse-power ratios, dimensions and gross weights of vehicles? Does not the fact that the Commission is now reporting imply an inability by Ministers to reach a compromise in this important matter?

Mr Thorn. — (*F*) As you mentioned at the start of your question, the problem of harmonizing the weights and dimensions of commercial vehicles is one of those which have been around longest, since I believe it has been under discussion for thirteen years now.

Solving it is all the more difficult because it is a problem not only of transport, but of industrial policy — I am thinking here of the design of commercial vehicles. The difficulties facing most European designers in this field are among the reasons for the transport ministers' inability to find a solution acceptable to everyone.

More recently, the matter has been complicated still further by two new factors: on the hand, there are the environmental considerations which have led to the fierce hostility of an increasing section of the population to the proliferation of 'juggernauts'; while on the other hand there is the considerable increase in the costs of building and maintaining the road network. It cannot be denied that some governments which, up till now, were in favour of large dimensions, are beginning to reconsider their attitude in the light of the road factor.

Thorn

To conclude, it is frankly not at all certain that a solution will be found soon. I am not very optimistic in this respect.

Mr Giraud. — (*F*) Do you consider that, since this is a field involving vital interests, any decision must be taken unanimously?

Mr Thorn. — (*F*) I regret to say that unanimity is required in transport matters.

This is laid down.

Mr Giraud. — (*F*) In other words, nothing will be done!

President. — I call Oral Question No 3 by Mr Cousté :

'At its meeting of 20 January the Council stated that the Community was prepared to enter into negotiations with Canada with a view to the conclusion of an outline agreement on trade and economic cooperation, but expressed the hope that consideration would be given to the problem of non-discriminatory access to resources and the stability of supplies. Can the Council explain exactly what it meant by this and when it expects to be able to reach a conclusion?'

Mr Thorn, President-in-Office of the Council. — (*F*) In the context of the opening of negotiations with Canada, which the Council welcomes, it could not disregard the problem of non-discriminatory access to resources and the stability of supplies, since Canada is not only an advanced industrial country but also possesses immense natural resources.

This problem has been discussed in certain international bodies.

Accordingly, the Council decided finally, at this meeting on 9 and 10 February 1976, to open negotiations with Canada with a view to concluding an outline agreement on trade and economic cooperation.

I hope this answers Mr Cousté's question.

Mr Cousté. — (*F*) Will this problem be discussed in the International Energy Agency? I hope that is not the forum in which we are to discuss with Canada problems which are essentially bilateral!

Mr Thorn. — (*F*) Mr Cousté must realize that it is impossible for the technical aspect — the purely 'energy' aspect — not to be discussed within the Agency. However, the problem of access to resources and our relations with Canada will be discussed by the

Commission and within the strict framework of the negotiations between the Community and Canada.

Mr Noè. — (*I*) Does the President of the Council not consider that, in the discussions on resources to which Mr Cousté has referred, particular attention should be devoted to the problem of uranium?

Since the President of the Council has rightly pointed out that Canada is an industrialized country with plentiful resources, does he not think that cooperation between the Community and Canada on uranium enrichment, using the cheap energy available in that country, could ensure uninterrupted supplies of this valuable fuel for decades to come?

Mr Thorn. — (*F*) I hope Mr Noè will understand if I reply that, since the very interesting factor he has highlighted will indeed be one of the points to be discussed with Canada, anything I might add would prejudice the position to be adopted by the governments in these negotiations.

President. — I call Oral Question No 4 by Sir Geoffrey de Freitas :

'Does the Council still refuse to recognize the Audit Board as a competent administration within the Community under Article 6 (5) of the European Development Fund's rules of procedure?'

Mr Thorn, President-in-Office of the Council. — (*F*) There is no such Council decision as that referred to by the honourable Member, and the representatives of the Member States on the EDF Committee did not intend to prohibit the forwarding to the Audit Board of the information necessary for it to carry out its duties.

However, the information concerning the proceedings of this Committee cannot be widely circulated in view of the confidential nature of the financial, commercial, political and economic material submitted by the Commission for examination by the Committee.

This material is fully discussed in the EDF Committee and consequently the minutes of that body should have only a very limited circulation. Moreover, only in exceptional cases would they be of interest to the Audit Board.

This does not mean that, if the Audit Board considers it necessary to have access to all or part of the minutes of an EDF Committee meeting in order to comment with full knowledge of the facts on any given file concerning the concluded projects it is examining, the minutes should not be sent to it with the file in question.

Sir Geoffrey de Freitas. — Is the President-in-Office aware of the encouragement which his answer will give to many of us on the Committee on Development and Cooperation who are seriously concerned at the evidence we received of the uncooperative attitude of the European Development Fund towards the Audit Board and that we are much reassured by his last words and the undertaking given?

Mr Shaw. — Would the President-in-Office accept that, whatever the obligations that may attach to the Audit Board in its relations with the future Public Accounts sub-committee of the Committee on Budgets, those obligations will also include references in respect of the European Development Fund?

Mr Thorn. — (*F*) In budgetary control, a distinction must be drawn between operations within the Community, on the one hand, and operations outside it, on the other — particularly operations by the EDF. In the case of the former, the duties of the present Audit Board are shortly going to be transferred to a Court of Auditors. Parliament itself will also be increasingly involved in budgetary control.

In the case of operations in conjunction with other states, particularly our partners under the Lomé Convention, the problem is much more complex. Since these are non-budgetary operations financed directly by the Member States, the EDF Committee, on which the Member States are represented, itself has greater powers of scrutiny. I personally hope that, in accordance with the wish expressed by this Parliament, the Community's development aid will become a genuine Community operation, so that all the aid will be included in our budget. If that came about, auditing would be much easier and there would be no need for questions such as the one put by Sir Geoffrey de Freitas.

Lord Bruce of Donington. — Is the Council aware that its reply, which indicates that certain areas of expenditure under this head shall not be the subject of audit scrutiny because of security reasons, is thoroughly unsatisfactory?

If there are matters of confidentiality — which, indeed, there are over whole sections of Community expenditure — it is surely acceptable for an auditor to have access to all the documents concerned because presumably the Audit Board will also have passed the security scrutiny.

Mr Thorn. — (*F*) I apologize for not making myself clear. I thought I had stated quite unambiguously in my initial reply that there was no security problem — and I repeat this. A certain amount of confidentiality is, however, required, but that is another thing. I did not say that we were refusing to allow this scrutiny, but that we did not generally pass on the documents. However, whenever this scrutiny is requested, we

provide the documents necessary for it to be done. You will appreciate that there is a difference between giving widespread publicity and providing the necessary documents whenever these are requested for audit purposes.

I hope this will clear up any misunderstandings.

President. — I call Oral Question No 5 by Mr Seefeld:

'Is it true that the problems involved — according to press reports — in the introduction of a European passport are so serious that the 1978 target date for introduction of the passport may not be met? What is the nature of these problems?'

Mr Thorn, President-in-Office of the Council. — (*F*) Work on the introduction of a uniform passport is proceeding actively in the Council, and I believe that it will be completed in the near future.

I have no reason to believe that the date specified in the European Council communiqué cannot be met.

Mr Seefeld. — (*D*) This means that reports from Brussels to this effect are not true. It has lately been reported that there were major differences between Member States on — if I may put it this way — such fiddling questions as whether this or that language should be included or should come first, and whether there should be certain symbols and so on. If you stick to your answer, we can assume that this is not so. However, is this in fact the case, Mr President of the Council?

Mr Thorn. — (*F*) It is one thing to think that the deadline will be met and an agreement reached, and another thing to say that no difficulties will be encountered.

There are of course difficulties, and you have just hinted at them. There is, for instance, a discussion about whether pride of place on the cover of the European passport should go to the words 'European Community', rather than to the Member State of the holder — i.e. whether the former should be above or below, and the latter below or above. These are the kind of major questions we are still being faced with at present.

There is also the language question. Should everything in this passport be written in the present six languages and, at a later date, perhaps in the seven, eight or nine Community languages, or could this be limited to the language of the holder, plus English and French?

On a strictly personal level, I myself think — at the risk of incurring the wrath of some of my colleagues — that, as far as the pride of place on the cover is concerned, the Community should feature at the top, if only because it is the Member States who are logically members of the Community, and not vice versa.

Thorn

As for the number of languages, I would be sorry — as I said a few minutes ago — if the strict application of our linguistic rules were in the final analysis not only to spoil the appearance of the document — which is important — but to make it, in fact, illegible.

However, I do not think this is a major political problem, and I myself would be sorry if, for lack of a solution at another level, we were forced to admit that the Heads of State alone were endowed with common sense!

President. — I call Oral Question No 6 by Mr Durieux :

'Having regard to the progress of the working party responsible for considering the future role of Eurocontrol, does the Council intend — in the context of the common transport policy — to coordinate the actions of those Member States which belong to Eurocontrol with a view to that organization assuming control of their airspace?'

Mr Thorn, President-in-Office of the Council. — (F) The question of air safety does not at present fall within the jurisdiction of the Community.

As you know, the Council has received a communication from the Commission concerning an action programme for the European aeronautical sector which, among other things, recommends the creation of a European airspace, managed at Community level.

The European Parliament is at the moment being consulted on this communication and therefore the Council has not yet discussed it.

Under these circumstances the Council is not yet able to adopt a position on the question put by the honourable Member.

Mr Durieux. — (F) In view of this unsatisfactory situation, is the Council considering the possibility of establishing a genuine European airspace? What form might such a decision take?

Mr Thorn. — (F) As I have just said, this problem has not been studied by the Council, and I can therefore give no further details.

I do not want to interfere in the affairs of this inter-governmental agency, to which, in any case, one of the Member States does not belong. Nevertheless, sooner or later it would be desirable for the problems involved in controlling the airspace of the Member States to be governed by a Community policy. We are already planning Community directives on sea zones, and it would be logical for us to follow the same proce-

cedure as regards airspace. From then on, the Community could also speak with one voice within Eurocontrol, and this would make it easier to settle questions such as the one you have raised.

Mr Normanton. — Does not the President-in-Office of the Council agree that there is an even greater and more urgent need to establish closer coordination and even integration of the many air companies operating in the Community, since this would make a major contribution to the establishment of a truly effective European aeronautical manufacturing industry?

Mr Thorn. — (F) I shall not commit myself as to the priorities to be laid down on the urgency or importance of the various aspects. The factor you mentioned is included in the Commissions' proposals and will thus be studied.

As regards the action programme for the European aeronautical sector, we shall ensure that work proceeds as fast as possible once we have received Parliament's opinion on this subject.

I am not in a position to give any further details or clarification.

Mr Giraud. — (F) Is the Council in favour of widening Eurocontrol's geographical area and its powers? Does the Council not think that, in a world which is becoming smaller and smaller, Europe must once again speak with a single voice?

Mr Thorn. — (F) It is not for the Council to express an opinion or make a statement on this subject. If I were to speak personally, I would say yes.

President. — I call Oral Question No 7 by Mr Fletcher :

'Will the Council undertake in future to indicate against all Council items in the Official Journal those which derive from decisions which were taken as 'A' points (i.e. decisions previously agreed upon by an intergovernmental body of national civil servants in Coreper)?'

Mr Thorn, President-in-Office of the Council. — (F) The answer is no. All the decisions are in fact taken by the Council itself. The 'A' item procedure simply means that when Council Members are agreed on a proposal which has been submitted to them, the decision is adopted without debate.

However, a Council Member may at any time request discussion of any of these 'A' items, which is then automatically carried forward to a subsequent meeting.

Mr Fletcher. — Is it not a matter of embarrassment for the Council that it is the only legislative body in the western world whose proceedings are conducted in secret? Does the Minister accept the spirit of this question regarding the need to open up the legislative proceedings of the Council, particularly when we know that decisions are made by officials rather than by Ministers?

President. — I call Mr Dykes on a question of procedure.

Mr Dykes. — I do not wish to be impolite, but I hope that the Council is aware of the fact that long discussions with officials prior to answering a question simply extend the time needed to answer all the questions.

Mr Thorn. — (*F*) Mr President, I imagine that remark was aimed at me. I would remind the honourable Member that the answer is sometimes more difficult than the question, particularly when it has to be given by a Member of the Council who is not an expert in every field. I am being asked supplementary questions on transport and other subjects. You will appreciate that, as a Foreign Minister and Prime Minister, I have to make enquiries before I can reply on behalf of the Council.

Having said that, with regard to the supplementary question, you are aware that there is only one Council, but you are also aware that this Council has a twofold function: on the one hand it takes decisions and plays an executive role like a government, while on the other hand it acts to some extent like a legislative body. Questions are prepared and discussed at Coreper level. Essentially, the Council takes decisions at ministerial level. It is at present rare for the composition of the Council to be inadequate when it is taking decisions. The Members of this Parliament who themselves speak several languages will appreciate the linguistic difficulties we encounter.

Once the decisions have been taken — this often involves basic decisions which are not adopted secretly, but in the same way as in any national cabinet — they have to undergo legal and, particularly, linguistic editing.

You can easily imagine the difficulties involved in these technical questions.

The texts on which one has agreed have to be submitted to the different delegations to establish whether the translations do in fact reflect the purport of the decision and the principles of the Treaty which have to be respected.

I can therefore say that you are wrong in thinking that the powers of decision or even of interpretation are left to the civil servants.

President. — I call Mr Fellermaier on a point of order.

Mr Fellermaier. — (*D*) Mr President of the Council, I should like you to know that my Group is grateful to you for making use of the experts in various fields sitting beside you, so that you can give better informed replies on behalf of the Council.

Sir Derek Walker-Smith. — Is it right that the 'A' points are simply adopted globally from a list without individual consideration of them? Can the President-in-Office of the Council give an indication of the numbers of these 'A' points and the proportion which they bear to the general volume of legislation by the Council?

Mr Thorn. — (*F*) As you say, a list containing all the 'A' points is attached to the file. As President-in-Office, I ask my colleagues whether they have received the list of 'A' points, whether they feel it needs any comment, and whether they wish any point to be carried forward for discussion. If there is no reason for amending this list, it is true that it is then adopted globally.

The number varies considerably, depending on how often the Council meets. I think there were just over a dozen 'A' points at the last two Council meetings.

President. — I call Oral Question No 8 by Mr Dykes:

'In view of the failure of the Soviet Union to fulfil its obligations under the Helsinki agreement does the Council envisage a change in its policy on relations between the EEC and the Soviet Union?'

Mr Thorn, President-in-Office of the Council. — (*F*) I shall comply with Members' wishes not to make Question Time any longer than it need be and point out that there are no official relations between the Community as such and the USSR.

Mr Dykes. — Despite the straight official answer, may I ask the President-in-Office briefly to say whether he believes, at least personally, that the obvious contradiction between the Soviet Union's espousal of détente and the rapid build-up of her external armed forces will be manifested in future trade and political relations between the Community and Russia?

Mr Thorn. — (*F*) I do feel there is a certain contradiction here. However, I would rather wait a while before replying to the question.

Lord Bethell. — Can the Council confirm that it is monitoring, through the political coordination

Lord Bethell

machinery of the Nine, the Final Act of the Helsinki Conference, and that the detailed observations that it is collecting, I hope with great care, will be ready for presentation when the Final Act is reviewed in Belgrade, as envisaged in the Final Act?

Mr Thorn. — (*F*) As I told your Political Affairs Committee yesterday, the implementation or non-implementation of the Helsinki decisions is being watched closely by two groups. We are following these questions with great attention from day to day to prepare for a possible conference in Belgrade.

Lord St. Oswald. — Is the President-in-Office aware of evidence, in particular through Alexander Solzhenitsyn, that conditions for the inhabitants of Soviet Russia, particularly the dissidents, have worsened as a result of Helsinki, and that the international Press appears to have adopted a policy of not reporting incidents of persecution within Russia, presumably influenced by the theoretical or imagined benefits of the Helsinki Agreement?

Mr Thorn. — (*F*) As I told your colleague a moment ago, we are following these questions very closely and discuss them at each of our meetings. Since I cannot reply on behalf of the Council, I can only state personally that, over the last few months, I have not in fact had the impression that the results of the Helsinki Conference were as binding as we had felt justified in expecting.

Mr Espersen. — (*DK*) Can the President of the Council confirm that he believes it is too early yet to say whether the Helsinki Agreements have been implemented or not, and that Mr Dykes' question is thus based on an assumption which may not necessarily be true?

Mr Thorn. — (*F*) The Council feels it is never too early to form an opinion, but it does consider it too early to express an opinion publicly on this subject.

President. — I call Oral Question No 9 by Mr Mursch:

'Does the Council intend to continue the general debate on transport policy and to pursue it far enough to enable the transport ministers to submit to the Council for its next session a resolution bringing out the capital importance of transport policy for the maintenance of the existing Common Market and of the increasing freedom of movement of persons and goods in the projected European Union, so that the European Council can take greater account of this fact in its deliberations on European Union?'

Mr Thorn, President-in-Office of the Council. — (*F*) As I had the pleasure of explaining to the European Parliament during the last Question Time, the

Council concluded from its study of the Commission communication regarding the principles of the common transport policy that this policy should be pursued through a series of Community measures reflecting the three principles established by the Council on 13 May 1965:

- freedom of access to the market;
- freedom from price controls;
- harmonization of the terms of competition.

These measures would certainly be significant in the context of a European Union.

Mr Mursch. — (*D*) I would remind you that it is now one-and-a-half years since this Parliament gave a detailed opinion, in a resolution, on the Commission's proposals for a common transport policy — a resolution of more than 100 pages dealing with all essential aspects of transport policy.

At the last Question Time, you stated that you intend to follow a phased transport policy which could be implemented stage by stage.

Is it in keeping with the Council's respect for Parliament when it takes such inadequate account of Parliament's wish to develop a coherent overall transport policy based on principles which have already been laid down?

Do you not feel that, if the transport ministers are incapable of agreeing on a common concept, it is now high time the European Council discussed this question?

Mr Thorn. — (*F*) I can hardly say I am transported with joy at transport questions!

My task is made more difficult since I have to reply to them each month even if there has been no meeting of the Council of Ministers of Transport in the interim. It is also difficult for a non-expert like myself to give you detailed answers. However, there are two things I should like to point out. Firstly, it must not be thought that the Council takes no account of Parliament's opinion.

We want an overall transport policy, but we must take account of the problems involved in this policy. Nor should it be forgotten that unanimous voting is required. We must proceed in stages at present — that is our task.

I am sorry I cannot give you a more detailed answer.

President. — I call Oral Question No 10 by Mr Spicer:

'Have any contingency plans been made, or even discussed, to cover the eventuality of the Angolan Government asking for urgent assistance with a view to the reopening of the Benguela railway?'

Mr Thorn, President-in-Office of the Council. — (F) No request for emergency aid for the reopening of the Benguela railway has been submitted, and I cannot therefore anticipate the reply which such a request would receive.

Mr Spicer. — I am afraid that the reply is disappointing. The reopening of the railway line, a vital link for Zambia and Zaire, is of vital importance to both countries. When we have such close links with those countries through the Lomé Convention, we should be far more concerned than we now are with what is going on in that area. Will the President-in-Office ensure that these events in southern Africa, where the situation is of concern to us all, are given a much higher place on the agenda of the Council of Ministers in the months ahead?

Mr Thorn. — (F) I am sorry you think my reply was disappointing. However, I can only repeat that I cannot anticipate the reply which might be given to a request which has not been submitted. This does not mean that Council is not studying certain steps that should be taken to help that country. The Council, the Commission and I myself have already stated that Angola can apply to join the Lomé Convention. This would then place the Commission, the EDF and the Council in a completely different legal position.

Furthermore, the Council of Foreign Ministers has studied the possibility of taking certain steps, of granting some aid to the neighbouring countries, and this is what your question is about. At this stage, however, I cannot make a more detailed statement.

President. — I call Oral Question No 11 by Mr Leonardi.

'In view of the position already adopted by the Commission, what were the Council's reasons for not taking a final decision on the programme for siting the JET project at its meeting of 24 February 1976?

What does the Council's decision to set up a 'Consultative Committee for the Fusion Programme' mean in practice?

Mr Thorn, President-in-Office of the Council. — (F) The Council was not able to decide on the site for the JET project at its meeting on 24 February 1976. It did not accept the Commission's proposal in favour of Ispra and found that certain problems linked with the implementation of this project should be given further study and re-examined with the assistance of the Advisory Committee on Fusion.

This Committee, which is to be set up by the Commission, will be responsible for advising that institution on problems relating to the preparation of the fusion programme.

Mr Leonardi. — (I) The President of the Council's reply avoids my question, which was intended to elicit the reasons why the Commission's opinion was not accepted. I should now like to know at least whether the Commission's position was inadequately founded or wrong.

Mr Thorn. — (F) On the one hand, although I did not attend this Council meeting, it does seem to me, according to the information I have, that it did in fact consider the Commission proposal partially inadequate, since it called for a more detailed study of certain problems involved in this field and for further consultations. On the other hand, as regards the question of the site, it is a question of reaching an agreement between the three or four Member States which have applied. Since none of them withdrew its application, it was impossible to agree on this point. I feel there is no point my explaining why the applications were upheld, since the Members' replies would be more or less the same as the Ministers'.

Mr Dalyell. — Is the President aware that many of us are concerned less with the supposed national interests than with the technical success of the project, which is by no means assured? It is a very tricky operation indeed. Does this not mean that success is most likely or least unlikely either at Garching, in the Federal Republic of Germany, or at Culham, where the team is led by a Frenchman? In these circumstances will the Minister give his mind to two matters? Will he help our Italian colleagues to find other work, possibly a European Technical College at Ispra? Secondly, does he not agree that any decision to go to a site is better than none and that a state of indecision is the worst of all possible worlds in relation to Russian and American progress?

Mr Thorn. — (F) I shall not reply to the first part of your question. Although it is an interesting argument, it is one which was used by nearly all the delegations in spite of their conflicting positions.

You see how difficult it is to reach any sort of agreement.

As for the second part of your question, I can be quite categorical: I share your view and feel that we cannot put this discussion off much longer, although a large number of elements — e.g. the cost factor — are involved. It is essential for the Council to reach a decision within the next few months.

Mr Spicer. — A very large number of the devoted band of people who worked on the Dragon project at Winfrith lived in my constituency. Would the President of the Council agree that the abrupt way in which that project was closed down has soured all the work that is being done in attempting to decide on a site for the JET project?

Mr Thorn. — (*F*) Since I am not an expert on this subject, I cannot give an opinion. I can only say that I sincerely hope that the JET project will not suffer the same fate as the Dragon project.

This is why I also hope that its underlying assumptions are better founded.

Lord Bessborough. — Would not the President of the Council agree that this has now become a political matter and that it would be desirable for the Heads of Government concerned to consult each other in order to resolve the question of the site of this most important machine as a matter of urgency?

Mr Thorn. — (*F*) This question was raised at last week's meeting of the Council of Foreign Ministers and will be discussed again on 3 May.

Some governments appear to fear that, if there is no Community decision on the choice of site, there might be negotiated arrangements which would seriously prejudice the Community nature of this important research. I feel that a question like this, and the proposals put forward, are unlikely to encourage certain people to tackle the major problems within a 'Directory'.

Mr Noè. — (*I*) Does the Council realize that, if there is no decision on the site, the inevitable result will be a delay in designing the necessary equipment? It is just not true to maintain that the projects can continue even if no decision on the choice of site is taken since, in view of the connections to the power supply, this would make any meaningful planning of the buildings impossible.

Failure to select a site would thus cause considerable delay to a project of supreme importance for the future.

Mr Thorn. — (*F*) It must be admitted that the longer the Council postpones a decision, the greater the harmful delay becomes. However, it must not be thought that a decision on the choice of site would have allowed construction to start immediately.

As long as a decision is taken within the next few months, the delay will not be disastrous, but I agree with you that — and I hardly dare to state this publicly — unless a decision is reached by the end of the year, there is a danger your worst fears may be realized.

President. — We turn now to the questions addressed to the Commission of the European Communities. I would ask the Commission representative responsible for the subject to answer these and any supplementary questions.

I call Oral Question No 12 by Mr Cointat, whose place is taken by Mr Cousté:

'Does the Commission not feel that the Community's information offices in the Member States and regions ought to be strengthened and extended with the aim of assuring an adequate supply of information on the functioning of the intervention instruments available to the Community, such as the Social Fund, the Regional Fund and the EAGGF, thereby encouraging people to participate in the life of the Community?'

Mr Borschette, Member of the Commission. — (*F*) The Commission's view is that not only must the activities of the Commission's press and information offices in the Member States be increased, but that their efforts must also be reinforced by setting up 'outposts' or by similar measures, and it took a decision to this effect on 20 June 1973.

The funds required to establish two sub-branches of the London office were granted to it by the Council in 1975.

Similar proposals to establish branch offices in other Member States have not yet been approved by the Council.

In the course of this initial phase of 'regionalized' information, the Commission departments found that the public were often unaware of, in particular, the financial aid to their regions.

To remedy this situation, the Commission is currently studying how to improve the information, so as to highlight the tangible and beneficial nature of EEC activities at regional and local level, with particular reference to maintaining or creating employment.

This concerns not only assistance from the Community funds, but also any other financial intervention such as loans and aid under the Treaty establishing the ECSC, as well as research and pilot projects.

In short, Mr President, we are on the threshold of an era of realistic information, and we are aware of its extreme importance.

Mr Cousté. — (*F*) I know that the Council in fact refused the funds to implement the Commission's decisions of 20 June 1973. All I want is for the people who are benefiting from the Social Fund, the Regional Fund and the EAGGF to know that the available money is being better employed. This is what Mr Cointat and myself were getting at.

Mr Ellis. — In order to encourage people to participate even more in the life of the Community, will the Commission consider formulating proposals to put to the Council designed to facilitate formal direct contact between regional institutions such as local authorities and the Commission without those authorities having to work, as is now the case in so many instances, through the intermediary of their national bureaucracies?

Mr Borschette. — (*F*) The Commission does not intend to make proposals to the Council to establish contacts with regional or local authorities. It can in fact establish these at any time, as it is authorized to do so by the Treaty.

Mrs Dunwoody. — Would the Commissioner not feel that as soon as he is able to announce a very substantial shift in resources, for example, from the EAGGF into the Regional Fund and into the retraining funds of the Social Fund, he might find he would not need any additional information officers as that good news would ensure for him coverage in all of the nine Member States without any difficulty whatsoever?

Mr Borschette. — (*F*) I agree completely on this. There must be close collaboration between our information centres — whether or not they are regional press or information offices — and government and local authorities.

Having said this, I am struck — and I was for some time more directly concerned with information matters than now — by the total ignorance of the regions and local authorities about everything the Community is achieving.

In view of this, we have already established contacts with the regional press and with the regional radio and television bodies in order to improve this information which, although it will obviously never make the front page in the newspapers of the capital, may nevertheless do so in the regional newspapers, provided the regional press in particular is well informed.

Mrs Ewing. — I agree with the Commissioner that there seems to be a barrier between those of us who come to the plenary sessions here and attend committees and the people who have far fewer headlines — indeed, who do not even have column inches — in the Press back home. It is even worse than the people who had to bring the good news from Aix to Ghent. The Press release goes into limbo and the news does not get through. I suggest that the Commission look again at strengthening these offices — there is one in Edinburgh — by allowing the offices to employ a press officer whose duty it would be to ensure that our doings in plenary session and in committee reach all the newspapers in the Member States.

Mr Borschette. — (*F*) I think two things need to be done. Firstly, we must 'regionalize' our press offices still further by setting up branches in certain particularly sensitive regions of the Community. Secondly, we must reinforce our information offices. Unfortunately, however, you are aware that the Council's current austerity policy makes this reinforcement impossible.

We must therefore work with the 'force' at present available and use them as best we can.

President. — Since the author is absent, Oral Question No 13 by Mr Hamilton will be answered in writing⁽¹⁾.

I call Oral Question No 14 by Mr de la Malène :

'Will the agreement recently concluded in Jamaica, within the framework of the Interim Committee on the Reform of the International Monetary System, effectively guarantee a period of monetary stability?'

Mr Haferkamp, Vice-President of the Commission.

— (*D*) The Jamaica agreement is a decisive step towards re-establishing greater stability in the international monetary system and in the system of exchange rates. The principal objective of the agreement is close international cooperation, with particular reference to the economic and monetary policies of all the countries belonging to the International Monetary Fund. The Jamaica agreements take account of the fact that the balance of payments difficulties of the Member states of the International Monetary Fund caused by the explosion of oil prices and world-wide inflation have not yet been overcome. They also take account of the fact that stabilization of the economic and monetary situation of many countries cannot be achieved overnight. For an unspecified period, therefore, the various systems of exchange rates which have evolved over the past few years will be able to exist alongside one another, with the aim of achieving fixed, adaptable parities.

Mr de la Malène. — (*F*) Does the Commission not think that the IMF is embarking on a rather dangerous course, and that it is easier and of less use to decide — as the IMF has done — to create excess international liquidity than to speed up the transfer of real funds from the rich countries to the poor ones?

Does the Commission not also think that the IMF is courting danger by confusing development aid — which requires long-term transfers — and aid to countries with balance of payments problems, which is in fact the purpose of the International Monetary Fund. We cannot have the Fund getting out of control!

Mr Haferkamp. — (*D*) The Jamaica agreements naturally presuppose that there is a genuine resolve to implement them in a spirit of discipline within the overall system.

The honourable Member's question concerns chiefly the measures to help the developing countries, involving the use of part of the gold reserves of the International Monetary Fund and an extension of the credit guidelines. We do not feel that the decisions reached in Jamaica bring a risk of excessive liquidity. Such a risk would arise, however, if in future greater liquidity was, for instance, created in this way than has previously been the case. The essential thing — and the Commission and the Member States have stressed this repeatedly at all the conferences — is to help the countries by transferring real resources, and not by creating excessive liquidity, which might cause an inflationary trend. We shall maintain this approach.

(1) Cf. Annex

Sir Brandon Rhys Williams. — Is it not obvious that neither the new rules of the IMF nor the Commission's own policy of the European Community 'snake' are succeeding in stabilizing the monetary exchanges, which have been particularly volatile and speculative of late? Will the Commissioner now bend his mind to promoting a European currency stability pact which all members of the Community could join, as well as countries with closely-related economies such as Switzerland and Austria, Scandinavia and possibly some of the OPEC countries as well?

Mr Haferkamp. — (D) Ever since the monetary crises of 1973, the Commission has constantly stressed how important it is to maintain and, if possible, extend the zone of relative stability represented by the currency snake. Equally, I must stress that such an operation will only have a chance of success if the economic conditions for it are present. There is no point in bringing in countries with an inflation rate of 20 % or more. We shall have to stick to this course if we wish to avoid the risk of overloading the whole system.

President. — I call Oral Question No 15 by Lord Bethell:

'Does the Commission's opinion of the idea of a "two-tier" Community, with two groups of Member States progressing economically at different speeds, remain the same as that expressed by their spokesman at a press conference on 21 November 1974, and reiterated as a personal view by Mr Ortoli on 8 January 1976 — namely, that such a scheme would be extremely damaging to the future unity of Europe?'

Mr Ortoli, President of the Commission. — (F) I can confirm the total rejection which I expressed on this subject at a press conference on 8 January, and I would point out that I expressed it quite unequivocally in this very Parliament, when I presented the Commission's programme at the last part-session.

Lord Bethell. — Is President Ortoli aware that this House will be greatly gratified by his reply?

Does he not agree that we are planning the future of the Community, which is a grand design, and planning to build a Europe that will last for decades and into the next century? Does he not agree that it would be a tragedy if the Community were to be divided because of this or that Member State's temporary economic ups and downs? Economic ups and downs may change, but the structure of the Community can hardly change once it has been established.

Mr Ortoli. — (F) I share the honourable Member's views.

Mr Dykes. — If Spain joined the Community, would she be among the faster-growing or the slower-growing Member States?

Mr Ortoli. — (F) Since I understood you were against a two-tier system, I do not think this question arises!

President. — I call Oral Question No 16 by Mr Noè:

'Does the Commission not think that it would be useful to widen the field of the JRC nuclear safety research programmes from reactors to the entire fuel cycle?'

Mr Brunner, Member of the Commission. — (D) The Joint Research Centre is already concerned with questions of safety at various stages in the reactor cycle. In the current programme, we have not only studied the safety of lightwater reactors and fast breeders, but have also looked into such questions as the management of nuclear fuels, the behaviour of plutonium fuels and the processing and storage of radioactive waste. We intend to devote particular attention to these aspects in the future programme of the Joint Research Centre.

In addition to the reactor safety programme, we intend to have a plutonium fuel programme, an actinides research programme and a programme on the management of nuclear material and radioactive waste.

These specialized research programmes will supplement the indirect action we are already taking, and in which we are also studying the storage of radioactive waste and safety in the plutonium industry. We thus intend not only to deal with safety questions at reactor level, but also to study fuel safety at every stage in the cycle, and we hope this will supplement and broaden our current work in these fields.

Mr Osborn. — Is it not essential that the subject of nuclear safety should be dealt with by the OECD, the Nuclear Energy Agency and other bodies? Is it not international standards, rather than European and national standards, that are so vital in this sector?

Mr Brunner. — (D) Common European standards represent an initial and essential step towards common international standards. We are carrying out this research in cooperation with other international bodies.

President. — I call Oral Question No 17 by Mr Dalzell:

'The consequences of the European Parliament meeting in Strasbourg and Luxembourg are felt by all the Community institutions including the European Commission. Can the European Commission inform the Parliament as to how many of its officials, on average, are obliged to attend sessions of the European Parliament in these two places and what the consequences are, in budgetary terms, of such missions?'

Mr Borschette, Member of the Commission. — (F) The Commission study of the part-sessions in 1975 and the start of 1976 has shown that, on average, about 110 officials of the Commission are obliged to travel to each part-session. The budgetary consequences of this amount to about 700 000 BF.

Mr Dalyell. — Perhaps it is not only a question of a 110 civil servants and the Belgian francs. It is also a question of the mental and physical effort involved. Here we have seven of the busiest men in Europe, the Commissioners, having to take up camp and trek down here, wondering what they have to bring with them, and then take it all back. Is this not ludicrous? Was not the last time it was done under the Emperor Charlemagne? May we have an assurance that the political muscle of the Commission will be used to site the Parliament in one place?

(Applause)

Mr Borschette. — (F) The question concerned only the officials' missions, and I have answered it. I shall not presume to describe the strain and difficulties we are all subjected to because of this travelling between the seats of the three institutions.

Having said that, I would point out that Mr Ortoli replied to the honourable Member's last question at a previous part-session.

President. — I call Oral Question No 18 by Mr Marras :

'Is the Commission prepared (particularly in view of the substantial shortfall in production) to agree to the request of associations of Italian beet growers for an increase in Italy's quota for sugar, bringing it up to at least 1.5 million metric tons?'

Mr Lardinois, Member of the Commission. — (NL) The answer is yes. Italy's sugar quota can be raised to about 1.7 million metric tons, but this will be a combined quota for A and B sugar, and there must be no more national subsidies. However, if it is the basic sugar quota that is referred to, the answer must be no, since it was only a year and a quarter ago that we established the quota for a period of five years.

Mr Marras. — (I) Was such a request made by the Italian Minister of Agriculture at the recent Council meeting which fixed the new agricultural prices?

Mr Lardinois. — (NL) This point may well have been brought up at some stage during the four days and two nights that the meeting lasted, but I cannot remember exactly. What I can say is that we certainly did have some difficulties with the Italian Minister of Agriculture on the sugar question.

(Laughter)

Mr Nyborg. — (DK) Mr President, will the Commission not press for a flat-rate increase in the sugar

quotas for the various countries — if there is to be any increase at all — given the effective utilization of land under sugar cultivation in the various countries? I know for instance that Italy has a yield of three metric tons per hectare, Benelux nine metric tons and Denmark 12 metric tons?

Mr Lardinois. — (NL) We feel that it is not necessary — and certainly not desirable — to increase the basic quota for sugar, since a normal yield in the Community can lead to a sugar surplus of 1.5 to 2 million metric tons. I therefore do not think we should envisage any increase.

President. — I call Oral Question No 19 by Mr Härzschel :

'What steps has the Commission taken to date and what proposals has it submitted with a view to rendering the competition and price policy of multinational companies more transparent and does it believe in this context, that a special code of conduct for multinational companies would be possible and effective?'

Mr Borschette, Member of the Commission. — (F) Once the conditions for application have been fulfilled, Articles 85 and 96 of the Treaty establishing the EEC enable the competitive practices of multinational companies to be supervised, even when their head office is outside the Community.

Approximately one third of the individual decisions taken up to now by the Commission involve multinational companies. The recent decision in the Chiquita bananas Case was the first in which unfair and improper price practices were condemned.

The internal practices of multinational concerns do not normally come within the scope of these articles. Although ensuring increased transparency is an essential task it must be achieved via the tax system, and the Commission has been tackling it in cooperation with the competent national authorities.

The Commission is taking an active part in the work of all the international bodies which are trying to draw up a code of conduct, with particular reference to multinational companies. It considers that drawing up such a code may be the first step towards solving the problems posed by the multinationals.

Mr Härzschel. — (D) Can the Commission give us an idea of the breaches hitherto, and can it also say what specific steps it has taken to find a common approach at international level with a view to controlling the multinationals with their dominant market position?

Mr Borschette. — (F) Of about 100 decisions, 30 relate to the abuse of a dominant position or prohibited agreements by the multinational companies (Articles 85 and 86 of the Treaty).

Secondly, at international level, the Commission is playing a full part in the OECD's work on a special code of conduct for the multinational companies, which would be optional, not compulsory. It is also taking part in the special United Nations Commission, which is meeting in Lima at this moment to study, at the suggestion of the 77, a proposal on an obligatory code of conduct for these multinational concerns.

President. — I call Oral Question No 20 by Mr Evans :

'What action does the Commission intend to propose to the Council to reflate the economies of the Member States to alleviate the sufferings of over five million unemployed throughout the Community?'

Mr Haferkamp, Vice-President of the Commission.

— (D) The Commission has just transmitted to the Council a communication on the adaptation of the economic guidelines for 1976, and this communication has also been transmitted to the European Parliament. The Commission considers that those guidelines which it submitted to the Member States in its recommendation of 23 July 1975 should remain in force, as should the guidelines contained in the annual report, which was also discussed here last year. These state that the reflationary measures decided upon should be applied consistently and, if necessary, reinforced. In addition, the Commission feels that the general economic measures should be supplemented by social and employment measures. In particular, the Member States should introduce and continue selective measures in the field of vocational training and further training; they should also make greater use of the existing possibilities for joint action in social and structural policy at regional level. Furthermore, there should be special measures to alleviate unemployment among young people. Cooperation with the two sides of industry is essential if our efforts in the field of economic and social policy are to be successful, and the continuation of the joint action which started with the tripartite conference in November 1975 is particularly important in this context.

Mr Evans. — Does the Commissioner agree with me that it is essential that those Member States with strong economies and good balance of payments situations should take the lead in reflating their economies to help trigger off an upturn in world economic activity if we are ever to lance the obscene abscess of five million unemployed in the EEC?

Mr Haferkamp. — (D) I think I can be brief at this point, since there are a number of items concerning this question on tomorrow's agenda. I shall have an opportunity then to explain in detail which elements

in the economic situation have shown a considerable improvement over the past few months, and where we think we see a chance of strengthening still further the recent positive trends.

Mr Nyborg. — (DK) We have now heard a very little about what it might be possible to do in the future.

Can the Commission state quite specifically what steps have been taken up to now to combat unemployment?

Mr Haferkamp. — (D) This has been one of the aims of all our economic policy measures over the past few years. We must not imagine that we can solve this difficult problem with one specific measure.

In any case, this is not so much a cyclical problem, as one which, because of its structural aspects, will be causing us trouble for some time yet.

I think it is absolutely essential that we continue to implement a disciplined and stable economic policy, while at the same time avoiding the risk of being dragged into an inflationary trend.

President. — I call Oral Question No 21 by Mr Nyborg :

'Can the Commission envisage, as part of its future fishery policy, putting forward proposals for a common EEC fishing zone extending 200 nautical miles for the exclusive use of fishermen from all the Member States, with individual national coastal zones of 12 nautical miles?'

Mr Lardinois, Member of the Commission. — (NL)

The Commission has now put forward proposals to precisely this effect. In other words, we have proposed that we take a favourable attitude in New York towards the concept of a 200-mile fishing zone. We also propose that we press for introduction of a 12-mile national coastal zone.

Mr Nyborg. — (DK) I had already asked Mr Lardinois this question on 10 February.

I was promised that it would be answered on 12 February, but Mr Lardinois was not present on that day. It is impossible to know whether the Commission already had its proposal up its sleeve at that point, but it can hardly have been my question which caused such haste that the 200 and 12-mile limits I had mentioned were published on 18 February.

May I now ask what criteria may be applied in allocating catch quotas, should a quota system in fact be desirable?

May I also point out that this will naturally provide the Commission with an excellent basis for negotiations with third countries on the reciprocal fishing of exclusive zones. Does the Commission have any plans in this respect?

Mr Lardinois. — (NL) The Commission transmitted this communication to the Council on about 20 February. I can only say that the Commission reached a decision on this matter on about 19 February. Work on this had begun six months ago, and the question which was asked — or not asked — in this Parliament certainly did not contribute to the speed of the procedure.

Mrs Ewing. — Will the Commissioner say whether in New York he will put forward the view that industrial fishing in the North Sea will have to be at least temporarily banned if protein stocks are to be preserved for all concerned in the North Sea? Is he aware of the view of all United Kingdom fishing organizations that a coastal preference of 12 miles is totally inadequate and that the figure should be a minimum of 50 miles, if scores of towns and communities are not to face total destruction around the shores of Britain?

Mr Lardinois. — (NL) This does not involve the question of industrial fishing — or whatever it may be called — but rather the internal fishing regulations of the Community. At a later date we shall have to draw up more detailed regulations to take account of the various types of fishing.

The 12 nautical miles were as far as we could go, since we wished to avoid any question of a revision of the Treaty of Accession and all this would involve. Even the so-called renegotiations with the United Kingdom before the referendum did not require this.

Mr Shaw. — I wish to say how much we welcome the positive approach adopted by the Commissioner in this matter. However, will he note the utter dismay, as expressed by Mrs Ewing, of inshore fishermen at the thought of a restriction in national zones to 12 nautical miles? Does he not realize that the acceptance of the 200-mile limit brings into play a completely new picture for the inshore fleet, with its special boats and special needs?

Mr Lardinois. — (NL) If I had not been aware of this, I would not have come up with the 12-mile limit. However, I agree with the honourable Member that this is not the complete solution to the problem. I feel that we must also have strict agreements, and supervision for the national quotas in the zone between 12 and 200 miles. We must also take account of the losses in other sectors in third countries, and it must be possible to reserve a special place for inshore fishing. I can assure both questioners that we shall do everything in our power to give fishing in the remote and sensitive regions protection which is in agreement with our common fishery policy.

Mr Laudrin. — (F) May I ask the Commissioner whether the Community's stance at the Law of the

Sea Conference in New York on 15 March will take account of the fact that the sea, which represents 71 % of the surface of the earth, is not only an essential source of food, but also provides energy and important raw materials for which international legislation must be drawn up.

Mr Lardinois. — (NL) The answer is yes. This Conference is certainly not concerned with fishing alone, and all the factors which the honourable Member has mentioned will also be discussed.

President. — I call Oral Question No 22 by Mr Scott-Hopkins:

'What is the trend of the EEC trade balance with Japan?'

Sir Christopher Soames, Vice-President of the Commission. — For many years the balance in visible trade between the Community and Japan has tended to show a deficit against the Community, but until 1972 this deficit did not reach very substantial proportions. In that year the Community's deficit rose from half a billion dollars to over one billion dollars, and since 1973 a constant and serious deterioration has occurred. In 1973 the deficit was 1.3 billion dollars, in 1974 it rose again to nearly two billion dollars and in 1975 it is estimated, on the basis of Community statistics, to have amounted to some three billion dollars. This very large increase in 1975 took place in a year when our total trade with Japan actually declined from 8.5 to 8.2 billion dollars.

Mr Scott-Hopkins. — Would not the Commissioner agree that this is obviously intolerable? What action and steps are being taken by the Commissioner and his colleagues to put this situation more in balance?

Sir Christopher Soames. — The Commission has frequently expressed to the Japanese Government its great concern at the growth of the trade deficit between the Community and Japan and the rapid deterioration which has been going on since 1973. The most recent occasion was during the EEC-Japanese consultations in December of last year. I believe that Ministers of our Member States have similarly expressed concern to the Japanese Government. The growing imbalance is not a healthy omen for the development of closer relations between Japan and the Community which we would all wish to see.

In the Commission's view, the answer to this serious problem lies in the increase of our exports to Japan, which not only calls for a major effort by our exporters, but also requires that the Japanese Government and Japanese industry should come to share our view that the present imbalance is fundamentally inimical to our common interests.

Mr Dalyell. — It is all very well for the Commissioner to talk about extra effort by our exporters, but would the Commission give its mind to the specific problem of the Japanese Government turning a blind eye to the way in which Japanese industry and the Japanese Government introduce gratuitous and unnecessary regulations which make it very difficult to export into the Japanese market? Will the Commission concentrate on how the Japanese Government can make it difficult for the importing authorities to introduce all these complex unnecessary regulations with the sole object of making exports from Europe more difficult?

Sir Christopher Soames. — Whilst I do not go along with everything that the honourable Member says, it was for this reason that I stated it was not only for our exporters but also for the Japanese Government and Japanese industry to realize that this situation is inimical to our common interests.

I turn next to the second point of the honourable Gentleman supplementary question. For instance, in 1975 Japan exported 370 000 automobiles to the Community while the Community's manufacturers sold only 26 000 to Japan. We have made representations to the Japanese about certain aspects of their administrative practice—and it was to this that the honourable Gentleman was referring—which in our view inhibits European car exports to Japan.

President. — I call Mr Hughes on a question of procedure.

Mr Hughes. — I have always been led to understand that it was not possible to put down oral questions which required statistical information as the basis of the answer. Following the present question, do I now understand that that rule is no longer being applied?

President. — *A priori*, the Chair did not think it should refuse this question.

The time allotted to Question Time is now over. Question Nos 23 and 24 will be answered in writing⁽¹⁾.

I call Mr Howell on a question of procedure.

Mr Howell. — In view of the seriousness of the question of the skimmed-milk powder surplus, may I ask for an emergency debate to be held on this subject since the three proposals which have been put forward by the Commission are totally unacceptable and many people will think that the Commission has taken leave of its senses?

President. — I call Mr Lardinois.

Mr Lardinois, Member of the Commission. — (NL) With regard to that last remark, I can only say that, if it is true, it also applies to the Council, which has

already decided on certain courses of action. However, I intend to deal with the results of last week's prices debate in the plenary sitting tomorrow, and I am prepared to give particular consideration to this point, so that even if there is no special debate on it can be discussed in plenary sitting this week.

President. — Under these circumstances, Mr Howell, do you still wish to call for an emergency debate?

Mr Howell. — If I might have an assurance, Mr President, that adequate time will be given to debating this specific subject, I could agree. It is, however, of such importance to the whole dairy industry and to the Community generally that adequate time should be given during this part session for discussion of it.

President. — In that case, Mr Howell, do you uphold your request for a 'topical debate'?

President. — We shall try to find the time, but neither today nor tomorrow will we be able to devote many hours to the various problems.

Question Time is now closed. I should like to thank the representatives of the Council and the Commission for their answers.

4. Question of procedure

President. — I call Mr Fellermaier on a question of procedure.

Mr Fellermaier. — (D) Mr President, ladies and gentlemen, may I, on behalf of the six chairmen, state the following. We recognize that the President of the Council, who is currently also heading the Conference for Political Cooperation, has put a great deal of effort into establishing as good a relationship as possible with Parliament, so that it can be said to be a genuine and open political dialogue about questions of burning public interest.

Our disappointment is therefore all the greater that the President of the Council of Foreign Ministers did not feel able to answer Mr Blumenfeld's question on a common EEC position on the Angola question.

The six chairmen of the political groups are afraid that the refusal of the President of the Council of Foreign Ministers to state his position publicly in the House might lead to a crisis of confidence between Parliament and the Council of Foreign Ministers. For this reason the group chairmen request that the sitting should now be suspended for 30 minutes so that you, Mr President, may immediately summon a special meeting of the Bureau in order to discuss this matter. We leave it to you to ask the President of the Council of Foreign Ministers to this emergency meeting of the Bureau or rather to ask whether he is prepared to take part in it.

⁽¹⁾ See Annex.

President. — I therefore call Mr Thorn.

Mr Thorn, President-in-Office of the Conference of Foreign Ministers. — (F) Without commenting on what was said or the way in which it was said, I will naturally comply with your wish if you invite me to attend a meeting of the Bureau during the adjournment requested.

President. — The proceedings will therefore be suspended for half an hour.

(The sitting was suspended at 11.30 a.m. and resumed at 12.30 p.m.)

5. Request for debate by urgent procedure

President. — The sitting is resumed.

Ladies and gentlemen, the enlarged Bureau has held a meeting which the President-in-Office of the Conference of Foreign Ministers of the Community was kind enough to attend.

The political groups expressed their wish to hold an emergency debate on the question of Angola.

The President-in-Office of the Council has agreed to be present at this debate, to state the position of the Council of Foreign Ministers of the Community and, as far as he is able, to answer some of the questions which will be asked during the debate.

I consult Parliament on the adoption of urgent procedure for this debate, to be held, in the form I have just mentioned, at 3.00 p.m.

Are there any objections?

That is agreed.

I call Sir Derek Walker-Smith on a question of procedure.

Sir Derek Walker-Smith. — May we be informed by you what will be the procedures for the debate — whether there is a fixed time for it, what is the time limitation for speeches, and how many members can hope to catch your eye and intervene briefly in the debate? I am sure guidance on these matters would be helpful to the Parliament as a whole and in particular to any who might wish to participate in the debate.

President. — It was proposed that the speaking time allotted to the political groups should be limited to one hour for all the groups, who must therefore divide the 60 minutes among themselves. At least a quarter

of an hour must be set aside for the Council and a quarter of an hour for the Commission, which will certainly want to speak in this debate also. I have no authority to limit the speaking time allotted to the other institutions, but I take the liberty of making some suggestions. Our agenda is extremely full, and if we do not limit speaking time, the proceedings are not likely to finish until far into the night.

I hope that each group will exercise self-discipline. In any case, no one will be able to speak for more than five minutes. I should also like to see the number of speakers limited by the groups themselves.

6. Oral questions with debate

Decision-making procedure of the Council

President. — The next item is the joint debate on the two oral questions with debate, put by Mr Broeks on behalf of the Socialist Group to the Council, on the decision-making procedure of the Council (Doc. 494/75):

At the Paris Summit from 28 October to 4 November 1972, it was decided to improve the decision-making procedures. Except on marginal issues, however, the Council's decision-making procedure has not changed. The Council still has before it a large number of Commission proposals on which no decisions have been taken.

What measures will the Council take to ensure that, through improvements in its decision-making procedure, the backlog is finally cleared in 1976?

and by Mr Behrendt and Mr Espersen on behalf of the Socialist Group to the Commission, on outstanding Council decisions on Commission proposals (Doc. 511/75):

1. How many Commission proposals lie before the Council?
2. What specific sectors are especially affected by the Council's failure to act on Commission proposals?

I call Mr Broeks.

Mr Broeks. — (NL) Mr President, I am particularly glad that Mr Thorn is present to answer these questions. This was unfortunately not possible last month.

The Council's slowness in making decisions has been a subject of discussion for some years now both in this Parliament and at summit conferences, and at the meetings of the Council and Commission.

It is due, in my view, to a compromise which was reached in Luxembourg 10 years ago, in 1966, when the Presidency was also held by Luxembourg. The result of this Luxembourg compromise was that France reoccupied its empty seat, thus permitting the EEC to go on functioning, albeit in a slower tempo, because at that time the decision-making process of

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the Council aimed too much at unanimity in the case of proposals 'affecting vital interests of one or more partners'. It was decided that this unanimity rule would be applied even where the Treaty speaks only of decisions by majority vote or qualified majority. It unfortunately turned out in the years following that far too many matters, even quite unimportant ones, were regarded as vital.

This meant, and continues to mean, that a small or even the smallest possible minority can impose its will upon the majority. In 1966 the French delegation said that if a difference of opinion should arise, the matter should be discussed as long as was necessary to reach general agreement, i.e. until everyone was converted to the French point of view.

It is almost incredible, but it was not known at that time what was to be done if no agreement was reached. It is self-evident that the results of such a procedure would inevitably be highly unsatisfactory, and this fact is generally recognized today. It is no wonder, therefore, that the Paris summit of 1972 stipulated that before 30 June 1973 the Council should 'take practical measures to improve its decision procedures and the consistency of Community action'.

We now know that as long as summit conferences or the European Council do not act as a Council of the Community and take decisions on proposals from the Commission, the effect of the decision reached at summit conferences will be minimal. We have learnt this from bitter experience. The Council had not reached any decision by 30 June 1973, and when a number of decisions were finally published at the end of July, they only dealt with the organization of the meetings and not with decision making as such. In item 6 of the 1973 decisions the Council indeed confirmed its wish to speed up the decision-making process in the Community 'by seeking solutions which take account of the need to promote the progress of the Community in the various fields'. Unfortunately these wishes did not become reality.

Another summit was held in 1974. On this occasion the conference felt that if the Council was to function more efficiently in the future 'the practice of demanding unanimous agreement by all Member States for all decisions would have to be discontinued'.

The opinion of the summit conference was thus quite clear. The question is, however, what action did the Council, i.e. the Ministers of Foreign Affairs take in the light of this opinion?

The answer is that the Council did nothing. At any rate, no communiqué was ever issued regarding any decisions reached. And if we consider the number of Commission proposals on which Parliament has issued an opinion — and my question is about these — and on which the Council has not yet taken a decision, it is clear that the Council is still struggling with the same difficulties.

The latest list of 31 December 1975 showed that no decision had yet been taken on no less than 253 proposals. Since the end of June of the same year 50 proposals for Council decisions had been prepared and in the case of 46 a decision had been taken or the Commission had withdrawn or amended its proposals; this means that the number of proposals on which no decision had been reached increased by four in six months. It is clear that measures are urgently needed.

We accept that decisions must be taken unanimously for matters which really are of vital importance for one or more countries, but as Mr FitzGerald said in this Parliament a year ago as President-in-Office of the Council, 'points of vital interest will be very limited'. He meant by this that decision making by majority vote would consequently be possible. I am sure the present President-in-Office will understand that we hardly have the impression from the work of the Council that the views of his predecessor have been put into practice. Indeed, it looks very much to us as if advisory officials still frequently manage to inflate minor national interests into matters of vital interest for their countries. This is a tendency which we must resolutely oppose.

Unfortunately, however, the blame does not all lie with the officials, but also with the dreaded lobbies who bring pressure to bear on and even in Parliament, by blowing up their interests out of all proportion. Members of this Parliament sometimes have an unfortunate tendency to defend petty national interests.

The ministers responsible for the decision-making procedure, including the then President of the Council, Mr Scheel, together with the President of the Commission, Mr Ortoli, and others, have proposed various solutions. As regards matters not really of vital interest, the proposals were roughly as follows:

1. decision by majority vote or qualified majority in cases where the Treaty lays this down;
2. abstention in the case of objections on the part of one or two Member States;
3. leaving more decisions to the Commission.

Mr President, is it not possible in these solutions to take serious account of whether the European Parliament has issued a unanimous opinion on a matter or whether objections of vital importance have been raised by one of the Member States.

I should like to know whether the President-in-Office of the Council is prepared to ask the European Commission which of the outstanding proposals it feels it could deal with itself by virtue of Article 155, subparagraph 4, and also whether the Commission will submit to the Council draft regulation for such action. Is the President-in-Office also prepared to ask the nine Ministers of Foreign Affairs which proposals on the Commission's list of last December they feel to be of such vital importance that they can only be adopted by unanimous vote?

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Will he also draw his colleagues' attention to the fact that 51 % of the proposals date back further than two years and that 14 % even go back to before 1970? Is the President-in-Office of the Council prepared to notify Parliament of the answers he receives from his colleagues?

I have one more question to the President-in-Office of the Council. Does he regard a Committee of Permanent Representatives as adequate at this time and in view of the expansion of the Community from six to nine Member States? Would it not be better, for example, to have three committees of this kind sharing the burden? Naturally, the present committee of ambassadors would remain *primus inter pares*. I know that meetings are already held between the ambassadors' deputies, but this strikes me as a less desirable solution.

We realize that we cannot expect Mr Thorn to perform miracles in a mere six months. Perhaps a presidency of a year would be better. If it was not possible to take decisions on the decision-making process of the Council by 30 June 1973, these should at least be made before 30 June 1976. After all, we might as well stop talking about a European Union, if we see the EEC slowly but surely sinking into the sand because the Council is too slow in making decisions and because petty national interests are made out to be matters of vital importance for one Member State or another.

Mr President, our group felt it necessary to submit a motion for a resolution on this matter to Parliament. I should like to add immediately, however, that several Members of our group do not agree with this resolution.

(Applause)

President. — I call Mr Espersen.

Mr Espersen. — (DK) I should like briefly to explain why Mr Behrendt and I have felt it necessary, on behalf of the Socialist Group, to raise the same problems facing the Commission.

The French President recently spoke of a vacuum in the European decision-making process. He was thinking of the questions of foreign policy, for example with regard to Angola, and said that if we could not agree on a common standpoint on these questions, there was a vacuum. That is not entirely accurate, since foreign policy is not as yet a Community matter. It simply means that if we cannot agree on a common standpoint, the individual countries retain their freedom of action.

We recently saw an illustration of the fact that a vacuum in the decision-making process is much worse in respect of Community matters, since these have been entrusted by the individual Member States

to the Community. The individual Member States have given up the right to take their own decisions in important fields, and they have done so for the good of the Community. This means, however, that if no decisions are taken on these matters within the Community, there really is a vacuum in the political decision-making process. This is a bad state of affairs, since if the individual Member States have no freedom of action in many of these fields, one might assume that no decisions will be taken. However, this is not true either. If the Communities do not take decisions, if the Council does not do so, in practice decisions are taken away, but by other authorities and bodies or things merely continue as they are.

Allow me to give a few examples. If Parliament decides something as regards multinational companies with a view to increasing transparency in, for example, matters of taxation, as we discussed in Question Time, and the Council takes no decisions whatsoever, this does not mean that no decisions are taken. Decisions are merely taken with a greater degree of freedom by the multinational companies. This means then that the democratically elected bodies give up the right to make decisions because of lack of agreement, and that the decisions are taken by organizations with no democratic or parliamentary responsibility.

If Parliament and the Commission agree to improve the conditions for the wage-earners in undertakings, to give them greater influence, to ensure that they fare better in the event of closures, etc., but the Council does not take any decision, this does not mean that no decisions at all are taken. Decisions *are* taken, but on what we feel to be an inferior basis, since the individual undertakings retain the same freedom they have had hitherto, a freedom which means that the conditions for employees are not as good as we would like them to be.

If the Commission and Parliament agree to set up the JET project in a particular country, at a particular place, but the Council fails to come to an agreement, the situation is the same: decisions *are* made, but they are made in such a way as to make our Member States more dependent on certain sources of energy than they perhaps would have been if the Council had taken the decision itself.

I repeat, the process goes on, decisions are taken — but not on a democratic basis. This is why it is so vital — whether one is concerned with integration or not, whether one likes the Communities or not — that we ensure that no vacuum is allowed to form in the political decision-making process. The greater a vacuum of this kind, the lower the level of democracy in our Member States and our Community. These are the reasons for the concern we have expressed in this question.

(Applause)

President. — I call Mr Ortoli.

Mr Ortoli, President of the Commission. — (F) Mr President, I shall be slightly briefer than I had intended. Having listened to the two previous speakers I can state the Commission's point of view in simple terms.

Firstly, it is an excellent idea to tackle this problem, which concerns one of the operating difficulties of the Community. The problem of decision-making is a fundamental one. From the legal point of view it affects the Council, which takes the decisions, and the Commission, which makes proposals, is the guardian of the Treaties and has a role to play in preparing Council decisions. But it also affects Parliament whose opinions contribute to the achievement of results and are not just confined to observing that files are being left to collect dust and that the problems are not being solved. It must not be forgotten that decisions are indeed taken, sometimes very important ones.

I should like to give a few figures, though like you, Mr Broeks, I do not attach too much importance to them because they do not reflect the value of the various proposals. Nevertheless, in the past year the Council took exactly 621 decisions on the 656 proposals submitted by the Commission. As Mr Broeks pointed out, there are 250 decisions pending, but many of these are old and relatively unimportant. We are nevertheless concerned about this problem.

However, we must not be too pessimistic when considering the manner in which the Council has to operate.

To comment on a point raised indirectly in the two preceding speeches, what I am most concerned about is the fact that the decisions pending often relate to questions bound up with the internal development of the Community, whereas we are making progress in all matters related to the Community's economic policy, even if we are encountering great difficulties. But is there a coincidence between the fact that the progress achieved has been in the field of external economic policy and the fact that decisions in this area are taken by the Foreign Ministers?

There are three major categories of proposals. Firstly, the important proposals which, generally speaking, require unanimity. If we want to change this situation, we must change the Treaties, or else practice abstention, which is in conformity with the Treaties and is in the Community interest.

This practice cannot be made compulsory however, and further difficulties arise when a vote is requested and one state is opposed to it.

These important proposals include, first and foremost, proposals for which the political conditions of agree-

ment have not been met. This happens when there are fundamental differences of opinion between governments. A very simple example of this, mentioned this morning, is the question of the weight and dimensions of lorries. This issue has been under consideration for a long time now but, given the problems involved and the interests at stake, it has not been possible to reconcile the various opinions sufficiently to reply in the affirmative or by abstention.

Then there are the proposals for which political resolve has become apparent but has not found expression in an appropriate framework. I should like to quote two examples which seem to me significant.

The first of these relates to public supply contracts. Given that political resolve has become apparent in this area, I do not understand why we have not come up with a solution despite the difficulties encountered, as it is no more problematical than the matter of free trade within the Community.

Another matter in which political resolve has been vigorously expressed concerns the sixth directive on value added tax which governs the full implementation of the own resources system.

Here too there is political resolve and also technical obstacles which I discussed on several occasions with Mr Thorn at the beginning of his term of office as President. I do not personally think that there is any fundamental obstacle preventing us from reaching an agreement on this issue. What is in fact involved here is a problem of operation. It is extremely difficult to call meetings of the Councils of competent ministers on this question. And when the ministers do meet, I am not sure that they are always convinced, as they are at summit meetings or at meetings of the Foreign Ministers, that it is necessary to take swift decisions.

We have still not had a real debate on public supply contracts. The problem here is above all a problem of organization.

As regards taxation, I regret that here too we have been unable to organize a proper debate. I quite understand that there may be disagreement but I cannot accept this lack of debate which seems to me to fly in the face of our objectives.

Finally, there are proposals which are of secondary importance when considered individually, but considered collectively they represent a major factor in the Community's internal development. These proposals concern, for example, the harmonization of legislation of all the obstacles impeding the development of the internal market. They are in many cases regulations which at national level would be submitted to neither parliament nor government but would simply be the

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responsibility of a minister. It is extremely difficult to discuss these proposals at political level in the Community because their nature is such that they are discussed by the experts and adopted by the competent ministers. The deadlock occurs therefore at the level of the experts. Moreover, it is impossible for the President of the Council to consider 19 texts relating to glass, footwear and a host of other things in a Council meeting lasting two days.

What is the answer? There are of course political measures proper, like the extension of majority voting. Mr Broeksz has pointed out the drawbacks of this. We must remember that our difficulties are also due to the fact that the majority of new proposals are subject to the unanimity rule, as Mr Thorn reminded us this morning. I do not think that the Treaty is about to be amended. But I am convinced that majority voting could be applied in many cases. There is also the possibility of greater delegation of powers to the Commission. This problem is often raised. I think that for matters governed by regulations rather than legislation in our countries a common framework might be devised, since it is necessary to take account of the interests of each country and envisage, for example, the possibility of evocation or appeal. The Commission could be entrusted with the examination of such matters, as is already the case for the administration of the agricultural policy. I am not filing a claim here on behalf of the Commission. It would, however, be logical to entrust it with this type of issue. We ought to be free to solve problems in a more straightforward manner in matters where the intervention of Parliament and the Council of Ministers is not necessary. Otherwise powers are delegated to the experts — who may or may not take a decision — and not to the Council of Ministers.

We have discussed ways of speeding things up with successive presidents of the Council. It is now our practice to ensure that timetables are sent to the Council with each of our proposals so that it does not begin its work without the opinion of Parliament, provided that this opinion is delivered reasonably quickly. This is usually the case. In so far as it can be done I think it is important because Parliament will be simply taking a decision *vis-à-vis* the Commission which, after giving its opinion, will refer the matter rapidly to the Council and will ask it to take a rapid decision. This gives us a certain amount of impact and enables me, among other things, to say, in the weekly talks held with the Chairman of the Permanent Representatives Committee, for example, that we are concerned about such and such a file, or that a file or a series of files is getting bogged down. This is one of the things we shall have to sort out with the Permanent Representatives Committee in considering how to speed up procedure.

Secondly, there has been an innovation, and a relatively recent one, in that we have got into the habit in very recent times of consulting each other at the beginning of each presidency.

When Mr Thorn took up the presidency in January he and I spent a morning together and then a whole afternoon with the Commission studying matters outstanding and trying, in particular, to determine the issues — and not just the major political issues which always come up on the Council's agenda but those of decisive importance for the internal development of the Community too — in which the Luxembourg presidency would attempt to ensure that progress would be made. We each in turn gave our opinion as to which of the matters outstanding should be dealt with, and also indicated the matters on which progress was overdue or on which we had agreed with Mr Thorn to try and organize a number of Council meetings or bring certain issues before the Permanent Representatives Committee with a view to submitting them to the Council. This work is useful because it provides the President of the Council with a reflection of our own action from the point of view of the Community.

Finally, on a more political level, and because we dealt with this matter collectively, it was decided that at the beginning of each Council session, a report would be drawn up at the Council of General Matters — which is the pivot Council of the Community — on the work of the other Councils, both those which have taken place and those which are to come. This would make it possible to say at meetings of the Council of Foreign Ministers or for the President of the Council to say: Gentlemen, you as the Council of General Matters must know what matters are going to be debated by your colleagues in research or in a particular ministry, and I would ask you who are responsible for political action within the Community to concern yourselves with these matters in your own countries. This sometimes enables the President of the Commission to get up and say that he is concerned about the fact that a Council meeting is being held on energy or research, that the Commission feels that work is not going ahead quickly enough and to urge the Political Council to deal with the matter and adopt a definitive position, thus ensuring that a debate is thrown open and that this debate is preceded by effective preparation.

I therefore think that we have after all made a certain amount of progress. As you know, this progress has been accompanied by a slight modification to the Council of Ministers, which sometimes operates well and sometimes not so well. This is the so-called *preliminary sitting* which we proposed in conjunction with Mr Scheel. We agreed with him in asserting the need for the Council to be more than just a Council in which 130, 140, 160 people — ministers, permanent representatives, secretaries of state, directors general and experts — are brought together to examine certain points as if they were all of a technical nature. We must spend an hour or so talking politics and, in particular, during a session, discuss two or three issues on which political light should be shed by the Council of Foreign Ministers.

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We sometimes do this very well, although I must say that we occasionally spend too much time over it, but it seems to me that we are to a certain extent politicizing, if you will pardon the expression, the Council of Foreign Ministers and this is in my view an excellent thing. I am in favour of pursuing this trend.

Having said this much, two conditions remain to be fulfilled: the first of these is the political resolve, the resolve to get the Community moving forward in the various areas where progress is necessary.

In this connection I am fairly concerned about the internal development of the Community, the work which is leading to the laying of a common foundation and to the elimination of our disagreements, thus providing us with better overall coordination. I would prefer political resolve to be directed more towards that side of Community work, which may well be somewhat tedious but is absolutely essential from the point of view of the political reality of the Community as seen by its citizens.

That is my first point.

Secondly, I think we should try to take full advantage of the European Council, but somewhat differently from the way you suggested. I do not think that the European Council should concern itself with these questions but that it must on certain occasions reassert the importance of a particular problem from the point of view of the construction of the Community and highlight one of the major European issues — and I do not mean the issues which hit the front-page headlines — but the real Community issues which you will have to settle. This strikes me as most useful.

I am not pessimistic about all this. I think a certain amount of progress has been made and I hope progress will continue to be made. If the realization dawns that political resolve must find expression in questions which are not always, on the surface, politically significant; if the Member States strive to ensure, through more effective organization, that attention can be given to a number of problems in areas where, as I said, political resolve exists but where we are being prevented from arriving at a solution by the very structure of the administration and the impossibility of taking action at political level — then I think still further progress can be made.

At any rate, for Mr Thorn and myself, one of the major objectives of our conversations prior to all meetings of the Council of the Ministers in the past three months has been that of seeking to achieve a maximum amount of progress.

(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 3.15 p.m.)

President. — The sitting is resumed.

Ladies and gentlemen, we have to decide whether to resume the debate on the questions by Mr Broeks and by Mr Behrendt and Mr Espersen or to begin the Angola debate immediately.

The President-in-Office of the Council would, for his part, prefer the first solution.

I call Mr Broeks.

Mr Broeks. — *(NL)* Mr President, our Group has no objections to continuing the debate in which we are engaged.

President. — I call Sir Derek Walker-Smith.

Sir Derek Walker-Smith. — I shall be brief on this matter, so that we may proceed to the next subject as soon as may be. I have considerable sympathy with the Council on the matter of its decision-making procedures. We have been told of the formidable list of matters awaiting decision, adding a sort of proposal mountain to the butter, beef and skimmed-milk powder mountains of which we hear so much, a sort of accumulating mountain of problems awaiting the Council's decision.

I think that the Council's difficulties are inherent in the circumstances of the case, aggravated by its dual function, both executive and legislative, and by the necessity for dual scrutiny — scrutiny by us in this Parliament and scrutiny by us as members of our national parliaments.

There is also, I think, a conflict of considerations. Speed of decision-making is not the sole requisite. It is also necessary to have the highest common factor of consultative and democratic procedures.

Against that background, I should like to refer briefly to three possible ways of improving the position. The first is the suggestion made in the Tindemans Report, in the communiqué of 1974, and today by Senator Broeks in regard to some relaxation in the unanimity principle.

As President Ortoli has reminded us, some of these matters require unanimity under the Treaty. There is also the important unanimity principle, or right of veto as it is sometimes called, on matters of vital national interest, established in the Luxembourg Convention. I am sure that that will, and should, remain in being as a fact of life apart from any question of law. I do not think that any outside body can be the judge of what a country deems to be in its national interest. That is a judgment that must rest with the country in question. It must be exercised with responsibility, but countries cannot, and should not, be conscripted into conformity on such matters.

Walker-Smith

The question is, therefore, whether, without prejudice to the general fundamental principle of unanimity in proper cases, the decision-making procedures can be improved by majority decisions on lesser matters. That is clearly something that can, and should, be sympathetically investigated without derogation from the main principle.

The second matter is the suggestion that there should be a greater power of decision to the Commission, presumably under Article 155 of the Treaty, and Mr Tindemans' suggestion that when in the Committee of Permanent Representatives there is consensus between the member countries and the Commission on a decision to be taken it should be taken at that level on the authority of the Council. He goes on to describe the 'A' point procedure that we discussed at Question Time as legal red tape.

I do not favour an enlargement of the decision-making power of officials. To abandon ministerial responsibility, even if it is somewhat vestigial, is to start on the slippery slope away from democracy. I was surprised to hear President Ortoli say that experts and not Ministers took the decisions. That is contrary, at any rate, to the constitutional practice of centuries in my country, where Ministers take decisions on the advice of their experts.

The most promising approach is an obvious one which I do not think has so far been suggested. That is that instead of reducing the legislative and consultative procedures, the safeguarding procedures, we should examine the more fundamental possibility of reducing the volume of proposals requiring a decision of the Council. Decision-making can be accelerated without detriment to the consultative and democratic procedures if the work-load is lightened, and the work-load can be lightened if the flood of draft directives and regulations is abated. That flood can be abated if there is less legislation on minutiae, if there is a strict adherence to the welcome principle enunciated by the Commission of no harmonization for harmonization's sake, and if there is less intervention in detailed matters in the life of the citizen.

This approach would ease the work of the Council and speed its processes, and would be a good thing in itself. As such, I venture to commend it for the benefit of the Council, the Community and the citizens who live in it.

President. — I call Mr Thorn.

Mr Thorn, President-in-Office of the Council. — (F) I shall begin by informing the Parliament of the joint position adopted by the nine Member States of the Community. I find myself in a somewhat less favoured position compared to my alter ego and friend, President Ortoli, since I have to read out a text adopted jointly by the Nine, whereas he can exploit

his talents to the full and can tell Parliament exactly what he personally thinks. I do not enjoy the same freedom and, if only to confirm Mr Broeks's fears, I shall state the position of the Community before giving my own point of view.

It seems to me to be natural of the many proposals placed before the Council each year, some should remain before it for a longer period than others. Some proposals, because of their far-reaching implications, raise problems which require more detailed study or a prolonged period of consideration. I think allowance should be made for this. There are also cases in which major aspects of the proposal or the proposal itself are no longer completely up-to-date due to rapid development of events and are consequently no longer of immediate relevance.

I can assure you that the Council is always anxious to see that the examination of proposals and the procedures carried out by the various Community institutions are completed, as far as practicable, within the shortest possible time. Accordingly, the Commission now includes with all its proposals a timetable indicating the dates by which the Community institutions or bodies should preferably give their decisions.

This practice is proving to be extremely useful in organizing work efficiently and has been of assistance to the Council in preparing programmes in various fields. I am grateful to the President of the Commission for describing the discussions held by the Presidents of the Commission and the Council with a view to preparing the latter's work as effectively as possible and within the limits of our resources and powers.

I would draw your attention to the fact that at its meeting on 5 and 6 November 1975 the Council agreed, so that it would be in a better position to perform the general coordination and information functions required of it when composed of the Ministers for Foreign Affairs, that periodic reports should be drawn up — this is the 'Lamaglia' procedure — on the progress of work in the various sectors of Community activity, particularly as regards the matters examined by the specialized Council meetings, since although there is officially only one Council, its 'physical' make-up frequently varies.

I am aware that in certain cases the difficulties encountered by Commission proposals arise because Member States views on the actual substance of the question may vary considerably and the common desire to overcome these difficulties can only achieve success after a great deal of effort.

Such cases cannot be solved simply by making improvements in procedure, and in any case such improvements are restricted by the scope of the Treaties. I can however assure you that the Council is always anxious to speed up its work and improve its decision-making procedures.

Thorn

In this connection, and speaking on behalf of the Council, I believe that the results already obtained should not be underestimated. They show, particularly over the past three years, that the number of decisions adopted by the Council almost equals the number of proposals submitted by the Commission. The figures which my friend Mr Ortoli provided this morning make it unnecessary for me to read out a whole document to you. Our services at the Council have investigated the number of decisions taken and have given me some highly precise figures. According to these figures the Council adopted 526 acts this year, though Mr Ortoli quoted the figure 600. I should not like my score to be lower than his. Here too I think harmonization is necessary between our services and those of the Commission to make sure that we come up with the same facts. In this particular case, at any rate, I shall forget mine.

(Laughter)

The figures in the document supplied to me seem to indicate that the miracle of the loaves and fishes is not beyond the Council's powers. I am informed that the Commission forwarded 500 proposals and that we adopted 514. That's an awful lot!

I think this peculiar arithmetic is due to the fact that even referrals are regarded as acts taken by the Council.

(Loud laughter)

That is the only possible explanation. If we consider the 480 acts adopted by the Council in 1973, the 514 adopted in 1974 and the 528 adopted in 1975, or 600 as suggested by President Ortoli, and which break down unequally into regulations, decisions and directives, we find nonetheless that we more or less manage to keep up, albeit with the usual time lag, with the rate at which the Commission makes its proposals.

Mr President, ladies and gentlemen, my task has been considerably lightened by President Ortoli's address. I have nothing to criticize in and very little to add to what he said about Community procedures. I would ask you to take note of the fact that I am now speaking in a personal capacity and am not committing my colleagues.

When you talk about the decision-making procedure of the Council or Councils, we each of us refer to the Paris Summit at which it was said 'before 30 June 1973 the Council will take practical measures to improve its decision procedures and the consistency of Community action'. As President Ortoli said before me, the Council has acted on these instructions and has indeed begun to review its *modus operandi*. Parliament should not underestimate the efforts which have been made. President Ortoli referred to some of these efforts. President Scheel, in his time, President

Nørgaard, and more recently, President FitzGerald, have made serious efforts to improve the decision-making procedure. To be frank, I must admit that, unfortunately, they did not get beyond the resolution stage and did not succeed in producing concrete decisions and sound improvements. But the goodwill of the various presidents-in-office of the Council was genuine. You too, ladies and gentlemen, must play your part by exerting the necessary pressure on the various governments in order to bring about what President Ortoli called that minimum of political resolve necessary for the adoption of concrete decisions.

One often has a feeling of impotence before this House when its members ask us what we are going to achieve during our Presidency. You tell us very charitably, as colleagues: 'you cannot work miracles!'

But you must understand that success does not depend on the goodwill of one person since unanimity is required on these issues. Anything can, of course, be proposed but nothing can be decided if there is not a common desire on the part of each of the nine countries to achieve a solution. To the parliamentarians of the Nine represented here, let me say this: gentlemen, do not waste all your ammunition on the President-in-Office of the Council; remember that there are eight colleagues who are often much nearer at hand. To analyze the reasons for these failings which you criticize, often quite rightly, I have a few personal comments to make about the shortcomings of the Council. Firstly, there is in my view a certain lack of availability of the ministers who make up the Council. For example, at the European Summit — before it was called the European Council — we had already intended, and I had often proposed it during my last presidency, to harmonize the timetables of meetings of national cabinets. It seemed and still seems to me to be logical that if the nine countries want to govern Europe jointly we should hold our cabinet meetings on the same day of the week, so that we can then all be available on another day. It is practically impossible to hold meetings at Community level if some ministers have their cabinet meetings on Tuesday, others on Wednesdays and yet others on Thursdays or Fridays. I do not think it would be unreasonable to ask our governments to hold their cabinet meetings on the same day, so that we in our turn can have our ministerial Community meetings on one and the same day.

What seems a pity to me is that members of governments are finding it increasingly more difficult to make themselves available to fulfil their European duties. Agreeing on a date acceptable to all nine countries is becoming a real headache. Our sittings often last eight or nine hours and we waste two hours trying to agree on the date of our next meeting. Something could surely be done to improve this state of affairs...

Mr Fellermaier. — *(D)* In Parliament too.

Mr Thorn — (*F*) ... I did not dare to say so, Mr Fellermaier, but I think Parliament is indeed beginning to encounter similar difficulties and our work will not be made easier when the Nine become the Ten or the Eleven. What I mean is that our mode of operation and power to take decisions could be considerably improved if certain, to my mind, logical decisions were taken on the matter.

If a date was fixed each year for government meetings in the nine countries and for European meetings — for example, the first week in each month, or the second, it does not matter — we should avoid the problems which arise when one of the ministers is prevented from attending by his national duties (such as official visits to Japan, Mexico, Argentina, etc., or the visit of a Head of State).

If we knew by the end of 1976 on what dates the European meetings would be held throughout 1977 everyone could organize his timetable accordingly.

A second point is that I think it is necessary to stress that there is a lack of genuine discussion. Of course, the ministers who, in the case of the main Council, are the Foreign Ministers, do not have time to examine every problem in detail. Thus we are too often obliged to take decisions on reports drawn up by initiatory bodies without holding a proper in-depth discussion.

If, as President Ortoli said, you have 10 or 14 issues to decide in the space of a few hours you confine yourself by and large to reading the report prepared by the experts, in which the points where there is a disagreement are listed. All you then have to establish is that no progress has been made on the matter and that it should be officially deferred to the next Council meeting or the next meeting of experts.

This is not the way to arrive at fuller debates. ~~Don't~~ I tell this House that I think I have spent more time at Strasbourg or in the European Parliament than in the Council of Ministers of the Community? That should give you an idea. And I devote twice or three times as much time to entertaining ambassadors or foreign visitors.

This is something to which due thought should be given by every political leader in the Community and by the national institutions.

I ask you, ladies and gentlemen, can we achieve an integrated Europe, can we have the harmonized policies you want, can we make the progress which each of us wants if we devote only eight hours per month to considering, discussing and deciding such matters? I do not think it is enough.

We must change our policy in this area. Can we devote 28 days a month to national problems and a day and a half to European problems? I think there is a certain amount of imbalance here which should be put right.

The third factor accounting for what you call the shortcomings or difficulties involved in decision-making in the compartmentalization within the Council.

Both you and we ourselves often seek solutions to problems which have in fact already been examined by the originators and authors of the Treaty.

It is not by chance that those who drew up and wrote the Treaty specified that there shall be a single Council of Ministers. But who has ever dared to complain formally about the fact that there was not one Council of Ministers, but several? Perhaps it is a good thing, from the technical point of view — and I am still speaking in a personal capacity — to have ministers of finance dealing with financial questions and ministers of agriculture dealing with agricultural problems. Their action must however, be inspired by an overall conception of Community policy, otherwise one might ask where is the Council which coordinates and lays down guidelines for action on the basis of which the ministers of agriculture and the ministers of finance adopt their decisions.

It is therefore essential, if we want to speak with a single voice and take decisions in the interests of the Community as a whole, that there should be a single Council. The existence of several Councils of Ministers would be inconceivable at national level. There can be interministerial working parties, but there can be only one Council. When we start wondering and turning to our crystal ball to find out what should be done to make the Council of Ministers of tomorrow work properly, we should go back to fundamental principles and make sure that somewhere there is a central authority in which policies are coordinated and major decisions taken. This is why I think we must have a Coordination Council, as has been suggested by the Heads of State or Government.

Where appropriate, the Minister of Finance or the Minister of Agriculture might sit next to the Foreign Minister for the consideration of a particular item on the agenda, but what is most important is that there should be a decision-making centre and that our views should be harmonized because we are in the process of compartmentalizing our policies and moving away from that overall conception of what Community policy should be.

Mr Broeks said, in connection with COREPER, that the wide variety of tasks and problems which it has to face might justify the existence of several COREPERs.

I would warn you of the dangers of such a course, Mr Broeks. The permanent representations of our various countries already consist of a head of mission and several assistants. There are also national experts; but despite that there is united action because there is only one COREPER.

Thorn

I would remind you of what I said earlier with regard to several councils; if we have several COREPERs we shall have several meetings of experts and shall thus lose the central harmonizing and initiating authority. What still saves us at the moment is that at permanent representative level there is, as the term suggests, a permanent element which represents an overall conception.

I realize that we need more people, more experts, more assistants, but the main thing in my view is the objective which you and I have set ourselves and the need for us to share a single vision, which we shall not achieve if we have several COREPERs in addition to the various councils of ministers.

I already explained the reasons for the delay in the debate on and the adoption of proposals from the Commission when I talked about the difficulties arising in connection with the ministers' timetables, the limited amount of time which they devote to Community affairs and the confusion of national powers resulting from the fact that discussion of Commission proposals is too often and for too long entrusted to national experts.

It is reasonable enough that they should give their opinion on the proposals concerned, these should not remain in their hands until by some miracle a consensus is reached, which is rarely the case anyway. So certain details should be put right.

The experts have too great a say in the agenda of the Council, which ultimately only deals with problems of immediate topical relevance or those on which the experts have not been able to reach general agreement.

Thus the Council of the Communities has not yet, alas, assumed its responsibility for political leadership and for the definition of an overall policy. The setting up of the European Council can be regarded as a reaction against this state of affairs and this is why we gave it our approval.

Unfortunately, the European Council cannot function properly unless, at all levels, the institutions — and especially the Council of Ministers — play their role fully. As President Ortoli said, the European Council, which cannot meet once a fortnight — and no one would want it to — must deal with fundamental issues, it must act as the driving force, it must lay down policies and set specific timetables. But the Community will still be led by a Council of Ministers of the Community. The greatest effort must therefore be made at that level.

Now, Mr Broeks, with regard to your more specific proposals, such as the delegation of powers to the Commission, it is my view that although recourse has

sometimes been had to this article it has not been done often enough. For we at the level of the Council of Ministers of the Community, or the European Council, try to make decisions which are not made at national government level by a ministerial cabinet. But as President Ortoli pointed out, a minister or an administration are always asked to fulfil their responsibilities. The Community system ought to be modelled more closely on what has become current practice in our individual countries. Mr President, I apologize for speaking at such length but I think that in so doing I have covered all the main points I wanted to make in this debate.

(Applause)

President. — I call Mr Mitchell.

Mr Mitchell. — I wish first to make it clear that I speak in the debate in an individual capacity, although I believe there is a minority in the Socialist Group who would largely agree with the points I shall put forward.

I am not sure why this debate is taking place at all, because we shall have extensive discussions on this issue during the debate on the Tindemans Report. There has been a great deal of talk about how many Committees of Permanent Representatives we should have and whether there should be a Council of Coordination. All these technical details can be discussed. However, this debate concerns something much more fundamental than that—namely, the principle of unanimity. It concerns the question of retention or otherwise of the veto.

I recognize that there are a number of people here — and, indeed, many in my own group — who are federalists in the sense that they want to move to a position where decisions are made in one centre without consideration by national governments. I do not believe that national governments will be willing to give up the right of veto for some time. What surprises me is how infrequently the veto is used in the Council of Ministers, which goes out of its way to make sure that it is not used. I am amazed, and rather unhappy, that the veto was not used at a certain meeting of the Ministers of Agriculture last week.

I can understand the frustration felt when decisions are not made on a number of matters to be considered by the Council. I agree with Sir Derek Walker-Smith that one of the main reasons is that there are far too many matters being brought forward by the Commission, far too many directives and far too many regulations being brought before the Council of Ministers.

In my view, the Community suffers from chronic over-government. I have said in Parliament on one other occasion that the attitude in some places seems

Mitchell

to be: 'If it moves, harmonize it'. I believe there is over-government. We might do far better if we had fewer directives and fewer regulations. Nevertheless, in some ways inaction can be positive. It is a recognition of the inevitable. The alternative to coming to no decision is to come to a decision which somebody will veto or cannot accept.

Mr Broeks in the resolution uses the phrase 'vital importance'. One can talk about 'national interest' and other such phrases. In reality, what any country means by its 'national interest' is what it thinks is its national interest. No one else can decide for a country what its national interest is. The same applies to 'vital importance'. The only authority that can decide what is vitally important to any country is that country itself. No one else can decide what is vitally important for that country.

I will give two examples of matters which in the normal use of English would not be referred to as of 'vital importance' but which are nevertheless important. I apologize that they are both British issues, but those are the ones about which I happen to know. I am certain that there would be many such examples in other countries.

The first example has already gone through in a sense. That is the tachograph or, as it is called in Britain, 'the spy in the cab'. That might not be thought of as having vital importance, but it is important to my country. My country has been granted an extra year before it is put into operation. I suspect that at the end of the year we shall come back and ask for another year, then yet another year after that.

Therefore, in my view, much of this is an academic argument. It does not matter what regulations are made in the Commission. It does not even matter what regulations are made at Westminster. Unless the drivers who take out the lorries have been persuaded that it is a good thing to have a tachograph in the cab, there will be trouble and the system will not operate. In such cases persuasion rather than direction must be used. If enforcement were attempted, it might lead to an important industrial dispute. The last thing Great Britain needs at the moment, when she is trying to effect an economic recovery, is unnecessary industrial disputes.

The second example arose at Question Time this morning and concerns the weight and size of lorries. The answer was that no agreement had been reached. If there had been an attempt in the Council of Ministers to force a vote, I suspect that the veto would have been used.

There is a resolution of the British Parliament which says quite firmly that we are against bigger and heavier lorries. Any British Minister must take notice of that resolution. We have to take notice of British public opinion, which says the same thing.

My final point is this. I do not agree with that section of the resolution which says that more matters should

be left to be dealt with by the Commission. As Sir Derek Walker-Smith said, the Commission is a non-elected body. It represents no one in particular and everybody in general.

It is of fundamental importance in any procedure that decision-making should be done by elected people. If one day this Parliament is given sufficient power to exercise control over the actions of the Commission it might be different, but in the given situation I do not think we can accept that.

I am sorry to have opposed the motion for a resolution, but some of us are opposed to its content.

President. — I call Mr Burgbacher.

Mr Burgbacher. — (*D*) Mr President, ladies and gentlemen, I shall be speaking in a personal capacity. I have not had the opportunity of consulting the Committee on Energy and Research but I am sure that the question I intend to put will be consistent with the committee's opinion.

My question concerns the planned meeting of the Ministers of Energy of the Nine outside the framework of the Council. I am sorry that the President-in-Office of the Council is not here at the moment. If my information is correct, arrangements are to be made with a view to holding a meeting of the nine ministers responsible for energy outside the Council.

Can the President of the Council assure us that in future he will personally ensure that such meetings of the energy ministers always take place within the institutional framework of the Council?

President. — I call Mr Behrendt.

Mr Behrendt. — (*D*) Mr President, some time ago you observed that the bigger a group or party is the more opinions it has. You have heard my friend Mr Mitchell say the same and I believe this constitutes a new and doubtless positive source of dynamism. I find today's debate slightly irritating. I have listened to both the President of the Council and President Ortoli and I do not know whether President Ortoli was really speaking on behalf of the Commission. I got the impression at certain points in his speech that he was speaking on behalf of the Council. I am sorry, President Ortoli but I had almost the same reaction as last night in the Political Affairs Committee. When we are told that the Council has adopted 621 out of 656 proposals submitted to it, what more can one want? Everything in the Community garden is rosy. There is nothing more we could ask for. This is completely beyond me. Everything is being looked at through rose-coloured spectacles. By shrugging off these problems as internal matters, it seems to me, we are simply ignoring the major problem of our failure to achieve integration. Political resolve is supposed to

Behrendt

exist, but in other things this is not so. One member pointed out that there was a flood of proposals but was told that the problem was of a procedural nature.

I would say this to the Council: of course we do not want to discourage efforts to improve the procedure. What is the use of meeting every so often and deciding that unfortunately nothing can be done at the moment to improve the procedure? There is little point in that.

I am always very glad when I hear plain words, like those spoken by President Thorn, about timetables and time devoted to discussion. This House has stated more than once that it is against councils, in the plural, but in favour of a single Council. We fully support this idea.

I do not want to get involved in a debate on the Tindemans plan at the moment. I do not intend to pick up the gauntlet thrown down by President Thorn when he said that we should tackle our national governments and make sure that they now do something. There is a Treaty, there is a Commission and there is a Council. All I can say is: either the Commission has made too many proposals for harmonization — though I do not think that at all — or the Council has not fulfilled its responsibilities as laid down by the Treaty by failing to take certain vital decisions.

I am thinking of what should have been done in connection with economic and monetary union and what remains of it now. Mr Espersen mentioned this too.

If the Council fails to take decisions, this will have a detrimental effect on the Community; we have experienced this in particular in the question of economic and monetary union. Owing to the lack of decisions in the area of economic policy our national economies have got out of step with each other. The economies of the member countries have not been held together as we should have liked. Mr Broeks and Mr Espersen have also made this point.

A lack of decision not only permits our economies to get out of step with one another, however, but also impedes the desired progress towards integration. This is why we have tabled this question. The European Parliament should urge the Council to carry out its responsibilities under the Treaty more fully than hitherto and it can do so not only by improving its procedures but also by showing a greater resolve than it has in the past.

(Applause)

President. — On this debate Mr Broeks has tabled on behalf of the Socialist Group a motion for a resolution, with request for an immediate vote pursuant to Rule 47 (4) of the Rules of Procedure (Doc. 6/76).

I call Mr Broeks.

Mr Broeks. — *(NL)* Mr President, first I should like to correct a slight error in the motion for a resolution, in which reference is made to Doc. No 494/75. This reference is inappropriate and must be deleted.

I am somewhat surprised at the number of decisions quoted by the Commission and the Council. There must have been a misunderstanding here. I have never said that no decisions were taken by the Council. I only mentioned the decisions of the Council on which Parliament has delivered an opinion. In every press report about decisions of the Council the last page contains a large number of decisions which are so unimportant that the European Parliament has not drawn up reports on them. It is indeed possible in this way to obtain a total of 500 or 600 decisions. But they are not decisions on which Parliament has delivered an opinion and are not the subject of my question. I was not referring to the decisions taken regarding all the trivial matters which the Council unfortunately also has to adopt.

Mr President, you will understand that I have no desire now to start talking about the Tindemans report. We are not the only ones to have discussed the Council's decision-making procedure; it was also debated at the summit conference in 1972 and 1974. The Council itself and the Commission have also discussed it. When Mr Thorn asks us not to shoot the pianist I can understand his request but I am in full agreement with the question Mr Behrendt asked, namely who shall we turn to if we cannot turn to the President of the Council, when Council matters are involved?

In our own countries we can turn to our own governments but here we must turn to the President of the Council. The President of the Council mentioned a number of things which could be improved. But Parliament cannot attend to these improvements, only the Council can.

I said that more decisions could be left to the Commission, to which it was replied that the Commission owes no responsibility to anyone. This is not correct. Parliament can dismiss the Commission. That is our right. The Commission is responsible to us! If we think that the Commission is not acting properly we must make use of the powers Parliament has. It must not be said that the members of the Commission are officials who cannot be dismissed by a Parliament. The European Parliament is certainly entitled to dismiss responsible members of the Commission.

The motion for a resolution contains only those things which the summit conference or the Council have said can be done. We are asking the Council finally to do these things.

President. — I call Mr Thorn.

Mr Thorn, President-in-Office of the Council. — (F) Mr President, I think I must reply to one or two points. I apologize for this because it is not my intention to prolong this debate.

Mr Burgbacher asked me a specific question. He asked me whether it was true that the Ministers of Energy intended to meet outside the framework of the Council. I reply with all due caution that officially I have no knowledge of this decision.

I stress the word 'officially'.

In the second part of his question he asked me whether the Presidency finds such a situation acceptable and, referring to the statement I made in January, whether I intend to maintain my point of view. Yes, Mr Burgbacher, I intend to maintain it. Moreover, I intend to do everything in my power to prevent matters from taking the course he described. I think my reply is sufficiently clear.

When Mr Broeks says: 'We must direct our remarks to the President-in-Office of the Council', I can understand him. I have never heard it said in this House that one should not direct one's remarks to the President of the Council. What I said was that in apportioning responsibilities and judging results he was not the only one to be taken to task. Of course, there must be a dialogue between us, and I must act as the channel between you and my colleagues. But you must all know that at Community level the situation is not the same as at national level where the head of government is responsible and can commit himself. I therefore wanted to get things into perspective and say that of course you can address your comments to the President-in-Office of the Council. But there is the unanimity rule and that involves the goodwill of the nine governments. I do not want to say any more, but I did not want to say any less.

I turn thus to the problem of unanimity which I omitted to discuss earlier. Reference is often made to the Luxembourg 'compromise'. It is in some respects a compromise, although I do not like this term. But I like even less the term Luxembourg 'agreement' since there was not an agreement, but an agreement to disagree, in that five delegations out of six adopted a different position from the sixth. They have not changed their minds since and it would be wrong and misleading to think that an agreement exists on the basis of the discussion held at that time. This situation has been further complicated by the fact — I say this for the information of the House — that three new states have joined us since that time and that two of them have emphasized that they were in favour of the isolated proposal of one of the six members, without specifying whether they adopted this proposal themselves, even though these six members no longer

maintained their position of 10 years ago. That has added to the confusion. But to infer from this that there is an agreement, or even a compromise, seems to me to involve a risk of error.

To get to the nub of the question, it is obvious, as Mr Ortoli pointed out this morning, that in many areas and in some of the most important ones unanimity is not sought arbitrarily, according to the wishes of a particular government delegation; instead, it is on the basis of the Treaties that in a large number of areas, vital areas, unanimity is our rule and our guiding principle and is *de rigueur*. Any argument between us can only relate to the application of the unanimity rule to matters for which the Treaty makes no provision. However, we have made progress in this area. For each item on the Council's agenda the President-in-Office of the Council says that a given matter requires unanimity while another is normally decided by majority voting. We are thus arriving at what you suggested, namely that in the latter case a delegation may say that a matter which is normally decided by majority vote is of vital importance to it and that the unanimity rule should be applied.

This is how we are proceeding at the moment in order to get as close as possible to the full implementation of the Treaty. I would add by the way that this is one of the dangers of the motion for a resolution which you are about to submit to this House, since certain passages in it seem to consolidate and reinforce the idea of 'vital interest', which was not agreed upon by the six delegations at that time, but was put forward by one delegation unsupported by the five others.

Speaking in a personal capacity I would warn the House against voting for a text based on that idea, as it would give the impression that Parliament shares the view that, independently of the Treaties, the unanimity rule can be applied in matters where no provision is made for it by the Treaty. I apologize for saying this but I see it as my personal duty.

With regard to your motion for a resolution, Mr President, you will forgive me for saying so, but while I do not want to interfere in the affairs of this House I must remind you of a letter addressed to Parliament back in 1962 which stated: 'The Councils — they had not yet been merged — consider that they cannot agree to the holding of a vote on motions for resolutions following addresses by Council representatives in the Assembly and the debates held in connection with them. Such a procedure cannot be justified either by the spirit or by the letter of the Treaties.'

As President-in-Office I must reaffirm this position taken by the Councils. Parliament will decide, in its wisdom and with due respect for the Treaties, what it considers right and proper, but it was my duty to remind you of the position adopted by the Council

Thorn

pursuant to the Treaties, and to tell you that your servant and President-in-Office of the Council cannot in any circumstances regard himself as bound by what you do.

(Applause)

President. — I call Mr Broeks.

Mr Broeks. — *(NL)* Mr President, I expected that the Council would say something of that sort, but since Mr Thorn did not say it at the outset, I thought that he had no objections to the motion. As you, Mr President, and the Secretariat have rightly pointed out, it is doubtful whether a motion for a resolution can be tabled in reply to questions by the Council. Now that Mr Thorn has raised an objection to it, I am prepared to withdraw the motion for a resolution. The thorough discussion which we have had today has made it obvious enough what we want from the Council. It does not need to be reinforced by a resolution.

(Applause)

President. — Mr Broeks, thank you for your statement, which will enable us to cut down our work. Without wishing to make a value judgement of the views stated by Parliament, I should like for a moment to exercise the privilege of the Presidency to say that, with regard to the questions still outstanding in the Council, the House has its share of responsibility.

There is an Article 175 of the Treaty under which we have the right, like any other institution, moreover, to bring an action against the Council before the Court of Justice, if it fails to define its position or to act. We have never made use of this Article. I used it in recent correspondence concerning delays in the decisions on VAT, and I fully intend to use it in future. Furthermore, I ask the Members of the House, particularly the committee chairmen, to use this Article to enable us to give the Council a hand along the road to efficiency.

(Applause)

7. Tabling of two motions for resolutions

President. — I have received two motions for resolutions on direct elections to the European Parliament, each with a request for debate by urgent procedure pursuant to Rule 14 of the Rules of Procedure.

The first one has been tabled by Mr de la Malène, on behalf of the Group of European Progressive Democrats, and the second by Mr Fellermaier on behalf of the Socialist Group, Mr Bertrand on behalf of the Christian-Democratic Group, Mr Durieux on behalf of the Liberal and Allies Group and Mr Kirk on behalf of the European Conservative Group.

These motions for resolutions have been distributed as Doc. 9/76 and Doc. 11/76 respectively.

Parliament will be consulted on the adoption of urgent procedure for these two motions after the debate on Angola.

8. Tabling, decision on urgency and inclusion in the agenda of a motion for a resolution

President. — I have received from Mr Fellermaier, on behalf of the Socialist Group, Mr Alfred Bertrand, on behalf of the Christian-Democratic Group, Mr Durieux, on behalf of the Liberal and Allies Group, Sir Peter Kirk, on behalf of the European Conservative Group, and Mr de la Malène, on behalf of the Group of European Progressive Democrats, a motion for a resolution, with request for debate by urgent procedure pursuant to Rule 14 of the Rules of Procedure, on the African policy of the Community (Doc. 10/76).

Since Parliament has already voted to adopt urgent procedure for the debate on Angola, I assume that it will wish to do the same for this motion for a resolution, which could be considered as part of the next item on the agenda.

Are there any objections?

That is agreed.

9. Emergency debate on Angola

President. — The next item is the emergency debate on Angola. The political groups have agreed that the hour or so which we decided to devote to this debate will be allotted as follows:

Socialist Group: 15 minutes; Christian-Democratic Group: 15 minutes; Liberal and Allies Group: 10 minutes; European Conservative Group: 8 minutes; Group of European Progressive Democrats: 8 minutes; Communist and Allies Group: 8 minutes; non-attached Members: 2 minutes.

I call Mr Thorn.

Mr Thorn, President-in-Office of the Conference of Foreign Ministers. — *(F)* Mr President, ladies and gentlemen, I feel it is important to mention the conditions governing my role in this debate.

Firstly, I *am attending* in my capacity as President-in-Office of the Council and Chairman of the Conference of Ministers for Foreign Affairs. I *am taking part* solely in my capacity as Luxembourg Prime Minister and Minister for Foreign Affairs, or as the Luxembourg Member of the Council, and my comments cannot be construed as representing the views of any other persons, since I have no mandate and no authorization to speak on their behalf. I wish to state this clearly so as to avoid any confusion. I shall report on this debate to my colleagues as President of the Council, as is my duty, but my entire contribution to this debate is made on a purely personal basis and cannot be construed as representing the views of my colleagues, including Mr Brinkhorst, who is also present here.

Thorn

Mr President, I should like to introduce this debate and provide a possible impetus for discussion by recalling the decision taken by the nine Ministers for Foreign Affairs, as was widely reported by the Press. I shall briefly re-read our decision with the addition of some, I hope, equally brief comments.

Our first point stated: the Ministers for Foreign Affairs (...), meeting in Luxembourg, recalling their decisions regarding the Popular Republic of Angola, studied questions relating to that area of Africa. I should merely like to single out the phrase 'relating to that area of Africa', since this indicated, as was the deliberate intention, that the Ministers for Foreign Affairs of the Nine did not mean to confine themselves solely to the Angola question, but to place it in its wider context, as you will see in a moment.

Point 2 states: the Ministers have followed closely and with great concern — I should like to emphasize concern — the development of the conflict in Angola which has occasioned great suffering and substantial loss of life, and also major damage to the economy. They call for the re-establishment of the peace that is essential to the reconstruction and development of the country.

I do not need to underline each of these phrases: the general import — and this is how the matter was presented via the normal diplomatic channels to the country in question — was that the Ministers of the European Community, meeting to discuss political cooperation, were issuing an appeal to the relevant authorities, asking that people should not take the law into their own hands following some measure of military victory, but that there should be national unity, in other words, that no excesses should be perpetrated. I hope Parliament is appreciative of this attitude.

Thirdly, the Ministers felt that it is the Angolan people, and they alone, who should determine their own destiny. This sentence strikes me as being particularly significant. On these grounds, they warmly applauded the efforts of the OAU to find an African solution to the difficulties and took care to do nothing that could prejudice their success.

I should like Parliament to recognize the significance of this paragraph which was intended to underline the European doctrine of non-intervention in the internal affairs of a country. In view of the involvement of other countries in Angolan affairs, this was meant as a condemnation of all foreign intervention and a reaffirmation of the view that, as in the case of any other country in the world, it was up to Angola alone to decide, its own destiny without any foreign interference.

On a different level, the Council of Ministers for Foreign Affairs wished to stress that, as well as being a national problem, this was also an African problem. In other words, it was neither a European problem, nor an American problem, any more than it was a Soviet problem, and it did not wish to see any African

country, or the African continent as such becoming the stake in a quarrel between superpowers. That is the gist of these two sentences.

On this basis then, we condemned all outside armed intervention, I repeat all intervention, and expressed the firm hope that this would speedily be brought to an end. This was only a wish, but when such a wish is expressed unanimously by nine European Governments, it also proves their readiness to intervene and act politically and diplomatically in order to ensure that this principle is respected.

We added that, for the sake of the prosperity of the area, we hoped peaceful and constructive cooperation would be established, presupposing good-neighbour relations among the African States involved.

That is, I think, sufficiently clear to obviate the need for further explanation to people familiar with the problems which may exist, and which have existed between Angola and certain bordering countries. It was our view that these problems should not be settled by force, but that, on the basis of the recognition of the State and Government of Angola, peaceful relations should be developed between the Angolan Government and all the governments of the adjacent countries.

The fourth and last point was divided into five sub-sections; the Ministers reaffirmed the basic positions of the nine Community Member States.

Firstly, readiness on the part of the Nine to develop cooperation where the African States wish for it and rejection of any action by any State whatsoever to establish a sphere of influence in Africa.

I think it is important to realize that we are entering a new period of history when, not for the first time ever, but certainly for a long time, Western Europe is absent from Africa as the dominant power and as a colonial power. Well, what are we now witnessing? Still speaking on a purely personal basis: the fact that other non-African powers are beginning to meddle in African affairs.

At this point we emphasize the role of the OAU and state that the Nine are ready to cooperate — with all that this implies in the field of economic, trade and even financial involvement for the Commission, which participated in these discussions, and for the Council — if the African States wish it; but not if it means having such cooperation imposed on them. On the same basis we also urge that all non-African States, that is, all the states which are not involved, do not interfere in these matters.

Secondly, we stress that we consider respect for the independence of all African States and their right to frame their national policies in full sovereignty without foreign interference to be a fundamental concept.

I think that these words do not require any comment by me.

Thorn

Thirdly, as mentioned a moment ago: support for OAU efforts to promote African cooperation. In our view, in the wider context of European-African cooperation it is essential for us to enter into a dialogue, in a climate of trust, between the European Community, which is today much freer of all suspicion of colonialism and neo-colonialism, and the OAU, which, as its name implies, must be the organization with the major responsibility for organizing African unity.

Fourthly, the right of the Rhodesian and Namibian peoples to self-determination and independence. We did not wish to pronounce on Angola without also stating our position on the associated problems relating to southern Africa. The question might have been asked: Why is the European Community suddenly concerned about Angola? When there are in South Africa and southern Africa many other problems, why does Europe wish to close its eyes to problems which — whilst wholly outside the limits of the territory concerned — are nevertheless very closely related to Angola?

We wished to forestall this by setting out the doctrine not of any particular state, but of the Nine States in the Community and by affirming that we are in favour of self-determination and independence for the Rhodesian and Namibian peoples.

And lastly, still in the same spirit, we wished to stress, and here I quote the last paragraph, that we intend to 'condemn South Africa's policy of apartheid'.

I feel it must be emphasized that in February, perhaps for the first time, the Community was not content to leave it to its Ministers for Foreign Affairs to act as its spokesmen in noting a development and expressing regret for what had happened in a particular country, but made a united declaration in which the various aspects of the problem were taken into account and the following principles reiterated: its position on Angola and its readiness to cooperate, to collaborate in the future in rebuilding a free Angola; we also wish to state that we are not going to cover up any aspect of the problem and shall state our attitude to the policy of apartheid and to the legitimate right of the Rhodesian and Namibian peoples to independence.

One cannot ask the Community to speak with a single voice, to assume its full responsibilities, to be considered a valid partner in discussions, while at the same time, by some process of mental reservation, asking it to refrain from taking up a position on problems that are a little more thorny, a little more complicated and a little more delicate than others. The Community can claim the right to speak with a single voice and to consider itself a valid partner in discussions in this area of the globe, as in any other, only if it has the courage to state its position, whatever that may be, on all aspects of the problem. Only then will it be able to consider itself a valid partner in discussions. In February we took a first step in this

field. Parliament may consider it timid, but I personally consider it to be positive and valid.

(Applause)

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

Mr Stewart. — I recommend to Parliament this resolution, together with the additional paragraph 1 (a) proposed by my colleagues in the Socialist Group and myself. I do so because we feel that this additional paragraph gives life and spirit to the whole resolution.

Let us look, for example, at paragraph 1 of the resolution by itself. It urges the Community's African policy to be guided by general political considerations, and paragraph 3 calls on the institutions of the Communities to draw political conclusions from the present situation. It would surely be reasonable for anybody reading that resolution to ask the question, 'What general political considerations is the Community's African policy to be guided by?' In other words, what political conclusions are we calling on the institutions of the European Community to draw? We have a saying in England about playing Hamlet without the prince. If we leave that matter undefined, it would be like playing Hamlet on the assumption that Hamlet's father had never been murdered and that there was no point in the subsequent events.

On the various matters referred to in the resolution and our proposed additional clause, having regard to the lack of unity between the Governments of the nine Member States on the date of recognition of the MPLA Government in Angola, that is indeed regrettable but it is past. There is not much good crying over that spilt milk any longer. Our approach to Angola must now be based on the fact that the MPLA Government is the Government of Angola. If there are things in the past which we must regret, the only point in those regrets is to have regard to what we are to do in the future. When we ask that question, we notice that paragraph 2 of the resolution condemns all interference by other states in Africa. We know that in Angola there has been intervention by non-Angolan forces by South African forces on the one side and by Cuban forces, supported by Russian weapons, on the other. The question the whole world is now asking is: 'Where may such forces or other foreign forces move next?' It is to that question for the future that we must address ourselves.

Unhappy Africa, snatched at and carved up by rival empires in the last century, is now in this century apparently in danger of being carved up by rival forces styling themselves as 'liberators'. But that is not only Africa's tragedy. It is our danger. There were dangers up to a point in the imperial grab for Africa in the last century, when rival empires brushed against one another. There are similar dangers if what are called 'liberating forces' are to move over Africa rubbing up against each other — and possibly greater dangers.

Stewart

But what was it that opened the door to this foreign interference? On this matter the resolution, if our clause is not added to it, would be surprisingly silent. The door to foreign intervention was opened by the doctrine and practice of white supremacy in certain parts of southern Africa. When the Cuban forces landed on the western shores of Africa, they found there those who were willing to welcome them and to work with them. They would not have found that situation if they had landed on the western shores of Europe.

Why was there such a welcome — an open door? It occurred because there are so many black Africans who are bound to feel that the doctrine and practice of white supremacy is so intolerably wrong that they will reach out for help from any quarter for the time being, not perhaps considering what the future cost may be, to assert their rejection, of white supremacy, whether it be practised by the old Portuguese empire or in other parts of Africa.

There are many tyrannies in the world. I — together, I imagine, with everybody here — regard all of them as equal, whatever label they may attach to themselves. It is for theologians to argue which of the tyrannies we can behold is the most evil. But we as politicians have the practical duty of asking ourselves which is the most dangerous to the peace of the world. The reason one must emphasize racial tyrannies today is that they are the most dangerous. As long as there is the attempt to practise racial tyrannies in the world, the possibility is opened up that all Africa, all the non-white section of mankind, will align itself with whoever makes the most specious promises of liberation. One creates a situation in which the power blocs of the world can be drawn in against each other.

In every century there is some — and sometimes more than one — great problem posed to mankind. At the present time we have this problem. The world used to be run on the basis of white supremacy. That age is over. The question before us is: is the transition from white supremacy to a world based on equality to be made by peaceful means or by violent upheaval? we do not yet know the final answer to that question. But, wherever the doctrine of racial supremacy is practised, it lends its weight and influence toward the more disastrous solution, the solution of violent and bloody upheaval.

The Community, which is by definition democratic and opposed to tyrannies of all kinds, must make its stand clear on this particular kind of tyranny. That, I think, will not be disputed. But what follows from that proposition? There is the doctrine of racial supremacy practised in South Africa itself, and, of course, the nine nations of the Community, both individually and collectively, have relations with South Africa as we have with other tyrannical states. But we do not, with regard either to South Africa or to any other tyranny, allow that to be interpreted as a condonation, still less an approval, of the tyrannical principle on which that government is based.

At the present time South Africa, whatever the future may have in store for her—and those of us who believe in human equality will believe either that there must be a fundamental change of policy or that sooner or later the future will be very bleak—is seeking a policy, a kind of partial understanding, with her black African neighbours. If her black African neighbours are prepared for the time being to work on those lines, it would not be for Europeans to intervene. But this would put the heavier onus on South Africa to use whatever influence she may have elsewhere to alleviate the problems caused by the practice of white supremacy in Africa. What are those places? They are Namibia and Rhodesia, referred to in the resolution of the Council of Ministers which the President-in-Office has quoted to Parliament.

On Namibia, surely the nations of the Community should take a collective stand in the United Nations to the effect that the rule of law and the rights of the United Nations should be observed in Namibia. It would be important for South Africa to withdraw her forces in that country and for the present situation to be replaced by what these should legally be, a United Nations trusteeship, pending establishment of the independence of the Namibian people.

As to Rhodesia, we who are British naturally feel a special concern here. In law this is a British colony in a state of rebellion. But years ago we took this problem to the United Nations, because of its importance for the whole of mankind, and requested the support of the rest of the world in a policy of sanctions against Rhodesia.

At the present time, in view of what has happened in Angola and in Mozambique, Ian Smith, the head of what is called the Government in Rhodesia, stands with doom rapidly approaching him. Unhappily, he himself is mentally blind and does not see what is so startlingly clear to nearly every other observer. One reason for his being so blind may be that he feels that the rest of the world is not bothering and even, perhaps, that he has friends and supporters. The lax enforcement of sanctions in the past may have given him some cause to feel that the rest of the world is not particularly interested in his attempt to maintain an illegal tyranny in Africa despite the menacing events that crowd round him.

It is our business—the business of the nations of the Community and, indeed, the nations of the world — as we are with our particular duty as members of the Community, to make it quite clear to Ian Smith that what the whole world is saying to him is: Abandon once and for all this attempt at white supremacy, make peace and establish justice with the black inhabitants of Rhodesia while that may still be possible before the chance of anything one could call justice, freedom or happiness is swept away by the onrush of forces that might have singularly little interest in the welfare of the Rhodesian people but may well be concerned with the aims of world power politics.

Stewart

Here, again, there is one practical thing that the nations of the Community can do. They can make it clear that every one of them individually will in the future enforce the sanctions against Rhodesia, which is a requirement on them as members of the United Nations, with the utmost rigour and that they will urge the same policies in the United Nations upon all other states. This is the more important because in the past there have been only two nations, Portugal under the old government and South Africa, which have deliberately defied sanctions. But there have been all too many who, while professing compliance, have not been prepared to take the trouble to prevent their own subjects from breaching sanctions. If we want to prevent the spread of foreign intervention in Africa, one of the things we must do is to enforce that policy of sanctions and to drive home the lesson, if it is possible, into the minds of Ian Smith and his supporters.

I know that it may be said: Is not this going beyond the responsibilities of this Parliament of the Community? No, it is not. Mr Thorn has already drawn our attention to the answer to that question. He read out to us the declaration of the Council of Foreign Ministers in Luxembourg, which ended: 'Les ministres ont confirmé les positions fondamentales des neuf États-membres de la Communauté'. Those fundamental principles included some of the things mentioned in our motion: the right of African peoples to independence and to self-determination, and the evil of any foreign intervention. But it ended up, without any question at all, by referring to the condemnation of the policy of apartheid.

We are invited to pass a resolution which has in its preamble the words: 'Having regard to the declaration of the Foreign Ministers of the nine Member States of 23 February 1976'. If our paragraph is not added, having said that, we shall then go on to say most of the important things that the Ministers said in that declaration except the condemnation of white supremacy. Any diligent student who read the resolution without our addition and then read the declaration of the Ministers would say, 'The European Parliament has looked at the declaration of Ministers and has deliberately left out a condemnation of white supremacy.'

I believe that it is essential to add the paragraph that we propose so that it should not be said, as inevitably it would be said otherwise, that we, compared with another organ of the Community, have deliberately shrunk away from making our position clear on the question of racial supremacy in Africa. I most earnestly plead with the Parliament not to expose itself to that reproach, but to take the measure of the formidable problem affecting the whole world that we are now dealing with and to realize its gravity and its immensity by adding the paragraph which we propose.

IN THE CHAIR: MR BERKHOUWER

Vice-President

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

Mr Blumenfeld. — (*D*) Mr President, I should like to make two preliminary remarks. The President of the Council is, of course, right as regards the form and political content of the explanation he gave us earlier of his attitude as President of the Conference on Political Cooperation. A year ago his predecessor made some suggestions we are at present following up. This is, of course, also the wish of the Council and the Conference on Political Cooperation. As Parliament has chosen this form of debate today, I would ask on my own behalf and on that of all my colleagues, that you take note of this House's desire to develop cooperation between the Conference on Political Cooperation and the Council of Ministers along lines that will remove all formal barriers to joint discussions between us. I and all my fellow members are very grateful that you intend to pass on our comments to the Summit and to your colleagues.

My second preliminary remark is that I know I am preaching to the converted. I would therefore ask you to realize that my comments are directed to you in your role today as intermediary.

I must once again express my disappointment with the answer you gave me this morning, especially as the French President during his meeting with the German Federal Chancellor a few weeks ago, made quite clear his disappointment over the lack of European presence in the world and Angola in particular, and also referred to this in the all-important press statement following this meeting. In this he also concluded that any future cooperation in the European Community must be based on a more intensive common foreign policy. Unfortunately these high ideals and objectives were promptly wrecked by French diplomats who, by their clearly unilateral action, breached the unity and Community political attitude to the question of recognizing the MPLA regime.

Once again, as has happened all too often in the past, usually for the sake of national or sovereign interests, one or other of the governments of the Member States — usually one in particular — departs from the absolutely essential union of the Nine in a decision relating to foreign policy. In so doing we are gambling away the important political role which Europe should now be assuming in the interests of the peaceful development of the nations of Africa alongside its role as a major trading partner particularly welcome for the African States.

Blumenfeld

We Europeans cannot really expect the United States to be the sole peacemaker in all places and at all times. If we took action ourselves, instead of reacting weakly, we might even exert a positive influence on the shaping of political attitudes in the American Congress and Government.

Mr President, I should like to revert to the declaration of the Ministers for Foreign Affairs on 23 February to which Mr Thorn has also referred. The Ministers unanimously decided on a declaration on Africa emphasizing the principle of non-intervention in the internal affairs of all African States.

But I must deny that this document has any of the political relevance needed. Had your present interpretation formed part of this document, Mr Thorn, I would not be so severely critical. But it is quite plain that the document is not addressed to the right quarter.

The only things that will be clear to the Africans addressed in the declaration of the Ministers for Foreign Affairs are the Rhodesian and Namibian peoples' demand for self-determination and right to independence, and the condemnation of South Africa's policy of apartheid.

I should like to make it quite clear that I would feel happier about Sir Michael Stewart's speech and the declaration of the Ministers for Foreign Affairs if the condemnation of racist policy had also included the racist policy of black-African governments. Why do declarations of this type never refer to the Uganda dictator, Idi Amin?

Sir Michael Stewart, why actually did you only defend the British policy on Rhodesia? This is a matter for the House of Commons, rather than the European Parliament. Your arguments in favour of including the paragraph proposed by you would be more convincing if you viewed the problem in its overall context and did not concentrate on the Rhodesian regime and the government, not of the dictatorship, but of the Republic of South Africa. I must state that for myself the Republic of South Africa is still a parliamentary republic and moreover a sovereign state, and when the Ministers declare that all African States are entitled to be independent and to determine their own national policies in full sovereignty without outside interference, then this declaration must refer equally well to South Africa. It was founded by white immigrants over 300 years ago and is still a sovereign state to which the same principle applies.

I must oppose you, Mr Stewart, when you consider the problem from the narrow, partisan view of a condemnation of white racist policy, as you term it, rather than the overall condemnation of all racist policies.

I know that what I have just said will not find favour with certain colleagues from various parts of the Left. In my view the weakness of the Ministers' declaration is that it does not give a crystal-clear definition of

what is at stake, namely the political and military intervention of the Soviet Union (now clear to everybody), effected by means of the Communist Cuban expeditionary force which has been logistically planned and trained by Moscow for many years. Is this not a blatant infringement of the Conference on Security and Cooperation in Europe and of the spirit of Helsinki?

(Applause)

Such statements should really have been included in the Declaration drafted by the Ministers in Luxembourg on 23 February. Why beat about the bush when we are faced with a danger from this side only? Who intervened on a military and political basis, if it was not the Soviet-Cuban side? I feel that in this document you ought to say to the Africans as well as to the Soviets that Europe must draw political conclusions from this, and conclusions regarding the relationship between COMECON and the European Community. The Commission ought also to draw certain conclusions from this, namely that we must recognize and state clearly that the Russians may feel encouraged by their easy success in Angola to exploit their political power to a greater extent for political purposes in the Third World at a sub-nuclear level.

We Europeans have the task of protecting from this danger the countries and people of Africa, Angola's neighbours to the north, south and east who are in such great peril. A war could also have unforeseeable consequences for Europe, but the political and strategic threat should be enough to stir us to action. Europe must make it abundantly clear what role it intends to assume in the world. We therefore support the motion for a resolution.

(Applause)

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

Mr Deschamps. — *(F)* Mr President, I consider it essential to tell Parliament that all friends of Africa — and there are many today — are dismayed and outraged by events in Angola. They have witnessed a people become the victim of open and unwarranted aggression.

This aggression, let me inform Mr Stewart, drew no protests from the governments who are today asked to back a policy which has our support. No protest was made at the United Nations and no appeal made to the Red Cross. Yet it was common knowledge that hundreds of thousands of men, women and children were being hunted across this forbidding area of Africa I know so well and where it is so difficult to live when one has to abandon one's village and kinsmen and is stranded in the bush.

Mr President, we must emphasize the fact that when Angola obtained its independence in November 1975, the situation both inside and outside the country as well as in Africa generally was favourable to a reconciliation between the movements which had striven for the independence finally granted by the Portuguese President.

Deschamps

We ought now to take stock of the consequences of this situation created by foreign intervention in Angola. I shall not mention the general political consequences which Mr Blumenfeld spoke about.

On the African continent, we see for the first time the principle and doctrine of non-alignment being undermined by the international strategy of a great power. This is a grave threat to Africa and world peace.

Secondly, the installing from outside of a single party communist government which will be a soviet satellite leaves no room for negotiation, for a negotiated solution between the sides involved or for holding free elections under the supervision of the UNO and the OAU, as proposed by the Organization of African Unity.

Thirdly, the MPLA's military victory may well prolong considerably the presence of foreign troops in this country, which will be subject to guerilla warfare, and this will be an obstacle to peace. Worst of all, from the Community's point of view, the Angolan conflict has seriously jeopardized the development of cooperation and unity in Africa which had been built around the negotiations and signing of the Lomé Convention. This process has been severely damaged, but fortunately not destroyed.

The spirit of Lomé is based on free and open cooperation without any interference, political pressure or external intervention. That spirit is the converse of the one which prevailed in the Angolan conflict. So, while deploring the delay in taking it, we are gratified to be able to count on the Ministers' decision made on 23 February. I agree with President Thorn on its importance.

It is gratifying to note that for the first time Europe has adopted an attitude to the overall problem of Africa which does not confine itself to economic aspects and has a definite political character: we were right to condemn apartheid outright and to draw practical conclusions. But we had to insist on respect for the independence of states. Furthermore — and it is important that this has been done — it was essential for Europe to declare her support for OAU initiatives with a view to promoting cooperation in Africa, to fully acknowledge that this organization is the key to African unity and lastly to ensure that Europe is united in its support of the African will for independence and the liberty, autonomy and sovereignty of each of its peoples.

Europe was right to proclaim her readiness to serve this cause. She did so in the spirit in which we worked towards the Lomé Convention and it is the spirit which has guided the activities of our Committee on Development and Cooperation. It is gratifying to know that Parliament, by voting in favour of this motion for a resolution, will reaffirm and strengthen this spirit.

(Applause)

President. — Mr Schulz, you have 45 seconds left.
(Laughter)

Mr Schulz. — *(D)* Mr President, ladies and gentlemen, a Member of Parliament likes to present his thoughts in a coherent fashion, even when his time is so limited, but not being good at rapid-fire theatrical patter at the speed of Chopin's Minute Waltz, quite apart from the fact that the best pianist cannot play this piece in three-quarters of a minute, I shall forego my entitlement to speak, even if there are still 20 seconds left, which I make a present of to the other Groups.

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

Mr Guldberg. — *(DK)* Mr President, I shall endeavour to compress my thoughts so as to give other speakers a few extra minutes.

When the truth is not very attractive, facile explanations are preferred.

The Liberal Group can go along with the motion for a resolution as it stands. At this stage of the debate I do not consider it necessary to amplify this but, on behalf of the Liberal Group, would prefer to concentrate on the discussion which has developed between Mr Stewart and Mr Blumenfeld, particularly as I feel that this is the crux of the matter.

I feel constrained to say that we cannot accept the double standards which manifest themselves whenever people criticize attacks on personal freedom and human rights because they are made in the name of a particular ideology. For us it is equally unjustified, whether it stems from a right or left-wing ideology, or whether racial conflict or discrimination is involved, or a conflict between black and white.

In my view, it is essential that we who enjoy freedom of speech should make our point of view quite clear and reject oppression in any form even when cloaked in the name of freedom.

We deplore the situation that has arisen in Africa, but regrets alone are not enough. Our own lack of realism and cooperation is partly responsible. However, nothing can conceal the fact that an African liberation movement has been overtaken by outside forces in the form of military invasion which is quite as bad or in fact worse than what speakers have been condemning — overtaken by a past for which we here must bear some responsibility.

This responsibility gives us no right to evade the basic problem of freedom — particularly as regards the African population — in order, as it were, to make amends for past mistakes or injustice for which,

Guldberg

directly or indirectly, we were partly to blame, and in so doing accept a new form of tyranny and a new form of suppression of personal freedom and human rights.

Mr President, I feel obliged to say this on behalf of the Liberal Group, as it is our profound conviction that this basic viewpoint is our true political *raison d'être*.

We are therefore unable to take sides with regard to the African countries. We wish to contribute to understanding and cooperation, but we cannot in any way be a party to justifying oppression or spreading aggression from its present confines. Nor can our attitude to acts of intervention be adjusted in accordance with any sympathy we may feel for a certain political regime.

Mr President, I think the motion for a resolution is a good one. I think our attitude must be that we cannot and ought not — either as a Community or as individual countries — to try to instruct, explain or urge on other countries — in this case, the African countries and their peoples — how they should act. We must be ready to cooperate with the best regimes they were able to establish, but we should never fail to point out that our cooperation is based on a desire to promote personal, political and human freedom. Therefore, Mr President, we are in agreement with the present motion for a resolution. We do not think that any ambiguity such as that implied in the proposed amendment should be added, since it could be used, if desired, to give an interpretation diametrically opposed to what we feel should be a liberal attitude to other peoples, states and regimes.

(Applause)

President. — I call Sir Derek Walker-Smith to speak on behalf of the European Conservative Group.

Sir Derek Walker-Smith. — We welcome the motion. It is a matter for regret that there was no effective, concerted policy before the recognition of the MPLA Government in Angola. It is true that by international law and practice recognition normally follows an objective assessment of the factual position, and the test is whether a government exercises effective control and has a reasonable probability of continuing to do so. Recognition therefore proceeds on a practical basis, involves no moral judgment, and bestows no mark of approval. It merely signals the acceptance of a regime for the conduct of international business.

Nevertheless, recognition clearly has great value. Every revolutionary or unestablished regime is anxious to achieve it, and it is clear that it had more value to the MPLA than it had to the countries of Europe. Therefore, before recognition there was room, if not for bargaining, at least for a close examination of the position and for the prescription of conditions to be satisfied as a prerequisite of recognition. That was clearly

the position in Angola before recognition because of the exceptional element in the circumstances there. There is nothing exceptional in recognizing a revolutionary regime, but it is certainly exceptional, and may well be unique, to recognize a regime when there is a large force of foreign troops in the country at the time.

Therefore, before recognition an effort should have been made to secure the withdrawal of those foreign troops as a pre-condition of recognition. Failing that, undertakings should have been sought that if recognition were granted withdrawal would follow. It was at that stage that the demand for withdrawal of the foreign troops would have had the best chance of success, as the countries of Europe at that time clearly had something of value to offer in the shape of recognition. The chance of success would have been greater if there could have been a concerted demand from all Member States that withdrawal should precede, or at least closely follow, recognition.

That is now in the past. That chance has been lost, and the question before us is how to proceed now to try to make good the deficiencies of the past. I suggest five short points.

First, we — the Member States — should make the withdrawal of foreign troops a condition of aid and economic assistance to Angola, whether by the EEC collectively or by the Member States severally.

Secondly, again jointly and severally, the Community and the Member States should raise the question of withdrawal with Russia and Cuba in every possible way that diplomatic, political and economic ingenuity can contrive.

Thirdly, again jointly and severally, we should maintain close liaison with the United States to fortify and support it in bringing into play its larger opportunities, through its massive trade with Russia, its grain deals and so on, to influence the withdrawal of those troops. I am rather surprised that this is the first reference to the United States in this connection in the debate.

Fourthly, the Community and Member States, again jointly and severally, should do all in their power to fortify the resolve of the countries of Southern Africa, irrespective of race and, one would hope, including Zambia, Zaire and Malawi, to resist Soviet penetration and neocolonialism, and should ensure that it is in the continuing interest of those countries to do so.

The fifth point is to keep a close watch on any transference of troops within Southern Africa — for example, to Mozambique — or the arrival of fresh troops. If and when any such event is apprehended, the Member States should make a simultaneous reference to the United Nations — because the Community is not empowered to do it as an organ — under Chapter 7 of the Charter to the effect that there is a threat to peace and requesting the appropriate action.

Walker-Smith

I believe that by these means and others, jointly and severally pursued, by active opposition to violence, aggression and repression wherever they may manifest themselves and in whatever form, we can seek to profit from past mistakes and omissions, try to make up lost ground, and help to preserve Southern Africa from Soviet imperialism and, we hope, to follow paths of pluralist democracy and harmonious non-racial evolution.

(Applause)

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

Mr Spicer. — Mr President, I should like to reinforce the points made by Sir Derek Walker-Smith.

Before I do so, I should like to comment on Mr Stewart's remarks. I thought at first that we would be able to support him fully in his statement, which was forthright and much to the point. Then we moved into the realms of Socialist mythology. It is sheer and utter nonsense to try to accuse Rhodesian or white forces, including Portuguese, of causing the problems in Angola, and Mr Stewart knows it. We have only to examine the time-table of events to see the true situation. In November 1974, Portugal promised independence to Angola. By April 1975, ships were arriving, day after day, bringing arms and equipment in support of the MPLA, and Cuban troops were landing. At that time the MPLA was a minority party and had no right to be considered as anything other than one-third of a future government of Angola.

I reinforce what Sir Derek said about those embattled and beleaguered countries of Zambia and Zaire. At the moment they sit in the centre of Africa and rely on surrounding countries for their vital communications to the coast. In the case of Zambia, 50 000 tons of Zambian copper is sitting on the quayside at Dar-es-Salam and cannot be moved. We also know that the port of Beira has been closed to Zambia and that no movement is taking place through that port. We also know that the Benguela railway serving Zambia, Zaire and Angola is closed. That could be opened in a matter of weeks, but it lies in the hands of the Angolans. Presumably firm advice has been given to them by Russian and Cuban advisers on whether to open that line. In my view, one of our first efforts within the Community should be directed towards reopening those communications and regarding this as a matter of great consequence. Are we to consider continuing economic aid and support to countries if they continue to flout what we consider to be the rules of normal conduct in international affairs? In that respect Angola leaves much to be desired. Until that country is prepared to measure up to the standard we set, we should not be prepared to offer economic aid to Angola, or Mozambique, or any other country on the African continent.

(Applause)

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

Mrs Caretoni Romagnoli — *(I)* Mr President, my initial intention in asking to speak was merely to explain to Parliament that my Group has not endorsed this motion for a resolution because we consider it too general, and even if we all obviously agree in principle with the ideas contained therein we feel that it could have been a little more explicit and more detailed with regard to the Community's African policy.

Be that as it may, what has been said during the debate compels me to make some additional comments because I do not think it is possible to deal so superficially as has been done in paragraph 2 of the motion for a resolution and in some of the statements we have heard today with the tragic and complex situation which led to the events culminating in the liberation of Angola.

We would like to take this opportunity of sending our sincere greetings to the Angolan people — today a free people — and to its government, which is today the government of a free state.

The statements in the motion for a resolution must be approved without reservation because they go without saying. Nevertheless, we feel we cannot overlook some of the things which have been said here on the subject of paragraph 2 of the motion. The question of who came first and who came after is an extremely difficult one: let me be the first to raise it.

We have to remember that Angola is the richest of the ex-Portuguese territories, and that the weight of the colonialist heritage and of the need to defend these former interests is heavier there than elsewhere. I would remind you too that the MPLA in Angola has been known to all of us for very many years and that its leader, Agostino Neto, visited our capitals and established contact with all the political movements before other liberation movements in Angola came into existence. Furthermore, the other two liberation movements are not only of far more recent date — and this is particularly true of the UNITA — but are also strongly tainted or marked by tribal elements, encouraged by the supporters of various forms of colonialism who saw their chance when the Portuguese withdrew.

Moreover, events have demonstrated the total lack of consistency and cohesion of these movements. The press and television of my own country have reported the scandalous flow of mercenaries to Angola from, for example, the United Kingdom, and have spoken of the very unorthodox methods of dealing with those mercenaries who no longer wanted to fight.

Foreign intervention — and this is the interesting political point — thwarted the attempts at reconciliation of the three movements, advocated, I believe, by many of us, and which at the time would have suited the MPLA. All this must be borne in mind; likewise, those of us who are sufficiently well-versed in African

Carettoni Romagnoli

affairs recognize the importance of the problem of the massive aid provided by Zaïre — an enormous country, as we know, through which American aid, too, flowed at the beginning — and that of the active presence of South Africa. I imagine everyone had the opportunity of seeing — it was shown on French and Italian television at least — the South African Minister of Defence visiting military positions on the other side of the frontier.

So much for the background. But to clarify what has happened since, to emphasize the seriousness and complexity of the situation, and the difficulty of the 'who came first and who came after' conundrum, I would add that we must all stick firmly to the principle of non-intervention in the affairs of other countries, particularly those of the troubled continent of Africa, where the road to independence is especially harsh and difficult.

We must make our voices heard, not only when intervention has become a reality. We must direct our efforts particularly to ensuring that the conditions likely to provoke intervention do not arise, and to preventing a terrifying process of escalation from which there will be little hope of escape.

With regard to paragraph 3 we have just one observation to make. As we have pointed out on so many occasions, the European Community does not establish early enough contacts with the new liberation forces in the various countries. In other words, we think that it ought to establish these contacts, not only because this is the right thing to do, but also because it is in the Community's interests, since it will undoubtedly pave the way for political and economic conditions from which the Community will subsequently benefit. The Vietnam war came to an end without any contacts being established at all. The world is changing, and so is Africa, as the President-in-Office of the Council pointed out so clearly earlier. The whole of the African continent is in a ferment, and we the European Community always arrive too late. This is not in our own interests, nor indeed is it in accordance with the political commitments we accepted in the Lomé Convention.

What is the reason for this? Is it political short-sightedness or lack of independence? As we see it the answer is: both. We therefore feel that not only should the wording of this motion be recast and made more explicit, but our political thinking should be recast too, to allow us more autonomy, free from outside influences, so that we can go ahead, without waiting for authorization, and for example grant or refuse recognition to a country which has liberated itself.

(Applause)

President. — I call Mr De Sanctis.

Mr De Sanctis. — *(I)* Mr President, I should like to point out that the first two lines of the Italian version

of the motion for a resolution differ from those of the other versions, since something which has already happened is presented as a future event, i.e. the lack of unity between the European governments on the date of recognition of the MPLA government in Angola. I have been told that this will be corrected by the office responsible. However, let me say that we shall vote in favour of the motion as drawn up in the other languages, not as in the Italian version.

As the saying goes, it is no use shutting the stable door after the horse has bolted. On the political level, this is rather the situation as regards the problems referred to in this motion for a resolution. Those responsible for tabling it were right to do so. As I said, we shall vote in favour and shall also support the amendment proposed by Mr Fellermaier and others.

Even so, we feel that the amendment concerns only one of the various aspects of this issue, which is much more complex and far-reaching, and which should be examined comprehensively and meaningfully, as some Members have already done. We want to emphasize, in all frankness, and without indulging in the kind of rhetoric used just now by our Communist colleague, or in political pretence of the kind sometimes taken to shameless extremes, that Africa is at present being used as the battleground for a violent clash of interests at the expense of the peoples of that continent and of their real interests. As a result, while the days of colonialism may be said to be numbered, the fact is that the peoples of Africa are today exposed to the risk of seeing old-style colonialism being superseded, at their expense, by hegemonies which are different but no less oppressive or indefensible.

This is the battle going on in Africa, and this is where we think that Europe, and especially the European Community, can fulfil one of its most fundamental roles. In view of the economic, social and indeed moral content of Europe's relations with the African countries, the Community should perform the very important task of attempting to forestall situations of the kind we are now condemning. In other words, Europe must save the peoples of Africa from new forms of colonialism.

That is where our duty lies, that is how Europe should make its influence felt, and it is in this spirit that our Group joins other Members in voting in favour of the motion for a resolution.

(Applause from the right.)

President. — I call Sir Christopher Soames.

Sir Christopher Soames, *Vice-President of the Commission.* — The debate to a very large extent has dealt with matters which affect what we know as political cooperation as opposed to direct Community responsibility. If proof of that is needed, I point to what the President-in-Office said today when he read out to Parliament a resolution passed not in the

Soames

Council of Ministers but by Ministers meeting as Foreign Ministers of their countries in the framework of political cooperation. It is in that *enceinte* that this matter has been discussed. Many aspects of this question do not fall to the responsibility of the Commission. I would not wish, therefore, to enter into them.

The debate has offered an opportunity to many honourable Members to express the grave concern that we all feel about recent events in South-West Africa and also about what the future holds.

From a Community point of view, all I wish to do is to take up the words of the honourable Gentleman who spoke last. He talked about the economic, social and even moral content of our relationship with black Africa.

That the Community has a very special relationship with the whole of black Africa is evidenced by the existence of the Lomé Convention, which, after all, is probably the greatest experiment in cooperation between an industrialized Community on the one hand and a large number of developing countries on the other. The Community is right out ahead in that regard. This is an experiment. It is based on our offering to the countries of Africa a very special relationship with the Community. This is open to all countries in Africa. Many of us have had our experiences and know with what hatred the Africans view what has often been termed neo-colonialism in this debate or, indeed, real colonialism.

The Community is essentially a civilian power. But surely we have seen in the last few years the extent to which it is a very considerable pole of attraction to other countries in Europe seeking to enter on a more democratic process. We have seen in Portugal and Greece the extent to which the Community is a pole of attraction. To the countries of black Africa, we are a pole of attraction for what we represent and, as the honourable Gentleman who spoke last said, for the economic, social and moral elements which are enshrined in our contacts with the countries of black Africa.

It has been said long since that if the countries of the ex-Portuguese colonial territories wished to apply for membership of the Lomé Convention, that application would be smiled upon by the Community. We are, of course, a civilian power, but in that to a very large degree we find our strength.

Thus we have confidence. Indeed, our experience has taught us with what anathema black African countries regard any form of neo-colonialism. I believe that the Community is, and will remain, a very considerable pole of attraction for all the countries of black Africa, not least for those in South-West Africa.

From the Commission's point of view, we see the Community essentially for what it is. Realistically, it is

a civilian power, but a civilian power that has a great deal to offer. It is our hope that it will be seen in the same light by those to whom we wish to offer it.

(Applause)

President. — I call Mr Stewart.

Mr Stewart. — Mr President, I shall be very brief in replying to a point made in Mr Blumenfeld's speech.

In our proposed new paragraph we reaffirm the rejection of a racist policy. That clearly means, and was intended to mean, any kind of racist doctrine or oppression, whether practised by white against black, black against white or any combination of colours one wishes to suggest.

I mentioned in particular Rhodesia and Namibia because by common consent they appear to be the areas where the danger of foreign intervention will next come. I repeat, however, that our rejection of racist policies is universal. As I said in my speech, we regard all kinds of tyranny as evil.

(Applause)

President. — I call Mr Guldberg.

Mr Guldberg. — To react to the last declaration by Mr Stewart, I have to say that I had a different impression from his first intervention. What I deplore and what I was afraid of in his proposed amendment was that he was speaking language which in my opinion is misused; it might not be his fault, but it is so in fact. Certainly we should not interfere in the regimes of African countries: we want to cooperate with them: they have to have a free choice.

What I did not like in Mr Stewart's first presentation of the amendment was that I felt it was similar to the sort of propaganda which may be and is used from other sides as, I agree, aggressive and preparing for the next step of violence or even extermination. If that was the sense of Mr Stewart's intention, we should never be able to agree to the amendment. I have taken his explanation in good faith.

President. — We shall now consider the motion for a resolution (Doc. 10/76).

I put the preamble and paragraph 1 to the vote.

The preamble and paragraph 1 are adopted.

After paragraph 1 I have Amendment No 1, tabled by Mr Fellermaier and Mr Stewart:

'Paragraph 1a (new)

After paragraph 1, insert the following new paragraph:

"1a. Reaffirms its rejection of racist policies which may, among other things, result in interference from outside;"

President

I put this amendment, which has already been moved by Mr Stewart, to the vote.

Amendment No 1 is adopted.

I put paragraphs 2 and 3 to the vote.

Paragraphs 2 and 3 are adopted.

I put to the vote the motion for a resolution as a whole, incorporating the amendment adopted.

The resolution is adopted.⁽¹⁾

10. *Decision on urgency and inclusion in the agenda of two motions for resolutions*

President. — I now consult Parliament on the adoption of urgent procedure for the two motions for resolutions on direct elections to the European Parliament (Docs 9/76 and 11/76), with the proposal that they be included as the first item on tomorrow's agenda.

Are there any objections?

That is agreed.

11. *Change in agenda*

President. — I call Mr Broeks on a question of procedure.

Mr Broeks. — (NL) Mr President, it seems to me that by the time we come to deal with Docs 8, 315 and 317 this evening, it will be so late that there will be little point in beginning the debate. These items are too important for that. Would it not be possible to postpone consideration of these items to next month's part-session?

Mr President, perhaps you can persuade Mr Berkhouwer to let the consideration of items 9 and 10 be postponed also. You will no doubt be in touch with him!

(Laughter)

President. — I shall make such a proposal as long as the Council also agrees to reply to the question on the Channel tunnel at the April part-session.

I call Mr Thorn.

Mr Thorn, President-in-Office of the Council. — (F) Mr President, leaving aside the fact that one of the authors of the question is at present in the Chair, I would admit that in my view we can postpone the question. I do not think that the tunnel will be dug between now and April. But having said that, I am afraid that the timetable for April will be extremely full.

I have said that I am at Parliament's disposal for one day of every part-session. Well we are now up to one-

¹ OJ C 79 of 5. 4. 1976.

and-a-half, then it will be two, then two-and-a-half days. You are aware of Parliament's April programme. To avoid any pointless dispute between friends, I must say that I shall only be able to attend for one day. I really do not know if we will be able to deal with this problem on that day. But fortunately I have my colleague Mr Brinkhorst with me. If it suits Parliament, he can remain here this evening since, as I informed Mr Spénale, I am afraid I must return to Luxembourg. Mr Brinkhorst is at the disposal of the House during the day, and even in the evening, to reply to all the questions which interest Parliament. I am sure that Parliament is passionately concerned with these questions!

President. — I call Mr Broeks.

Mr Broeks. — (NL) Mr President, twice already the question on education has been placed among the last items on the agenda. On the day when one of the two gentlemen is present, would it be possible to place this question among the first items on the agenda?

President. — I call Mr Thorn.

Mr Thorn, President-in-Office of the Council. — (F) The honourable Member spoke this morning about the Council's inability to make decisions. I should like to make it easier for both Parliament and the Council to decide. I draw Parliament's attention to the fact that, on 7 April, you propose to have Question Time, then some oral questions with debate, and finally to debate the Tindemans report and to hear a report on the European Council. I can hardly imagine that Parliament would want to give greater priority to these questions than to the report on the European Council.

President. — Will you be present here tonight, Mr Thorn?

Mr Thorn. — (F) It is the first time that I have been asked where I spend my nights.

(Laughter)

I should like to try to answer your question as frankly as possible. As I told Mr Spénale, I must leave Strasbourg in an hour and a half. That is why Mr Brinkhorst is staying here this evening.

Since the text was adopted by the nine Ministers, I can assure you that, whether it is presented by my colleague or me, it will hardly differ from the original version.

President. — I call Mrs Kellett-Bowman.

Mrs Kellett-Bowman. — Mr President, it seems to me very regrettable that yet again we are putting off these important educational matters.

Kellett-Bowman

Education is of prime importance. If we constantly put it off, we shall give the impression that we do not care. I hope that it will not be put off yet again if it goes to the April part-session.

President. — I call Mr Broeks.

Mr Broeks. — (NL) It is precisely because these matters are so important that I feel we should not discuss these problems at one o'clock in the morning when no one is left in the House except those who are down to speak.

President. — Mr Broeks has proposed that the debate on education should be postponed to the April part-session.

I put this proposal to the vote.

The proposal is adopted.

Consequently, the joint debate on the draft resolution on a resolution of the Council comprising an action programme in the field of education (Doc. 548/75), on the oral question to the Council on the Community action programme on education (Doc. 491/75) and on the oral question to the Commission on the European schools system (Doc. 492/75) is postponed to the April part-session.

We have also a proposal to postpone the debate on the Channel tunnel to the next part-session.

I call Mr Fellermaier.

Mr Fellermaier. — (D) I am in favour of dealing with this item today. On days like this Parliament simply has to exercise more self-discipline and must not confuse discipline with postponement. Otherwise we would be a snail, alive but making very slow progress. Then we would no longer be in a position to criticize the Council, but would have to start criticizing ourselves.

I appeal to our self-discipline. The Channel tunnel and the like can be dealt with without holding a debate long into the night.

President. — I put to the vote the proposal to defer the debate on the Channel tunnel.

The proposal is rejected.

12. *Oral questions with debate: Convergence of national policies*

President. — The next item is the joint debate on the oral questions with debate, put by Mr de la Malène on behalf of the Group of European Progressive Democrats to the Council and the Commission of the European Communities respectively, on the convergence of national policies (Docs 543/75 and 544/75):

Subject: Convergence of national policies

In the present period of recession the economic, social and sectoral policies of the Member States are conceived and implemented with increasingly scant regard for the Community interest.

This situation helps to spread the general feeling of uneasiness and smacks of protectionism.

What measures, therefore, does the Council/Commission intend to recommend to the Member States to check this trend which, if it continues, is bound to deepen the malaise felt by all Europeans?

In addition, could not the Community, with the aim of promoting the convergence of national policies and developing peoples' sense of belonging to Europe, envisage the devolution of its services, thereby bringing the individual citizen into closer touch with Community affairs?

I call Mr de la Malène.

Mr de la Malène. — (F) Mr President, in the present period of recession the economic, social and sectoral policies of the Member States are conceived and implemented with increasingly scant regard for the Community interest.

Since the oil crisis at the end of 1973, the national self-interest of each Member State has been more in evidence than any desire for cooperation and solidarity.

True, general and even generous programmes have been proposed by the Commission. But no sooner are these adopted, than it seems that the economic, social and sectoral policies of the Community get bogged down again.

Past differences which appeared to have been settled re-emerge and entire facets of this or that Community policy are called into question. In spite of this, two years ago, on 18 February 1974, the Council committed itself to the aims of a coordinated economic policy for the Nine. The Commission was even asked to submit a report on the attainment of a high degree of convergence of the economic policies of the Member States and on the conformity of the objectives of the policies pursued. There were admittedly more or less regular meetings throughout 1975. The correct procedures were followed. But there is no doubt that the economic crisis has done anything but help convergence of national policies, and with it the development of a Community policy.

Consequently, when the problem of revitalizing the economy arose last autumn, the finance ministers met in Venice on 24 August to study the compatibility of national plans for the revival of the economy, both mutually and with regard to Community objectives. But we must not forget that Italy had already adopted its plan, and Germany's was already fairly well known, as were the measures drawn up by France. The Venice

de la Malène

meeting attempted to give the illusion of a Community policy for economic revival. In fact, the national policies had already been decided and the only joint decision taken was on the application of the budgetary instrument.

Naturally, these economic differences had immediate adverse effects as far as social policy is concerned. As a result, many of the measures contained in the Social Action Programme outlined in the Council Resolution of 21 January 1974 have not been implemented, owing to lack of agreement among the Member States. They are too many to mention in detail.

I should simply like to point out that differences in social security systems still exist, and particularly that the Community is clearly incapable of taking joint action to combat unemployment, in spite of the tripartite conference on employment in the Community.

The present situation is, in fact, due to the lack of any clear definition of economic objectives and of any obligation to act upon decisions taken jointly. It must be remembered, however, that even during the period of economic expansion in the sixties, the Community never had any overall economic policy. We realize that the differences between the Member States, caused by initial structural differences and by varying degrees of dependence on imported oil, greatly hinder the development of any convergence of economic policies, in both cyclical and structural terms. But we feel that the current procedure is inadequate, since it is no more than a system of consultation with the Member States, who are left free to follow whatever policy they choose.

To counteract this, various ideas for a 'two-tier' Europe have been introduced, for instance the 'snake'. But this gives a wrong impression, since this 'snake' is not a Community creature. We see, too, that the countries in the greatest monetary difficulties — Italy, Ireland and the United Kingdom — are those with the highest rates of inflation. It would appear, then, that the floating of these countries' currencies has had adverse effects on their economies, and not only on theirs but indirectly on those of the countries which are part of the 'snake', owing to the phenomenon of imported inflation.

Arrangements have already been made for the countries with a healthy economy to grant short or medium-term credit to those in the red; but so far such loans have not led to any solution. On the contrary, they only increase the amount of money in circulation and confuse the situation even more. The truth of the matter is that the long-term stability of exchange rates is an objective in itself and not, as some people believe, a means. It depends primarily on the compatibility of growth rates in domestic liquidity and respective national inflation rates.

What is really needed is a cruising speed which can be maintained by each Member State. It is not true that a real and lasting economic policy can only be undertaken by countries which are structurally and politically fairly similar. To borrow a phrase from a

noted Soviet economist — once in a while can do no harm — a situation has to be judged not in relation to the intermediate stages, but in relation to objectives fixed.

This diagnosis of the present situation, with its inflation and its unemployment, requires a difficult and resolute choice of remedies and, as a result, the definition of precise economic objectives, particularly in the medium term.

These fundamental objectives are, firstly, increased production to meet the demands of foreign markets and at the same time to reduce unemployment; secondly, a real growth in per capita income lower than the rate of productivity growth, in order to allow for the deterioration in the terms of trade caused principally by the increased price of oil; thirdly, a general incomes policy to cover all sources of incomes; fourthly, the definition of a true social contract, with management and workers adopting a realistic and positive approach to their talks; and finally, measures of support for the regions in order to curb inflation and increase employment.

It is along these lines that we must seek the objectives of a medium-term economic policy instead of formulating grandiose ideas for Europe — and there is no lack of those who do so. The leaders of Europe must provide their fellow-citizens with tangible results.

(Applause)

President. — I call Mr Thorn.

Mr Thorn, President-in-Office of the Council. — (F) Mr President, as President-in-Office of the Council I should like to inform Mr de la Malène that, pursuant to its decision on the attainment of a high degree of convergence of the economic policies of the Member States, the Council adopted the Annual Report on the economic situation in the Community on 18 December 1975. As well as analysing the present economic situation, this report — on which the European Parliament gave its opinion — contains both general economic policy guidelines and specific guidelines for each Member State.

The Council stressed that the increasing degree of economic interdependence and the unexpected scale of the world recession were pressing reasons for pursuing efforts to strengthen economic coordination at both Community and international levels. This coordination does not mean that the Member States should pursue identical economic policies. However, a convergence of fundamental objectives would appear vital if the Community patrimony is to be preserved and further progress made along the road to European integration.

At the meeting scheduled for 15 March next, the Council is to examine these guidelines again in order to adapt them to the new requirements of the economic situation. This is what Mr de la Malène has for.

Thorn

The Council notes that close coordination has already been established on a regular basis within its bodies. Moreover, the European Council has discussed the development of the economic and social situation in the Community at each of its meetings. This coordination was designed to achieve complementary economic policies in the Member States and, together with financial solidarity, has been a contributory — if not decisive — factor in preventing the Member States from having recourse to protectionist measures to meet the present crisis.

I should add that in the social field in general, and in the field of employment in particular, the Community has endeavoured to implement the Council Resolution on the social action programme and important measures have been taken to harmonize social legislation. Examples of this are the provisions on collective redundancies and on equal treatment for men and women as regards pay, access to employment, vocational training and promotion, and working conditions.

Moreover, the Social Fund has been authorized to aid certain categories of persons most exposed to the vicissitudes of the economic situation, such as young people seeking employment.

In addition, measures have been taken to assist migrant workers, the handicapped and other categories of persons.

The Council is following employment trends in the Community with unfailing concern and is endeavouring to encourage cooperation between employer and labour organizations at Community level.

Several meetings of the Standing Committee on Employment have been devoted to analysing the methods used to combat unemployment. The Conference of 18 November 1975, attended by the Ministers for Economic Affairs, the Ministers for Labour, the Commission and representatives of both sides of industry, enabled all parties to reflect together on current problems. The Council is aware of the need to continue the dialogue with both sides of industry and a second tripartite conference of the same kind might take place in the next few months, hopefully in May.

Finally, with reference to Mr de la Malène's question on devolution of the Community's services, you are aware that they are at present located in provisional places of work, in accordance with the Merger Treaty of 1965. The Community also maintains several research centres at various places within the Community, as well as information offices in the capitals of Member States, some of which have regional offices in other cities in the country concerned.

I should like to add, speaking for my own part, that I agree with Mr de la Malène; there is a lack of a Community approach to economic, social and sectoral

policies. It must be acknowledged that certain objective problems do exist. There is, at present, a clear tendency for governments and — let us be quite frank about it — national parliaments and the representatives of national professional organizations to put national interests first where economic, social or sectoral policies are concerned, on account of the worsened economic situation, stagnation and recession.

It is my opinion that this tendency could have been overcome by means of a genuine Community effort. This is something I firmly believe. But unfortunately no such effort was made. Indeed, to some extent, quite the opposite occurred. But let us now have the courage to state openly that each of our governments has its share of blame in this situation. There is no point now in trying to lay the blame at each other's door, in looking for the innocent and the guilty parties. To a greater or lesser extent, we are all tarred with the same brush. The opinion polls which we had carried out in various quarters clearly show that the absence of any Community policy at such times of crisis is deeply felt by the people of our countries and of the Nine Member States. Retreat by governments to what some have called 'national defences' has afforded little reassurance, indeed quite the contrary. This should be a clear warning to the members of the various governments and parliaments. It is true, as the Honourable Member pointed out earlier, that the Council was perhaps a little cautious in its reactions. The various stands it took, and which I mentioned just now, bore — I admit — the undoubted mark of faintheartedness, or more exactly of orthodoxy. There is, of course, an explanation for this too. The initiation or revitalization of Community policies in keeping with the needs of the situation would have required political means — and let us be frank, we do not have them — legal means and, above all, considerable financial means. These means, we can all agree on this, do not at present exist and have not been made available. Moreover, this initiation or revitalization of Community policies would have required, in these circumstances, Community policies and action which could have been no more than complementary in nature. To some extent they were like this. As a result, the measures to revitalize the economy in the countries where the trade balance is favourable or in equilibrium have had an undeniable effect on the situation in other Member States. But they were inadequate in the context of the entire Community. The Community funds, be it the Social Fund or the Regional Fund, are too limited to play a truly effective rôle at Community level in times of crisis. But sufficient funds to allow effective intervention would have required financial transfers for in excess, at this difficult time, of the contributory capabilities of the least affected Member States and, especially of the Member States' willingness to make such transfers. As a result,

Thorn

even this modest aid of Community policies and measures could only help to an extent which not only Mr de la Malène, but many other Members of the House, consider far too limited.

If I had to give my opinion on other reasons for the inadequacies of Community action, I should have to say that even where the objective facts appear to justify, in the main, the Community's inability to tackle with real hope of success the problems of recession and stagnation, it is nevertheless true, on the one hand, that the institutions have proved too ineffectual, and on the other, that the Member States have clearly shown that they are reluctant to give up the least bit of national power. In this respect, it is a very sad thing that in certain circumstances bilateral or multilateral action — I am not going to give any examples since there are so many — was preferred to Community action.

Furthermore, ladies and gentlemen, the development of new ideas in economic policy has been halted or at least considerably slowed down, although there is no justification for this. As for the conclusions that can be drawn, experience teaches us that at the present stage of progress towards economic union, the Community institutions are ill-equipped to tackle a crisis, in cases where no policy or plan of action has been drawn up in advance. This became evident both during the energy crisis and during the current recession.

I should like to say to my former colleague, Mr de la Malène, that I was a little sad to hear him suggest that coordination and cooperation were needed more in the financial sphere than in the economic. Personally, I should like to see an end to this bickering over whether it is better to solve the problem by adopting an initial approach from the financial, monetary or economic angle.

If we want a true Community, one that is effective and responsive to daily problems in all spheres, we must not lose another ten years in asking ourselves where and how to begin. If a true Community is our wish, we must consider every problem, admit that everything is interconnected, that there is a vicious circle, and deal boldly, of course, with the monetary problem and financial cooperation; but we must not neglect other problems and we must not bicker over priorities, which seems to me a waste of time. Institutions and governments must accept the idea of the 'package deal' and must not play too cautious a waiting game with the excuse that the time is not yet ripe or else that it is already too late to act. If we always believe in the Community that it is either too late or too soon to act, we shall very seldom find the right moment to tackle a problem. Unfortunately, I am afraid, this argument is used all too often.

The Community can still tackle as a Community, at least those problems which are not cyclical in nature,

for example structural unemployment. This would be a real opportunity to solve problems which go beyond the national context and for which solutions at purely national level no longer appear adequate.

It is my hope, Mr de la Malène, that the Community will respond to your call, and will become more effective in this sphere as it has in others. But this can only be done when we all adopt the idea of the 'package deal' and agree not to divide procedures and institutional, financial or economic problems into separate compartments. What is required on the part of all of us, throughout the Nine Member States, is political resolve and the right attitude of mind, which will enable us to tackle any problem as soon as the situation demands it.

(Applause)

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — *(D)* Mr President, I can hardly add anything to what the President of the Council has just said so clearly and emphatically. It is quite right that if people are complaining here that we have done too little of a genuinely Community nature in a specific area of our common policy, this is only a result of the lack of a common attitude to other, indeed all, important Community matters. The fact is that the will to develop a common policy over and above national interests is simply lacking.

Unfortunately, what might have been expected in a crisis, i.e. that under the pressure of the crisis we would resolve to act more as a Community, did not in fact happen. Indeed, there was a return to nationalistic thinking both at the political level and at the level of the social groups with regard to many questions.

It is, however, clear that in spite of these tendencies we have managed with respect to various economic and monetary questions to achieve a more strongly Community attitude during the period of crisis, or at least we have managed to avoid falling back into dangerous positions. This has cost us continual efforts during the years of recession since the beginning of the oil crisis. We have debated these questions practically every month, and you have worked with the other Community Institutions with a view to coordinating policies in areas where a common policy was simply not possible. We have avoided conflict between the various policies and achieved differentiation and complementarity. You will remember that eight years ago we were the first to propose making a distinction regarding the policy for countries with surpluses and deficit countries, and that we have made a great number of efforts to ensure that the short- and medium-term economic policies, the budgetary poli-

Haferkamp

cies and the other policies of the individual Member States, complemented each other instead of conflicting with each other.

We were successful in this, even as far as last year's overall programme for revitalizing the economy. I feel Mr de la Malène is wrong in his assessment of the Venice Conference of August last year. The programmes drawn up at this Conference had been preceded by the Commission's recommendations of July of the same year and a considerable adjustment in August. I explained this to this House in great detail at the time.

We have also managed, not without the assistance of the Community Institutions, to nip threats of protectionism in the bud. Nor should we forget, in my opinion, the very important view that the impression made by the Community in the international bodies and organizations was of considerable significance in the period of recession.

As is well known, we have finally managed, in spite of great divergencies in international monetary questions, to establish a common standpoint and speak for the Community and all its Member States as a whole with a single voice. May I remind you of the United Nations Raw Materials Conference, and of the fact that we were able, admittedly with difficulty, to achieve a common viewpoint and act as a Community in the vital North-South Dialogue. I think we managed to appear as a Community in our external relations. I am not trying to say that this is enough. I merely want to point out in the light of the very critical picture which has been drawn — and with which I, incidentally, fully agree — that there are areas in which we have managed to make some progress in spite of these difficulties. I am not claiming that the Commission feels we should be content with this. On the contrary, we should make great efforts to develop these positive beginnings further. I take the question which has been put and the interest in these matters which has been repeatedly shown at our debates as an indication of a positive element, i.e. the commitment of the Members of this House, not only in their capacity as Members of the European Parliament but also in their capacity as members of their national parliaments. If we are to counter what the President of the Council referred to as reversion to nationalistic attitudes, we must presumably begin with the national governments. Who are more suited to this task than the members in their national parliaments? I feel that the Council, Commission and European Parliament are completely united on these matters. In my view, a significant test will be the last point mentioned by the President of the Council, i.e. the vital question of unemployment and employment policy which, as we have often pointed out here, is not only an economic question, but also a question of the greatest social and political significance for our Community.

(Applause)

President. — I call Mr Notenboom on behalf of the Christian-Democratic group.

Mr Notenboom. — *(NL)* Mr President, although the answers given by Mr Thorn and Mr Haferkamp have, in my view, already put the questions in a truer perspective — and I am grateful for these answers — I should nevertheless like to add a few remarks on behalf of the Christian-Democratic Group. I fully agree, of course, that the present recession together with high levels of unemployment and continuing inflation represent enormous problems. In my view, however, the formulation of the questions is not entirely accurate, and as appears from the answers given, too pessimistic. It may indeed be true that the economic, social and sectoral policies of the Member States are being implemented with increasingly scant regard for the Community interest, but this is also, in my opinion, a result of the differences in the local situation of the individual Member States, which since the oil crisis have been greater than ever before. The situation in the Community, which I agree is serious, is therefore not due to an increasing reluctance to tackle problems on a Community basis, but rather to the fact that the positions from which the various countries start are becoming more and more divergent. When the consequences of the increased oil prices became apparent, it seemed extremely likely that they would lead to a wave of protectionist measures in the Community and the rest of the world. Now, a few years later, however, we can see that things turned out not so badly after all. This is why 'protectionism' is an unfortunate word to use in this context. I even hoped for a moment that it was an error of translation, but the French text also speaks of 'protectionnisme'. Apart from the French wine measures against Italy, which do not belong in this context, only three protectionist measures have been taken in the Community in recent years. Firstly, in May 1974 Italy introduced a temporary measure whereby an interest-free deposit amounting to 50 % of the value of goods imported into that country had to be lodged with the Central Bank of Italy. This measure was approved by the European Commission by virtue of Article 108 of the EEC Treaty. It remained in force for approximately one year, until about March 1975.

Secondly, at the beginning of 1975 the United Kingdom failed to liberalize direct investments by British subjects in other Member States, a measure which was approved by the European Commission eight months later. I put a number of written questions on this matter at the time.

Finally, the United Kingdom introduced import restrictions in December of last year. However, these hardly concern goods from other Member States. Apart from a few very minor measures in this field, such as in Irish import duty on shoes from England, the Member States were not tempted to take protectionist measures. Although I share Mr de la Malène's

Notenboom

concern, I regret that the word 'protectionism' was used in the question.

It has become more or less a habit to blame any inefficiency in the Community on the lack of political resolve. In spite of the fact that, as the President of the Council rightly said, this political resolve is all too lacking, it is nevertheless a little facile to attribute all shortcomings to this cause. It strikes me as more accurate to say that the danger lies chiefly in the developments observable in the Western world in general and in the EEC in particular. While there has been a rapid increase in the economic and monetary interdependence of the Member States, centralization of the political decision-making process has lagged far behind. Political decisions are unfortunately still taken at national level where they are no longer effective because the economic and monetary relations have to a large extent become international. The European governments, and perhaps the government of Mr de la Malène's country above all, should conclude from this that the Community decision-making machinery is inadequate at the economic and monetary level. The salient points of these decision-making processes were laid down in the four decisions of February 1974, in which earlier provisions were grouped and harmonized.

The procedure essentially comprises the following: intensive consultation on the economic policy, a certain degree of harmonization of the instruments, short-term monetary aid and medium-term financial aid, together with the adoption of a Community programme for a medium-term economic policy.

As Mr Haferkamp has already mentioned this procedure has worked. With the odd exception, everyone has adhered to it. This is, however, not enough, since there is as yet no medium-term common economic policy worthy of the name; economic policy, as far as it exists at Community level, is typically short-term. It is therefore inadequate.

Finally, I am somewhat surprised at the remarks made by Mr de la Malène, at the end of his questions, on the devolution of services. I find this point hardly relevant, in view of the current recession. Certainly it offers no solution, I wonder whether this aspect has not been dragged in willy-nilly just to show that the European Parliament ought to remain in Strasbourg and Luxembourg while the other services are based in Brussels. I agree that this is a major problem, but it has little or nothing to do with the recession which our Community is unfortunately going through at this time.

(Applause)

President. — I call Sir Brandon Rhys Williams.

Sir Brandon Rhys Williams. — We began the debate well. Mr de la Malène spoke very well and with conviction, and we had an interesting reply from Mr Thorn. It is true that national policies still take precedence over Community policies in economic, social and sectoral spheres. We all feel this lack of common will.

I am especially concerned about economic and monetary policy, because we are, after all, an economic community and we must progress particularly in economic and monetary affairs if the rest is to fit into place. However, it is a fact that on this matter we have a total lack of unity. The situation is even worse than it was a year or two ago. We have no common interest-rate structure in the Community. We have no common capital market and no common exchange rate policy. We have no common policy in regard to the movement and training of workers. We do not even have accurate, up-to-date, comparable information on industrial production, employment and business trends.

We have to admit, with gloomy satisfaction, that the era of 'dirty floating' could have been worse, and it is true that outright protectionist measures have been of a limited character. But the policy of the snake, which was meant to bring all European currencies together in a European currency union, is now intensely divisive. Events in recent weeks must have made it obvious that the Commission's policy in this respect is now utterly unconvincing. I have often pointed out, and I hope on other occasions to emphasize, the need for monetary stability to unite Member States and to start again the impetus towards economic and monetary union of a real kind. However, we must not aim too high. I am convinced that if we were content with moderate measures towards economic and monetary union we could, even by 1980, achieve a satisfactory state of affairs on the economic and monetary front, even if only a halfway house.

Mr de la Malène's question deals with institutional progress. What about the European Fund for Monetary Cooperation? As long ago as 1973 we agreed to set it up and all the necessary preliminaries were completed. But where is it now? Why does the Commission not insist on progress in setting up the European Monetary Fund? Why is the Vice-President with us now? Why is he not chaining himself to the railings outside the Bank for International Settlements in Basle until the people there listen to him and permit some progress towards setting up this essential Community institution?

Has Europe begun to exist on a personal level? How far have we got towards a study of harmonization on the questions of personal taxation and social benefits? It is all very well to build a European Community of institutions, companies and central banks; but the Community is fundamentally a democratic movement and must involve individual people as well.

The fault in the EEC is structural and easy to diagnose. It is a democratic system, but national governments ultimately are responsible in separate elector-

Rhys Williams

ates. This is why so much emphasis is now being placed, in this Parliament and elsewhere, on what, we hope, will soon be a firm commitment to direct elections in 1978. But we do not have to wait until 1978. We must prepare ourselves now and look ahead to the implications of the coming unification of the EEC electorate. We need leadership from the Commission and from the Council. What will the issues be in those direct elections? What will be the voters' mood? Furthermore, what will be the aims of the new, united European democratic system? The Council must give a lead.

I hope that the President has taken to heart the sincerity of today's contributions. I am glad to have had the opportunity to add my voice.

(Applause)

President. — I call Mr Leonardi.

Mr Leonardi. — *(I)* Mr President, ladies and gentlemen, to put it bluntly, if a Community body works well when the economy is expanding but falters, instead of being strengthened, in times of recession, this means that there is something basically wrong with that Community. A real Community should become stronger, not weaker, in time of crisis.

This being the case, I should like to say that I agree to a large extent with the comments made by earlier speakers in this debate, but I should like to add one further comment which I have already made on past occasions. I do not think we fully realize how serious the situation is; we do not fully comprehend the impact of the basic, structural differences which exist between the Member States. These are differences which developed in the early years of the Community and which have now become a decisive and dangerously undermining factor owing to the changes which have occurred in the external situation of the Community. The change in prices of raw materials, especially oil, has had and continues to have a widely varying effect on the individual Member States, while the internal policy of the Community does nothing to lessen these differences, but instead aggravates them. The transfer of revenues abroad by the weaker Member States, caused by a worsening of the terms of trade, operates in such a way that the revenues then return to the richer Community countries who sell to the producers of raw materials, arms and capital goods, i.e. products with a political price. The situation develops, as a result, with a snowballing effect which tends to aggravate rather than ease the problem. If we do not realize this fact, we shall never get out of the wood.

It was to this point that I wished to draw your attention, ladies and gentlemen. I should like, for example,

to ask the Commission to give details on the development of the terms of trade of each Member State in the last four years. This information would, in fact, enable us to estimate the amount of revenue transferred abroad and the corresponding amount transferred from abroad, and thus to estimate the degree of intervention necessary within the Community. I agree here with Mr Thorn on the inadequacies of the means at our disposal to counteract these external influences and to reinforce Community action, instead of weakening it as happens at present.

It is evident that the present situation requires far more rigorous intervention — and this has been generally acknowledged — than that possible with the means which we currently have at our disposal. But more rigorous intervention requires greater agreement, and greater agreement in its turn presupposes new forces in the development of the Community. This is precisely what we are trying to attain.

Consequently, I strongly urge the Commission and all of you here to reject the superficial approach of short and medium-term economic action and plans and so on, and to attempt to view the situation in all its true seriousness, since it is one of structural imbalance. I shall not refer to Italy here, since on this point I could give you a very critical example. We must not fool ourselves that we can get out of the present situation with the methods and means currently at our disposal, for they are of little use.

President. — I call Mr de la Malène.

Mr de la Malène. — *(F)* Mr President, I should like to thank the President-in-Office of the Council and the Vice-President of the Commission for their speeches, which fully confirmed my fears. I can only express my grateful thanks for this.

I should like especially to thank Mr Thorn for his personal comments on the subject which I felt were more constructive than when he spoke on behalf of the Council. He gave me a friendly rebuke at the end for being rather too much of a monetarist. He is right. I am — and particularly at an international level, because I am convinced that the monetary problem is the key to our economic future. I am less sure of this at the domestic level. I agree with Mr Thorn that the monetary and economic factors cannot be separated here. But as far as the international picture is concerned, I shall continue to give priority to the monetary side.

President. — Since no one else wishes to speak, the debate is closed.

13. *Statement by the Council on relations between the EEC and Greece — Oral questions with debate: Greek accession to the EEC*

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

- the statement by Mr Gaston Thorn, President-in-Office of the Council of the European Communities, on relations between the EEC and Greece ;
- the oral question with debate by Mr Scott-Hopkins, on behalf of the European Conservative Group, to the Council of the European Communities on the negotiating mandate for Greek accession to the EEC (Doc. 554/75) :

When does the Commission expect to receive the terms of their negotiating mandate for Greek accession to the EEC and do they expect these terms to follow their opinion to the Council ?

- the oral question with debate by Mr de la Malène, on behalf of the Group of European Progressive Democrats, to the Commission of the European Communities on the position of the Commission on the accession of Greece to the European Community (Doc. 555/75) :

In the light of the Council's favourable position on the accession of Greece to the European Community and with a view to the forthcoming negotiations, does the Commission intend to reconsider the guidelines it presented on 29 January 1976 ?

I call Mr Thorn.

Mr Thorn, President-in-Office of the Council. — (F) Mr President, ladies and gentlemen, Greece's application for membership is undeniably a political event of the first rank. First of all, it is important for the Community itself in that the application affords real evidence, to those who think that the Community is flagging, of its considerable power of attraction, especially to those outside it. It is also an important event for Greece, where the people and government, after emerging from a period of military dictatorship, see membership of the Community, or rather their application for membership, as the surest way of consolidating their democracy and achieving rapid but balanced economic and social development. It was therefore natural that the step taken by Greece should be welcomed, just as Parliament had hoped, in a ready, and perhaps even enthusiastic manner.

It is not the policy of our Community to seek enlargement by any or all means and at any cost. Every European country must examine and decide for itself whether our common enterprise corresponds to its own vision of a European future and to its own legitimate interest.

The Community does not, of course, pursue an expansionist policy, but is avowedly ready to admit those European peoples who happen to share our ultimate

aims and objectives and who opt for a joint destiny by stating their willingness to accept the Treaties and accomplished progress of the Community. Accordingly, on 24 June 1975 the Council welcomed Greece's application for membership and on 9 February last — just about a month ago — declared its approval, after receiving the Commission's opinion. I feel in any case that the Commission is undoubtedly far better qualified than the President-in-Office of the Council to comment on the opinion which it formulated on this matter. However, since some have claimed — mistakenly, in my opinion — to see different shades of meaning and even contradictions in the respective stands taken by the Council and the Commission, I hope you will allow me, Mr President, to make a few observations in a personal capacity.

I feel it would be quite wrong to extrapolate from the Commission's opinion and single out certain points in isolation for comparison with a clear-cut procedural decision by the Council or to interpret them only in the light of the statements made in public by members of the Council — myself included — according to their personal or national political evaluations.

The Commission's opinion is one of the elements of the accession procedure as described in Articles 237, 98 and 205 of the Treaties. As for the Council, it deliberates and decides in the light of a number of factors, which include the opinion of the Commission among others. By making arrangements for an early opening of negotiations with the Greek government, the Council consciously initiated an important political act, but expressed no formal view on any aspect of the matter ; it only considered — and I quote — firstly, that the application was admissible in itself and secondly, that it could be admitted as worded, i.e. Greece would on accession accept all her obligations as a Member State and would exercise all her prerogatives which represent the corollary.

This being so, the procedure has now entered a new phase. The Treaties stipulate that after obtaining the opinion of the Commission the Council shall act on the application from the State concerned. This was done on 9 February last. Thereafter, agreement must be reached between the Member States and the applicant State on the conditions of admission and the adjustments to the Treaties necessitated by enlargement.

The Council is preparing to carry out this task in the next phase or the phase now in progress.

The Treaties expressly stipulate that the admission conditions must be decided by mutual agreement. Consequently, there can be no prior condition, since application for membership requires acceptance by the applicant State of the ultimate aims and objectives of the Community, the Treaties and all that has been done to implement them.

Thorn

The accession of a new Member State to the Community usually necessitates a number of transitional arrangements to give the new arrival a chance to adapt.

How long will this work take? That has not been specified: the factors which have to be considered call for close examination since assessments of this order call for some knowledge of the points which the other party intends to raise during the negotiations. In order to make the nature of our internal discussions clear, the Council has stated that the preparatory work will be carried out as soon as possible and in a positive spirit. Previous experience can give us an idea of the time needed: it took a little more than six months to establish a common position; in the case of Greece, according to our schedule, this would mean two or three ministerial meetings in the Council using as a basis the data established by the Permanent Representatives and the Commission, with which the Greek Government is in contact. This is just to give you a guide. As President-in-Office, I cannot comment at this stage on the Institution's position; I can only mention the arrangements which it has already made. However, as Greece's application has drawn a large number of comments from various members of the Council, I would like to add a few personal remarks in this connection.

For the sake of solidarity, and even in its own obvious interests, the Community should support Greece's accession. I myself fully share the opinions expressed to that effect by the Community and by my colleagues. However, as we come up to these new accession negotiations, which may not be the last before the end of this decade, let me remind you that, as stated in 1970 and repeated over the past weeks, enlargement must be accompanied by the internal reinforcement of the Community or at least the maintenance of its strength. Far be it from me to oversimplify and presume that the entry of Greece might alone be a weakening factor in Community affairs or stand in the way of progress in common policies. On the contrary, we are sure that both the Government and the people of Greece are convinced of the need to strengthen the Community and they are ready and willing to play their part. For the time being, however, strengthening the Community primarily means strengthening the nine existing Member States, since it is they who are concerned.

Reluctance to develop the Community system more rapidly can only come from within the Community as it stands, not from outside, and so has nothing to do with Greece.

A further enlargement of the Community must in no way be a pretext for calling into question the Community system. On the contrary, it should be an opportunity for strengthening it. However, no one should call for the enlargement of the Community in order to use it afterwards as an excuse for advocating a two-speed Europe.

In this connection, I share an observation made by a number of my colleagues as to the resources, especially financial, which would have to be made available in order to integrate a new Member State into the economic and social context, although assessments of the actual cost of such a process differ; be that as it may, the fact is that the enlarging of the Community will necessitate increasing transfers of income. So those who are at present in receipt of Community aid, whatever form this may take, are justified in demanding that this should in no way be reduced on account of the geographical extension of requirements arising out of the accession of new members.

I am sure that the governments of all the Member States will take this important factor into account and act appropriately when the time comes.

To refuse to accept the reality of this situation would not only make Greece's membership objectively more difficult, but would also intensify a trend which could be detrimental to the very cohesion and development of the Community and should not be underestimated.

Lastly, I feel bound to mention the problem of the association of Turkey. Let me stress that in a discussion on Greece's accession I do not wish to cloud an issue by other considerations, whose relevance I do not question, but which are extraneous. I shall therefore deliberately confine myself to considerations relating to the association of Turkey with the Community.

Both Council and Parliament value this association. Moreover, the Council reaffirmed this formally scarcely a week ago at the meeting of the Council of Association with Turkey.

The Turkish Government and Parliament are free to determine their relations with and policy towards the Community at any time. As far as we are concerned, we hope — as I already stated in this Parliament last January — that the Association Agreement linking the Community and Turkey will be fully implemented so that there be no doubt at all as to its readiness to develop relations in a framework determined by mutual agreement between the two parties.

The Community's attitude to Greece's application for membership is free from all political prejudice and is characterized by a full awareness of the serious international problems awaiting a peaceful solution in that part of the Eastern Mediterranean. With the active cooperation of the Greek Government, it is up to us, when the time comes, to see that the accession of Greece to the Community becomes a contributing factor to peace and cooperation and not a further source of dispute.

At any rate, this was the attitude revealed by the Council's recent deliberations. Though I did not discuss this matter with my colleagues beforehand, ladies and gentlemen, I felt it timely and necessary to mention it to you.

IN THE CHAIR : MR MARTENS

Vice-President

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — I should like first to thank President Thorn for the very full statement he has given, which has clarified much of the confusion and many of the points which are in honourable Members' minds. He will, I think, accept that there has been and is still a great deal of confusion over the position concerning this extremely complicated problem.

I have to tread warily because, as the House will know, a report is being prepared for the Political Affairs Committee concerning the document which has been produced by the Commission, and I do not want in this short debate to trespass too far on what will be debated at much greater length—that is, the details of the Commission's recommendation to the Council. As I have said, there was and is a great deal of confusion about the situation.

The first thing I want to say clearly is that I and my group are in no way apart from President Thorn in our wish that Greece should join the Community as soon as possible and that negotiations should start. The point is also made by the Commission that the negotiations should start.

What one wants to get clear in one's mind—I have no wish to cause trouble about this—is what the position of the Commission will be. I understand from President Thorn that the Commission will apparently be only assisting the Council in its continuing negotiations with the applicant country, Greece, and yet under, I think, paragraph 2 of Article 237 the Commission could be the main leading negotiator. There is nothing in Article 237 of the Treaty which precludes that happening.

I am sure that the Commission will work harmoniously, so that we are probably merely splitting hairs, but one wants to feel sure that all the views and the expertise which have been gathered together by the Commission will be at the negotiators' disposal during these difficult negotiations.

There is, I think, no difficulty in accepting what President Thorn said, that at the end of the day it is the Member States which have to agree unanimously on the acceptance or otherwise of a country's application to join the Community. At the end of the day the Council and the member governments have to vote on it, and there must be a unanimous decision.

During the negotiations, however, it would seem from the various attitudes taken and from President Thorn's speech that there will be a certain divergence of attitudes towards the system and the time-scale of

progress between the Commission and the Council for the application by Greece. In the five minutes at my disposal, it is not my purpose to go into the pros and cons of all the bits of the Commission's proposal and recommendation or, indeed, the question whether we should hold things up or expedite them concerning the application by Greece. It is, however, absolutely true that there are problems that must be resolved before Greece can become a member.

During the 10 days before this debate I have read an enormous amount of paper on the subject to try to understand the depth of the problem, and the depth of the economic problem, which is basically the Commission's responsibility, is very great indeed. I shall not elaborate on the agricultural or industrial problems of Greek membership—these will all come up later when we debate the matter more fully in this House—but it would be quite wrong for the House not to realize that these problems exist. One would hope to hear now from the Commission, in reply to the questions we are putting, how it views the situation and how it sees progress being made in these vital economic fields.

It is, of course, the political side which the President of the Council put forward—the necessity for Greece to join the Community in the near future—and that we all accept. When one talks about that, however, one wants to be certain that there is a Community for Greece to join and that, in the period between now and whatever the transitional period will be, we in the Community of Nine shall be strengthening ourselves so that we can absorb Greek membership, to the benefit of Greece as well as of democracy throughout Western Europe. I am sure that this can be done. I should like to hear the Commission's views on this.

The purpose of my group in asking the question is that we want to clarify the rôle that the Commission will be playing in the negotiations which are now starting, how it views the negotiations proceeding, whether the Council will be prepared to work, as obviously it will, closely with the Commission, and whether they are prepared to accept that the negotiations may be difficult and at the end of the day will necessitate a fairly lengthy transitional period.

I want to see our Greek friends join the Community. I do not think that by having such a debate and future debates we do them any disservice. The more frankly we can discuss the problems between us, the more easily and quickly we can resolve them. We must not try to brush difficulties under the carpet and let them come up later, when they might well cause great problems. I hope that when the Commission replies to this debate it will be able to state its position and say how it sees the future of the negotiations, in which, I hope, it will be working hand in hand with the Council.

(Applause)

President. — I call Mr Krieg.

Mr Krieg. — (*F*) Mr President, the Group on behalf of which it is my privilege to speak is unreservedly satisfied at the positive reply given by the Council to Greece's application for membership, but notes, of course, that it is an agreement to the principle and not to the substance of the matter, and hopes that it does not constitute merely a diplomatic answer aimed at allaying the justifiable misgivings provoked by the Commission's opinion.

As things stand, it would be particularly advisable not to play on words, but to arrive at the desired result; the period of negotiation ought therefore to be considered as a pre-accession period. On behalf of my Group, I would like to warn the Commission against an interpretation of this kind as it would be both a serious breach of our commitments and a totally inadmissible case of deception.

We would like to believe that the Council's clear and overwhelming 'yes' offsets the Commission's 'yes, but' and at the same time erases the inauspicious connotations of pre-accession. Considering also that Greece's application for membership is disassociated from the settlement of the Turkish-Greek conflict, we feel that the two preliminary obstacles which might have postponed membership *sine die* have thus been eliminated, which is gratifying.

Moreover, the purpose of the step which the Council intends to take is to give us the assurance that the 'negotiation position' will be drawn up rapidly and in a positive spirit.

Bearing in mind the political resolve which we feel exists in this matter and the precedents set by the United Kingdom, Denmark and Ireland, there is reason to believe that the negotiation position of the Community can be defined quickly and that the negotiations proper can be initiated.

We do not think that the Commission will go back formally on its opinion or on its analysis of the difficulties which lie along the road to membership. Nevertheless, in our view, it will have to modify its course of action or at least approach it from another angle, by implementing during the negotiations the measures which it intended taking within the 'pre-accession' framework.

In any case, it is clear that the Commission will have to supplement its opinion by adding a section on the various relevant subjects, especially proposals on trade and the harmonization of laws.

Although it is too soon as yet to ask for explanations about the negotiating brief, we would like to know whether the Commission intends to proceed in the manner which we have always advocated. This procedure, let me recall, should be pursued on three levels simultaneously. In order to bridge the gap separating Greece from the Community, we should first of all

help her to make up for the time lost during the dictatorship by using and improving the mechanisms provided for in the Association Agreement, by speeding up the stages leading to accession — with particular reference to agricultural reorganization — and by involving Greece in the processes of political cooperation.

In addition, while the negotiations are being conducted, other means will have to be made available to Greece. These have already been mentioned by yourself, Mr President: loans or grants from the European Investment Bank and from the Member States within the framework of the new financial protocol; they could also take the form, as suggested by the Commission in its opinion, of an adjustment in favour of Greece of certain machinery providing for Community solidarity, e.g. the Regional Fund, the Social Fund and the Agricultural Fund.

Alongside these two lines of action would be the negotiations which should lead as quickly as possible to accession after arranging a period of transition in line with the classic pattern. The first two procedures — I insist on this — should not serve as a pretext for dragging out the negotiations until Greece is on a par with the Community: this would, of course, be tantamount to going back to the concept of 'pre-accession' which we have so vehemently condemned.

Mr President, I think I have more than adequately honoured my contract and I have left the next speakers a substantial number of minutes!

(*Applause*)

President. — I call Sir Christopher Soames.

Sir Christopher Soames, Vice-President of the Commission. — I am glad that we are having this debate for a number of reasons, not least that it gives the Commission an opportunity to clear up a number of misunderstandings, which, judging from the speech of Mr Krieg, still abound. We shall come to some of them.

I should like to draw attention to one or two points in the Opinion of the Commission. We began by saying:

'Fourteen years later'—that is, after Greece had become an associate of the Community—'in the aftermath of fundamental changes in its political and economic situation, Greece has decided that it is now in a position to move on to its final stage in its relations with the Community. Given the avowed aims of the Community in establishing the Association and Greece's return to a democratic form of government, there can be no doubt, in the view of the Commission, that the Community must now give a clear, positive answer to the Greek request.'

We went on to talk about the situation in the Eastern Mediterranean, something to which Mr Krieg referred in his speech.

Soames

It was, for reasons totally unknown to me, widely reported that in the Commission's Opinion the resolution of certain considerable differences between Greece and Turkey was seen by the Commission as a *préalable* for Greek entry into the Community. Mr Krieg gave me the impression that that was his thought. Here I should like to read a further passage from the Opinion, which says :

The Commission is consequently of the opinion that the European Community should urge upon Greece and Turkey the need for them to reach just and lasting solutions to the differences which separate them. The Community should consider what part it could play in parallel with the preparatory work for Greek accession to facilitate this process. It is evident that the success of these initiatives does not depend on the Community alone and it would therefore be inappropriate for the decision on Greek membership to be dependent on it.'

In other words, we said explicitly that we should dearly like to see movement towards a resolution of the differences between two countries that are at present associates of the Community, and that now that the Greek application has been made perhaps a special effort should be made and the Community should consider to what extent it can use its good offices to that effect. But we also said explicitly — and I am glad of this opportunity to underline this—

'it would ... be inappropriate for the decision on Greek membership to be dependent on it'.

Mr Dalyell. — Is the Commissioner in a position to give ...

President. — You may not interrupt the speaker unless he gives way.

Sir Christopher Soames. — I am giving way to the honourable Member.

Mr Dalyell. — Does the Commission think that it is in a position to extract a meaningful guarantee from the Government of Greece that if they join the Community they will not use membership as a lever in their conflict against Turkey? The Commissioner knows as well as anybody in this Chamber how difficult is the situation in relation to Cyprus. Can any such guarantee be forthcoming?

Sir Christopher Soames. — We have had assurances from the Greek Government to the effect that this is their intention and view, and that they would in no way wish to use their membership of the Community to that end. But all that we recommended was that a real effort should be made to resolve these differences in advance of Greek membership, and that if that could be got some way along the line it would be of considerable advantage.

On the economic implications of Greek accession, we pointed out that because of a number of factors in the Greek economy — such as the structure of agriculture

and the large number of people involved in agriculture, which I believe is about 35 %, and the structure of the industrial base — in order to be able to fulfil her obligations in the Community Greece needed a considerable restructuring. I do not think that that is denied by anyone.

Then we talked of the development of the Community, the point made by the President-in-Office, Mr Thorn. It is necessary for the Community to think of the effect on the Community itself of any enlargement, to draw the conclusions from, and take into account the consequences of, further enlargement and in particular to look at its decision-making processes, which still leave enough to be desired.

We ended up that passage by saying :

Therefore the Commission believes it essential for the Community to make significant progress in its own internal development in the period leading up to enlargement.'

We also pointed out in connexion with the economic position of Greece that it was necessary to think beyond agricultural harmonization because we had a long way to go yet. There was the freeze in the development of relations between the Community and Greece during those dark and sad days and there was still a long way to go for Greece to harmonize towards the Common Agricultural Policy. Also, in recent times the Community has made arrangements of a preferential character with many countries bordering on the Mediterranean. We were intending to make more agreements which would give those countries preferential access to the Community's markets for agricultural products of a Mediterranean character. While Greece remains an associate, it is not necessary for her to take on these obligations. However, once she became a member of the Community, she would have to take on those obligations.

In other countries with these types of agricultural produce, we have experienced how difficult such an adaptation can be. We have had plenty of experience in recent negotiations with other Mediterranean countries, and there have been similar difficulties with our Member States.

Taking all in all then, to what conclusion did we come? We said :

'This [the Greek] request, coming a few months only after the restoration of democracy in Greece, and enjoying the support of almost every shade of Greek political opinion, represents a remarkable affirmation by the Greek people and their leaders of the overriding importance they attach to their country's being committed to the cause of European integration. It is clear that the consolidation of Greece's democracy, which is a fundamental concern not only of the Greek people but also of the Community and its Member States, is intimately related to the evolution of Greece's relationship with the Community. It is in the light of these considerations that the Commission recommends that a clear affirmative reply be given to the Greek request and that negotiations for Greek accession be opened.'

Soames

I do not hide from the House that there were differences among members of the Commission on this matter, but we reached a Commission decision on this *avis*. We referred to the difficulties which we thought Greece would have to face. If these difficulties were not faced in advance of membership, it was felt that Greece might be put in the position of having to ask for derogations from the Treaty. We considered it was much better, so far as it was possible to do this, to put those dangers behind us before Greece became a member.

That, therefore, led us to put forward the proposal that a period of time, which we said must evidently be limited, could be envisaged in which the Community gave considerable aid out of the Social Fund, the EAGGF and the Regional Fund to help Greece into a position where she could, at the very beginning of the transitional period, take on from the time of membership all the obligations of membership. We thought this was a matter that should be considered and that it was a sensible and rational approach to the problem.

As Mr Thorn said, there is no question of any major differences between our *avis* as a whole and the Council. The Council decided that the Greek request for accession should be accepted, as, indeed, we recommend in our *avis*. The Council decided that negotiations should be opened at the appropriate time. This also was stated in our *avis*. However, the Council did not go along with the Commission on the idea of there being a period of time when the Community would be doing a great deal to help Greece but Greece would have no obligations to the Community.

This has now been decided. So what is the next step? The next step is that the Commission now sets out the heads of chapters as we see them in terms of items for negotiation. We shall then work out with the Council the basis of the Community's position. The rôle of the Council and of the Commission in enlargement negotiations is laid down in the Treaty and is well known. The negotiations are carried out by the Council, with assistance from the Commission, if requested. This is always the case in enlargement negotiations. That is the position as it now stands.

I was asked a specific question by Mr de la Malène :

'In the light of the Council's favourable position on the accession of Greece to the European Community and with a view to the forthcoming negotiations, does the Commission intend to reconsider the guidelines it presented on 29 January 1976?'

There is no question of reconsidering our *avis*. We put in that *avis* because that is what we thought, and it was discussed. The Council took its decisions and we now go forward to negotiations. We do not withdraw that *avis*; we have not changed it, because we have not changed our minds as to how things should be done. We shall play our proper part in the negotiations and hope that they will be brought to a conclu-

sion as quickly as possible, given the fact that a considerable amount of work has to be done before negotiations can be started. We are setting about our task with a will.

There were many misunderstandings bruited about at the time when the Commission's *avis* was produced. It was said that we made a *préalable* of Greece's position in NATO, which was not even mentioned in our *avis*. I am glad to have the opportunity in this debate to make clear what the Commission recommended in its Opinion.

President. — I call Mr Krieg on a question of procedure.

Mr Krieg. — (*F*) Mr President, I wanted to put Sir Christopher Soames' mind at rest. Either he failed to understand me, which is improbable, or perhaps there was a mistranslation, which is even less probable, or else I expressed myself badly, which is the most likely explanation. However that may be, there is no difference of opinion between us, as he will see when the text of my speech appears in print.

On the contrary, I am delighted that no precondition has been laid down, i.e. that the consideration of Greece's application to join the Community has not been made dependent on the settlement of the conflict to which he referred. We both said exactly the same thing, but in very different words. It was advisable to clear up this point immediately.

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

Mr Klepsch. — (*D*) Mr President, ladies and gentlemen, I should like to begin by expressing my personal regret that, because of the time-limit, it was not possible to include the question I put to the Council. However, the President of the Council, Mr Thorn, has in fact, kindly gone into some important aspects of the question which I wished to put to the Council in the same context.

It is my privilege to present the opinion of my Group. Firstly, I should like to state that my Group welcomes the Greek application for membership and also the positive response it has met with. In principle, we are very much in favour of Greek accession and readily give our approval.

However, it must be admitted that some difficulties have arisen as a result of the young Greek democracy being faced with the heritage of the colonel's regime and also because the Association did not develop during the period of the Junta as much as some people perhaps believe it did in view of the passage of time. It is therefore absolutely essential to make up the ground lost with respect to achieving closer relations. We are pleased that with the return to democracy in Greece the necessary preconditions for this now exist.

Klepsch

We deplore the fact that information and press communiqués that were incorrect, and to some extent deliberately so, gave an inaccurate picture of the Commission's opinion, not least to the Members of this House. We are therefore very glad that Sir Christopher Soames informed the appropriate parliamentary committees and that we were able to study in detail the document setting out its opinion which the Commission finally supplied to us. We consider the Commission's communication to be a very balanced and highly authoritative document and quite fail to understand the public outcry it aroused, since it goes without saying that this carefully proposed analysis by the Commission forms an indispensable basis for the study and evolution of the problems. On behalf of my Group I should like to thank the Commission and Sir Christopher Soames for this realistic document.

I should like to stress that the committees of this Parliament will be studying the details. I shall therefore refrain from further comment on them today and limit myself to remarks on a number of basic points. I should first like to express particular thanks to Mr Thorn for his personal comments to the House, as my Group feels that it should be made perfectly clear during these negotiations on the question of accession, that new accessions must not be allowed to endanger the consolidation of the Community. We Christian Democrats, I must make this quite plain, have no wish to see the Community transformed into a mere alliance linked to a customs union. It is of prime importance for us that the institutional progress of the Community should be inseparably linked to these negotiations. We enunciated this principle on the occasion of the last accession, involving the three new Member States. Insufficient attention was paid to this principle at that time. Mr Thorn also took some account of this when he stated that there should at least be no weakening of the Community.

However, I should like to take my cue from what he actually said here and confirm that it is the unequivocal view of my Group that, instead of leading to a slowing down, this accession must be accompanied by further consolidation of the Community.

Secondly, I should like to say that we realize that countries which have acceded to the Community in the past, or which will do so in the future, have caused and will cause a plethora of problems, that we must study particularly carefully all questions which could be taken as constituting precedents, and that the solutions we propose must be clear.

I wish to underline Mr Thorn's comment that we start from the assumption that the Greek Government is aware that accession involving the same rights and responsibilities without any preconditions is an operation which presents a whole range of problems, not only for us but also for the Greek Government and State, and that we must seek the solutions together.

I should like to state quite explicitly that we are also convinced that the financial requirements will probably be considerably higher than the Commission's estimate. In any case, the Commission itself has pointed out that its figure does not reflect the full scope of all the relevant problems. If we are to find a solution in the short space of time envisaged by the Council's policy decision, the financial requirements will probably be considerably greater than was first assumed. But, we are also aware that the various structural problems arising from the incorporation of Greek agriculture must not be treated lightly.

Let me add a comment on the political aspect, about which much has been said. It is perfectly obvious that a Community which intends to pursue a common foreign policy must examine on the occasion of each new accession what possible sources of conflict are being brought into the Community ambit. It is only to be expected that prior consideration should be given to ways of avoiding such sources of conflict. That was how I interpreted Mr Thorn's remarks earlier and I see no conflict of course between them and the Commission's statement. Lastly, I should like to say that we understand the recommendation to refrain from imposing any preconditions as meaning that the conditions laid down in the Treaties for the Community continue to apply. We are aware that this will cause enormous problems.

Nevertheless, while not pretending that there are not many difficulties, let us act concertedly to bring about the accession of Greece as soon as possible. We should like to give the Council and the Commission our support for very thorough negotiations on the conditions of accession, so that we are not subsequently confronted by vast problems.

(Applause)

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

Mr Corterier. — *(D)* Mr President, I should like to begin by commenting on the remarks of two of the preceding speakers.

I think Sir Christopher Soames deserves to be congratulated for correcting publicly, before this House, the misunderstandings that had arisen. However, we must ask the Commission how it was possible for such serious misunderstandings to occur. Ought not the Commission to review its communication machinery somewhat to prevent a repetition of this?

I was rather disappointed by the excessive reserve evident in Mr Scott-Hopkins' words, and which might possibly be described as a 'cautious lack of enthusiasm' for the accession. I should like to make it clear that the Socialist Group is in favour of Greek member-

Cortier

ship. This membership is justified on the basis of the Treaty of Rome, according to which the Community is open to all democratic countries which apply for membership and undertake to observe the provisions of the Treaty.

Following the fall of the dictatorship, these conditions of democracy have been brought about in Greece in a remarkably short time and in an exemplary fashion, with the result that we must concede to the Greeks their political and moral right to apply for membership of our Community.

It is our hope, and also that of the Greek Government and the main parliamentary opposition forces, that this Greek accession will stabilize and ensure definitively the restoration of democracy in Greece. This is in the interests of all Europeans, as well as in the Greeks' own interests.

Since the conclusion of the Treaty of Association in 1961, Greece has made up a lot of leeway in the economic field, to such an extent that it can be described today as being on the threshold of becoming an industrial country. In considering these positive aspects, the Socialist Group is by no means ignoring the considerable political and, above all, economic and financial problems which Greek accession will create for both sides, to which some reference has already been made by previous speakers.

As we see it, there are two main problems in the political sphere. The first, which has already been mentioned several times, is the fact that enlargement might make the process of integration even more difficult and also reduce the Community's ability to act. Without in any way wishing to minimize the difficulty for Ten to reach a decision, which is of course greater than for Nine, I think that this is offset by the fact that the Greeks unreservedly acknowledge the political aims of the Community and, as far as we know, are prepared, on becoming a member of it, to cooperate in every way to advance European unity as quickly as possible.

I think one is fully justified in anticipating that Greece will be a dynamic element in the process of European unification.

Then there is of course the question of the possible effect of Greek accession on the Community's relations with Turkey. On this point the Socialist Group request that everything must be done, during the negotiations and after accession, to prevent the impression being given to Turkey at any stage that the accession of Greece is directed against her interests. The Greek accession must not lead to the Community taking sides in the conflict between Greece and Turkey. On the contrary, as a result of the closer association of both countries with the Community, arising from the Greek application for membership and the further development of the association with Turkey, the Community's opportunity to mediate between the two will be increased. This opportunity must be exploited!

I should like to add a further comment on the economic and financial questions posed by the accession. The Commission's report has provided us with very important information in this connection. I should merely like to single out one point from this report: it gave some idea, particularly from a financial point of view, of the scale of the problem involved. I am convinced we can cope with these. In view of the tight budget situation confronting us all it will obviously not prove easy for any Member State to take upon itself an additional financial burden, but the overriding political goals that we are pursuing in connection with the Greek accession ought to enable us to make these financial sacrifices.

Before I conclude, I should like to mention two further requests from the Socialist Group. In accordance with Article 237 of the Treaty of Rome, the Council of Ministers was technically justified in taking its decision in favour of the Greek accession without consulting Parliament. However, the Socialist Group considers that the Greek accession is so vital to the Community that Parliament simply must be involved in it. We must therefore insist that Parliament be informed and consulted at each significant stage of the negotiations.

The second request of my Group concerns the transitional phase following accession. As there is now no question of a preparatory phase before the Greek accession, the transitional phase following accession becomes all the more significant. Our demand is that this transitional phase should take such a form that the Greek accession does not result, either for the Community or for Greece, in any major economic and social disadvantages. We are thinking here primarily of the need to ensure that the increase in foodstuff prices, which will to some extent be necessary in Greece, does not lead to too great a burden on the population.

In the light of these and other problems it is essential that the negotiations are conducted with painstaking care so as to obviate unforeseen problems following the Greek accession. The negotiations should also commence as soon as possible, to minimize the time-lag before the Greek accession. They should be conducted in the manner requested by Prime Minister Karamanlis in his declaration on 10 February of this year — I quote —: "The path to full membership of Europe will be neither short nor easy, as the scheduled negotiations will involve solving serious economic and technical problems. These negotiations must be conducted patiently and resolutely with our eye fixed on our ultimate goal."

(Applause)

President. — I call Mr De Clercq to speak both on behalf of the Liberal and Allies Group and as chairman of the Delegation to the Joint Parliamentary Committee of the EEC-Greece Association.

Mr De Clercq. — (F) Mr President, ladies and gentlemen, I feel that we have every reason to be satisfied at the decision taken on 9 February by the Council of Ministers. After considering the opinion of the Commission, the Council adopted a decision, with no ifs and buts attached, which was in line with the political hopes so often expressed in this House: i.e. Greece must take its place as a full member of the Community.

The political significance of the Council decision is indisputable. It is in keeping with the principles outlined in the preamble to the EEC Treaty, in which the Member States expressed their resolve 'by pooling their resources to preserve and strengthen peace and liberty, and calling upon the other peoples of Europe who share their ideal to join in their efforts.' This decision is also a positive step towards fulfilling our hopes for a Community strengthened by steadily growing cooperation among the Member States, leading to the consolidation of democracy and the furtherance of peace. European union is inconceivable without these three basic conditions.

Greece, which has been an associate member since the early years of the Community, has given undeniable proof of a dynamic economy. Its GNP, to which industry makes a major contribution, has recorded very high growth rates and has now reached a *per capita* level close to that of some Member States.

True, it cannot be said that Greece ranks among the wealthier nations of Europe. However, let us not forget that in spite of the recession and record inflation — since curbed — in 1973 and 1974, not to mention the effects of the colonels' crazy economic policies, Greece has suffered no more than we have during the crisis. The rate of inflation in Greece is close to the average inflation rate in the majority of the OECD countries. We should also remember that Greece has never introduced protectionist measures and has always honoured the principle of free trade, pursuing a policy of tariff dismantling vis-à-vis the Community and scrupulously observing the timetable laid down in the Athens Agreement.

Furthermore, the dynamism of its economy in general and the competitive nature of its industry in particular have been borne out by the fact that, throughout its period of association with the EEC, Greece has kept to one eighth its exercise of the right to customs protection which the Athens Agreement provided for its developing industries.

Many of us rightly claimed in the past that the Community was inconceivable without the United Kingdom, one of Europe's foremost democratic nations. Today, we claim that the Community is inconceivable without Greece, whose people have revealed their devotion to the same ideals and their dedication to the concept of Europe; without these qualities real cooperation would be impossible, or not effective enough. We need Greece and the dynamism

of its people, just as Greece needs the Community in order to reinforce its democracy.

Finally, we must consider the need to maintain peace and stability, particularly in the Mediterranean.

Neither I nor anyone else considers that attention should be paid to the current difficulties between Greece and Turkey during the process of Greece's accession to the Community.

It is my firm belief that the evident desire of the applicant country to become part of Europe is proof of its deep attachment to peace, and of its readiness to join us in finding fair, equitable and lasting solutions to the problems which exist.

As far as the other associate member is concerned, we are making every effort to satisfy its interest and legitimate right, in keeping with the Ankara Agreement; and when the Turkish government decides that the right moment has come, we shall consider favourably any application for full membership of the Community.

In the present circumstances we must fulfil our responsibilities, and in these two cases — Greece and Turkey — we must play our part with competence and impartiality.

I feel that the President-in-Office of the Council, Mr Thorn deserves to be congratulated for making clear during his press conference on 9 February that 'the Greek application for membership will be judged on its own merits'. He added that the Council had firmly and clearly rejected any possible misunderstanding that might have arisen linking Greece's application with difficulties which that country might have with another country.

I should like, however, to make some comments about certain aspects of Greece's foreign policy. It is not my intention to pass judgement on the policy followed by a sovereign and independent nation. I merely wish to say that from every point of view Greece is part of Europe, shares the same democratic ideals that we do, and is firmly dedicated to the cause of peace.

The decision of the Greek government to encourage economic and technical cooperation with its neighbours in the Balkans — with the exception of Albania, which prefers bilateral collaboration — is a positive step towards *détente* and the furtherance of peace.

This decision is not without significance, since it comes barely 18 months after the restoration of the democratic freedoms, domestic reorganization, and determined progress towards a democratic Europe from which Greece was cut off during the military dictatorship. The decision is in keeping with the initiatives of the Member States with regard to Eastern Europe and the Mediterranean countries.

De Clerq

Greece has nine million hard-working inhabitants, a considerable infrastructure, a dynamic business sector, mining and energy resources which are far from being fully known or exploited, an agricultural sector which is rich in potential and ready for reorganization, and a merchant navy which occupies a major position in the world and would be the second largest in the Community after the British fleet. These are just some of the economic factors which would enable Greece to take its place in the Community to the advantage of all concerned.

I now wish to add a few words in my capacity as chairman of the Delegation to the Joint Parliamentary Committee of the EEC-Greece Association. I can tell you that we were all — and I should like to stress the unanimity of our decision — in favour of Greece's accession as early as possible. This is the very *raison d'être* of our delegation and the reason why we have striven so hard to attain the goal we have set ourselves. We shall continue along the road we have followed since the outset. The Greek people may be certain that our efforts will continue until we have reached that goal, the accession of their country to the Community.

(Applause)

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

Mrs Caretoni Romagnoli. — *(I)* Mr President, I should like to thank the President-in-Office of the Council for his statement. On behalf of my Group I also wish to express our very great satisfaction at the decision taken by the Council. The debate on the principle of Greek membership is closed, and with negotiations under way the question for discussion now is that of the terms of membership. I feel I have to make this point clear, since there has been a great deal of confusion over the position, as Mr Scott-Hopkins stated a short while ago. It is thus now settled that Greece should accede as soon as is reasonably possible. This is very important, not only for our Group but — and I believe I can say this with all confidence — for every Italian. The Italian government has, in fact, adopted a very constructive attitude to this problem.

We are in favour of early membership for Greece, although this does not mean that the process should be hurried beyond reason. We want this on basically political grounds, but there are also economic reasons. I should like first of all to remind the House that it is not true that throughout the time when relations were 'frozen' the Community had no-one to address itself to. It had: to the Greek people, and to the leaders of all democratic and anti-fascist Greeks. We made a promise to these people, telling them that Greece would be able to join the Community when dictatorship had ended. Now is the time to fulfil that promise.

Secondly, we feel that the tide of history cannot be stemmed. In southern Europe history is currently witnessing a drive against dictatorship. Greece and Portugal have thrown off the shackles of tyranny, and we hope that Spain, too, will soon be free. A feature of this phenomenon — and this is the interesting point — is that it is centripetal, moving inward towards Europe rather than away from it. If we wish to build a new Europe, we must obey this centripetal movement; for the first time, perhaps, we are moving towards a process of union which will bring our continent together. Not only this; I represent a country of southern Europe, and I wish to stress the importance of shifting further south the hub around which our part of the world, Western Europe, revolves.

The Community's conduct towards Greece is bound to become a kind of model for the countries of Europe, who will perforce realize that Europe is ready and willing to accept such requests. Furthermore, it is my view that the European Economic Community should reward the countries which opt for our type of parliamentary democracy. Undoubtedly, if we believe in this type of democracy, we must meet halfway those countries which choose this form of government.

Although nothing has yet been settled on this point, I am also in favour of the contribution which has been made to the development of a Mediterranean policy. It is our view that the Community's Mediterranean policy is only valid to the extent to which difficulties are overcome, rivalries surmounted, and a real effort made to discover the means of reconciling the economic interests of this and that country. This is no easy task, but inasmuch as we tackle it, we shall be achieving a true Mediterranean policy particularly since, quite frankly, the other side of the coin is unacceptable. We do not want a return to national policies or, worse still, any move towards the notorious 'two-tier' Europe.

The time has come to negotiate, so let us get on with it. Nevertheless, although we are delighted at the Council decision and trust that Greece will soon attain full membership of the Community, we are not blind to the problems. It is true that the Greek economy has enjoyed a recent boom. And who knows better than Italians like myself what problems this will mean for our own country! But neither must we underestimate — and nothing has been said about this so far — the problems which Greece will have to face.

Think of the problems of the technical preparations and the enormous effort which the Greek Republic will have to make. Think of the efforts which we as the Community will have to make, and not solely with regard to the agricultural policy. Recently in this House we discussed the problems, linguistic and so on, of educating the children of migrant workers. This is, of course, a burden which will become heavier. But

Romagnoli

these facts must be stated. The Greeks will understand a certain caution on our part, just as we shall understand the efforts required of the Greek people at a time — and this, too, must be stated — when the Community is not in a position to be very generous.

I wish to say, therefore, that in our approval and satisfaction at this decision we are not forgetting the real difficulties. However, we realize that inasmuch as we can overcome these difficulties, we shall be embarking upon a genuine policy for the good of Europe.

Discussion of Greece's membership is, in our opinion, part of a wider context: the need for the Nine to act politically. We have done little in the political area in recent years and we are now paying the penalty; by this I mean that we have given too much attention to the economic side, admittedly important, of certain questions, while ignoring the political side. Of course, this requires an effort from all of us and not only from the European institutions. It would be a grave error on our part, now that the Council and the Commission have reacted favourably — Sir Christopher Soames admirably cleared up a number of obvious misunderstandings, as Mr Corterier has already pointed out — an error to leave all responsibility in the lap of the Council or the Commission. We cannot delegate all responsibility to them, for the political forces of Europe, the popular forces of Europe, also have their part to play. The problem goes beyond the European institutions, like all great problems in our Community.

It has been said that Greek membership of the Community is a challenge both for the Community and for Greece. It is our view that this challenge must be accepted in the name of European union.

(Applause)

President. — I call Mr Della Briotta.

Mr Della Briotta. — *(I)* Mr President, it has not been made clear during this debate why the Commission arrived at a basically negative opinion last January on Greek membership of the Community, even though the pill was gilded by means of the proposal for a period of 'pre-membership', whereas the foreign ministers of the Nine have since expressed their general approval.

The misunderstandings remain, as far as I am concerned. I hope, like Mr Corterier, that they belong to the past. I had always believed that the Commission, more than the Council, should be the spokesman for a European idea less subject to national preoccupations. I feel that there can be only one explanation for this odd conduct: the Council, after encouraging the attitude of the Commission, did an about-

turn when faced with the reaction of the Greek government and Greek public opinion. If this is indeed the explanation, I would advise the Commission to be more careful in future.

Much has been said in recent weeks about the consequences of giving Greece the green light for membership. Many of the arguments used are somewhat odd, whereas others are more serious and deserve a suitable reply. We are all aware that Greece's entry will create problems, although perhaps it would be more correct to say that it will highlight existing problems. Greece is basically an agricultural country, producing goods which are in direct competition with those of other Community countries like France and Italy. It must not be forgotten, however, that Greece is linked to the Community by an Association Agreement which dates from 1961 and which provides for gradual tariff dismantling, facilitation of trade and various forms of cooperation.

The problems of competition for French and Italian wines and fruit products already exist. Perhaps they will increase, but this will be in a context which will permit the overall evaluation of various economic factors, ranging beyond the agricultural sector or single products.

I was very happy to read in the press figures on the cost to the Community budget of Greece's accession. These were accompanied by some disturbing comments which reflected more than just the personal opinions of the writer.

It is not in a controversial spirit — for that is not my style — that I wish to point out that association also has costs which indirectly affect the agricultural products of some countries, while the advantages are not necessarily enjoyed by those same countries. However, these problems will have to be discussed properly, on the basis of data which are neither controversial nor improvised. But if these are to be discussed, the political problem must be solved, i.e. whether or not we want Greece to become the tenth Member State of our Community. It must be made clear that the reasons for delaying or stalling tactics are political. Economic reasons — which to be sure also exist — are only an excuse. Let us get that quite clear.

Italian socialists are in favour of Greece's accession and not only because it is provided for in the Treaty, as I mentioned earlier. We feel that the Community must not be, or at least should be less, a closed shop for rich countries alone. If we let Greece in, this is tangible proof of our readiness to accept developing countries as partners, even if this entails sacrifice and difficulties. And even if the latter are great, I should like to urge the House not to magnify them, since this is self-defeating.

Della Briotta

We cannot forget that Greek membership of the Community would mean the consolidation of democracy in that country and in that part of the Mediterranean which is so rife with uncertainty and danger. The Community can fulfil its political vocation here; I am thinking of Turkey, Spain and Portugal. It is not my wish that the problems of the Mediterranean should be resolved by the Russian navy, the American Sixth Fleet, or by the secret services which make and break governments. It is my hope that the Mediterranean will become a sea of peace, and that Europe will control it with its own policy, and not the great powers which sell arms to the countries bordering the Mediterranean in order to win pawns for their strategic games. To put a stop to these games, which have gone on long enough, Europe must be aware, and must make it clearly understood, that she, too, is Mediterranean.

(Applause from the Socialist Group)

President — I call Mr Blumenfeld.

Mr Blumenfeld. — *(D)* Mr President, I should like to make a few remarks in support of what Mr Klepsch has said. I do not intend to continue the debate and say anything new. I should first of all like to tell President Thorn how much I welcomed the clarity and honesty of his contribution here today, particularly where he spoke in a personal capacity and raised a quite specific matter to which I should now like to return.

The Council would have been wise to submit the opinion communicated by the Commission, which it received and examined at the end of January, to Parliament at our February part-session so that we could then have expressed our views on such a vital question as a new country's application for accession. Had it done so many misunderstandings could have been avoided.

I should like to say to the Commission that I particularly endorse Mr Klepsch's judgement that the document it submitted is a good and necessary piece of work. I cannot find a single word in the Commission's document which did not need to be said in connection with the application for accession and which could not help in reaching a decision.

However, whether it should have appeared in the press quite so soon is another matter. We know that many things are frequently done very much in the heat of the moment in Athens too. This is all well and good, but it should not necessarily influence our attitude and our political deliberations.

The political and economic problems have been described. I should like to say with regard to the political problem that there is probably no individual or

group in this House who does not wish for Greece to accede to the Community. This, then, is not the problem. The problem is that we must tell our Greek friends that both they and the Community are in practice faced with very real and major, albeit not insuperable, economic and financial problems which we must not be afraid to mention if we are to avoid misunderstandings.

It is quite clear that many political groups in Greece — and I know what I am talking about since I was in Athens recently — are not yet aware what economic, political and financial difficulties are in store for them in spite of all the remarkable progress which has been made. The more clearly and frankly we speak to our friends — and Greece is our friend — the fewer disappointments will arise in the course of the negotiations.

It is, however, unquestionable, in my view, that there will be disappointments.

This brings me to the question of the preparatory phase or transitional period. Mr President, these are, I think, the two possibilities open to us. Either we make certain concessions to the Greeks and they accede immediately to full membership, or all questions must be settled in advance. In the latter case, however, Greece would have to accept all the obligations at the moment of accession, before the start of the transitional period. I personally think that in the course of the negotiations the Greek Government will come to consider more than once whether the proposal of the Commission was not realistic and extremely reasonable. The Council has made its decision and this is the basis on which we have to work. I feel it is not too late, however, to adopt a sensible idea. I should like to recommend that our Greek friends give this matter further consideration now that the political dust has settled.

Finally Mr President, — and this has nothing to do with the accession of Greece as such but with our Community and with President Thorn's remarks — it will not do for such welcome European nations to accede in accordance with the Treaties and our wishes without our knowing the true nature of the Community to which the new members are acceding, and what we ourselves wish to achieve with this Community — i.e. before we have managed to strengthen our Institutions in a lasting manner.

Otherwise what will happen? Quite frankly, the best we could hope for would be an inferior version of EFTA and not a European Community.

We do not know where we stand at the moment and we cannot expect our Greek partners, for example, to accede to a Community if they do not even know what it is going to look like when the negotiations are finally concluded. I should therefore like to stress

Blumenfeld

what President Thorn said, and add that we in the Nine must first decide clearly in the coming year or two what sort of Community we want before we accept Greece, Spain or Portugal — to name just these three — and perhaps Turkey — in a word, before we accept any new members. Ladies and gentlemen, a casual approach to this matter, which means in practice that people think they can just reap the economic benefits, without having to accept political and other obligations, will not lead to the Community we want and in which we believe. We would use our veto in Parliament to prevent such a course of action.

(Applause)

President. — I call Mr Dalyell.

Mr Dalyell. — I had better declare a double interest. I am a Scot, and the Scots were those who, as myth has it, were expelled by the Greeks, by the ancestors of Socrates, to look for more inhospitable climes many centuries before the rise of Athens. Therefore, perhaps my forebears were expelled from Greece and I have some emotional attachment on that account.

Secondly, as a small boy I was one of those who had Greek iambics hammered into them by stern schoolmasters. Later, more willingly, I sat at the feet of Cambridge dons who believed that every undergraduate of my generation should be familiar with Plato and Aristotle.

So, in making what is a rather brutal speech, I feel rather like one of the anti-heroes of Thucydides, because I see this as an issue that concerns what kind of Europe we are to have. In this I follow Mr Blumenfeld.

I turn first to the Council I took down the words of President Thorn as they were translated. He said that nobody should call for the enlargement of the Community and then use that as an excuse for a two-speed Europe. I think that that is a fairly accurate translation. I hope that someone — perhaps the President or the Commission — will give them that news in the Elysée. Let us be blunt about it. There is little doubt that that is precisely what powerful people in France are up to. I do not want to be anti-French, so I had better say the same about my own party headquarters. Someone had better make this clear in Transport House. There are people in the British Labour Party who make no bones about it. They say 'We welcome Greek accession Why? Because of its consequences to Tindemans and all that.'

I speak as a pro-European on this question of the kind of Europe that I campaigned for very toughly in the referendum. The Greeks have support for some of what I might call the wrong reasons. I hope that Mr Brinkhorst may comment on what he and his

colleagues propose to do with my party and the French Government — a truly formidable combination.

Secondly, I ask this question of Sir Christopher Soames. As a Socialist, I am sensitive to the point that we did not enter a Europe of a rich man's club. But let us face some facts. Mr Blumenfeld comes from Hamburg. Statistics show that the income per head in the rich area of Hamburg is five times or more the average income per head in Greece. That creates problems which cannot be swept under the carpet. Anyone who talks about a monetary union and then adds that awkward fact will be in trouble. Therefore, I put a specific question to Sir Christopher Soames, following what Mr Krieg said earlier. Precisely what is the price-tag?...

Mr Scott-Hopkins — Four hundred million units of account.

Mr Dalyell. — ... Only four hundred million? I want also to ask a specific question about the consequences to the Regional Fund. It is a rather nasty question. Does Greek accession mean less in the kitty for the Irish, the Italians and — let us face it — for some of the British? That may not be an overriding reason against Greek entry, but at least we should be clear about what is happening.

Thirdly, I raise the question of language. One of the difficulties in coming to this Parliament is that we receive our documents very late. It may be said 'You English joined us rather late', but English is a language used by many of the officials and perhaps by many other people. The idea of translating Greek into Danish and back again and Greek into Dutch is at least worth talking about.

'Oh', say some of the protagonists, 'let us do like the United Nations and have working languages.' That too is a subject for discussion. I am not sure what Mr Blumenfeld or Mr Fellermaier would say if they suddenly discovered that German was no longer to have its understandable pre-eminence. Would the Italians agree to the same thing happening to the Italian language?

Moreover, Mr Noel tells us that there are 15 to 25 working committees each day in Brussels, which have to have their papers. What are to be the arrangements there? That too is a question worth asking. Can the machine carry the load? I do not know to whom to address this question, but I suppose it should properly be put to the Commission. Therefore, I address myself to the Commission.

On the question of Turkey — and I say this with respect and with friendly feelings for Turkey — I believe that the Commission may be whistling in the wind. I was for two-and-a-half years, for my sins,

Dalyell

Chairman of the Parliamentary Labour Party Foreign Affairs Committee, and we had endless meetings with the Greeks, the Turks and the Cypriots. We know that this problem is as intractable as the problem of Ireland. What will these assurances be worth?

I return to the question of guarantees. It is estimable to hope that somehow or other the Community can help as an arbiter to solve the conflict, but it has not yet done so. This is a conflict that has gone on since the days of Helen of Troy. I am not sure that we shall have immediate success in this matter.

We are importing a conflict in this respect...

Mr Berkhouwer. — Rubbish!

Mr Dalyell. — ... It is all very well for Mr Berkhouwer to say 'rubbish', but we have to face facts. We are importing a conflict between Greece and Turkey...

Mr Berkhouwer. — Are we also importing a conflict between Great Britain and Ireland?

Mr Dalyell. — ... Like Mohammed Ali, I was saved by the bell — or certainly by the President's gavel. I wish to ask the Commission what it sees as the rôle of Parliament in this matter in terms of taking part in negotiations.

President. — I call Mr Boano.

Mr Boano. — (*I*) Mr President, I should like to make two brief remarks on President Thorn's statement. Firstly, to echo what has already been said by many speakers before me, I should like to say that I agree with him that the views expressed by both the Commission and the Council regarding Greece's application for accession should not be regarded as conflicting, but rather as complementary.

The Commission has issued an opinion which, in accordance with its mandate, dealt with the technical and economic aspects of the problem. The Council, as befits its pre-eminently political character, took a decision, i.e. that negotiations should begin, not out of a wish to disregard the inherent difficulties, but in order to stress the political resolve to overcome them.

Mention has been made of the Tindemans Report. I should like to refer to the very first words of this report, which ask why the idea of Europe has lost so much of its original impact. Well, all those who have visited Greece have seen how this idea retains all its old appeal in this country and is flourishing among practically the entire population. The political aspects of the accession of Greece will increasingly overshadow the technical and economic aspects, which are

also considerable. The Greeks will not give up in the face of the undeniable difficulties. I remember what one of the most eminent Greek politicians, Canellpoulos, said to me with regard to an extremely bitter period in the history of Greece 'When Mussolini invaded Greece in 1940 the sensible thing to do would have been to surrender; the whole of Europe had been invaded, only England still held out, but she was on her knees. Well, we did not surrender then, and we will not give in now'.

My second remark concerns what Mr Dalyell has already said in connection with Mr Thorn's words to the effect that 'nobody should use the accession of Greece as an excuse for a two-speed Europe'. At the Conference on International Economic Cooperation the Community has expressed its intention to make its own contribution to this plan for international cooperation with a view to narrowing the gap in living standards between North and South.

By the same token, I feel that the Community should take steps to prevent the gap currently dividing the world in two from also dividing the countries of Europe. I think that if it does not, not only will the way of life and prosperity of industrious and privileged people be threatened, but the political balance will be so upset as to put the very security of these people at risk.

To whom do we wish to leave the task of becoming the guiding nation for the peoples of the Mediterranean? To which political system offer we wish to offer the opportunity of becoming tomorrow the model for these peoples?

I think this question underlays the Council's decision to open negotiations with Greece not, of course, ignoring the objective considerations and the difficulties of which we have been reminded here, but taking into account the weight of our commitments and fundamental political obligations. This is therefore not a contrast but a synthesis of the two aspects of the same situation, and I hope that this parallel evaluation of the two aspects, the economic aspect with all the inherent difficulties and the political aspect, will form the basis for the forthcoming negotiations.

(*Applause*)

President. — I call Mr Nyborg.

Mr Nyborg. — (*DK*) Mr President, we in Denmark have great sympathy for Greece and a great understanding of its problems, partly as a result of the relations which have existed for many years between the Greek and Danish royal families. I nevertheless disagree somewhat with the Council's idea of swift accession, and am more in favour of the position expounded by Sir Christopher Soames.

Nyborg

As democrats and Europeans we must welcome Greece's wish to accede to the Communities. We would be very glad to see the Communities enlarged to include more countries since this is the way towards the great European Union we hope to achieve. However, in the current situation I regard the Commission's attitude as the more realistic, since Greece has such great internal problems to solve at the present moment that a rapid accession to the Communities would lead to unnecessary difficulties both for Greece and for cooperation within the existing Community.

I do not mean by this that we should leave Greece to its own devices. On the contrary, we shall give economic and other aid during the period for which membership is deferred so as to help Greece help itself. Greece in turn would have a chance to build up its economy. We know, after all, that the Greek economy is plagued by serious structural problems in the agricultural sector, for example, and there are also great regional difficulties to which a solution must be found.

It would also be appropriate if Greece could find a political solution to its relations with Turkey before it finally accedes. It would be a pity if Turkey felt disadvantages after accession by Greece to the European Community.

It strikes me as over-hasty and unrealistic on the part of the Council to say that we must admit Greece here and now. Surely we are justified in feeling that such a course of action at this time would put greater demands on Greece than it can cope with.

I should like, therefore, to express my hope that you will support the Commission in its proposals to solve the problems connected with the accession of Greece.

President. — I call Lord Bethell.

Lord Bethell. — The debate so far about Greece has been a most useful and far-ranging one. I only wish that there were more people in Parliament to listen to what I believe has been an extremely interesting and useful discussion which has gone a long way to clearing up many of the confusions and the false and misleading information that has been given in the past about this extremely important matter since Greece's application to join last summer.

I believe that we in Parliament bear a certain responsibility for having misled the Greek people and the Greek Prime Minister about this matter. I can remember debates on this question last summer and in the autumn which very much gave the impression that this would be an easy matter, that we were going to welcome Greece with no problems at all, approaching the question as if it were a marriage, an emotional matter, almost a religious matter, a question of going through the motions, after which Greece would become a member within a year or so.

It is clear from what has been said that that sort of time-scale is out of the question, even though I believe we are unanimous in this Assembly in wanting Greece to join as soon as possible.

The consequence of this has been that Mr Karamanlis — whom, I think, we all support in the Assembly and whom we admire for the way he has nursed and built up Greek democracy since the summer of 1974 — largely on the basis of what he has heard from Parliament and also from certain leaders of the Nine and from the Council, though not, I believe, from the Commission, has made this question the basis of his foreign policy. He has given many people to understand that membership of the Community may replace certain other connections that he had in the past. He has had good reason to say that from what he has heard from European leaders.

Therefore, it was no surprise to me when I heard of the shock that had swept across Athens when early this year it emerged that entry might not be the easy downhill run that we had imagined it would be originally.

While in no way withdrawing from our original proposition that we welcome Greece's application, we intend to conduct negotiations as soon as possible and look forward to Greece's membership as soon as these can be satisfactorily concluded, I very much hope we shall have a little more straight talk about this extremely difficult question.

To give a random example — and I have no idea how the Council will approach this matter — if, for instance, the Council decides that it is not in the Community's interest that Greece should accede before direct elections to this Assembly, I hope that it will be made clear to the Greek Prime Minister that this is the view of the Council so that Mr Karamanlis will not be misled again.

I also hope, as Mr Corterier said, that the Council will keep Parliament in very close touch with what goes on in the negotiations and that the Council will report to us at every significant stage so that we may discuss the matter.

I was very glad to hear at the end of Mr Corterier's speech that Mr Karamanlis realizes that things will have to progress at a slower pace and that he asked his people to exercise patience in this vital matter for him and his country. I believe that Mr Karamanlis can convince the Greek people that this is the way to proceed and that by making haste slowly they will achieve their goal. But let us not in any way give any false impression that this goal will be reached within a few months or within a year or two.

(Applause)

President. — I call Mr De Clercq.

Mr De Clercq. — (NL) Mr President, I have asked to speak for a personal reason.

Mr Dalyell not only wants to divide the members of the European Parliament into two groups according to their income, but also into two groups according to their language.

My country was one of the first to declare itself in favour of a European Union. We are prepared to give up our language in favour of a working language if this makes matters easier. I cannot, however, accept that someone from one of the new Member States should be allowed to say that there are only two language groups.

President. — I call Sir Christopher Soames.

Sir Christopher Soames, *Vice-President of the Commission.* — If I may take some of the points raised in the debate, first of all Mr Corterier asked how it came about that there were so many misunderstandings at the time. I cannot give him a straight answer to that. I like giving straight answers if I can. I expect that there were a cochotomy of circumstances that brought it about. I know, however, that after speaking to and handing over to the Committee of Permanent Representatives I went and had a press conference and took them through in general terms what the *avis* was. Of course, it was not public then and it had not been seen by the press. But there were certainly a lot of misunderstandings which flowed from it and one wonders what was the source of all of them. However, I cannot really say.

Mr Corterier went further, and Mr Nyborg also asked whether we had taken account of what had to be done with Turkey after the Greek negotiation was over. I remind him of what we said in our *avis* on this matter: 'In the view of the Commission specific steps will need to be taken ... to the effect that the examination of the Greek application for membership will not affect relations between the Community and Turkey and that the rights guaranteed by the Association Agreement with Turkey would not be affected thereby. The Commission will in due course submit separately its proposals on how this should be done.'

The reason why we said that — we did not put those proposals into this paper — was that we had first to see the outcome of the negotiations and, secondly, we did not think it right, in what was an Opinion essentially on the Greek request, to say more of what was going to be the fall-out, at it were, the effect on what we had to do for and with Turkey.

Mr Della Briotta — I thought I had made myself clear but I cannot have done so — talked about the negative Opinion of the Commission. I am sure he has read the Opinion, otherwise he would not have said that it was negative. I shall gladly give way to him now if he can tell me what are the words in our Opinion which he considers to be negative. If he

would like to tell me I should be glad, because we do not say anything negative in the Opinion...

Mr Della Briotta. — (I) It's the idea of instituting a purgatory that I don't like.

Sir Christopher Soames. — ... I provoked Mr Della Briotta. (*Laughter.*) Perhaps he will give me an answer at some other time. But the fault is mine, not his.

Indeed, Mr Della Briotta also talked about the political importance of this. Of course there is a point of political importance here, and it was the political importance that led us to say that a clear, affirmative answer must be given to the Greek request. But we also thought it wise to put some economic water into the somewhat heady political wine and to point out some of the difficulties which exist and which need to be pointed out.

(*Applause from certain quarters*)

That does not make it a negative document. Indeed, we went on to say: 'The present Opinion has examined a number of difficult political and economic issues which are raised. ... In the view of the Commission these should not be regarded as obstacles in the path of Greek accession, but should serve rather as a stimulus to the search for solutions and to the Community's own internal development and reinforcement.' There is nothing negative in that.

Mr Scott-Hopkins, Mr Klepsch and Mr Blumenfeld referred particularly to what they thought — I was grateful to hear it from them — of the good balance which they thought they found in the Commission's Opinion. Indeed, I was pleased at the very general and widespread support that our Opinion seems to have had from Parliament. This seems quite evident from this debate.

Another thing which led us to envisage a period when the Community would be helping Greece was that we had some experience of what happens to new members when they join the Community. Even as a result of the last negotiations for countries like the United Kingdom and Denmark, with a highly developed industrial base, a very efficient agriculture and a very efficient agricultural structure, it was found necessary to have a five-year transitional period. We thought that we should bear this in mind when considering the case — and every case is *sui generis* — of a country whose agricultural structure is not very advanced and whose industrial structure is also as yet not very advanced. But it is not negative. It is again just drawing attention to the situation as we see it.

Mr Dalyell asked what would be the exact cost to the Community. I cannot say. The best guide we could give was the rough estimate we made, had Greece been a member in 1976, of 450 million total cost less the 150 million contribution, coming out at 300 million. That was the best we could do, given the

Soames

limited information available to us, but we added that it did not mean that it was the total cost. It did not include whatever the Community might feel it necessary to do specially for Greece over and above what would be normal, and, of course, it was the normal course of events which led us to produce that figure. . .

Mr Dalyell. — Over and above the Regional Fund?

Sir Christopher Soames. — . . . No. It included an element of the Regional Fund, but it did not include the sort of expenditure we were thinking of in the conclusion where we spoke of help from the EAGGF, the Regional Fund and the Social Fund without any contributions from Greece in advance of her becoming a member.

Mr Dalyell asked whether additional funds would be available. In the Commission's view, which is all I can talk about, that should be the case. If Greece joined it would make a difference to the sum total of expenditure under the headings of the Regional Fund, the Social Fund and the EAGGF. Certainly we see that there will be a necessity to add to those headings in future budgets once Greece is in. Whether that will be agreed by the Member States and the Council remains to be seen, but there is no doubt that that is, and will remain, the Commission's view.

Mr Dalyell and Lord Bethell both talked about the views of Parliament during the negotiations. The Commission thinks it important that as the negotiations go on we should have discussions in Parliament, in the relevant committee and in plenary session from time to time, in order that the Council, the Commission and Parliament may have a trilogue and watch the movement of events. We think that this would be most helpful.

I thank the House for the debate. I am glad that we have had it, and I am only sorry that I did not totally succeed in sweeping away Mr Della Briotta's misapprehensions. Nevertheless, I am glad to feel that as a result of the debate there is at least a clear view of what the Commission proposes and, it seems to me, a certain amount of support for what we propose.

(Applause)

President. — I call Mr Brinkhorst

Mr Brinkhorst, Acting President-in-Office of the Council. — *(NL)* Mr President, at the end of this long but stimulating debate on the question of Greek accession to the Community, Parliament has made my task as acting President-in-Office of the Council very easy since I see that there is a large measure of agreement with the Council's statement of policy regarding the desirability of giving an affirmative answer to Greece's application for membership. The Council was indeed unanimous in replying affirmatively to the question of

whether the Greek application was admissible. Practically all the speakers here today have rightly said that it was a statement of policy which this Parliament generally supported. We are now, of course, entering a new and undoubtedly difficult phase in which we must establish the actual conditions for the negotiations. This process, on which various comments have been made, will no doubt take considerable time. I see, however, that many feel that the Council had in fact no alternative but to reply as it did.

I should like to make a small point on what Mr Blumenfeld and Mr Dalyell said concerning the need and wish for internal strengthening of the Community. We are, generally speaking, in agreement on this. We must not, however, — and I am now speaking in my personal capacity — turn the question round and say that difficulties have arisen in the Community only as a result of the Greek application. The accession of Greece cannot be held responsible for the problems facing the Council in respect of the institutional structure, the decision-making process or the strengthening of its internal cohesion. I should like to stress — and you might take this as evidence of the unity of the Council — what Mr Thorn said, i.e. that internal strengthening is essential, regardless of whether Greece accedes or not.

Mr Scott-Hopkins appears to have misunderstood the procedure. He said that the role of the Commission in the negotiations is unclear. However, Article 237 of the Treaty is quite explicit on this point. The role of the European Commission in the negotiations is, in accordance with this Article, of vital significance. I think this was quite explicit in the unanimous statement made by the Council. The Council is responsible for issuing the mandate during the negotiations. The Council must, of course, decide on the conclusion of the negotiations. But it is also self-evident that the Commission too has an important role to play. This too has been recognized in all quarters.

I should like to make a further remark concerning the discussion in the European Parliament. Everyone has his own responsibility. The Council follows the procedure laid down in Article 237 of the Treaty. Who would, however, ever forbid this Parliament to accept its own responsibility and conduct a debate on the accession of Greece? Parliament regularly discusses commercial and other agreements. It is obvious, therefore, that it must also consider the vital question of the accession of Greece. There can be no doubt about this.

We are at present at the preliminary stage of drawing up the mandate. Naturally all the economic issues raised by the various speakers must be studied. What is essential is the political will to succeed, both in respect of the accession of Greece and in strengthening the Community by this accession, and thereby accepting one's own responsibility.

Brinkhorst

On behalf of Mr Thorn and myself, I should like to thank the members of this Parliament for their valuable and wise remarks. They will serve not only as a guide for the Commission, but also no doubt as important points of reference for many members of the Council in future discussions on the Greek accession.

(Applause)

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — I thank the representative of the President-in-Office of the Council for the courtesy of his reply, and I thank the Commissioner for intervening twice and clarifying matters. If the debate has done nothing else, we have had a clearing of the air, and the two main institutions of the Community have been able to take a quick sample of the feelings of the Parliament.

However, I am left in a certain amount of confusion about which body will actually negotiate — whether the Commission or the Council through the Committee of Permanent Representatives. We shall talk about that at some other time.

What is important is that Parliament wants to be kept informed and to find a method of cross-questioning and of talking about the negotiations as they progress. It is obvious that we want to know where the difficulties lie and go give our accumulated wisdom and views to those negotiating on our behalf with the applicant country. If that can be arranged, my group and I will be satisfied.

President. — I have no motion for a resolution on this debate.

The general debate is closed.

The proceedings will now be suspended until 10.30 p.m.

The House will rise.

(The sitting was suspended at 8.50 p.m. and resumed at 10.35 p.m.)

IN THE CHAIR: SIR GEOFFREY DE FREITAS

Vice-President

President. — The sitting is resumed.

14. *Oral question with debate: Role of defence in the context of a European foreign policy*

President. — The next item is the oral question, with debate, by Lord Gladwyn, Mr Scott-Hopkins, Mr Achenbach, Mr Aigner and Mr Klepsch, to the Conference of Foreign Ministers of the Member States of the European Communities, on the rôle of defence in the context of a European foreign policy (Doc. 545/75):

1. Has the Conference of Foreign Ministers examined the resolution adopted by the European Parliament on 15 December 1975 on the consequences of a European foreign policy on questions of defence?
2. If so, what positive steps have been taken by the Conference of Foreign Ministers to give practical effect to the recommendations contained in that resolution, which were, in effect, repeated in Chapter II, part C, par. 3 (security) of the Report of Mr Tindemans?

I call Lord Gladwyn.

Lord Gladwyn. — As I am sure the representative of the Conference of Foreign Ministers will recognize, it is not unnatural that members of those groups which supported the resolution on defence approved by a large majority of Parliament on 15 December last should, after three months, venture to enquire what effect, if any, has been given to it, all the more so in view of the heavy emphasis placed by the pragmatical Mr Tindemans on what were virtually the same recommendations as Parliament has made.

In general, what I feel this Parliament would like to know — in spite of the fact that few Members are present after the heavy dinner engagements they have had this evening — is whether the great matter of European defence within the framework of the North Atlantic Treaty has at long last been taken seriously by the Ministers. More particularly, is it a fact that something like an Armaments Procurement Agency has now been established with a view to the common production of certain essential conventional arms by those Members of the Community who are willing and able to do so — above all, of course, the big four, namely, France, Germany, Italy and the United Kingdom? More precisely, has the relationship of any such new body with the Eurogroup and, indeed, with the normal machinery of the North Atlantic Treaty been defined and agreed? Most important of all, have the Ministers — or has the European Council — considered what political directives should be given to this new body and, if so, what exactly such terms of reference should be? It is no good leaving the whole thing to the tender mercies of the various officials responsible in all our countries for armaments production. They will only quarrel privately among themselves.

To many of us, the Ministers still seem, I am afraid, to be adopting the defensive posture of the ostrich. Under cover of a so-called '*détente*' the Soviet Union steadily increases its already vast and, indeed, preponderant armed forces, builds bases in the Indian Ocean and elsewhere, occupies through third parties Angola and no doubt soon Mozambique, and, having obtained substantial economic advantages enabling it to concentrate on arms production without economic disaster,

Lord Gladwyn

makes virtually no effort to redeem the various promises made at Helsinki or to consider any reasonable reduction of forces in the rather forlorn conference at Vienna.

How does the West react? Negatively, as it would seem. The United Kingdom and Holland actually cut their defence budgets to a considerable extent. The French, I am afraid, still seem, as it were, to hanker after organizing their own defences independently of anybody else's. The Italians are hardly in a position to pursue a vigorous defence policy. The Americans are in a pre-electoral period in which it is very difficult for them to take any new initiative even if they would.

One would, however, have thought that in these circumstances the Ministers of the EEC would at least by now have got down to a serious examination of the possibility of producing a common system of modern 'conventional' armaments such as anti-tank and anti-aircraft weapons, laser-guided bombs, methods of finding targets in the dark or in a fog, electronic devices and so on. Above all, one would have thought that real progress might have been made towards a European aircraft production programme, more especially military aircraft on the lines so intelligently indicated by the Commission. Perhaps the representative of the Ministers will be able to tell us that some progress has been made in this general direction after all. I hope so. Why should not France, for instance, now come into the MRCA — the multi-rôle combat aircraft — project in some way? Why, in heaven's name, continue with the production of several types of heavy tank and goodness knows how many types of anti-tank missiles? Cannot the Ministers at long last get together and tell the various national vested interests where they get off?

The pity of it all is that such determined action would in no way increase the defence budgets of the states concerned. On the contrary, simply by pooling the research and development funds on various specified projects, as has been pointed out by the highest military authorities hundreds of times, enormous economies could be effected, more especially if the Americans could be persuaded, as they might be, to accept modern European weapons in exchange for some which no doubt they would have to supply to us. We should all, in other words, at the same time spend less money and possess a 'credible' conventional defence.

Nor could such action be reasonably opposed by those whose major preoccupation seems to be not to 'provoke', as they say, the Soviet Union. How could that great power legitimately object to the construction of some valid European defence with fewer men and, no doubt, with fewer weapons of an old-fashioned type supported — failing nuclear disarmament — by a minimum of nuclear weapons for use only on

a 'second strike', not as now? That great power might, indeed, be irritated, but only if its own intentions were aggressive. If they were aggressive, then the sooner some valid defensive screen was set up enabling the Americans to concentrate largely on the defence of the two flanks, the better it would be.

I observe that the Assembly of the Western European Union has recently been urging its Ministers — who are, of course, the same people as those now taking part in the Conference of Foreign Ministers minus the Irish and the Danes — to make sole use of the existing WEU machinery for the purpose of standardizing armaments and so on and, above all, to agree to the continuance of the WEU Assembly. I have naturally nothing against such a proposal from the purely technical point of view. After all, I was for many years a member of the General Affairs Committee of that Assembly, vigorously arguing that some effort should be made by the WEU members to establish a credible 'conventional' defence within the framework of the North Atlantic Treaty. Even now, if that were, indeed, the only way whereby such an objective could be achieved, I should welcome it wholeheartedly. But there is little doubt that if any such progress is now to be made, it must somehow be under the aegis of the Conference of Foreign Ministers, or no doubt the European Council itself. It is surely obvious that there must be some kind of ministerial direction, and since, as we all know, a defence policy cannot in practice be separated from foreign policy, the WEU solution would seem to imply that the Conference of Foreign Ministers would tell us whether he agrees with this analysis and, if not, why not? Anyway, how such a solution would be consonant with some general and overriding authority on the part of the European Council is far from clear.

My own conclusion would be that if the matter of defence is to be considered in the general framework of the so-called Davignon procedure, WEU as such is to all intents and purposes, as the Romans said, *functus officio*. I believe that this is the nettle which the governments will soon have to grasp. If the WEU machine were in some way wound up or allowed to run down, there is no reason to suppose that the operative clause of the extended Treaty of Brussels — which, incidentally, I was partly instrumental in negotiating way back in 1948 — would in some way become inoperative. Why should it? It would simply mean that the WEU machine itself had been taken over by a body associated with the only form of European unity which has any prospect of achieving success.

Some people say that all this is for the future; let us wait until 1978, 1980 or even 1990 and see what has emerged in the way of a political union before embarking on any common defence policy of any kind.

Lord Gladwyn

This is the argument of the lotus-eaters. There is absolutely no reason why we should not begin to harmonize both our defence policies and our production of conventional armaments here and now. To go on saying, 'This is such a hot potato that we cannot touch it', politically speaking, is a mere reflection of the inability of politicians to explain the facts of life to average citizens, the great majority of whom would, I have no doubt, if suitably approached, agree that a more effective common defence at less cost is greatly to be desired, even if it implies that no member of the Community could in modern conditions defend itself by itself against any aggression or undue political pressure on the part of a super-power.

Of course, everything depends on the collective will of the nine governments to proceed in the direction of real unity. It looks as if this will be apparent — or, alternatively, not apparent — quite soon, on 2 April. If at that meeting of the European Council there is agreement on the holding of direct elections to the Parliament in 1978, we may expect fairly rapid progress along the road indicated by Mr Tindemans, including some arrangements for a common European defence on the lines favoured both by him and by us. If not, I greatly fear that we may expect to enter into a period in which the whole conception of European unity will languish and quite possibly perish. We shall be discussing this tomorrow, and I do not want to seem to be a Cassandra. Nor, indeed, am I prophesying doom. But the Ministers cannot go on playing at being Europeans for much longer, and on 2 April it will probably become clear whether they are prepared to live up to their repeated declarations of faith.

For all these reasons, it must be obvious that I look forward eagerly to the reply which the representative of the Conference of Foreign Ministers may feel able to give us to the specific questions which I put to him at the outset of my remarks in the knowledge that, as things are, it may not be possible for him to go very far. Nevertheless, we may surely hope that he will be able to tell us that at least some real progress is being made.

My friends, I have been making this speech for something like 15 years. I trust that at long last the message may soon begin to penetrate. Better late than never, but I fear that it may now be too late.

(Applause)

President. — I call Mr. Brinkhorst.

Mr Brinkhorst, acting President of the Conference of Foreign Ministers. — *(NL)* Mr President, I have listened very attentively and with great interest to what Lord Gladwyn has said.

I do not know whether I should conclude that he is a Cassandra or that the representative of the Council before you is the representative of ostriches, but the answer I must give will no doubt be familiar to the honourable Member.

Lord Gladwyn, after all, knows or should know that up to now the ministers have not discussed questions of defence within the context of political cooperation. They have therefore not examined the resolution adopted by the European Parliament on 15 December of last year.

I do, however, agree with Lord Gladwyn that the question of security is dealt with in the chapter of the Tindemans Report which is on the agenda for the European Council meeting on 1 and 2 April.

I know that Parliament has decided not to hold a debate on the Tindemans Report at its plenary sessions today and tomorrow. For this reason there is unfortunately nothing I can add to this reply.

(Applause)

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

Mr Klepsch. — *(D)* Mr President, ladies and gentlemen, I am not entirely satisfied with the answer which Mr Brinkhorst has just given us. It is not quite true that the Foreign Ministers have not also dealt with defence questions. The close cooperation at the Conference on Security and Cooperation, for example, met with great approbation and support when we discussed it in this House. In my view, questions of security, which were also reflected in some of the Helsinki documents, could hardly be excluded from this Conference. There are three bases for discussion which Parliament considers must be dealt with by the Council.

The first basis for discussion is the Memorandum submitted by the Commission on the situation in the aeronautical industry. In the Parliamentary report which Lord Gladwyn commendably tabled in his own name — a report which you have unfortunately not yet examined, but which you should take somewhat more seriously in connection with the Commission Memorandum — mention is made of how vitally important it is not to make the mistake of thinking that questions of cooperation by the armaments industry can be divorced from closer economic cooperation. This branch of industry cannot simply be treated in isolation as if it were something different from industry as a whole. This naturally lends very great emphasis to the question as to whether it is possible to disregard in this connection the Commission's Memorandum on the fate of the aeronautical industry, which is closely linked to the question of the fate of advanced industry in Europe generally. I cannot agree with politicians who say that we should obtain licences from, for example, the Soviet Union or the United States. How is the European Continent, which has to produce highly specialized goods in a limited area for the rest of the world, supposed to maintain its standard if it becomes a secondary producer?

Klepsch

The Council of Ministers simply must face up to these questions. That is why I cannot accept it when we are told today that the Council has not discussed these questions.

Of course I cannot today expect the Council to state its position on that part of the Tindemans Report which it will not even be dealing with until its next meeting. This means, Lord Gladwyn, that we shall certainly have the opportunity of again discussing this question with the Council in the light of the Tindemans Report.

It nevertheless worries us to hear today that the Council has not yet considered a resolution adopted by Parliament on this vital set of questions concerning cooperation in the armaments industry. I should like most strongly to urge the representative of the Council to ensure that this whole matter is discussed at one of the next meetings.

I should like to stress particularly that the whole point as far as we are concerned is the achievement of closer cooperation in many fields. Parliament has made it clear that the European Community — European Union — must not remain a patchwork undertaking, that it must not concentrate only on, for example, the agricultural common market or the customs union. If we want to conduct a common external policy and are allegedly already conducting a common external trade policy, we cannot of course exclude those areas involving security.

For these reasons I should like to urge you most earnestly to give careful consideration to the matter raised by Lord Gladwyn. I should like to give notice, Mr Brinkhorst, that in the discussion of the Tindemans Report with you in this House we shall wish to raise these questions again.

(Applause from the right)

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

Mr Krieg. — (F) Mr President, I think we have to thank Lord Gladwyn for having raised in his oral question the subject to which we owe this interesting, indeed enthralling, debate. For my part, I have followed it with the same satisfaction as when we were both members of the WEU Assembly and these problems were discussed, often at his instigation. In fact — and I should like to draw attention to this here — as long as the Brussels Treaty exists, the WEU Assembly is competent to discuss these defence problems — which does not mean, of course, that we ought to ignore them in this House.

Since it is so late, I should like, for my part, very briefly to draw Members' attention to the position adopted by the Group of European Progressive

Democrats and defined by Mr Kaspereit in a previous debate on the same subject.

As far as we are concerned, defence problems are to be viewed in the context of European Union.

It is clear that a political union can certainly not afford to ignore them. That is why we consider that it is *ultimately* up to us to decide whether the Member States of our Community must follow the example of some, which would mean, as we well know, that all military responsibilities would be left to NATO, or whether, on the other hand, we want a viable and independent defence policy.

If the latter is the case, there is no doubt whatever that the Member States will have to set up, within the European Union, the authority necessary to implement this policy.

European defence is impossible in practice without political unity, which means a power capable of making swift and preferably wise decisions for the various Member States in those areas which are vital for the survival of each of them.

The dilemma consists in knowing whether the Community of the Nine, after consolidating its existence and its economic presence, will leave it to others to safeguard its existence and its presence with regard to defence.

I regret to have to say, for the benefit of certain people, that this danger is undoubtedly inherent in an attachment to the Western alliance. European security and independence certainly cannot be based either on the Atlantic alliance or on the socialist dream of unarmed neutrality, of necessity unarmed since that dream rejects the efforts necessary to arm. Neither, I would add, can they be based on the political adroitness of one or other Member State of the Community, since clarity of vision can never be a substitute for the power essential to security.

European security and independence cannot be safeguarded, in our view, if Europe does not defend *itself*, which means the setting up of a common defence which is sufficiently powerful and diversified to match a hostile force and sufficiently determined to lend credibility, if need be, to our preparedness to use nuclear weapons.

At the moment my Group is worried about the prospects for an independent defence system for Europe. Every effort must be made to safeguard the instruments of an independent defence system, European armaments and the basic technology without which — in the absence of the necessary infrastructure — it will be impossible to set up the defence system which we need.

This was a very brief outline, as a contribution to this debate, of our no doubt familiar position.

President. — I call Mr Stewart.

Mr Stewart. — I assure Lord Gladwyn that I do not regard this subject as too hot a potato to munch, or whatever one does with a hot potato. It is a subject in which I have been interested for many years.

I have no doubt of the need for the West to keep its defences adequate and sufficient. I regard that as the other side of the medal to the kind of policy the West has pursued by taking part in the Helsinki Conference. There seems to be a tendency in some quarters to use the word 'Helsinki' as a term of reproach. Do those who take that view hold that, for example, we should not go on from Helsinki, as is planned, to the proposed conference at Belgrade? Do they take the view that the governments of the nine countries of the Community were all besotted in the Conference at Helsinki? In particular, do they propose to stop the process now and not go on to the conference at Belgrade? If they do not mean that, all the ridiculing of Helsinki is so much hot air.

None of us has ever placed all his hopes on Helsinki, but I believe that it was a wise element in the foreign policy of the West to provide a balance by adequate defence. I also agree with Lord Gladwyn that adequate defence means in particular greater efforts to provide for the pooling of research, the standardization of weapons and the rational arrangement of the production of weapons. There is a great deal that we could do to obtain much better value for the money we spend on defence.

What I remain totally unconvinced of is that we should try to arrange all this in an EEC framework. Lord Gladwyn said that he had been making his speech for 15 years. I am sure that on occasions he has made it in the right place, but I think that he made it in the wrong place tonight.

The memberships of the Community and of NATO do not entirely coincide. We know only too well that the Community and its various organs, including the Council of Ministers, are loaded to the eyebrows with things they are supposed to be doing. We now invite them to do something else for which there is already an organization better equipped to do the job. So I was not at all surprised to hear the Minister's reply that they have paid no attention to the resolution passed in December, and it is not clear where they would. That is the trouble if we make this business a Community responsibility. It will always be at the fag-end of the agenda.

However, there are the North Atlantic Alliance, the European and Western European Union. Those are the organizations through which the matter should be pursued, because these topics cannot be pursued without the closest consultation with the United States. Arrangements for the standardization of arms and the production of one type here and another

there cannot be made in Europe without knowing what sales there will be in the United States. It would also be wasteful to try to plan the pooling of research without agreeing on such a programme with the United States.

I am not one of those who say that Europe should just go to sleep because the American ally is there. I am saying that it is an ally and one cannot arrange these things without consultation with one's major ally.

I urge Lord Gladwyn to continue his interest in the defence of the West. His idea that politicians are always too frightened to speak of it only indicates his limited acquaintance with the processes of real politics. Let him address his homilies where they should be properly addressed—to governments about to act in a NATO forum.

President. — I call Mr Scott-Hopkins to speak on behalf of the European Conservative Group.

Mr Scott-Hopkins. — It is always a pleasure to follow the right honourable Gentleman who has just spoken.

The right honourable Gentleman has a great way of being condescending at the same time as being damning, when he has not taken the trouble to get to the depth of the argument. He gave only a facile explanation. On behalf of my group, I take this opportunity to disagree almost entirely with what he said, although I understand why he said it.

I believe that Lord Gladwyn has been talking in the right forum about defence, and I associate myself with Mr Klepsch's word of wisdom. I believe that it is essential that this House should discuss and deal with questions of defence. We have been talking about foreign policy and the need for our Foreign Ministers to coordinate their policies and, if possible, to talk with one voice. One cannot have a foreign policy if one is not prepared to take the lion by the tail and talk about defence as well. It was one of the Foreign Office who said that he did not want to go into the council chambers of the world naked, and that is what he would be doing if he did not have a reasonable defence force behind him. That was Mr Ernest Bevin ...

Mr Stewart. — It was Aneurin Bevan.

Mr Scott-Hopkins. — ... It was Mr Ernest Bevin, when he was Foreign Secretary, in the right honourable Gentleman's previous position. What he said was true, and therefore we must talk about defence. Lord Gladwyn does a service when he brings up this matter.

Of course, it is true that we cannot go too far at this stage, and we do not want to do so. I agree with what Mr Stewart said about the NATO umbrella, which is essential for our defence in Europe, and about our reli-

Scott-Hopkins

ance on our American friends to a certain extent. But we in Europe have a duty ourselves to perform. The standardization of arms is an important matter.

I refer particularly to the amount of savings that would take place on the European side—leaving on one side the American aspect—if we could standardize arms procurements. There would be an enormous saving if we could bring about a common arms procurement agency. The fact that there has been in existence for many years the Western European Union must not be lost upon us, and I believe that we have not used that organization to a proper extent. Now is the time to revive it and to make it mean something. It would be a great step forward if we in the Europe of the Nine could begin to standardize procurements for the various armed services.

I had the great honour on a recent visit to the United States to discuss the situation with the American Secretary of State. I asked him whether, if Europe managed to standardize our armament procurements in one agency, they, the Americans, would feel attacked in any way or would appreciate and approve of such action by us in Europe. His reply was, 'I think that it would be a useful advance if you could follow that course.'

That attitude was in direct contradiction to what Mr Stewart said. It would be greatly to the advantage of the whole of Europe — certainly to all the Nine countries — if we could do so. I do not know whether one can move from that small beginning to the next stage of forming some form of common defence policy. But one must look to the future, and it is right that in this forum we should discuss the possibilities of taking such action.

Mr Stewart mentioned the subject of Helsinki and asked where we would go from there. I feel completely let down by events following the Helsinki conference. I do not believe the other signatories to the treaty are fulfilling their commitments. The recent figures for the relative strengths of the two sides show that the Russians have increased their preponderance of armaments to a frightening extent. I do not believe that we can place any credence in the resolution of the Helsinki conference. Following the outcome of that conference, there is no question of sleeping quietly at night.

I believe that we must look to ourselves for our own salvation. We must seek to build up our own forces to protect our way of life. If we do not do so, we risk letting these matters take place at our peril.

I am delighted that Lord Gladwyn has raised this matter in the Chamber this evening. I hope that we shall take positive and concrete steps along the lines laid down in the original report. I hope that the Commission and the Council will follow those guidelines.

(Applause from the right)

President. — I call Mr Brinkhorst.

Mr Brinkhorst, Acting President of the Conference of Foreign Ministers. — (NL) Mr President, I shall

just take up a moment of Parliament's time, given the late hour and the small number of members present. As Acting President-in-Office of the Council I admire the tone and content of what Mr Klepsch has had to say. I have understood him very well. Of course we must distinguish between the talks in Helsinki at the European Conference on Safety and Cooperation and the discussions of defence. The two things are not quite the same.

As regards Mr Klepsch's remarks concerning the Commission's communication on the aeronautical industry, the Spinelli memorandum, I should like to point out that the Council will obviously consider the proposal which the Commission will submit and adopt an attitude to it. One must also distinguish between this communication and the discussions on defence questions in general. As Sir Michael Stewart rightly said, these do not as such lie within the sphere of competence of the European Community.

President. — I call Lord Gladwyn.

Lord Gladwyn. — I find the attitude of the Foreign Ministers most astonishing. They are burying their heads in the sand. Have they never heard of the suggestion of an Armaments Procurement Agency? I asked for the terms of reference of that body, but the Council does not appear to have heard of it. The Armaments Procurement Agency has now been joined by France. Does not the representative of the Council appreciate that this is a remarkable event? Has he never heard of it? Indeed, do not the Foreign Ministers intend to discuss the matter? I can only appeal to a wider audience. I regard the Council's attitude as contemptible.

(Protests)

President. — This item is closed.

15. *Oral question with debate:*

Denial of parental rights by the German Democratic Republic

President. — The next item is the oral question, with debate, by Mr Klepsch, Mr Lücker, Mr Blumenfeld, Mr Artzinger, Mr Scholten, Mr Vernaschi, Mrs Walz, Mr Martens, Mr Deschamps, Mr Vandewiele, Mr Dykes, Lord Reay, Mr Normanton, Mr Broeksz and Mr Pintat, to the Conference of Foreign Ministers of the Member States of the European Communities, on the denial of parental rights to persons who attempt to leave the German Democratic Republic (Doc. 490/75):

What possibilities can the Foreign Ministers see of getting the German Democratic Republic to observe and apply the humanitarian principles on the safeguarding of human rights laid down in the Helsinki Declaration and to stop infringing these rights by denying parental rights to persons who attempt to leave the country and offering their children for adoption by supporters of the regime?

I call Mr. Klepsch.

Mr Klepsch. — (*D*) Mr President, ladies and gentlemen, I very much regret that we are debating this issue at such a late hour. Nevertheless, it is in my view essential that we should discuss this and related topics in this House. Another motion for a resolution has been submitted to us today dealing with the protection of human rights in Chile, and the groups have given their views on it. They did not agree to the adoption of the urgent procedure, but regarded it as a subject worthy of discussion and united in expressing their horror.

It seems all the more relevant to me to devote careful attention to events taking place in our own part of the world and to express our opinion on them. At the Conference on Security and Cooperation in Helsinki a voluminous document — which Mr Stewart has just quoted — was adopted, in which detailed opinions are set out on a number of questions of fundamental human rights.

However, we do not even really need this document since for the purposes of the issue on which I have tabled my question I can refer to the International Covenant on Civil and Political Rights of the United Nations of 19 December 1966, which was ratified by the German Democratic Republic in 1973. The ratification document lays down quite clearly what steps must be taken in the countries signing it to ensure that human rights are upheld. I would point out that Article 17 — on the protection of privacy — which rules that no-one shall be exposed to arbitrary or unlawful interference in his private life, family life, etc. or to unlawful attacks on his honour and reputation, Article 18 — freedom of religion and conscience — and Article 12 of this agreement, relating to the right to free movement, were also ratified by the German Democratic Republic.

In each of these areas international law, which has been ratified by the German Democratic Republic, indicates perfectly clear-cut positions, to which the declarations of intent of Helsinki are no more than a sort of accompaniment, but one which we should assess in the light of the results achieved.

I now turn to the problem which I raise in my oral question. It is very disturbing to have to consider matters such as these, and I know what I am talking about because I am a father of six children myself and can easily imagine what it would be like if one of them were placed in a situation of this kind. I am extremely sorry for the victims and I fiercely contest the agreement that in the given circumstances there is no point talking about such cases; that it is better not to say anything and to try and save the victims. I do not share this opinion. I would stress that we did not need to be told by Mr Solzhenitsyn or Mr Plyushch or any of the other champions of civil rights that remaining silent about such injustices does not in fact help the victims. One must get to grips with individual cases and these can only be resolved by directing public opinion to them throughout the world.

I am particularly disturbed, in connection with these compulsory adoptions, to hear it protested that they were not carried out merely because the parents had attempted to leave the country but because — what a fearful crime — they had not brought up their children according to socialist principles. To a certain extent therefore the fact of leaving the country — which is in any case one of the rights guaranteed to every citizen under the agreement on human rights — was merely the last straw.

We are told, however, that even without this the sanctions would have had to be taken.

I am afraid that I am totally unable to accept such arguments. What I am concerned about is the content of Article 17 of the Convention I quoted. I am not prepared to accept a differentiation between socialist human rights and civil rights, such as is practised by the government of the German Democratic Republic, which argues that civil rights can be respected only within the framework of the so-called Socialist International.

We protest strongly against this state of affairs and regard it as a flagrant contravention of all international agreements on fundamental human rights. We are not prepared to remain silent about it and moreover we believe that scores of other such cases exist.

We would ask the Conference whether it shares this, in our view justified, indignation, and whether it is taking action to ensure that the Helsinki agreements and the UN agreement which I quoted are being fully implemented. I should be grateful for an answer to this question.

(Applause from the right)

President. — I call Mr Brinkhorst.

Mr Brinkhorst, Acting President of the Conference of Foreign Ministers. — (*NL*) Mr President, I have no hesitation in saying that I am shocked by the situation which Mr Klepsch has just brought to our attention. In my capacity as representative of the President-in-Office I should like to make the following answer. The ministers would deplore the permanent separation of parents from their children, in a country that has declared in the final act of the Helsinki agreement that it intends to respect human rights, on the basis of legal decisions having as their only justification the fact that the parents have left the territory of that state without official consent or because they are alleged to have attempted to do so and have thus acted in defiance of an official regulation.

The Foreign Ministers also consider that it is particularly important to assist the parties concerned and believe that a frank discussion would be more likely to lead to favourable results. I would remind the Honourable Member that the Government of the Federal Republic of Germany has for many years been endeavouring to solve human problems in this area by direct contact with the relevant authorities in the German Democratic Republic...

Mr Seefeld. — (*D*) Very true!

Mr Brinkhorst. — (*NL*) ... These efforts, which will be continued, have been increasingly successful since the entry into force of the Basic Treaty of 21 December 1973 between the Federal Republic of Germany and the German Democratic Republic.

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

Mr Seefeld. — (*D*) Mr President, ladies and gentlemen, it would be preferable for this issue to be dealt with fully in the German Bundestag. If certain colleagues in the Christian-Democratic Group — I am referring in particular to the German members of that Group — had not tabled this question on 26 January but had waited another two days, they would have been able to find out about the matter from their colleagues in Bonn on 28 January, as the competent Federal Minister made a full statement on it in the German Bundestag to the competent Committee, the Committee for Internal German Relations. The members of the CDU/CSU in the German Bundestag were clearly so impressed with this statement that they have not pursued the matter any further. I can only assume that Mr Klepsch is prevented by his European commitments from keeping abreast of events in Bonn; otherwise he would have dealt with this matter somewhat differently.

What is it really all about, ladies and gentlemen? First, let me say quite clearly that we are all concerned to prevent the separation of parents and children in the two parts of Germany — of that I am convinced — and that no responsible politician can feel otherwise. For my colleagues in the Socialist Group, and also for those in the SPD in the Bundestag, and for the Federal German Government too, this is a moral duty.

The representative of the Council has fortunately made some clear remarks along these lines. Considerable success has been achieved in recent years. I can quote figures to prove this. The Federal Republic has taken action on every case which has come to its knowledge.

Ladies and gentlemen, I do not wish to play down these so-called 'compulsory adoptions', which are a shocking thing, but we must get our facts straight.

To remove any doubts, I appeal to the Government of the German Democratic Republic — assuming it is interested in hearing what the European Parliament has to say — to review its attitude in accordance with the spirit of Helsinki.

What are the exact facts of the situation? Five cases have come to light and have been fully discussed in the competent committee of the German Bundestag. These cases must be considered individually. I shall just summarize each one briefly.

The first case concerns two children whose parents left East Germany in 1960. The children were already living in a home, however, even before the parents left.

The second case concerns a paternity dispute between two men. Such things can apparently happen! The mother was not married to either of the men when the child was born. She now lives in the Federal Republic. One of her two children has been adopted in East Germany.

The third case concerns one of three children of a couple found guilty of defamation of the state, as it is called in the German Democratic Republic, a six-year-old girl who has been living with adoptive parents since 1971. The parents live with the other two children in the Federal Republic. But it has also come to light that in the opinion of two Federal offices there is some doubt about the fitness of the parents to bring up children.

In the fourth case the right to educate their children was withdrawn from both parents in East Germany when they divorced. The ex-husband was in prison from 1972 to 1974 for antisocial behaviour prejudicial to public order. He now lives in the Federal Republic. While he was in prison two of his children were adopted in East Germany. He is now trying to bring the third child to the Federal Republic.

The fifth and last case concerns a young woman who fled from East Germany in 1968 leaving her small child in the care of her parents. The latter were subsequently able to make a visit to the Federal Republic and did not go back to East Germany to the child they were looking after on their daughter's behalf. They informed the East German authorities of their decision. The child was put into a home and subsequently entrusted to the care of foster parents who have since applied for and secured adoption of the child. The mother, who now lives in the Federal Republic, has not lodged an appeal against the adoption.

Mr President, ladies and gentlemen, unfortunate though the fate of these people may be, I must point out that the Federal Republic has been attempting to solve such problems for the last ten years by discreet, bilateral negotiations. There are good reasons for this, because human beings are involved. The advantages of this method have been proven. I am sure the whole House will accept that this is true when I say that in this context 1 393 children have been allowed to rejoin their parents in the Federal Republic since 1965.

In conclusion let me say this. The Federal Republic — and in this respect it has the support of the Socialist Group — follows up each individual case untiringly. It will not cease in its efforts to solve all

such problems within the framework of the existing agreements. I hope that in the future we shall be required to discuss such cases in this House on as few occasions as possible.

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

Mr Vandewiele. — (NL) Mr President, Mr Seefeld's statement has taken me by surprise. No-one is criticizing the Federal Republic. We are talking about East Germany! It does not matter whether five cases are involved or 500. If only one such case occurred in England or Belgium a protest would have to be made here. The case before us concerns the grounds put forward for compulsory adoption.

After the Yom Kippur war Mrs Golda Meir, speaking in the Knesset, said to a representative who had made an eloquent speech in the debate on the victims of the war; I wish you had stammered a little, you speak too well!

This is no time for fine speeches.

A few weeks ago two weeping parents appeared on television explaining that they had tried to flee with their children, but it was so risky that they had had to leave them behind. They had then received word from East Germany that the children would join them after spending some time in the care of their grandparents.

But the children's grandparents did not see them again. The present whereabouts of the children are unknown. The parents do not know where their children are!

Is the German Democratic Republic prepared to reveal on television where the children now are? If that is done, we can drop our protest as the matter will then presumably be resolved.

According to family law in force in East Germany it is apparently impossible to arrange contact between these children and their lawful parents, since they have left the country.

I hope that as a consequence of this debate the matter will be clarified, in the spirit of the Helsinki agreement. Scarcely seven months after the Helsinki discussions we are forced to hold a debate on the most fundamental issue of all, namely whether human rights are being respected.

If such things occurred in London, Brussels, Rotterdam or Amsterdam, we should protest. When they occur in East Germany or Russia I protest just as loudly. We are free to ask questions and are entitled to a clearer answer than the extremely cautious statement made by the Honourable Secretary of State!

Mr Klepsch mentioned the appeal made by Solzhnitsyn. I am proud to be able to record here that Solzhnitsyn's words strike me as such a fine example that I am embarrassed by my own lack of courage in comparison with that now being shown by this man, not only in criticizing what is wrong in his native country, but in taking us to task for our cowardice.

Have we still got the courage to speak out? To speak out about Angola. We have our doubts. Dare we talk about East Germany and human rights? We waver and try to gloss over the situation.

I am not now addressing my friend Mr Seefeld, but those who claim that only one case is involved and that there is no real problem. The number of cases has nothing to do with it. If Hitler had had only one person murdered in a concentration camp, the concentration camp would have been just as unforgivable as it in fact is with its millions of victims. The question of human rights has nothing to do with numbers. Every individual, even the humblest, must be able to depend on our united support and encouragement.

Thus my comments are not aimed at the Honourable Member, who has just attempted to show — and I thank him for his statement — that the Federal Republic has recently been trying very hard to practise careful diplomacy. I am glad and hope that with our cooperation it will continue to be that this has been possible in the future. I am well aware that open diplomacy cannot always achieve the same result as discreet negotiations, but there are times when Europe has to stand up and say that even if only one child is involved we shall not back down.

That is what Lord Gladwyn meant when he asked whether we were still capable of defending ourselves. It does not matter whether he is right or whether we agree with everything he says. What matters is whether we shall have the courage to stick to our guns when it comes to acting in defence of human rights.

It is in this spirit that I appeal to the representative of the Council. The Christian-Democratic Group expressly requests that attention be drawn — even if it be in a prudent, open manner — to the serious nature of the Helsinki agreement and that the necessary steps be taken to solve the problem which has profoundly shocked all of us here. I hope I have not offended anyone. I have asked myself the question — and this is the point of issue this evening — whether we are still courageous enough not to confine ourselves to mere diplomatic language and whether we dare to show emotion where human rights are concerned. I am not ashamed to do so. I think of Golda Meir, Churchill and all those who made Europe and the West great. There have been times when they were not content to make empty speeches, but spoke from the heart. I hope that today the whole Parliament will speak with a single voice and appeal to the Council to find a human solution to this problem.

(Loud applause from the right and from the centre)

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

Mr Kaspereit. — (*F*) Mr President, it is a pity that this question is being discussed at such a late hour and before such a small gathering. This is the type of problem with which the press rarely concerns itself and which parliaments never debate, whether out of fear or indifference I do not know.

The European Parliament has been taken up by the question tabled by Mr Klepsch and others. I would have preferred it if this afternoon, instead of discussing certain questions, albeit most interesting but geographically more remote, this particular problem had come up for discussion immediately. One's first reaction on reading the text of the question is astonishment. One is inclined to wonder how parents can abandon their children. My answer to that would be that we should refrain from passing judgment.

Many of us here have experienced trials of this type and even worse, but thirty years have gone by and nobody can ever tell what his reactions would be to torture or oppression when there are no moral values left and no standards to refer to. Victims have even been known to suddenly start trusting their executioners.

I repeat then that even if some of us are tempted to do so, let us not pass judgment but confine ourselves to considering the horror of the situation.

This situation is in fact the reverse of that presented to us. The children in question have not been abandoned but kidnapped. And these kidnappings, the aim of which is to ensure that the children are brought up in conditions contrary to those desired by their parents and to make them the servants, one might even say the robots of an ideology, indisputably constitute an attack on fundamental human rights.

These measures are quite clearly in contradiction with Article 3 of the final act signed in Helsinki on 1 August 1975 which establishes certain rules of conduct with regard to respect for human rights and fundamental freedoms and the free movement of peoples and ideas.

At the risk of offending certain of my colleagues I must say quite frankly that I have never believed in and never shall believe in the Helsinki agreement. In my view this Treaty constitutes no more than the consecration, the legalization of the objectives achieved by the Soviet Union at the end of the last war. But since the Treaty has been signed it is our duty to remind the Eastern bloc countries of their responsibilities, especially in humanitarian matters, which constituted their main concession.

It is a bewildering thought that in 1976 humanitarian matters can still be the subject of concessions. But

since this is the case, the European Community must show that it is the leading light of the Western world and that it insists on signatures being respected. By acting thus it will enhance its credibility in a world in which doubts are being expressed in all quarters about the sense of purpose of the West. In this way too it will help save those whose fate appals us today. I say we are appalled for is there anything more appalling than to break up the family unit by taking children away from their parents?

In 1977 the signatory nations of the Helsinki agreement will meet in Belgrade to take stock of the first results produced by the agreement.

Whatever doubts I may have, I hope that by being firm we shall obtain results, especially in the area we are considering today. If not — and I say this to the representative of the Chairman of the Conference of Foreign Ministers, whose restrained answer, while I understand it, took me by surprise — we shall have to reconsider the situation, for history shows us, ladies and gentlemen, that peoples can have no freedom, nor even life itself, when they are not respected and when their behaviour is dictated by fear or by cowardice.
(*Applause from the right and from the centre*)

President. — I call Mr Klepsch.

Mr Klepsch. — (*D*) Mr President, I should first of all like, in a personal capacity and on behalf of my friends, to thank Mr Brinkhorst for his first remark, which I understood very well. It would be wrong to think that the people who tabled this question were trying to say anything with respect to the Government of the Federal Republic of Germany. I should like to stress explicitly that none of my remarks had any such purport.

I hope you will forgive my personal involvement but I myself come from the area under discussion where, regrettably, human rights are not currently respected. I have very many personal links with this area. I therefore know what I am taking about. Please believe me when I say that I myself, the signatories and all our friends in this House were trying to express what Mr Vandewiele said earlier, namely, that we are not prepared, in any sector, to accept disregard for human rights out of any diplomatic considerations of whatever nature. Nor can I agree with the idea that it would be better to keep quiet on such matters. This thinking was prevalent in the Hitler era. You could ransom people in those days too. This was wonderful for the people who were ransomed, but there were also many people who could not be ransomed. I do not wish to remain silent about them. My conscience does not allow me to talk about disregard for human rights in Chile or anywhere else in the world while at the same time ignoring the fact that human rights are

Klepsch

seriously disregarded right here in Europe. I could give many additional examples, and mention a whole series of additional cases which would number far more than five. That, however, was not my purpose, and I do not wish to do that now.

What we were all trying to do was to make it clear that this Parliament is not prepared to regard the Helsinki agreement as a document which has been signed but which can be ignored at will. This is why I mentioned the relevant Articles of the International Covenant on Civil and Political Rights. I stressed that I am particularly opposed to those who sign and ratify a covenant of this kind but do not subsequently respect it.

I hope sincerely that you understand our attitude correctly. I am indeed grateful to the Council for the first sentence, but somewhat less for the extremely cautious answer. I urge you to realize that human rights are not something we can discuss over the breakfast table; rather, we wish to see human rights established everywhere, particularly in Europe.

(Applause from the right and centre)

President. — I call Mr Seefeld.

Mr Seefeld. — *(D)* I should like to make a personal statement since I have the impression that I have been somewhat misunderstood.

I said very clearly that I urge the Government to examine the attitude of the German Democratic Republic. I maintained clearly and unambiguously that the freedom of every individual must be guaranteed there too. There can be no doubt about this, Mr Vandewiele. I only tried to point out that our largely Social Democratic Government is trying, in a different way, since success is otherwise impossible, to help where it can. I join you in invoking the spirit of Helsinki. I wanted to explain this point explicitly, to avoid misunderstandings.

President. — This item is closed.

I call Mr Krieg on a point of order.

Mr Krieg. — *(F)* Mr President, it is now ten minutes to twelve. At about six o'clock, when Mr Berkhouwer, who is the first author of the oral question about to be discussed, was in the chair, there was some discussion as to whether we should debate the Channel tunnel after dinner. At that time 60 or 80 hands were enthusiastically raised in favour of this debate taking place after dinner. I notice, however, that the bodies to which these hands were attached have gone off to dinner and have not come back. There are only a dozen of us left!

It is not proper to discuss a problem such as the Channel tunnel in these circumstances, at this hour and in the presence of so few, albeit excellent

gentlemen. I therefore wonder whether it would not be advisable to adopt the suggestion made by Mr Berkhouwer who, in his great wisdom, proposed at six o'clock that a debate be held in April, but with a full house. Believe me, the Channel will not have disappeared by next month!

President. — According to our Rules of Procedure, it is impossible to raise the same point in the same part-session. That was decided earlier.

16. *Oral questions with debate:*
Construction of a tunnel under the
English Channel

President. — The next item comprises the oral questions, with debate, by Mr Berkhouwer, Sir Geoffrey de Freitas, Mr Martens, Mr Krieg, Mr Girardin and Mr Osborn, to the Council of the European Communities (Doc. 546/75) and to the Commission of the European Communities (Doc. 547/75), on the construction of a tunnel under the English Channel:

Will the Council and the Commission examine the possibilities for the construction of a tunnel under the English Channel, either in the form of a project to be carried out by the Community, or by granting Community aid for the resumption of work on the project which has now been discontinued, or else in some other form involving the Community financially and/or in some other way?

I call Mr Berkhouwer.

Mr Berkhouwer. — *(NL)* Mr President, it is not my fault that so few people are present at this debate on the tunnel under the English Channel, but as you rightly pointed out, we decided this afternoon to hold this debate and we must stick to this. I shall therefore comply with your request to introduce my question.

At the grammar school which I attended as a boy in a small Dutch town I had an exceptionally good English teacher. One of the things he taught me was that the British regarded the world from their standpoint. If there was fog in the English Channel the English would say 'The continent is isolated'.

I wanted to go to England when I was 18. It was the depression and times were hard at home. My grandmother gave me 3 pounds and I cycled to Ostend where you could get a boat to Dover for 2 pounds. When I reached Ostend, however, it was foggy and the boat did not sail. Ever since then I have wondered how we could establish a link between Great Britain and Europe. The idea has thus been with me for a long time.

Before I turn to the actual subject, I should like to make two preliminary remarks.

I naturally refrain from interfering in the internal political affairs of the two Member States on the two sides of the Channel. I shall refrain from making any

Berkhouwer

remarks about the fact that, some years ago, a British government and a French government drew up a project to dig a tunnel and that another British government cancelled this. That does not concern me. This is why I have raised this question together with Members from all political Groups.

My second preliminary remark is that the British agreed that the tunnel itself was economically and financially viable, but that the difficulties arose was particularly from the infrastructure in Great Britain and France. It was once said that the infrastructure in South-East England was the heart of the matter. There was talk of large-scale congestion and such like. I am no economist, only a simple, everyday politician. I would say that, if there are so many people living and working in South-East England, it is all the more necessary to give all these people the opportunity to travel fast from the United Kingdom to the continent. In other words, the reasoning can be reversed.

It is a question of being able to travel to London by train from Paris, Brussels or Amsterdam and vice versa.

Mr President, some of my British colleagues are asleep, but if they are not in fact asleep ...

President. — I have been watching carefully. No one is asleep. Some are listening with their eyes closed, but that is all.

Mr Berkhouwer. — (NL) ... Mr President, our British colleagues at present travel by charter flight from London to Strasbourg and back. Why do we have no better links between Great Britain and Europe?

It is not simply a tunnel that is involved. All sorts of links are technically feasible. In my opinion, this is not just a matter for the British and the French — it is a link between Great Britain and the whole of the continent. The Consultative Assembly of the Council of Europe discussed this problem in January, and this induced me to take the matter up.

We used European money to build a bridge over the Bosphorus — a bridge linking Europe and Asia. Can we not therefore use European money to establish a link between Great Britain and the continent — a bridge, a tunnel or what have you? ...

Mr Dalyell. — Across the busiest shipping-lane in the world?

Mr Berkhouwer. — ... Is the honourable Member importing another conflict?

Mr Dabyell. — We have just heard about the idea of building a bridge across the busiest shipping-lane in the world. How would the ships get under the bridge?

Mr Berkhouwer. — ... That depends how high the bridge is!

(Loud laughter)

Mr Berkhouwer. — (NL) ... The question of money has been raised. If we managed to find European money to build a bridge over the Bosphorus, if we spent thousands of millions in the past on waging war in Europe against each other, why should we be unable to find the money to make this link between Britain and Europe possible? The present British government has declared that the tunnel makes financial and economic sense, but that there are financial problems as regards the infrastructure on the English side.

Not a single layman in Europe understands anything about the monetary snake in the monetary tunnel, about which we hear so much. Would it not be a great thing for the man in the street, and would it not have a tremendous psychological effect if we built a real tunnel, a link between Britain and the continent?

I sincerely hope therefore, Mr President, that both the Commission and the Council will tackle this problem as a genuine European problem, now that there appear to be financial and economic difficulties as regards the infrastructure in one of the Member States.

President. — I call Mr Brinkhorst.

Mr Brinkhorst, Acting President-in-Office of the Council. — (NL) Mr President, I can assure you that I have been listening with my eyes, ears and sometimes even with my mouth open to the enthralling discourse by the honourable Member on a subject which has troubled him since he was a boy.

It would have probably brought the tears to my eyes, were it not for the fact that it is now midnight.

I shall therefore give the honourable Member an answer such as his questions deserve. On behalf of the President-in-Office of the Council, I can assure the honourable Member that the possibility of building a tunnel under the English Channel is a question on which I cannot make any statement on behalf of the Council. The honourable Member will be aware that the Commission has never made any proposal on this matter to the Council. It may be that the Commission will be making such a proposal on 1 April next.

I cannot therefore anticipate any answer I shall be in a position to give after 1 April. Finally, I would draw the honourable Member's attention to the priorities debate to be held on 5 and 6 April by the Ministers of Finance and the Foreign Ministers, in which it may be possible to bring to the Ministers' attention the question of the priority of a tunnel under the Channel.

President. — I call Mr Brunner.

Mr Brunner, Member of the Commission. — (D) Mr President, ladies and gentlemen. The problem we are discussing has been in existence for some time. Long before the teacher who taught Mr Berkhouwer, a French engineer by the name of Mathieu first suggested building this tunnel in 1802, and ever since then it has proved impossible to find the necessary money. That was one of the crucial problems, and it is one we are still facing today.

This tunnel would certainly not be in the interest of the two countries involved alone, since it would indeed bring all the countries of the European Community closer together. Because of this, it is perhaps not correct to make a purely economic assessment. Quite apart from the economic aspect, this project also has a political and psychological significance which must not be underestimated.

It would thus not be right for the Commission to disregard this subject. It would not be right for the Commission not to have ideas on it. However, it can only have ideas which supplement the ideas of the two countries principally involved.

What is the position of these two countries? After lengthy negotiations they stated: 'We want to build this tunnel'. Then they said: 'Now we can't do it'. They drew their conclusions from this and liquidated the companies which were to do the building. That is the situation as it stands.

The Commission has been discussing the project with the Member States for a long time, and there are still informal contacts with them. There will even be another meeting in the near future — on 19 March — to discuss infrastructure investment in the transport sector and the problem of building the tunnel will also be raised. We believe that the tunnel is in everyone's interests, but we also believe that it must fit into a future transport system which benefits everyone. This is why the matter is being reconsidered. What people are saying is that perhaps the whole thing makes economic sense after all — not just political and psychological sense, but economic sense as well. They ask themselves, however, how the transport infrastructure in southern England can be developed so that the overall planning makes sense. The fact is that the problem is the cost situation. The cost of the tunnel is about two thousand million u.a. — at least that was the estimate in 1973. It was also estimated that the approaches which would have to be built would cost 1 600 million u.a. — almost as much as the tunnel. It could be said that this is not all that bad — it is about three times what the milk powder mountain in Europe costs — but it could also be argued that either we can afford milk powder mountains or we build a tunnel. Perhaps we can consider when the moment has come when we can do both things simultaneously. However, it will be hard work. It will be difficult to convince the Ministers of Finance that the moment has now come, and it will be difficult to convince the Member States involved — particularly the British. For the British, the costs for the London

to Dover stretch are a major cost factor. This is another aspect of the problem of concentration, to which Mr Berkhouwer referred.

As things stand at present, we cannot thus say that the cost situation is such that the Commission could simply undertake to submit to the Ministers of Finance such a proposal here and now.

At the same time, however, we believe the project makes sense. It makes sense according to the most recent studies, and it certainly makes political and psychological sense. We therefore feel it should not be rejected out of hand, but rather that we should bear it in mind. We should try to choose the right moment to do something, so that this great project finally becomes reality.

(Applause)

President. — I call Mr Prescott.

Mr Prescott. — The motion has been produced by someone who has admitted to being a simple politician. What I think was quite clear was that the analysis was certainly very simple. In an analysis of the problem of the Channel Tunnel, which we in our country have lived with for a considerable time, we have found that the reality of the situation is very different from the pious hopes for what would appear to be a kind of psychological necessity to build a link between Britain and Europe. What is clear from some of the facts and what Members should understand is that in 1963 the cost was estimated at £ 143 million. By 1972 it had risen to £ 366 million, and two years after that date it had risen to £ 1 000 million — three times the amount in two years. In 1980 it is estimated to be £ 1,400 million. The rate of inflation and interest rates on any estimate of future cost would be far greater than those obtaining now.

The cost of the rail link alone between Dover and London rose three times in two years from £ 120 million to over £ 300 million — simply to build a high-speed link between the tunnel and London. The cost escalation is phenomenal.

The amounts of money needed are considerable and would almost certainly have to be raised from public funds. If not, an attempt would have to be made as between Britain and France to raise between 10 and 30 per cent from private funds, although only 10 per cent seems to be in the offing, with the rest of it backed by public money. Therefore, it is with the allocation of needs in mind that one has to approach the matter of the Channel Tunnel.

It must also be borne in mind that as regards the alternative means of transport — in this case, the ships — it was estimated by numerous reports drawn up in Britain, particularly in the last few years, that only 18 per cent of the revenue would come from freight: 82 per cent would come from passenger traffic during eight weeks of the year.

Prescott

Most of the freight would be by ship because of the considerable technological development which has led to huge ships, roll-on—roll-off vessels, which have produced freight-rates 50 per cent less than they were 10 years ago. These are some of the economic realities of the alternative transport system that one is faced with when considering the Channel Tunnel investment.

What I want to impress upon Parliament, however, is the real costing that has to be taken into account when considering the Channel Tunnel. It is not a matter simply of money, although that is considerable in itself. It is the consequences of making this sort of investment. I must impress upon you the experience of the British case, because the French area at the other end of the tunnel is really an undeveloped region whereas in Britain the area towards the end of the tunnel is a very prosperous part of Britain and not an underdeveloped area. As all economists know, when one plans transport links one brings with them all the economic activity associated with them, and the magnetic pull in the southern part of England would be to the disadvantage of the deprived areas in the North. We should then enforce this general drag down to the South at the expense of the disadvantaged areas in the North.

Secondly, as regards the infrastructure investment in Britain carried out in, for example the ports, where over £ 100 million has recently been invested, the reports show that 90 per cent of the traffic would be diverted from some ports while from others the figure would be as little as 45 per cent. Therefore, we should have a large-scale under-utilization of investment in the ports, which again are largely in the regional development areas.

I might point out that the ports of Rotterdam and Antwerp would also be affected by that major redistribution of traffic loads.

Let us consider the effect on the shipyards. It was estimated that by 1990 some 90 fewer ships would be required. This would mean less work for the shipyards, which again are in our own regional development areas.

As for air transport services, over 6 million passengers and £ 46 million of revenue a year would be lost on the airlines between our two countries and on other continental airlines which are under severe pressure to make money.

We wish to impress upon Parliament that the economic and social effects of such an investment must be taken into account. We should be concerned with the real cost and not simply with the economic cost. The scale of investment is something like £ 1 500 million for building the tunnel only: this does not include the other kinds of investment that would be associated with it or the disinvestment that would

take place because of it. This sum is three times as great as that we devote to the Regional Fund over a period of three years. Such sums have to be seen against alternative investments in hospitals, schools and welfare provisions, all of which exert a great demand on our resources.

It is clear that Britain will not finance the tunnel. I doubt whether Britain and France together will finance it. If Europe feels she wants to finance a tunnel, she will be financing the consequences of the disinvestment in some very deprived areas in Great Britain. I do not think that will happen.

Parliament must weigh up all the consequences. I hope that the Council and Commission will take these considerations into account, as was done in Great Britain, when we made the right decision to cancel it.

President. — I call Lord Gladwyn.

Lord Gladwyn. — For some five years I was the representative in London of a French company whose object was to promote the project of a Channel bridge, or, rather, in its final presentation, of a bridge-tunnel-bridge somewhat similar to that underneath and over Chesapeake Bay. Since a complete bridge across the Channel would come up against the quite probably legitimate objections of the shipping interests to which Mr Dalyell has drawn attention, it was maintained that that shipping would inevitably collide with the pylons of a bridge, as, indeed, happened in respect of the great bridge at Maracaibo in Venezuela and also elsewhere. It would still be possible to construct a bridge from the Shakespeare Cliff in England on the one hand, descending gradually to a sandbank some eight miles out from the British coast, continuing in submerged tubes to another sandbank not far from France and thereafter emerging again as a bridge rising to Cape Gris Nez on the French coast, thus leaving a six-mile channel for all Channel shipping. By this means it would be possible to have what, after all, is the most desirable thing, uninterrupted communication by both rail and road between the United Kingdom and the mainland of Europe.

If a valid link of this sort between my country and the Continent were forthcoming, there is no doubt that it would serve the interests of future traffic up to the end of the century at least. But the disadvantage of a Channel Tunnel restricted to rail traffic only, as it would have to be owing to the great expense of providing adequate ventilation, to mention nothing else, would be the necessity of interrupting a flow of traffic by loading motor vehicles and lorries onto rail-cars for the purpose of crossing the Channel at all.

It is at least arguable that a bridge-tunnel-bridge, although it would undoubtedly cost more in the way of capital investment, would in the long run be a

Lord Gladwyn

much more profitable investment than a simple rail tunnel, which would quite possibly face successful competition from the hovercraft and the ferries.

It is in the rather faint hope that this solution will at least be considered by those who may, as a result of this debate, be emboldened to proceed to the construction of a Channel Tunnel on the basis of funds forthcoming largely, I understand, from the Community, that I throw out this suggestion for what it may be worth. If it comes to a vote on the resolution put forward by Mr Berkhouwer, I could not vote for it unless the wording is amended from reading 'the possibility of building a tunnel under the Channel' to 'the possibility of building a Channel tunnel or a tunnel/bridge'. If that is acceptable, I will vote for it. Otherwise, I shall abstain.

President. — I call Mr Mitchell.

Mr Mitchell. — We all know that the cost of this proposal is enormous. One reason, though not the only one, for the British Government's eventually withdrawing from the project was the cost. Mr Berkhouwer obviously recognizes the fact that the cost is too great for the British and French Governments and considers that this matter should be dealt with as a Community project. However, if we look at the Community as a whole, there are many areas where sums of money could be used to greater advantage than in this project.

There are certainly a number of projects in the under-developed regions of Italy where Community money, if spent on this scale, would have a much greater social advantage than any to be gained from the Channel Tunnel project.

The first question that arises is the simple one: is it necessary? Are we convinced that communications between the United Kingdom and the Continent are inadequate?...

Mrs Kellet-Bowman. — Yes.

Mr Mitchell. — ...Are we really convinced of that fact? Mr Berkhouwer referred to the fact that the delegates came to Strasbourg on a charter plane. I must tell him that we arrived here very much faster on that charter plane than if we had travelled by train through a Channel Tunnel from Dover to the Continent of Europe. Mr Berkhouwer also referred to his childhood when he and his family had difficulty in crossing the Channel because of fog. I must inform him that since the United Kingdom has joined the Common Market the problem of fog has been disposed of.

(Amusement)

Seriously, I must point out that there are many means of communication open to us already. We have flights by air, roll-on—roll-off traffic from Dover and from

major port in the United Kingdom, Southampton, which happens to be my constituency. It certainly cannot be argued that the need for a tunnel is so great that we must divert resources which could be far better applied to other useful Community projects.

We must consider two other important points. First, the regional factor is important. We must remember that the tunnel is projected in the south of England, which is already a major growth area. This tunnel would bring into an area that is already heavily congested and certainly one of the wealthiest areas in the country, even more traffic and wealth at the expense of many other areas of the country which are underdeveloped.

The second issue relates to the environment. The United Kingdom is already overloaded with traffic, and to bring on to our roads the additional traffic created by the tunnel would add to our already difficult environmental problems.

I do not wish to discount the idea of a tunnel. My idea of a tunnel would be a system that envisaged the carriage of goods direct from Birmingham which would not leave the train until they reached Paris, Brussels, or wherever it might be on the Continent, whereas the original proposals envisaged transshipment at Folkestone, or wherever it was to be.

In other words, there is an argument for a tunnel. However, I must emphasize that there are far more urgent and socially-needed projects than the tunnel. By all means let us keep the matter on the books. Let us not forget it. But within the next 20 years or so there are surely many other ways in the Community in which we can spend our money to better advantage than on the Channel Tunnel project.

President. — I call Mr Seefeld.

Mr Seefeld. — *(D)* Mr President, ladies and gentlemen. Mr Berkhouwer opened this debate as a non-Briton, and it would perhaps be a good thing if somebody else who is not from Britain made a further small contribution to the discussion.

May I point out that the topic — and Mr Berkhouwer knows this — is not all that new, since Parliament has already discussed it on several occasions. I would draw attention to the fact that the Committee on Regional Policy and Transport prepared an extremely detailed report in 1973 and 1974, and this was discussed at length here in 1974. This was the report on permanent links across certain sea straits.

Quite a lot from that report could in fact be repeated today. Let me just remind you that Parliament's unanimous opinion — arrived at without much argument — was that studies of such difficult projects as the Channel Tunnel and other links across straits should in future be coordinated at Community level.

Seefeld

We went so far as to demand that such projects should no longer be dealt with purely nationally or bilaterally, and we asked the Commission and the Council to do everything possible to ensure Community planning, since the question of a Channel Tunnel is now no longer simply a British/French or French/British problem. On the contrary! The Channel Tunnel will contribute greatly towards improving transport links between Britain — which is now finally part of our Community — and the other Member States. No-one in this House had any doubts about this at all. Furthermore, Mr President, we also pointed out that all the proposed projects — from Sicily to Denmark, and the Channel Tunnel — should be carefully reviewed. It was also our wish that the possible effects of these projects should be assessed not only in the light of current transport costs, but also in the light of the social and economic consequences for both the regions directly affected and for our Community as a whole. I therefore agree with what some of the Members have said here: no distinction can be made between the various aspects — they must all be considered.

I should also like to point out that, independently of this action which you, Mr President, have taken together with Mr Berkhouwer and other Members, I submitted a written question to the Commission several weeks ago and have not yet received a reply. I asked what ideas the Commission had now come up with — whether, for instance, it was considering helping in an international financing consortium, whether it had any views on the extent to which the European Investment Bank could become involved, or what other ideas it had to offer.

All this is just as topical as it was then. I can only agree with all my colleagues that we must not lose track of this question. The Commission must follow up our earlier report and take up the motion which I assume we shall be adopting, so that this whole question does not join the 'also-rans' but is kept on the agenda. I recommend that the competent committee — the Committee on Regional Policy, Regional Planning and Transport, as it is now known — should again be instructed by this House to keep a continuous watch on all further development. This would be a positive conclusion to this debate.

President. — I call Mr Osborn.

Mr Osborn. — The Conservative Group studied the initiative by Mr Berkhouwer and, because one of its members — Mr James Hill — was responsible for the port to which Mr Seefeld referred, we were anxious to subscribe to that excellent initiative. We discussed it in the light of the decision of the previous Conservative Government to go ahead, while understanding some of the reasons for caution advanced by the

present Socialist Government in Britain. It was the inability to go ahead on time and the cost that accounted for the statement by the Secretary of State for the Environment in the House of Commons on 20 January last year.

Mr Brunner stressed that this is not an economic issue. I think that in the short term it is hard to justify on cost-effective grounds, but there are many quantifiable as well as nonquantifiable benefits, many tangible and intangible benefits.

Good communications accelerate the transportation of goods and make it easier for people to move between capitals. Difficult communications keep people aloof. Industrial contact and ease of freight-movements between the main centres of the Community as against those between the Community and two new members, let alone the third — Ireland, Great Britain and perhaps Denmark — provide interesting contrasts.

This matter was examined and the advantage of improving land communications between London, Paris and Brussels was considered by the Council of Europe in its document No 3712 of 13 January this year. One of the rapporteurs was a Conservative, Mr Miller, who took over the rapporteurship when I came here a year ago.

It is an undoubted fact that the use of road haulage has increased and that roll-on-roll-off traffic using conventional transport has accelerated. Figures in the *Sunday Telegraph* a few weeks ago showed that traffic movements in 1960 were 10 000, in 1970 were 83 000 and in 1974 were 240 000.

Another factor that we must consider is the energy crisis, which makes passenger air transport more costly. The effect is felt particularly when the fares are paid by the passenger and not by his company or some other agency. It could well be that land communication by car or the advanced passenger train — high-speed diesel or high-speed electric — will become more favourable for distances from 500 miles to 800 miles.

Lord Gladwyn referred to Chesapeake Bay. I was there a few years ago. General Sverdrop, who built that project delivered a paper to the Institute of Civil Engineers on the alternative to the Channel Tunnel. What had been proposed by the Channel Tunnel Company in 1960 provided a simple alternative I crossed the equivalent of the Channel in 20 minutes.

I have asked questions on ferry times and times required by other methods of transporting passengers and goods. In contrast to that 20 minutes, I might take five-and-a-half or six hours. The time barrier slows down industrial communication and the transport of people, even though there are good air services.

Osborn

Various speakers have suggested that there may be alternatives. The present solution has been well thought out by the Channel Tunnel Company, and it should be considered because capital has been invested on it. The tunnelling equipment, taken over from the Channel Tunnel Company, is held by the Secretary of State for the Environment in mothballs. Alternatives would be more expensive and would take longer to devise.

I come from the north, where there will be a case for the roll-on—roll-off ferry, provided time is not too important. There will also be a case for a quicker link by land, particularly as passenger travel by train accelerates.

Mr Berkhouwer suggests that the Commission and Council should look at the matter again, bearing in mind that Community coordination and good communications are not entirely the responsibility of the two most interested countries, Britain and France.

I welcome the initiative, as I have been involved with the project for some time. I very much hope that this method of breaking down a barrier will be looked at by the Community as a whole in the light of an overall transport policy.

(Applause from the right)

President. — I call Mr Dalyell.

Mr Dalyell. — With due respect to Mr Berkhouwer, who is a Liberal, I rather doubt whether this is his party's best subject...

Mr Berkhouwer. — It is not a party subject.

Mr Dalyell. — ... For the last half-hour I have been pondering about Mr Berkhouwer and his bridge and how he would explain to the shipping community of Amsterdam and Rotterdam that all their ships must be diverted to go right round the Shetlands and Ireland. *(Interruption)* That is true. Mr Berkhouwer had better explain this in Amsterdam...

Mr Berkhouwer. — That is my business, not the honourable Member's.

Mr Dalyell. — ... This is a little less mad than the official Liberal Party spokesman's contribution to this subject in 1973, when, in a fit of enthusiasm after going to the Rance power station in France, he asked, 'Why not have a barrage to create tidal power across the Channel?' I doubt whether this is a good Liberal subject...

Lord Gladwyn. — The suggestion was not a bridge but a tunnel-bridge, leaving a large channel for shipping.

Mr Dalyell. — ... The honourable Member is associated with many imbecile causes, and I suspect that this is one...

Mr Berkhouwer. — This is an all-party motion, not a Liberal affair.

Mr Dalyell. — ... I say to my friend and colleague Mr Prescott that in Glasgow and the north-west we feel that the regional advantages are probably on the plus side rather than the minus side.

I ask the Commission what estimate has been made of the real energy savings of any Channel Tunnel. It is not at the top of my priorities.

I agree with much that Mr Mitchell said. At least we should consider the matter. If it is to be considered by the Commission on 19 March let us have a report back on it.

President. — I call Mr Yeats.

Mr Yeats. — Perhaps I may join the small number of non-British Members who have taken part in the debate. I am an enthusiastic supporter of the idea of a tunnel across the Channel. I say to Mr Dalyell that the conception of a bridge that ships go under is not so eccentric. Anyone who has ever sailed into New York port, one of the great ports of the world, knows that there is a bridge across the straits on the way in.

But my predilection is for a tunnel. I think that it would be of enormous advantage from many points of view. It is highly desirable from a Community point of view. Clearly, the better communications are between our various countries, the more closely cemented the member countries of the Community will be.

My country will be permanently cut off from the Continent. I hope that we shall be able to overcome that disability. But it is admitted by all to be perfectly practicable to link the United Kingdom with the Continent. The mere creation of a tunnel and the consequent increase in coming and going across the Channel could have only beneficial effects on the future of the Community. That is an important political factor.

Apart from that, the speeches tonight, even of those who have opposed the project, have convinced me that it would be a thoroughly economic development. We have been told that the considerable economic development that would result would be in the wrong part of Britain. I can see that, but those who advance that argument are admitting that the mere creation of a tunnel will bring economic development to the parts of France and Britain adjacent to it.

Yeats

I think that it was Mr Prescott who spoke of air traffic decreasing by 40 per cent. People who speak like him are saying in effect that for air travellers, whether they are going on holiday or business, the tunnel would be more convenient and a more economical way of travelling.

There is talk about the environment. Can there be any more effective instruments for destroying the environment than airports? I believe that a considerable decrease in air traffic, such as the opponents of the tunnel suggest, would at least mean that it would be possible to defer indefinitely the creation of further airports in any part of London.

We are told that shipping traffic would decrease, so that port equipment would become obsolete and unnecessary. That in itself suggests, at least to me, that businessmen, shippers and others would find the tunnel more economical. For all those reasons we should support the motion.

I have one last point, which I think will not commend itself to the vast majority of those present tonight. When we consider how the money could have been obtained, I put forward the view that the vast sums spent over the past few years in providing the world with a noisy, unwanted and useless machine called Concorde could usefully have been spent on the tunnel.

President. — I call Mr Berkhouwer.

Mr Berkhouwer. — (NL) I do not wish to be unpleasant to British colleagues from a different party. This is not a party matter. My initiative is based on the belief that this matter concerns more than just the two countries directly involved or the political parties. I tabled these questions on behalf of five persons from all the parties here. Mr President, you yourself were so good as to add your signature.

The Council has not as yet formed an opinion. I understood from Mr Brunner's remarks that the Commission has a constructive attitude to this question.

My political colleague, Lord Gladwyn, spoke about the possibility of a combined bridge-tunnel. This idea is contained in the motion for a resolution which we have tabled.

This is quite clearly not a Liberal subject since the motion for a resolution was tabled by Mr Berkhouwer, Mr Girardin, Mr Krieg, Mr Martens and Mr Osborn. I could almost say that it is an all-party business. We are simply asking the Commission to examine the possibilities for building a tunnel, and I take it they

are willing to do so. The financial and other consequences have been discussed. They are, of course, relevant.

I know from history — and I say this in a completely friendly spirit without any party political intentions — that the setting-up of the railways in Great Britain in 1830 was opposed in some quarters on the grounds that they would frighten the cows in the fields, but the railways were built nevertheless. There are all sorts of curious opposition. Should not the inhabitants of south-east England and the nine million inhabitants of London be able to travel by train to Paris? A link between Great Britain and the continent is technologically feasible.

Why should there not be a link between Paris and the London conurbation where millions of people live?

Outdated considerations are being put forward by people who are fond of calling themselves progressive.

I repeat, this is not a Liberal undertaking.

I do not wish to turn this into a political issue for Britain. The committee which was set up in Great Britain said that the tunnel as such was a realistic proposition from the financial and economic point of view, but that the problems concerned the infrastructure in certain parts of England, a link between London and the continent.

Why do we not make this matter a European undertaking? It is, after all, a European problem. Let us not go on talking about the monetary snake in the monetary tunnel, but about a real tunnel which will bring the people of Britain and the continent together. This was why we tabled a very moderate motion for a resolution, asking the Commission to consider the problem once again and to make the construction of a tunnel a Community undertaking. Who can object to that?

President. — The joint debate is closed.

I have received from Mr Berkhouwer, Mr Girardin, Mr Krieg, Mr Martens and Mr Osborn, with request for an immediate vote pursuant to Rule 47 (4) of the Rules of Procedure, a motion for a resolution to wind up the debate on the oral question with debate, put by Mr Berkhouwer and others to the Commission, on the construction of a tunnel under the English Channel.

This document has been distributed under No 7/76.

I call Mr Berkhouwer on a question of procedure.

Mr Berkhouwer. — (NL) Mr President, there are only twelve of us left in the House. Some of us will vote for the motion for a resolution and some against.

Berkhouwer

In view of Rule 47 (4) of our Rules of Procedure, I would ask you not to hold a vote on this motion tonight. That will mean that our colleagues have the chance to discuss it with the other members of their Groups. With your approval, Mr President, I propose that we vote on this moderate motion tomorrow, when there will be more Members here than at present.

President. — I consult Parliament on the request to hold an immediate vote.

The request is rejected. The motion for a resolution is referred to the Committee on Regional Policy, Regional Planning and Transport.

17. Agenda for the next sitting

President. — The next sitting will take place later today, Thursday, 11 March, at 10 a.m. and 3 p.m., with the following agenda :

- Motions for resolutions on direct elections to the European Parliament (joint debate);
- Commission statement on agricultural prices;
- Rhys Williams report on the Community of stability and growth;
- Artzinger report on the economic situation in the Community;
- Rhys Williams report on a Community institute for economic analysis and research;
- Springorum motion for a resolution on the DRAGON project.

The sitting is closed.

(The sitting was closed at 1 a.m.)

ANNEX

Questions which could not be answered during Question Time, with written answers

Questions to the Commission

Question by Mr Hamilton

Subject: Shortage of skilled labour

What steps are being taken to collect information within the EEC concerning the shortage of skilled labour in specific crafts; and what action can be taken to relate training facilities to these shortages?

Answer

Last year, the Community's Social Fund provided some 376 m u.a., mainly for the purposes of vocational training and retraining, and this year we look to be spending 400 m u.a. One of the criteria for spending under the Social Fund is specifically related to the question of the relief of skilled labour shortages, to which the Hon. Member's question is addressed.

The Commission is in close touch with the Member States about the development of a realistic response to industry's needs for skilled labour. We have an Advisory Committee on vocational training, and there is also the new European Centre for the development of vocational training.

Moreover, I am happy to tell the House that the European System of International Clearing of Vacancies and Applications for Employment will begin to become operational in the second half of this year. This system will seek to ensure that full details of vacancies that remain unfilled in any member country are passed on directly to placement services in the other Member States. This, too, should help use face up to the problems raised by the Hon. Member.

Question by Mr Howell

Subject: Surplus of skimmed milk powder.

Will the Commission outline and explain the latest proposals for dealing with skimmed milk powder surpluses?

Answer

Together with the proposals for fixing the prices for some agricultural products the Commission made a number of proposals in December of last year with a view to reducing the supplies of skimmed milk powder. Parliament discussed these proposals in detail on the basis of the report by Mr de Koning at its last part-session.

Partly as a result of this debate, the Commission amended its proposal regarding the processing of skimmed milk powder for animal feedingstuffs.

In the amended proposal the obligation for manufacturers of animal feedingstuffs to use 2% denatured skimmed milk powder has been replaced by a measure linking the granting of subsidies for the production in the Community of certain products containing protein and the import of such products from third countries to the purchase of skimmed milk powder by an intervention agency.

We will be able to discuss the decisions taken by the Council last weekend on the Commission's proposals later today.

Question by Mr Normanton

Subject: Uneconomic tariffs by the fleets of state-trading countries.

Is the Commission considering concerted Community action to prevent the shipping sector of the free world being eliminated by the charging of uneconomic tariffs by the fleets of state-trading countries?

Answer

The rapid expansion of the merchant fleets of certain State-trading countries is certainly affecting the interests of the Community's shipping industry. The fleets of these State-trading countries have been able to acquire a growing share of the traffic on a number of shipping routes linking other ports than their own all around the world—the so-called 'cross-trading' routes—often by charging very low freight rates. And they have managed to take over a disproportionately large share of the traffic between their own ports and Community ports by buying goods on an fob basis (free on board), and by selling then on a cif basis (cost, insurance, freight). We have now reached a position where over 70 per cent of the Community's bilateral sea-borne trade with these countries is carried by their vessels.

The Commission, with the Member States, is now examining this and other aspects of our shipping industry's difficulties within the machinery of the Council. There are also international organizations where the question is being studied. Until these studies are further advanced, it is too soon to say what solutions will be put forward. But I can assure Honourable Members that we are working to develop a concerted programme of Community action in the shipping field and that the problem raised is very much in the forefront of our minds.

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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 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. Direct elections to the European Parliament

President. — The next item is a joint debate on

- the motion for a resolution tabled by Mr de la Malène, on behalf of the Group of European Progressive Democrats, on direct elections to the European Parliament (Doc. 9/76); and
- the motion for a resolution tabled by Mr Fellermaier, on behalf of the Socialist Group, Mr A. Bertrand, on behalf of the Christian-Democratic Group, Mr Durieux, on behalf of the Liberal and Allies Group, and Sir Peter Kirk, on behalf of the European Conservative Group, on direct elections to the European Parliament (Doc. 11/76).

I call Mr de la Malène.

Mr de la Malène. — (F) Mr President, I should like to explain why we tabled the motion to which you have just referred.

Our first reason was to present a document on which the broadest possible consensus could be achieved in this Assembly. We know that there are differences of opinion — let us not try to hide the fact — in our

national parliaments and countries on the thorny problem of the proportional distribution of seats. We chose to make no reference to that problem in our document so as to enable all those who consider that Mr Patijn's report, which we adopted previously, does not go far enough — while others believe that it goes too far — to approve a motion which does not allude to any kind of proportionality.

Our second reason was to recall the stipulations of the Rome Treaty, which states in Article 138 (3) that 'the Assembly shall draw up proposals for elections by direct universal suffrage in accordance with a uniform procedure in all Member States.'

For those two reasons, we wanted to table this motion without reference to the disputed subject of proportionality, while at the same time reminding you of the obligations contained in the Rome Treaty.

We now have a second motion, tabled by four groups, which is closer than in its earlier version to our own text.

I am aware that it contains the words 'on the basis of the Convention adopted by Parliament' and that this wording is ambiguous. Some view this as a working document and others as a binding text. Ambiguity is a virtue in parliaments since it enables more votes to be mustered.

I shall not prolong this debate by explaining why we tabled our motion; I merely wish to withdraw it and state that some of my colleagues will vote in favour of the text tabled by the four other groups while others intend to abstain because of the ambiguity of the text.

(Applause)

President. — I call Mr Patijn to speak as rapporteur for the Political Affairs Committee and also on behalf of the Socialist Group.

Mr Patijn. — (NL) Mr President, the European Council will be meeting in Luxembourg in three weeks time. It is to decide on direct general elections. I believe that we, in this Parliament, are facing one of the most important decisions in our history. Are we to

Patijn

become a Parliament enjoying legitimacy through the support of the peoples of Europe or are we to continue to meet here as representatives of the national parliaments? On 1 April, a decision is to be taken at long last — after 20 years — as to whether European integration should be given a democratic foundation. What should we do as a Parliament in face of this pending decision? During the past 14 months, since our proposal was adopted in January last year, we have followed what the Council of Ministers has done with this proposal. We are not dissatisfied. A great deal of work has been put in on the text submitted and a good many problems have been solved. I wish to emphasize that the Council of Ministers has at no time raised any new question which Parliament might have overlooked in its proposal. The discussions have centered on the problems defined by us and on the solutions which we propose.

In the view of my group, the needs are such that nothing more can stand in the way of a decision by the European Council on 1 April. The point which has come in for such detailed discussion in this Assembly — namely, the question whether a Representative may remain a member of a national parliament when he becomes a member of the directly-elected European Parliament — has been settled by the Council on the lines of Parliament's proposal. The question of a uniform electoral system has been approached by the Council in conformity with the proposals made by Parliament on this subject. Solutions have been found to all the problems such as incompatibility with other offices and the immunity of Members.

As we all know, the principal remaining problem is that of the number of seats in Parliament. Opinions on this point differ. Parliament has chosen three criteria for this purpose. In the first place, the membership of Parliament must be, as far as possible, proportional. The second requirement is that no country should receive fewer seats than it now has. Thirdly, the Parliament must be able to function normally without becoming too large. These criteria have already been accepted by most Member States.

As President Spénale said last week during the consultations with the Council in Brussels, the actual number of seats decided upon by the Council is not all that important, provided the criteria laid down by us are met. At present, the discussion is centered, for the most part, on the number proposed by us — namely, 355 seats — and on the question whether this number should be increased or reduced. It seems likely that when a solution is found, it will not depart substantially from our proposals.

On behalf of my group, I wish now to emphasize a point made in our discussions with the Council: the problem of the number of seats must not be used as an excuse for the Council to postpone an agreement on European elections.

Four political groups have now submitted a short resolution to this House which makes no reference to the content of the Convention on direct general elections; we have done so because we believe that we have reached a stage in the decision-making procedure at which 'Yes' or 'No' must be said to European elections. There is no need for us to go into the debate of January 1975 again. In our resolution, we are urging the Council as emphatically as we can to adopt, on 1 April, the final decision for which we have waited not for 18 months but for 15 years. That is why we reject the resolution tabled by the European Progressive Democrats. As we see it, that resolution places too much emphasis on one aspect of the subject on which we reached agreement in January — namely, on the fact that a uniform procedure must be laid down at a later stage on a proposal by Parliament.

That motion for a resolution has now been withdrawn and there is no need for me to expand on it. There is bound to be all kinds of speculation about a decision as important as that which the Council is to take on 1 April. Some observers note, with the deepest possible pessimism, that individual governments object to particular points. Adoption of Parliament's proposal requires give-and-take by all the parties concerned in the Council; but, so far, the Council has shown willingness in all its discussions. My group believes that we can and must look forward to the meeting of the European Council in Luxembourg with very great confidence. But one thing must be quite clear: the decision must be taken on 1 April. Failing that, the date of May 1978, fixed for the European elections, will be jeopardized. This Parliament and the people whom we represent in Europe, are now looking forward to that date. Elections in May 1978 are not simply elections to the European Parliament but represent the point in time at which the process of European integration will, at long last, be based on the consent of the peoples whom we represent. Without those elections, Europe will remain a Europe of technocrats.

For all those reasons, Mr President, we urge the Council with the greatest possible vigour to take at long last a decision which should have been reached long ago: elections to the European Parliament in 1978. If there are any governments which believe that they can say 'No' to European elections at the present stage in the negotiations, we view their attitude as a 'No' to Parliamentary democracy in Europe and we cannot be satisfied with that.

Mr President, I hope that Parliament will adopt this resolution tabled by four political groups, with the largest possible majority.

(Applause)

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

Mr Alfred Bertrand. — (NL) Mr President, may I first of all draw your attention to an error in the Dutch text of the motion for a resolution. In paragraph 1 the word 'Treaty' must be replaced by 'Draft Convention'.

Mr President, on behalf of the Christian-Democratic Group, I wish to thank Mr de la Malène for withdrawing the motion for a resolution tabled by his group. To avoid any confusion, I would point out that we are now only considering the motion for a resolution tabled by four political groups. It was highly desirable for this motion to be submitted. The resolution makes matters clear enough to prevent the Heads of Government from seeking motives in it which do not, in fact, exist.

We are urging the Council to take a final decision on 1 and 2 April next on the organization of direct elections in 1978. This decision must be based on the Draft Convention approved by the European Parliament in January last year.

For a variety of reasons, the Christian-Democratic Group has pledged its support for this motion. First, because in December 1974 the Summit conference decided, to our pleasant surprise, to arrange direct general elections to the European Parliament and instructed the Council to draw up a text after the European Parliament had submitted a Draft Convention, pursuant to Article 138 of the Treaty, with a view to the organization of direct general elections in 1978.

Secondly, we pledged our support because on 16 and 17 June 1975 the European Council asked the Council of Ministers of Foreign Affairs to compile a report on direct elections by the end of 1975.

Finally, we promised our support because the nine Heads of Government decided in principle in Rome on 1 and 2 December 1975 that general elections to the European Parliament should be arranged in 1978.

It transpired in Rome that the British government also approved the principle of direct general elections. That government merely asked for extra time to reach a final decision on the date of the elections. The Danish government formulated certain conditions for the holding of direct general elections to the European Parliament in Denmark.

In the light of the decision of principle taken in December 1975, the Council was instructed to draw up the text of a convention which would enable a final decision to be taken at the next meeting of the European Council on 1 and 2 April with a view to the organization of direct general elections. The European Council can approve a convention, but the convention must be signed by the Council of Ministers according to the provisions of the Treaty of Rome.

I wish to draw your attention to the legal subtleties put forward by one particular Member State with a

view to complicating a final decision on direct elections and perhaps even postponing it.

The point at issue is, of course, the application of Article 138 (3) which stipulates a uniform procedure in all Member States.

It is now being claimed that the Patijn draft fails to meet this requirement because it does not provide for a uniform procedure in all Member States and consequently Article 138 (3) cannot be applicable. I would remind you that, in 1960, Mr Dehousse drew up a proposal for a uniform election procedure which the Council then shelved and did not wish to discuss because it considered a uniform electoral procedure impossible in the first instance. Now the same persons are putting forward an argument which could not apply to the Dehousse draft which did provide for a uniform procedure.

It is now being said: we had very pleasant talks in the Council of Ministers of Foreign Affairs but the Council unfortunately made little effort to solve the three outstanding problems itself. The Council agreed to say: We could not reach an agreement but are referring the matter to the European Council, which must take the political decision on a solution to this problem. That, we are also told, is why we have not yet determined the legal nature of the act which is to embody the decision on elections; we are waiting for the European Council to take its decision.

That is creating a situation which I consider highly dangerous, because my 40 years' experience as a Member of Parliament has taught me that lawyers are expert at creating difficulties and drafting incomprehensible texts to avoid certain decisions on which no agreement can be reached. I have the impression that this game is being played now. Parliament and certainly the Christian Democrats want no part in it.

If Article 138 (3) is not to be applied because the text is not appropriate, then Article 236 can be invoked. The nine Heads of Government can equally well propose an amendment to the Treaty on the basis of Article 236. The nine Heads of Government would sign that amendment and not the Council. The nine national parliaments would then simply have to ratify it.

What I am saying, then, is that no attempt should be made to create difficulties on this point because a simple solution can be chosen.

I can imagine that the European Council may say: We do not want to force onto Parliament a date for the submission of a final convention for which the Patijn report mentioned the year 1980; we tend to believe that it may not be desirable to indicate a date. I have nothing against that; as far as I am concerned there is no need to indicate a date. One thing is, however, clear: if we are ever directly elected, we shall

Bertrand

have to draw up a final convention for direct general elections on the basis of Article 138 (3), if not in or around 1980, then at all events before the end of the first five-year term of office for which we are elected.

We wish to stress that this argument cannot be used by the European Council to postpone a decision on 1 and 2 April next.

The second difficulty is that no agreement has been reached on the number of members; three or four different proposals have been put forward. Our President explained the views of Parliament very simply in the discussions with the Council. He said to the Ministers: Gentlemen, if you decide to set up a Parliament of 300 to 400 members, we do not mind what precise figure you choose as long as you do not establish a mammoth parliament of 500 to 600 members which cannot function normally. With a view to the possible further enlargement of the Community, we will agree to any number between 300 and 400 which you consider most likely to lead to an agreement. Mr Spénale did, however, add that we place two conditions on our acceptance: firstly, that the present number of representatives of each Member State must not be reduced and that this condition must apply to the representation of all Member States. That is the first principle. The second is that a certain proportionality must be respected in the representation of the different countries so that all the political trends can be represented in the European Parliament after direct elections.

For us then, the problem of the number of seats is not a particularly difficult one. We leave it to the Council to decide, although we consider the Patijn proposal the best one. It is most suited to the requirements and will create the fewest difficulties.

The date of the elections also creates a slight difficulty. We have said that the Council can solve this problem in an appropriate manner. In some countries, elections are always held on Sundays. In others, elections are never held on Sunday for religious or other reasons. We have said to the Council that a weekend, in other words Saturday, Sunday and Monday, could best be chosen as the date for elections. The Council can reach the decision on this. There are also countries in which the elections take place in two ballots. We therefore proposed in the Council that the first ballot should take place in those countries on the date fixed for the elections. The Council agreed to this.

Parliament also adopted a very clear position on the protocol containing special provisions for Denmark and the United Kingdom. We must make this point quite openly today in order to make our position clear. I wish to make these points here in public so that everyone can take note of them. In this way, we shall be cutting the ground from under the feet of the Heads of Government if they try to put forward certain arguments. They cannot, for example, hide behind the suggestion that there have been differences

of opinion between them and us. There have been no such differences because of our open-minded approach and the forthcoming attitude we have shown to enable a decision to be reached on 1 and 2 April. Our position is also clear on the protocol to which I just referred. Two proposals have been made, firstly a proposal for a general protocol covering all the Member States. This would have meant that if, for any particular reason, a Member State could not hold the elections on the fixed date, elections could be postponed. Until such elections were held, the Parliament of the country concerned could still nominate its representatives to the European Parliament. We immediately rejected that proposal. Objections on this particular point are only being put forward by two Member States. It would be wrong to extend this arrangement to the nine countries. We therefore opposed a general protocol and said that the specific protocol must be limited to Denmark and the United Kingdom.

Mr Spénale proposed an ingenious solution to the Council for our Danish friends. Our Danish friends have said that, under their constitution, the Danish Members of the European Parliament must also be Members of the Folketing and that the dual mandate must therefore be maintained. Mr Spénale suggested a provision to the effect that Danes who are elected Members of the European Parliament could automatically become Members of the Folketing. It could also be laid down as a general rule that membership of the European Parliament could automatically become Members of the Folketing. It could also be laid down as a general rule that membership of the European Parliament automatically includes membership of the national parliament. This would create a different situation further strengthening the legal basis of the position of members chosen by direct election.

That is our interpretation of the motion for a resolution which we unanimously support.

(Applause)

President. — I call Lord Gladwyn to speak on behalf of the Liberal and Allies Group.

Lord Gladwyn. — Mr de la Malène has, happily, withdrawn his draft resolution, but he has indicated that it still represents the view of at any rate some Members of this Assembly, and I imagine that it also represents the views of quite a number of political elements in France. As it seems to me to represent a very dangerous thesis, I propose to devote my few remarks to saying exactly why I think that is the case.

But before doing so, I should like to say that I entirely associate myself and my group with what has been said so eloquently by the two previous speakers, our rapporteur, Mr Patijn, and Mr Bertrand, the leader of the Christian-Democratic Group.

I may not have understood Mr de la Malène's withdrawn resolution correctly, but it looked to me as if it contemplated approval by the Council of Ministers of

Lord Gladwyn

agreed parliamentary proposals for a common electoral law before the Council could adopt any draft convention of the type which the Parliament has already prepared and put before it. If that is so, it seems to me that his withdrawn proposal is not just one for putting off direct elections for, say, a month or two, but is one for putting them off to the Greek Kalends.

During the long debates on direct elections last year in the Political Affairs Committee, it became clear that a common European electoral law was something on which agreement could not be reached for many years, if only because the historical development of our various nations has resulted in entirely dissimilar political structures which cannot suddenly be altered—save, presumably, by some kind of total revolution, even a violent revolution.

I imagine it was for that reason, if for no other, that our excellent rapporteur rightly proposed, after exhaustive consultations, that the first elections to the European Parliament should take place on the basis of each nation's own electoral procedure, or, rather, on the electoral procedure which that individual nation believed was best suited to its internal political circumstances. Whatever reading may be given to the relevant article of the Treaty of Rome—and, as Mr Bertrand said, it can be argued two ways—it cannot be denied that this is the only possible way, in practice, to organize direct elections.

Nor can it be maintained that, if adopted, it would be in any way anti-democratic, as some might pretend. It is true that the electoral law of some Member States of the European Economic Community is better calculated than others to produce an entirely representative Parliament. But so long as Member States are States and not parts of a federation or union, it can lie only with them to determine by what means their representatives to the European Parliament should be elected. In other words, any proposal for agreement on a common electoral procedure before the European Parliament can be elected can be supported only by those who, flying in the face of every political possibility, demand the establishment of a European federation here and now, or by those who see in it a ensuring that no kind of political union ever comes about at all.

Even if Mr de la Malène's withdrawn resolution could be interpreted as meaning that the European Council should reach agreement on 2 April on a convention of the type proposed by Parliament and now before it, but that such a convention should become operative only when agreement is reached on a common European electoral law, the result would be much the same. Nobody could imagine that, for instance, such agreement could be forthcoming by May 1978. Indeed, as has already been made entirely clear by Mr Callaghan and others in the United Kingdom, we shall have considerable difficulty even in reaching agreement on a local electoral procedure of our own

choosing. Nobody denies that, but I think that we shall meet the timetable all the same.

For all these reasons, we can only hope that nothing remotely resembling the thesis of the resolution withdrawn by Mr de la Malène will be put forward by the French representative in the European Council on 2 April. But if it should be, or if anything, like it should be put forward, I can only suggest that his colleagues would be well advised to say that they are prepared to elect their representatives by their own preferred electoral procedure in 1978, leaving it to the French, should they so desire, to nominate their quota of deputies, if that is the only solution open to them in view of the national political difficulties with which I fear they may presently be confronted.

(Applause)

President.— I call Sir Peter Kirk to speak on behalf of the European Conservative Group.

Sir Peter Kirk.— The European Conservative Group welcomes the opportunity given by the resolution to reaffirm its position on this matter, which is of such vital and critical importance not only to this Parliament but to the Community as a whole. As Mr Bertrand has said, it is a short and simple resolution, and therefore it calls for a short and simple speech. That will be a matter of great relief not only to me but, I am sure, to my colleagues. It is not a resolution which admits of any misunderstanding.

We believe that direct elections not only are important but are treaty obligations. They are important as a necessary step in the democratization of our Community and are an urgent necessity in the practical running of the Community. The present situation cannot be allowed to continue for much longer. Elections must take place, with deliberate speed, preferably by the month of May 1978.

We believe that a decision to achieve this can and should be taken at the meeting of the European Council which is due to take place on 1 and 2 April in Luxembourg. We believe that that decision should be taken on the basis of the Convention by this Parliament on the motion of Mr Patijn in January 1975. This does not mean, as Mr Bertrand made plain, that we or anybody else can be held to be totally committed to every dot and comma of that document. It is well known that there are differences of opinion not only in this Parliament but in national governments and parliaments as to the exact distribution of seats in a directly elected Parliament. In general it can be said that a figure of between 300 and 400 members is acceptable. The way in which those figures are divided can be approached on the basis of Mr Patijn's convention, or in some other way. This is not a matter that need hold up a decision in principle of a fundamental kind at the beginning of next month. If it is held up, there will be a suspicion that technical reasons are being used to thwart a political decision.

Kirk

It is well known, as can be seen from reading the debates held in this Chamber in January 1975, that my group always had slight reservations about the exact distribution of seats, as did others. It will be recalled that the original proposal was for a much larger body, consisting of over 500 members. On amendment other figures were inserted, and my group tabled a further amendment proposing a figure of 387 seats. But that did not stop us voting for the Convention as a whole at the end of the debate, or from accepting the principle — and it does not stop us from accepting the principle now, even though we may have minor reservations about the distribution of seats and various other matters.

We believe that it is essential that the European Council takes a decision at the beginning of April, and we pledge ourselves to work towards the early implementation of that decision within the next two years, if possible, to ensure that there is very soon a directly-elected European Parliament.

(Applause)

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

Mr Sandri. — *(I)* Mr President, we in the Italian Communist Party welcome the reasons for which this motion for a resolution has been tabled. We welcome this initiative because, through motions of this kind, Parliament can once again engage in a debate on the future of the Institutions. However, our position on the content of the motions — or rather of the motion since the document submitted by Mr de la Malène has been withdrawn, — is different. What progress has in fact been made towards the election of the European Parliament by direct universal suffrage and how have matters advanced in practice in the past year? In reality, and it seems to me that today's debate confirms the fact, we are still at exactly the same point as a year ago when we considered the Patijn report; in regard to that report some Members of this Assembly have shown a flexible attitude which suggests a willingness to make further concessions.

On 1 and 2 April next, the European Council will, it appears, be discussing problems connected with the election of this Parliament — the number of Members, the dual mandate, the date of the elections — in short, all the questions which we considered a year ago and on which no progress has been made since; not even the embryo of a decision has been taken in recent months. And it now seems that the European Council will also reach no decision at the end of its meeting.

This ambiguous situation seems to show just how far the Institutions have deteriorated and how unable the Community is to break out of the spiral of difficulties. These are bound to worsen, because their basic cause lies in the attempt to build a European identity based more on the search for a diplomatic balance than on a

genuine attempt to meet the true requirements of democracy and allow the genuine participation of the peoples of Europe.

That is the background against which we would assess the motion for a resolution now before us. Let there be no misunderstanding, however: we in the Italian Communist Party support elections to the European Parliament by universal suffrage. We believe we have understood the importance of this decision, although exaggeration of its importance by viewing direct elections to the European Parliament as a panacea for all the ills of the Community would in fact be tantamount to evading the more serious and complex reality of European unification.

We support direct elections as one phase in a major political struggle to be fought in every sector for the democratization of the European Community.

We therefore welcome the efforts made last year by Mr Patijn, although, as you well know, we expressed reservations, which I shall not repeat now, concerning the procedure for the elections proposed in his draft. On that occasion we abstained. Since nothing has changed in the meantime and the situation seems to be frozen, we in the Italian Communist Party therefore feel that we must maintain the attitude we adopted in January 1975, when the Patijn report was submitted. We wish now to reaffirm our criticism of a policy, and above all a method, which make the Community increasingly alien from its citizens, just as the appeals which, declarations of faith in Europe often appear faint hearted or merely rhetorical.

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

Mr Fellermaier. — *(D)* Mr President, Ladies and Gentlemen, at this stage in the debate I feel it is necessary to note how tortuous the position of the Communists is in this Chamber. Whenever there is an occasion to attack the Community, the Communists in this House speak as a group. But when it comes to the question of democratizing the Community by introducing direct elections by universal suffrage, the speaker says: 'We in the Italian Communist Party ...' For the record, I note that on this question there is apparently a silent French Communist Group in this Parliament which demonstrates all the more vociferously in France against these elections — the same is also true of the Netherlands — and an Italian Communist Group which, when stating its position here, does not say 'Yes' but does not want to say 'No' either because that is more appropriate to the internal political situation in Italy.

Ladies and gentlemen, we are faced here with an important issue. This contradiction must be brought out into the open in our Parliament. I see a French Communist Member on our benches. Where is her political platform for us to consider? Not simply in

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the French National Assembly! The dual mandate means that the French Communists must also make their position clear in this House: What measure of democracy do they want in our Europe of the future? The French Communists cannot pass this question over in silence any longer.

(Applause)

President. — Mr Fellermaier, I must point out that Mrs Goutmann has entered her name on the list of speakers, doubtless for the purpose of stating the position of the French Communists. She has not, therefore, decided to remain silent.

I call Mr Concas.

Mr Concas. — *(I)* Mr President, Ladies and Gentlemen, without in any way underestimating the Members who have tabled the motion for a resolution now before us, which raises once again in this Assembly the subject of European elections by direct universal suffrage, we are bound to point out that the European Parliament is yet again being obliged to call for the application of Article 138 of the EEC Treaty which had for too long been disregarded and forgotten.

This delay is clearly not attributable to our Assembly, which as long ago as 1960 submitted a Draft Convention drawn up by Mr Dehousse and other colleagues and went on, in January 1975, to approve a new Draft Convention prepared by Mr Patijn; the true responsibility for delay rests with the governments of the Member States, which, fearing the breakthrough represented by European general elections, preferred to postpone that important event.

We Italian socialists, consider that the democratic project of these elections can no longer be delayed and that the time has now come for the European Council to take a decision as quickly as possible.

We would have preferred the decision on the Convention not to be taken by the European Council, because the EEC Treaty gives that responsibility to the Council of Ministers, who will, we are sure, take the formal decision. It must, however, be recognized that, as things stand at present in the Community, the European Council has become the supreme decision-making body — a fact which Prime Minister Tindemans welcomes in his report — although that body is not answerable to Parliament and is subject to no control by our Assembly; this heightens the intergovernmental rather than Community character of the process of European integration.

We realize that the task of the European Council is not easy, because the major outstanding problems are in reality political and not technical, as they may seem.

The first problem concerns the number of seats in Parliament, and thus essentially the representation of the smaller Member States, whose requirements are such that it is quite impossible to adopt a strictly proportional system without changing the future Parliament into a huge Assembly which would find it extremely difficult to function. These are the reasons for which we approved the Patijn report last year (it also closely resembled the proposal worked out by the Italian government), which — while favouring the small nations — guarantees an equitable and balanced representation for all, and may therefore be considered an acceptable solution.

The second problem concerns the option granted to the individual states to organize these European elections on the first occasion according to their respective domestic electoral laws. This necessarily means that the Members of the European Parliament would be elected by different systems, all of them democratic — on that point there can be no doubt — but elected in some cases by proportional representation, in others by a simple majority and in still other cases by two successive ballots; a single identical electoral system for all the Member States could not be found. We believe that a single electoral system must be sought, and we hope that preference will be given to the proportional system, which we would like to see adopted in the near future.

The third problem concerns the dual parliamentary mandate. We should have preferred the principle of incompatibility to be recognized. But here, too each Member State is being allowed to make its own arrangements and adopt the method it considers the most appropriate.

Mr President, ladies and gentlemen, we European socialists and in particular Italian socialists, are preparing energetically and with real determination for the elections in 1978 as our secretary, Comrade De Martino, recently stated to our National Congress; in close cooperation with the other European parties we are working out a platform, a joint programme which will show our common commitment to give the Europe of tomorrow a democratic and socialist face. We look upon European elections as the first step towards a new European society in which the workers can become the true protagonists of future history in complete respect for democracy and the human personality and in a great project of social justice.

In that spirit, the Italian socialists will vote in favour of the resolution tabled by Mr Fellermaier and other Members on behalf of other groups.

(Applause)

President. — I call Mr Guldberg.

Mr Guldberg. — (DK) Mr President, I should like to start by thanking Mr de la Malène for having withdrawn his motion for a resolution, and so avoided the danger of today's voting taking place against a background of differently coloured wordings.

The remaining problems are — with one single exception — of a practical nature. They may be big enough, and can of course also create a number of problems in the various countries, but the proposal Mr Patijn drew up and the whole of Parliament supported is based precisely on the idea that they can be solved in each individual country inside a common framework. I am very pleased that this is the basis on which we shall be adopting our position.

I therefore owe my colleagues here in Parliament some observations regarding the sole exception of principle that, so far as I can see, remains—namely the reservation that the Danish minority government is still maintaining during the negotiations to draw up the convention.

I may perhaps be allowed to say I that I know the original Danish reservation from the December 1974 Summit Meeting in Paris particularly well, since I drew it up myself, and I should like to point out that all that the reservation says is that the then Danish government, at that time December 1974 could not undertake to hold direct elections in Denmark in 1978. That is a reservation that is quite in accordance with the principle.

The reason I am taking the floor today is to prevent misunderstandings about the attitude in Denmark towards direct elections to Parliament. In Denmark, the minority government is putting forward proposals that I do not wish to detail here. In practice, they will mean that while the whole of the rest of Europe will elect members to Parliament for a period of 5 years — and the primary and decisive thing will be that they represent their home voters — in Denmark it will be a spare-time occupation, a kind of sideline to a seat in the Danish Folketing. Danish participation in this Parliament will thus be an expression of an attitude that is quite incompatible with the basic principle.

I would also point out that I have raised doubts about the tenability of this arrangement in view of Article 138 of the Treaty.

Of course it is plain to all that a single special arrangement for 1978 cannot be in conflict with the Treaty. After all, we have freedom of choice between the existing possibilities. But if it is made into a question without a time-limit, it does not, at least in my understanding of the terms, amount to universal equal suffrage and direct elections. For this reason, we have asked for a legal opinion from both the Danish administration and from the Communities, from the legal services of the Council, the Commission and Parliament. I have every hope that we shall be able to secure a good clear explanation.

If the Danish government maintains that it will put forward a bill in line with the ideas mentioned, we shall have to find out whether it does not conflict with the Treaty. Personally, I am convinced that it does if there is anything more than a slight deviation.

There are two reasons why I say that. Firstly, it creates a differing position. Secondly, the discussion that has taken place in connection with direct elections to Parliament and European politics a reality for the discussion it at all has meant a lot.

Finally, I should like once again to recall that the proposal in Denmark at the moment is being put forward by minority government, and as far as we can see neither the Danish Folketing nor the Danish population will show a majority for such a proposal. Let my contribution to the debate here, therefore, be that we shall go on, without any country is having made any actual reservation against the principle. The reservation will apply only to the practical difficulties which, as we know, are present in all countries but which, as Mr Patijn has so excellently proposed, can be solved in in each country separately.

(Applause)

President. — I call Sir Derek Walker-Smith.

Sir Derek Walker-Smith. — The path to direct elections has been a long and some what stony one and I can well understand some impatience, perhaps, on the part of this Parliament and in particular those who have been Members of it for a long time. But, as I said yesterday in the debate on the decision-making procedures of the Council, speed, although desirable, is not the sole criterion. It is of even more importance to get the best solution and to arrive at it with full constitutional propriety and consultation.

It is not, of course, for the European Parliament to give orders to the Council, though it may properly exhort it. The Council, under the Treaty, has a duty to consider the proposals of the European Parliament, but it is not bound by them.

It is in that sense that I interpret the phrase in the resolution 'on the basis of the Convention of the Parliament. Indeed, this is the only sense in which, having regard to the institutional provisions of the Treaty in general and to Article 138 in particular, the phrase can be legally and constitutionally interpreted correctly.

The Council then will take the Parliament's scheme as a basis, to use the wording of the resolution, in the sense of a starting point and a guide, but not as a tight and unchangeable framework. The Council will evolve the best scheme it can this may be identical with Parliament's scheme but may differ from it in the interests of practicality, of parity of representation and of the optimum distribution that can be achieved.

Walker-Smith

I drew attention in the debate in January 1975 to some of the disparities involved in this scheme. I need not repeat them now, save only to say that there are marked disparities affecting Member States and parts thereof.

When exercising its function, the Council will take into account the views expressed by the national parliaments, because no scheme can take effect without the goodwill and assent of the national parliaments.

That is so for two reasons. The first is the wording of Article 138(3), which says that the Council shall 'lay down the appropriate provisions, which it shall recommend to Member States for adoption in accordance with their respective constitutional requirements'. The second is the altered composition of Parliament will require an amendment of Article 138(2), and that requires ratification by the Member States under Article 236 of the Treaty.

This point also applies to the words 'final decision' used in the resolution. I hope that this will not give rise to any misunderstanding. Any decision taken by the Council in April must be subject to individual adoption by the national parliaments under Article 138 (3), and the word 'final' must be read, therefore, subject to this important qualification.

What the Council can hope to achieve in April is a decision on a scheme which can be recommended, or, at any rate, a decision that a scheme will be agreed for recommendation as soon as possible. I prefer the words 'definitive decision', a term used twice in speeches this morning, to the word in the resolution which has to be read in the qualified sense that I have described.

It may well not be possible, however, in April to arrive at an agreed detailed distribution of the 300 to 400 Members and put forward a firm recommendation about it. As the House is aware, difficult and delicate questions are raised by the pattern of distribution, and in my view it is better to have some delay than an unfair or inferior scheme.

I therefore summarize my position in this way. I support the principle of direct elections for the reasons I gave in my speech in January 1975. I make no reference to the interesting questions raised by the de la Malène resolution, because that has been withdrawn. I support the composite motion for a resolution on the assumption that its wording is not intended to put the Council in a straitjacket of precise and detailed compliance with the Parliament's scheme and distribution and on the assumption, too, that its wording is not intended to be—as it should not be, interpreted as wishing to vary the Treaty procedures or in particular to derogate from the rights of national parliaments.

Those rights are vital, not only because they are part of the legal structure of the Community but because

any scheme for direct elections and any resulting composition of the European Parliament must, to be successful, be based on the assent of the peoples of the Member States, at present directly expressed only through their national parliaments.

Therefore, let the Council make what speed it reasonably can, observing the constitutional procedures, to get the best, the most practical and the most equitable scheme, and let us here support it in that effort.

(Applause)

President. — I call Mr Dykes.

Mr Dykes. — It would be inappropriate to go into details on this matter today. The debate must be the expression of the general and united will of this House.

We have many people—not only Mr Patijn—to thank for all the work that has been done. I am sure that the House appreciates the understandable caution of, and the valid constitutional points made by, my colleague Sir Derek Walker-Smith. But this is not only a matter of the natural caution of the constitutional experts. It is also a question of the expression of the political will of Parliament. That is why the debate is important and why I, speaking personally, am very glad that the resolution is positive but brief and does not get into contentious difficulties on a textual basis. This, in its turn, makes it easier to have a united, visible collective expression of the view of Parliament very close to the meeting of the European Council on 1 and 2 April.

At the risk of being repetitive, I should like to make a few general propositions which I hope Members will support. Let us remember that it was the European Summit and the previous meeting of the European Council that set the target date, and that therefore they have an obligation to Parliament to be positive on 1 and 2 April. We are now in that difficult stage when second thoughts begin to be had even by those who are enthusiastic about direct elections.

The exercise is not just difficult but extremely difficult. There are major problems in France and all the other Member States, including the United Kingdom, which is a cluster of different countries put together. Even to me, some of the organizational, structural and constitutional problems seem insuperable. But it is not only a matter of organizing a proper constitutional framework for the elections. It is a matter of political will, which you, Mr President, have rightly shown with courage, not least in your recent speech to the European Movement conference in Brussels.

This Parliament must hang on and not let go when the European Council in April raises difficulties and objections. It is bound to do that on some of the details. We want a commitment to the target date of 1978. We want a general agreement, which can be

Dykes

unwritten, that we go on from the acceptance of that target date and that each Member State begins the constitutional, organizational and detailed work that needs to be done to implement direct elections as soon as possible. If the will is preserved by enthusiastic Members of this House, and if the Press correctly delivers the central message of this debate to the Member States, public opinion can be engaged upon the task of reaching this goal.

I very much sympathize with those attending the European Council meeting in April to discuss these problems. The Council is confronted with enormous difficulties, not least the question of numbers. I feel strongly that the 355 threshold in the Patijn draft will not be adequate, and an increase in total numbers may be necessary. With regard to Luxemburg, if Parliament can agree to abandon its individual seats for individual members and have zones for the be big enough different groups, the Luxemburg Chamber may well be big enough to accommodate an enlarged Parliament.

I am speaking personally, but I hope that what I say is echoed in other parts of the House. Today's attendance is not very good, bearing in mind the critical nature of the subject. Parliament is at a vital historical threshold. There needs to be proper and legitimate, but strong and unmistakable, pressure on the European Council in April. It needs to be concerted, and to transcend all the political groups here, including the Communists.

(Applause)

President — I call Mrs Goutmann.

Mrs Goutmann — *(F)* Mr President, we greatly regret the fact that no fundamental debate is being held on the Tindemans report during this part-session. We regret this all the more as the question now before us—namely the election of the European Assembly by universal suffrage — is very closely bound up with European integration and the construction of an increasingly atlanticist European union. The matter at issue is not so much election by universal suffrage or the procedure for electing the future Assembly as the significance for Europe, and for each Member State of the European Economic Community, of the supranational election of a supranational assembly whose powers, narrowly enlarged, will take precedence over those of the national parliaments.

Supranational elections are a way for Europe, under the stranglehold of the great multinational monopolies, to put the Tindemans report into effect even if it is not adopted in its present form.

Implementation of a project of this kind would directly jeopardize the sovereignty of France. To allow a supranational body the authority inevitably conferred upon it by universal suffrage is to curtail drastically the powers of the national institutions.

We do not want anyone to decide for us, just as we would not want to see France deciding by the majority rule for Ireland, Italy or Belgium. In the institutions of the European Economic Community, we wish to guarantee the right of the people of each nation to choose the form of government they want and to pursue the social, economic and foreign policies which correspond to their requirements.

The same objects are pursued by our Italian friends and all the Communist parties in the European countries; the same object are embodied in the joint programme for government to which the French socialists also subscribe.

I am surprised by the unworthy politicking of some Members of this House in their attempt to exploit differences of opinion within the Communist Group.

The only way for our country and for all the other countries of Europe to escape from the crisis is to preserve our national independence; genuine democracy also implies national independence.

France, like all the Member States, requires a prosperous and strong economy, an economic and social policy aimed at satisfying the needs of the working population, and complete freedom to pursue a broad policy of cooperation on the European scale. We favour the construction of a democratic, independent Europe, a Europe of the workers, just as we favour the definition of common policies in a strictly defined framework — but we shall never agree to a supranational body deciding for us and against us.

(Applause)

President — I call Mr Schulz.

Mr Schulz. — *(D)* Mr President, Ladies and gentlemen, regret at the fact that we are once again unable to hold a fundamental debate today and are again facing an almost intolerable pressure of time in discussing a vital topic, is the only point on which I agree with the remarks by the distinguished previous speaker.

Allow me to comment briefly on the public reaction to the Draft Convention which we adopted in Luxemburg on 14 January 1976. I venture to assert that between the entry into force of the Rome Treaties in 1957 and the end of 1974, there was never so much comment on the development of the European institutions in the press and on the radio and television as in the last 14 months. Opinion polls conducted as recently as in the past few weeks confirm that a great majority of the voting citizens of our countries will accept the idea of direct elections to the European Parliament and that this majority views direct elections as a welcome qualitative step forward towards integration. The idea of this historically new step seems to me to have lit a new light on the European

Schulz

horizon. The new step is the first experiment in popular sovereignty in our everyday Europe.

I am all the more sorry, then, that a rapid opinion-poll was not taken in the last few weeks on the outcome of the meeting of the Council of Ministers in Brussels, where, surprisingly enough, the main subject of dispute was the date of the elections. I believe that the result of any such poll would have been extraordinarily critical, and rightly so. The newly awakened interest and goodwill would have turned into bitter disappointment and angry scorn at this way of treating a vital subject.

The patience of the sovereign—or rather, the sovereigns—cannot be tried indefinitely. I personally would have considered it highly beneficial to call to order those who still seek to block the path to Europe and European integration with artificial piles of stones or pebbles — and sometimes it is harder to deal with the pebbles than with the stones. Since no warning has been given yet, it is all the more necessary for this Assembly to remind the Council emphatically and urgently of the responsibility which it will have to bear in three weeks' time.

On 1 and 2 April there will not simply be artificial or exaggerated obstacles but a whole series of practical material difficulties which, with the best will in the world among all the participants, will require a great deal of time to overcome. These difficulties do not include the distribution of seats in a new, directly-elected Parliament or the number of Members, nor even the derisory question of the day on which elections are to be held or the subject of a single electoral law. Ladies and gentlemen, all those matters could be safely left to the first freely-elected European Parliament, which will be able to propose to the other institutions suitable corrections to the draft convention to be adopted now. After all, it will have five years to do so.

The essential issue is the time required for ratifying the draft convention in the national parliaments and for drafting appropriate electoral laws in the Member States. Time will be needed for that purpose, and the time may just not be available if a clear decision is not taken on 1 and 2 April.

If no decision is taken, the European Council must admit that it does not want direct elections or at least not on the date which has already been under discussion for a long time. The European Council will be exposing itself to the risk of a public impression that all its previous positive statements were nothing more than theatrical effects. Three weeks before a decision concerning this very House, the time has come to speak in real earnest. We all hope that the Council will give the green light enabling us all to breathe again and gradually regain our confidence in the goodwill of those who, for the past sixteen or eighteen

years, have shown little eagerness on the subject of direct elections, to put it very mildly.

In conclusion, allow me to stress my view that this House owes it to itself to consider an alternative should no decision be taken on 1 and 2 April. I myself, of course, cannot offer any recipe for such an alternative now. I hope it will never be necessary to apply it. But my mind is quite clear on one point: failing a decision on 1 and 2 April, I do not see how this Assembly can continue to work as though nothing had happened.

For that very reason I would appeal for everything possible to be done. If we are faced with failure public opinion may be so disappointed that it turns its back on Europe, in the awareness that Europe has a great future behind it.

Unfortunately this Assembly has as yet all too little political say, but its moral weight is still considerable. I therefore appeal to you all to throw this moral weight into the balance and avoid a catastrophic situation early in April.

(Applause)

President — I call Mr Aigner.

Mr Aigner. — *(D)* Mr President, ladies and gentlemen, all the speakers so far have expressed the fear of a negative decision by the Council at the beginning of April. I do not agree with that view for one simple reason. I believe that all the Heads of State or Government have one thing in common which will become clearly apparent at the Council meeting in April: they all wish to maintain their national power base. We know that all the national governments have a majority of only a few per cent of the electorate. But it is well known that the floating vote is most responsive to the subject of European integration. We have seen — and I consider this the most positive sign of all — how the discussion of European elections has followed a momentum of its own which I would not have considered possible in my wildest dreams. This has become an explosive issue in public debate. No head of government — all the national elections at every level, even the cantonal elections, have shown this — no majority can in future pursue an independent European policy. If the Heads of State fail to take clear decisions on this occasion they will have played the wrong hand. This shared interest will certainly lead to a positive decision by the Council.

My fear is not that the Heads of Government will fail to take a clear decision but rather that in a process like this, where dominant structures must be overcome and reformed, only one thing will be achieved by a half-hearted approach—namely, the mobilization

Aigner

of opposing forces seeking to maintain the establishment. Unless our own political determination is brought fully into play the opposing forces will be stronger than those seeking reform.

Reforming forces are necessary to build Europe. My fear is that back at home the Heads of Government may not mobilize this absolute political resolve for reform in their capitals and national bases.

I certainly do not see European elections as a breakthrough: they will not forge the way ahead, but they are an essential transitional stage towards European integration.

Mr de la Malène, some time ago I put two questions to a leading French politician of your party in a discussion on national rivalry in Europe. My first question was whether he believed that there could still be national wars today between European Member States, for example between Italy and Germany, France and England or France and Germany. His answer was quite definite: that is out of the question now. I believe we would all give the same answer.

My second question was whether he also considered it impossible for civil war to break out today in Portugal, Spain, France, Italy or the Federal Republic. After a moment's hesitation he answered No, unfortunately that possibility could not be ruled out.

Analysing those two replies we are forced to the inevitable conclusion that beyond the solidarity of power politics between the nations of yesterday, new structures and areas have already been established which are supranationally effective beyond the national frame. That being so, we must lay down rules for these structures and areas. Unless we do so, the Communists and anarchists — this is, of course, the real reason why the Communists are opposed to European integration — will continue to fish in troubled water. Unless we define rules for this area, disaster and anarchy will prevail tomorrow. In other words, we must extend the play of European forces, under the rules of majority decisions, to the supranational European level. That is the central reason for European elections.

Clearly, however, Mr President, this is not an easy decision. It is one stage only. If it were to mean that the concept of the nation as it has grown up in the course of history were to be abolished, I would be the last person to approve such a Europe. Of course the nation states will continue to do all they can in their own confines; moreover, they cannot and must not abandon their sovereignty. And where sovereignty can no longer be exercised because it has ceased to exist at national level, it need still not be abandoned but must be exercised jointly in a new form. Where national sovereignty has ceased to exist it must be won back by

joint action. If these facts are properly understood we shall move beyond a sterile discussion about the supranational Europe of fatherlands. Joint action is profitable only where the individual nation can no longer act on its own.

We shall soon be having a debate on the economic situation. I am continually surprised ladies and gentlemen, that there are still governments which jealously defend the right to print their own banknotes for the next hundred years and accuse their neighbours of failing to guarantee the value of *their* banknotes, because external influences are much stronger than national sovereignty.

Where does all this talk of safeguarding national sovereignty lead us? It is, of course, not easy to introduce into this interplay of forces a European Parliament whose future shape no one can now define. There is a fear of the unknown, of majority decisions taken by a Parliament no one can predict. What, for example, will our position be towards the European Communists? I can only advise anyone who is interested in that question to read *La tentation totalitaire*, by Jean-François Revel. He describes matters which every Frenchman and every European will have to consider tomorrow.

Fear of the unknown is of course great. But, Mr President, in this Parliament we have been able to gather experience for a great many years; I have belonged to this Parliament since 1961, and for me one of my most positive experiences is that even people who came into this House as communists or nationalists have, drawn in by the joint discussion and who shared interests, rapidly become Europeans and they all more or less discuss on the same wavelength. This effect of our joint debates is my strongest experience. Have we not repeatedly seen in the consultations with the finance ministers how this Parliament, once having gained a certain power of decision on budgetary matters, has come face to face with the same problems as the Council? We cannot, of course, create a constitutional structure for Europe out of a test tube. One thing we know, however: if the European Parliament and the European Council — the Tindemans report realistically and, to my mind rightly, views the Council as a second or first European chamber, a chamber of nationalities — are to be capable of functioning properly, they will be faced with the same problems because the same conflicts of interest will then arise in the Parliament as in the Council and the same majority-voting results will prevail.

Fear of the unknown should not be greater than the fear of a Europe doing nothing and being engulfed tomorrow by these immobile structures so that it can no longer determine its own destiny.

(Applause)

IN THE CHAIR : MR GULDBERG

(Vice-President)

President — I call Mr Fletcher.

Mr Fletcher. — One of the best ways of delaying action is to have a quick and ready agreement in principle. After all, it is easy to agree on such a good democratic principle as a directly-elected Parliament. No politician would dare disagree with that, not even those on the other side of the Iron Curtain.

The Community has taken this great decision in principle, but obviously there are some doubts among us as to whether the Council has the will to put this principle into practice and to proceed with direct elections in 1978, otherwise the debate would not be taking place today.

I share the conviction of Parliament regarding the need for direct elections, but I take the perhaps unpopular view that we have proposed a distribution of seats that inevitably presents some delicate political problems. I do not believe that we are helping the Council to make this decision to implement the directly-elected Parliament if we avoid the problem that in my view, to some extent at least, we have ourselves created. If the distribution of seats delays a decision in the Council or provides an excuse for a delay by the Council in reaching the decision, I suggest that this Parliament will not be altogether blameless.

The quality and distinction of a directly-elected Parliament is that it is not another meeting place for Member States. Parliament's contribution to European union is that it does not represent Member States, it does not represent governments, but it represents people, and it must do this on as equal a basis as possible. However, I am afraid that the Convention adopted by Parliament does not achieve this.

It is well-known now that it will take, for example, three times as many people voting in Northern Ireland to elect one European Member of Parliament as it will take just across the border in the Republic of Ireland. The same very acute problem applies to Scotland compared with Denmark. The same problem is perfectly clear in the regions of Germany, in the regions of France and in Italy. How can this be justified to the people of Northern Ireland, Scotland, Wales, Bavaria and Brittany? I cannot see any way at all in which, when presenting the argument for a directly-elected Parliament to represent the people of Europe, we can possibly endorse such an inequality in the strength of the votes from one country to another, a large country or a small country.

It would be a constructive contribution to the next meeting of the Council when it faces this decision if, as well as pleading passionately for a decision to be made in this matter, we also revealed our awareness of the acuteness of the problem that exists between one Member State and another, between one person's vote and another person's vote, and if we showed that we were willing as a Parliament greatly to improve the voting equality of direct elections.

(Applause)

President — I call Mr Lenihan.

Mr Lenihan. — I am very glad that the resolution has commanded wide acceptance in the Parliament. I believe that this is essential because the political will for direct elections should come first from the people who are directly concerned.

I take it that I am expressing the view of all of us here who are democrats and parliamentarians that the psychological impact of involving our peoples in direct elections will provide the dynamic that is required to give our Community the life, lift and thrust that come from democratic participation. Therefore, having expressed our political will in this matter in January 1975, we now reiterate our political will some three weeks before the European Council meets on this fundamental matter.

In my view, this represents a test of the political will of the European Council. It is quite clear from the almost unanimous view expressed by this Parliament that this is what we require from the European Council, particularly as it has given us a positive initiative and lead in regard to the target of direct elections for May/June 1978. This Parliament and our peoples will not tolerate any delay in achieving that objective. To withdraw from that target, which has been set by the European Council, would represent a serious psychological blow to the aspirations of all our peoples in this Community.

There is an urgent need for a positive decision and expression of political will in early April on the part of the European Council. It has already set the target itself, and we have provided the spadework in the form of the convention which we passed in January 1975. This Community originally grew out of a political decision. There are various economic and social areas which interest all of us, but fundamentally the Community grew out of a political decision. The Community can now be given democratic legitimacy arising out of a positive political decision in three week's time by the European Council.

Lenihan

I would urge that Member Governments—our leaders who will be represented at the European Council—should abandon pretensions at that meeting. Member Governments representing countries large and small should abandon any pretensions beyond the realization of what we ask for in your Convention. In the Convention passed by this Parliament we have a fairly reasonable balance between national representation and democratic representation. I would advise those who push the 'one man, one vote' idea too far and those who push the national representation idea too far to look at the Convention, which has been carefully prepared by a committee of this Parliament and by this Parliament, which strikes a reasonable balance between national and democratic representation.

While we do not ask that that balance be exactly adhered to, the principle involved there of striking just that sort of balance is the sort of principle which should be uppermost in the minds of all participants at the European Council meeting who cavil, argue and debate about small matters of over-democratic representation on the one hand and over-national representation on the other are doing a grave disservice to the cause of a democratic Europe and the type of Community to which we aspire. I say seriously, because if the sort of attitude expressed by the last speaker is reflected at the European Council meeting there will be an excuse for further delay. Our object should be to give the green light here and now to the European Council to go ahead on the basis of the balance proposed in our Convention, the balance between national and democratic representation and aspirations. That is precisely in line with the Summit decision, which first mentioned direct elections and advised that they should be in accordance with the aspirations of our peoples—not people in the head-count sense but our peoples.

If we adopt the resolution and let it go forward to the European Council on the basis of a balance between national and democratic aspirations, we shall be making progress. We shall also make progress if our leaders at the conference in three weeks time abandon pretensions and have as an article of faith the idea of Europe as fundamentally one Community. This is the test of political will in this direction. For once we shall be taking a leap ahead, away from national selfishness and towards the positive goal of European solidarity.

(Applause)

President. — I call Mrs Ewing.

Mrs Ewing. — I support the resolution and most of the speakers. I believe that Mr Schulz was right when he said that the man in the street has never been more interested in this Institution. Interest has certainly increased considerably in my country, with

the media publishing interviews and so on about the subject.

The Prime Minister of the United Kingdom, Harold Wilson, once said that a week was a long time in politics. To the man in the street, 1978 seems quite a long way away. If there is to be delay, interest will evaporate and suspicions will be re-created. The man in the street has many suspicions about the institutions of the EEC.

A suspicion will also be created in people's minds that this Parliament is powerless, and that its whole justification is perhaps at issue, if the Council tries to delay the matter. One is very sympathetic with the Council, which has many difficulties, but the idea is straightforward and simple. That is why it has been so popularly accepted. If so many people in all the countries of the Member States find it straightforward and simple, the Council can have no excuse for delay. Matters such as the day of the week on which the elections are held are trivial.

I shall turn to the question of the distribution of seats at the end of my speech. I agree with what Lord Gladwyn said. Why should we have uniform electoral laws in our various countries, but we are all here, so why should there be electoral uniformity in the new, directly-elected Parliament? We should rejoice in the national differences. If we cannot iron them out, we can at least tolerate them.

I support the idea of direct elections, because it is obviously an increase in democracy, but I hope also that it will lead to an increase in power and perhaps mean that this Parliament will be able to control the executive arms, as Parliament should. The Council of Ministers and the Commission often seem to me to be out of control, certainly out of our control. It is a strange experience for me as a member of this Parliament to fly back to my country from its deliberations and to read newspaper reports that the EEC has decided this and that. Those decisions have often had no place in our deliberations. It is hard to explain to citizens at home. I hope that perhaps direct elections will cure that kind of difficulty.

A dual mandate should not be banned if a Member State wishes it. There are disadvantages in it. It is physically very tiring for anyone who has a dual mandate, but the MP with a dual mandate can still influence his own government and put continuing pressure on it. We envisage a full-time Parliament — one that is much more so than the present Parliament — as a better instrument for scrutinizing the myriad regulations that flow from the Commission. I am in favour of geographical responsibility if it means that a Member has his feet on the ground and is aware of the needs of his area. This will also ensure that each area has a voice to represent it.

Ewing

I have some sympathy with the remarks of Mr Fletcher on the subject of population distribution. It would be difficult to explain to the Scottish people why our nation, which is an ancient country, should have seven members in a directly-elected parliament, whereas Denmark should have 17 and Ireland 13 Members. We must, of course, have good will in these matters, and there are strong feelings at the next election in the United Kingdom in support of my party—and who knows what will happen following yesterday's defeat of the Labour Government?—I am confident that it will be forthcoming.

I do not want to hold up the idea of proper distribution, but we have a burning grievance on the subject. However, the matter of distribution should not be treated too rigidly or be unnecessarily worried over. Obviously, it would be absurd if Luxembourg were to have, as it were, only half a member. We must accept that there are many communities and that special consideration should be given to them—and I am bound to say that Scotland is one of them.

I conclude by saying in all seriousness that at the next election in the United Kingdom the Scottish National Party confidently expects to obtain a mandate for an independent Scotland ...

Mr Dalyell. — Rubbish.

Mrs Ewing. — Mr Dalyell appears to regard that proposition as ridiculous, but it is not ridiculed by many of his Labour colleagues, by many Conservatives, by the heavy newspapers of Fleet Street, or by every opinion poll taken since the last election. With a mandate, my party will be sending me, or whoever it may be, to this Parliament to knock at your door and to obtain admission as an independent Member State. If anybody laughs at that matter here in Strasbourg, he certainly would not laugh at it if he were now in Scotland. I want to get this point across. This House should not be taken by surprise if that event occurs. If it does occur—and I shall work towards that end—then the question of parity with Denmark will perhaps straighten itself out fairly obviously.

(Applause from certain quarters)

President. — I call Mr Jakobsen.

Mr Jakobsen. — *(DK)* Mr President, I think it may be quite useful, here and now, for a Danish voice to be heard giving a clear 'yes' to direct elections.

There is, however, one thing I should be allowed to say first: I would recall the speech Mr Kirk made here on the first occasion. I sat and listened to my group chairman speaking today, and was pleased to find that there was a direct connexion between the enthusiastic speech Mr Kirk held when he started here and his quiet, level-headed statement today that we were now facing a historic decision. It is precisely because I now belong to Sir Peter Kirk's group that it is important

for me to stress that the misunderstandings which for one reason or another have existed about the Danish attitude should disappear from the minds of the European public.

I can imagine that these misunderstandings arise because Denmark has been a little quick off the mark. In Denmark we never start by discussing principles but with the practical aspects. That is why we have taken all the difficulties out and discussed them first. But that does not mean that the Danish people lacks understanding for the European idea. Accepting the principle means more to Denmark than the price of butter or the price of meat. We have frequently been accused of the opposite, but it won't stick.

Many Danes have, perhaps, a deeper understanding than others, since we have not had any great-power aspirations since we had to give up England about the year 1000. It is therefore easy for us to understand the idea that small countries in particular have no chance of existing in freedom with others respecting them if they are not securely placed within a community. The Danish people understand that very well.

It is an historic decision we are now calling on the Council to take, and I think we shall be doing so unanimously. We of course recognize—as many others in my group have stressed—that this historic decision is presenting us with greater problems than we have had for a long time. But it is a development we have to go through. We shall have to face these great problems, because if we do not, we shall not solve them. The decision on direct elections will create new problems. I think, however, that everyone feels that the Community is now so solid that we are capable of coping with those problems.

Strong words have been said today, and strong demands have been addressed to the Council. I prefer to say these strong words at home, to my own government.

I know that the majority of the Danish population will not allow the question of direct elections to become a question of how many seats Denmark gets, or a question of choosing one technique or another. We can no doubt straighten that out. We have managed to straighten out bigger things. What is decisive is that we are agreed about the goal which many people in this House have fought for for years, and which we new arrivals have felt enthusiasm for as we have got to know the atmosphere here.

At the beginning there was, perhaps, some scepticism among the small countries regarding the larger countries. Let me, after three years of representing a small country, say that we have always met with respect. We have practically been over-valued. To a greater or lesser extent there has been an effort to give us too much, so as to show how important it was that the small countries belonged. There is now gradually spreading among the Danish people — and the President knows this too — a feeling that a little country

Jakobsen

has nothing to fear from cooperation among the great countries, since it is not a matter of cooperation solely among the great. What there is is cooperation between the big and the small, and I therefore feel that the Danish people are saying that it is high time for us to go further now. It is not a matter of fractions and percentages and numbers of seats.

President. — I call Mr Covelli.

Mr Covelli. — *(I)* Mr President, ladies and gentlemen, I am speaking to express the support of the party which it is my honour to represent for the motion for a resolution tabled by Mr Fellermaier and other Members.

I believe that this debate has been timely, because it has helped to dispel the perplexity which I and others feel at the high-handed way in which during a part-session a debate on a matter of such great importance as the Tindemans report can be replaced by another debate improvised by the chairmen of the political groups. Perhaps one of the reasons, which the distinguished previous speakers have not emphasized, for speeding up as far as possible elections by direct universal suffrage to the European Parliament is to prevent the prestige and dignity of Parliament being flouted like this because the Council or Commission are able to influence Parliament's decisions on its own agenda.

We support this motion for a resolution, for one thing because its intention is to provide at long last a democratic basis for this Community institution. Once this Parliament is elected by direct universal suffrage and becomes a decisive and leading force for the genuine association of our peoples, then it will be possible to say that solid foundations have been laid for a truly democratic Europe. I naturally join in the expression of thanks to Mr Patijn for his efforts to achieve the various compromises, which have not always favoured genuine democracy in the Community. We are, of course, only in the early stages. We must lend our support and encouragement because I am convinced as a good democrat that democracy and the democratization of certain bodies cannot be achieved overnight.

When this Parliament gains legitimation through its election by direct suffrage, the relative positions of the Parliament, Commission and Council will change. I join certain previous speakers in stressing that if Mr Patijn had tried to make further progress on the incompatibility of the national and European mandates and a single electoral system we might perhaps have made a more appropriate and decisive breakthrough, better in tune with the requirements of the European Community.

Ladies and gentlemen, I have sensed throughout this House a clear hostility to the idea of envisaging the European Community as a form of intergovernmental cooperation by subordinating the decisions of the Council, Commission and Parliament to the

rulings—as is made more explicit in the Tindemans report—of a new European body whose members would be the leaders of the countries concerned; and if it is agreed that the electoral system should be left to decisions of the individual countries the people as a whole will no longer have their interests represented in Parliament. In some countries, including my own, elections are held by a majority system where unethical bonuses are granted to the majority. How can the people be fully represented when the majority enjoys an unfair advantage in relation to all the parties and votes in the Community countries?

Finally, on the subject of the incompatibility of the dual mandate, I have been a member of my national parliament for some thirty years and I realize that the status of a national parliamentarian is politically and above all morally incompatible with the rôle of a member of the European Parliament. It is extremely difficult for a European parliamentarian to defend the interests of the Community in his own national parliament when this places him in a difficult position in relation to his national party. We must break the links, involving both rights and duties, between the European parliamentarian and the national parties. By declaring the two offices incompatible, I am convinced that both the European Parliament and the national parliaments will gain, as would the activities and functions of the two institutions.

I am making this point in the hope that when Mr Patijn or others return to their consideration of the matter they will bear in mind these problems which find a broad echo in our countries. The position of European members of parliament must no longer depend on an act of munificence by a particular party but must be the reflection of a genuine popular will.

I listened with great attention to Mr Aigner and agree broadly with his comments on the positions adopted by his group in this Assembly and on the concerns expressed by them. I fully share his hope that on 1 and 2 April next the European Council will not adopt a negative position on this request. But any Member who has closely followed, as I have, the statements by the President-in-office of the Council, Mr Thorn, in the Political Affairs Committee, will, I believe, have noted in President Thorn's observations the possibility that the whole matter may be postponed at the Summit meeting. Such postponement, I say this to the President so that he can make the Council of Ministers aware of our feelings, would be a further affront not only to the Parliament but to the whole spirit of the European Community.

(Applause from the right)

President. — I call Mr Espersen.

Mr Espersen. — *(DK)* I am speaking only to correct various attacks made against the Danish government for allegedly acting in conflict with the Rome Treaty. The attacks have been made by Mr Guldberg—and

Espersen

the fact that he has now moved into the chair will not save him. I am compelled to answer. It is to me a little surprising that we have not discussed, either in January 1975 or here today, how direct elections to Parliament will be able to function at all. If this Parliament does not secure greater powers than it has now, it may be feared that interest in participating in the elections will be too small, and it is always dangerous for a parliament if too little interest is taken in its work.

If Parliament is assigned considerably greater legislative powers, as some people want, that will mean the taking of majority decisions that will bind countries that differ very greatly, both economically and in other respects.

In both cases, it is reasonable to ask oneself the question whether we are running a risk with what we are now proposing, and this is precisely the question that the Danish government and Danish social democracy has asked itself. But we have recognized that the Rome Treaty contains a commitment to introduce direct elections. We have noted that by far the majority of the other countries—and consequently a very large percentage of those who represent our peoples here—want direct elections now.

That was the background to the acceptance by the Danish government and the majority of the Danish Social-Democratic Group of direct elections in 1978.

We did this, as you know, with two reservations. These two reservations are what has made the Danish government's action possible. It seems to me that as far as we are concerned they may help us to avoid the risk of a lack of harmony between what we are doing here and what the Danish Parliament wants. That was precisely what we were worried about: dare we run the risk of this Parliament's doing something while a majority of the Danish Parliament wants something different?

One of the reservations aims at avoiding this kind of situation, and I think that most people will understand the seriousness of this reservation, that it was made in order to ensure democratic development and not to prevent democratic development.

I am, of course, surprised that these actions have been described as unlawful, as being in conflict with the Rome Treaty. We laid these reservations before the other eight governments. We never at any time heard any of them objecting that there was a conflict with the Rome Treaty. I fully agree with Mr Bertrand when he says that if nine countries agree to a particular convention with a particular content, and agree to accept that content, it is clear that it has legal force, since it is simply being adopted under Article 236 instead of under Article 138.

In my view, therefore, there are no legal problems at all to be solved in this matter. Accordingly, the demands for thorough legal investigations in a case where nine governments can agree about something,

and can agree to draw up a treaty to be ratified by their parliaments, are in my view quite superfluous, and can only impede broad political understanding in Denmark for direct elections on the terms we want.

I was somewhat surprised that both Mr Guldborg and Mr Jakobsen assumed that a clear majority in the Danish population was against these reservations. I do not know where they get that idea from. What investigations do they base themselves on? I don't think there is any basis at all for their view. I could just as well say here that the Danish people is the most sceptical regarding cooperation in the Communities. That is what the investigations that are available show.

That is the attitude that among other things the Danish government wanted to take into account—and take into account in a way we think is reasonable and of course in every way in accordance with the treaty we have.

(Applause)

President. I call Mr Patijn.

Mr Patijn. — *(NL)* Mr President, it may not be customary when a motion for a resolution has been tabled by four political groups, for one member of a group to summarize the debate. However, as rapporteur I wish to make a few final remarks.

I hope that this is the last time that we shall be speaking of the draft convention in this Parliament. I hope that next April we shall be able to speak of the treaty on European elections. I think I am safe in saying that an overwhelming majority of Members of this Parliament share my hope.

I have also noticed that, regardless of the problems and solutions referred to, there is a broad measure of agreement. No new problems have arisen since January 1975. There are, of course, points on which we could not find a solution. What are we in fact to do with Scotland, Corsica, Brittany or Bavaria? A solution must be found to all these problems, but it is not for me to do so. There are nine signatures to the EEC Treaty. My task was to find an overall solution. That I did and the Parliament supported me. There are clearly regional problems. Scotland can be called a nation, and I imagine that in Bavaria there are persons who call Bavaria a nation. That is up to each individual. It is not for us to solve questions of this kind.

First a decision of principle must be taken on the distribution of seats between the Member States. I think it is best for each Member State to find its own solutions for particular provinces, nations or regions. That is not a matter for the rapporteur or the European Parliament but for the national parliaments and governments. Anyone who seeks to include this point in the European convention and to find a solution in that way to the problem of regional representation is opposed to the European convention for direct elections, and does not really want a solution! That must be quite clear.

Patijn

The dual mandate is a similar problem. I note the Council's agreement with us that a solution must be found at national level. Anyone who is not prepared to accept this is opposed to the European convention. That is an example of back-peddalling to make sure that no decision is taken. There are enough people who do this in Europe, and there is no need for Parliament to add to their ranks.

We shall be meeting one week after the European Council in Luxembourg. We should then discuss the results with the President-in-office of the Council, Mr Thorn. I hope that the matter will then have been settled. Mr Schulz has suggested that we should seek alternatives, but there are no alternatives to the European elections which our Parliament has proposed and on which the Council must decide in three weeks' time. If we start talking now about alternatives, this Parliament will be missing its opportunity to state that a decision on European elections must be taken in three weeks' time. There is no other option. Not today and not in three weeks' time. European elections must be held! We gave our opinion in 1960 and again in 1975. In three weeks' time the European Council must take its decision.

Let me end with Prime Minister Wilson's words to President de Gaulle when de Gaulle said no to Britain's entry into the EEC: 'We cannot take no for an answer.'

(Applause)

President. — Since no one else wishes to speak, the debate is closed.

I put the motion for a resolution to the vote.

The resolution is adopted.¹

3. *Commission statement on agricultural prices*

President. — The next item is a statement by the Commission on agricultural prices.

I call Mr Lardinois.

Mr Lardinois, Member of the European Commission. — *(NL)* Mr President, allow me to begin by thanking you for giving me this opportunity to make a statement today on the decisions taken last week by the Council on the new agricultural prices and all the related measures. I welcome this opportunity to inform the European Parliament to the best of my ability on the important developments which have taken place in the other Community institutions on the agricultural problem.

The agreement reached by the Council on the morning of Saturday, 6 March, on agricultural prices is certainly an important event. The very fact that the Council reached agreement at all after such a difficult marathon session is highly important, especially as

this agreement was reached at a time very close to the proposed date.

I shall not try to hide from you the fact that the package of measures on which the Council had to decide this year was particularly complicated and far-reaching. An additional difficulty was created by the wine dispute between certain Member States of the Community, which has now lasted for over six Months.

I believe that the events which took place last week in southern France had an additional dramatic effect on public opinion and on the decisions we had to take in Brussels. May I on behalf of the European Commission express our sympathy with the victims of that most regrettable dispute.

As regards the general price-level, the Council broadly endorsed the proposals made by the Commission, except that the prices now fixed are sometimes higher when expressed in national currency units than those proposed by the Commission. This is partly due to the fact that since the agricultural-monetary problem was considered in the European Parliament, a number of key currencies in the Community have once again shown substantial exchange-rate fluctuations. I refer especially to the Italian lira and to a lesser extent to the pound sterling.

The Council felt that this year there should be a smaller reduction in the monetary compensatory amounts for Germany and the Benelux countries. Furthermore, on a proposal from the Commission, the Council decided to alter the representative rate of the lira and Irish pound by six and two points respectively.

Beyond any doubt the dairy sector was one of the most difficult problems for the Council and Parliament. You will certainly not be surprised to learn that the discussion of this point took up the most time. The Council decided to increase the target price for milk in two stages, as had been proposed. However, as a departure from the Commission's proposal the increase will be greater in the first stage than in the second. The target price for milk is increased by 7.5 %, corresponding to the average price-increase. On the other hand, intervention prices are raised by 1.5 % less, i.e., by 6 %, which is below the average figure.

The Council took a series of highly important decisions on the accompanying measures. It adopted the Commission's suggestion of a regulation on the compounding of skimmed-milk powder with animal feeds, but only for a quantity of 400 000 tons and not 600 000 tons as agreed by the Commission and Parliament. In practice this compounding will take place by a system recommended in Parliament's final resolution; we refer to this as a surety arrangement and it will apply to all imported vegetable protein products as well as to those produced in the Community itself.

¹ OJ C 79 of 5. 4. 1976.

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To avoid commercial policy difficulties with third countries we proposed—and the Council accepted this proposal—that over a period of one year a quantity of approximately 250 000 tons of vegetable protein should be placed in storage. This point has still to be debated in Parliament and the Council has not yet reached a final decision.

The surety provision takes effect on 15 or 16 March, but the storage arrangement will not become effective until Parliament has had ample opportunity to study this problem. We hope that this provision can take effect on 1 May.

We discussed this matter in detail in the Committee on Agriculture yesterday. If you wish to put further questions to me, I shall of course gladly answer them.

I am pleased that the Council also adopted the food-aid programme proposed by us, namely, that 200 000 tons of skimmed-milk powder should be made available by way of food aid to the poor countries this year—in other words, 145 000 tons more than had been decided previously.

We propose that more skimmed-milk powder should be compounded with calf feeds. The Council noted this proposal favourably. The Commission is empowered to do this under the Management Committee procedure.

In general, the Council did not endorse our milk price proposals on a number of points, or has not done so yet. Like the Parliament, the Council did not support the Commission's position on the subject of a more flexible intervention system for skimmed-milk powder. We are therefore left with the original intervention system. I have no great objection to this arrangement as such, provided that some changes are made. The Council discussed this matter in considerable detail and reached the conclusion that the intervention mechanism should probably no longer be applied on its own and that the time was now ripe to involve the dairy producers directly in the financing of surpluses. No definite decision has yet been taken on this point but the Council unanimously invited the Commission to make detailed practical proposals.

The Council itself undertook to take appropriate decisions by 1 September. I believe that if a final decision is in fact taken, this proposal for financial participation by dairy producers may in time compensate for the more flexible intervention system which we proposed. The Council has thus returned to a proposal put forward by us in October 1973 and approved by Parliament in early 1974. This might be a contribution to a fundamental solution of the dairy problem.

A further proposal made by us on these lines, involving a premium for withholding milk from the market, was not ripe for discussion in the Council and a decision on it was postponed to a later meeting. The proposal was not, however, rejected. When the

Commission realized that a solution was not yet possible, it offered to make further proposals on this point to enable a compromise to be reached. The milk price level which was decided with maintenance of the intervention price mechanism and the short-term measures on the marketing of skimmed-milk powder do not constitute a suitable solution to the structural surpluses in this sector. We have therefore merely postponed this problem. On the other hand it is apparent, especially from the discussion of principle on participation in financing the surpluses, that the Council is gradually coming round to fundamental solutions.

In the beef and veal sector, the greatest difficulty is created by the British desire to maintain in one form or another the present system of variable premiums. We discussed this point in detail in Parliament. Eventually we agreed with the Council that under more stringent conditions than those applied hitherto, a certain premium could be maintained this year in Britain with a contribution from the agricultural fund amounting to 25 % of the payments after 1 September next. The effects of this arrangement can also be better managed by the Community bodies. I am referring in particular to the Commission and Management Committees.

The Council invited the Commission to ascertain whether we could arrive at a uniform system in the Community next year and asked it to investigate the possibility of a more permanent system of premium arrangements, but at Community rather than national level. I believe that this decision together with a reduction in the number of exceptional provisions for Britain can lead us to a compromise on the basis of which we may expect a uniform Community system next year. At all events we shall try to make the necessary proposals.

For the pigmeat sector the Commission's proposals were accepted.

As regards the arable farming sector, the fundamental decision was taken to harmonize completely the cereal price provisions throughout the Community, as we had already proposed in October 1973. It has taken a considerable time for this to become a Community system. We did not succeed in 1966, when we drafted the Community provisions for the cereals sector, and we proposed a change-over in 1973. In the last two marketing years we have been able to make some progress. I am delighted to be able to say now that we are moving in the key sector of cereals towards a genuine Community system without regional differences, a system under which the market itself will determine the differences and where there will be no question of differing arrangements governing the intervention levels. I am also extremely pleased that we were able to introduce a different system for durum wheat, a system which will consider-

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ably reduce surpluses in this sector, by abolishing premiums in the richer areas and granting these premiums only in the poorer Community regions where production per hectare is lower.

The only difference on this point from the proposals debated in Parliament is that the A zone, where the highest premium is payable, has been extended somewhat to include the poorer and mountainous areas of the Community, i.e., areas additional to the zones already earmarked for this purpose. Moreover, for these zones the maximum amount has been increased from 42 to 50 units of account per hectare. In other respects the arrangement remains exactly as we proposed.

In the rice sector, we have prepared a regulation which will allow greater preference for Community production.

In the olive-oil sector, the market price has been lowered and the Community will therefore make a somewhat larger contribution to the consumer subsidies in order to lessen the problem of surpluses in this sector.

In the sugar sector, the Commission's proposal has been adopted although in the last instance an exception is being granted for national support in Italy. However, this is confined to one marketing year and is intended to restore the distorted position which arose last year in Italy.

For the other products, the Commission's proposals were adopted; it is worth mentioning that the Council decided on a grubbing campaign for certain varieties of apples and pears and that specific measures were also taken for tomatoes grown in the open.

Mr President, I come now to the highly important subject of the Council's compromise on the wine sector.

The Council decided to take a number of immediate measures to restore the health of the wine market and obtain better provisions for this sector in the medium to long term. The necessary decisions were taken with a view to an amendment of regulation No 816, the wine-market regulation.

The existing French national import levy on wine, which dealt such a severe blow to the common agricultural policy in the past six months, at least as far as public opinion is concerned, is due to be abolished on 1 April 1976. From 15 March next a special distillation campaign is to be undertaken for a maximum quantity of 4 000 000 hectolitres at a fixed purchase price in order to relieve the pressure on the Community market in the short term. To make this measure as effective as possible, it was decided to pay producers an advance of 40 % on the purchase price when the distillation contracts are approved. Whether we shall in fact embark upon such a large-scale distilla-

tion programme depends on the initial effects of the programme on market price levels.

Should it appear at any point that the distillation total exceeds the market possibilities, we can always reduce the volume earmarked for distillation.

The planting and grubbing measures in this sector which are to be discussed this week will be primarily directed at a structural adaptation of wine production. The decision of the Council to grant producers a more substantial guarantee for better table wines must also be viewed in this light.

We have decided that for wines covered by storage contracts a guarantee provision will apply for the subsequent four years. This provision has been limited to four years because we hope that the more structural measures included in the overall package will cause structural surpluses in the wine-sector to be a thing of the past after 1980. The package also includes a number of more or less automatic provisions, an arrangement for direct distillation of poorer-quality grades immediately after the harvest, supplementary measures for Italian table grapes and a 'superprestation vinique'—a term I am still unable to translate into Dutch—especially in France.

I hope that this series of measures will spell the end of our difficult discussions on this point in the Council.

Another highly important decision of the Council is to increase the contribution from the EAGGF for agriculture in mountain regions and less-favoured areas in Ireland and Italy from 25 to 35 %. This does not mean that farmers concerned in those countries will obtain a larger contribution than in the other Member States. There is no question of that. The regulations remain identical for the whole Community, but the extent of the financing from Community funds is greater for these two countries than for the others. Failing a measure of this kind it would be practically impossible for Ireland and Italy to implement the corresponding provisions. These regulations are already in force in the rest of the Community but not yet in Italy and Ireland.

That brings me to the end of my statement, but I wish to consider one further point. It is satisfactory to note that the Council has succeeded in taking a decision and that a number of fundamental problems have been solved in the cereals sector and elsewhere. In the sugar sector, the problem of the structural surplus is being held under control by the use of our quota system in a stringent form. Progress has been made in counteracting surpluses in a number of other sectors, including the fruit and beef sectors, by means of our better adapted export regulations. However, I am bound to note that in the dairy sector we have unfortunately lagged well behind other sectors, especially that of wine and several other products which I have already mentioned.

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Nevertheless, the Council too is clearly aware of the problems and intends to do more in the future. But we need more time, as was the case a year ago in the wine sector. My only hope is that in the meantime the scale of the problem will not have grown so much that a solution is once again more difficult.

Mr President, I believe that there is no longer any certainty that the Council will in future, however exhaustive its negotiations, be able to fix common prices in face of the monetary confusion prevailing in Europe. I have been regrettably forced to conclude that the development of the monetary situation in Europe has brought the common agricultural market as such to the limits of its possibilities; in other words, the system which has been set up and developed with such difficulty over the past ten years can scarcely be applied in future unless the Community puts an end as quickly as possible to the monetary chaos. If the finance ministers have not yet understood the need for the Community to take far-reaching measures if it is to preserve the existing achievements, experience will show that they have waited too long and that successive finance ministers over the past fifteen years have made only a negative contribution to the continued existence and development of European cooperation.

(Applause)

President. — According to the Rules of Procedure, Members may now, for a period not exceeding 20 minutes, put brief questions to the Commissioner. However, in view of the importance of Mr Lardinois' statement and of the fact that a considerable number of Members have asked for an opportunity to put questions, I do not think we should be justified in following that procedure.

On the other hand, there are still many important items on the agenda. I therefore think it would be best if we tried to keep the debate as short as possible, and I would ask for your cooperation in this. More specifically, I propose that we limit speaking-time to a maximum of 5 minutes.

If there are objections, I shall assume this is agreed.

I call Mr Broeks on a point of order.

Mr Broeks. — *(NL)* Mr President, how many speakers are there and how much time do you want to spend on this agricultural debate?

President. — At the moment there are 12 speakers listed. With the maximum speaking-time of 5 minutes which I suggested, that would result in a debate lasting one hour. But it is neither my right nor my duty to prevent others from entering their names.

I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Mr President, I am a little confused about your procedures. I understand that the

20-minute period is for questions and that it is not a matter of a debate. I understand that under the Rules of Procedure there are no speeches and that there is no question of five minutes for each Member. Instead, following the statement, there are questions to the Commissioner for 20 minutes. Let us keep to the Rules!

President. — I call Mr Broeks.

Mr Broeks. — *(NL)* Mr President, I, too, object to this procedure, for which there is no provision whatever and which may constitute a precedent. I urge you to stick to the rules. I agree with Mr Scott-Hopkins that twenty minutes is enough for twelve speakers to put questions.

President. — I would reply to Mr Scott-Hopkins that it was stated yesterday here in this Chamber that if need arises one should consider allotting more time for a debate than is allowed in the Rules of Procedure—as correctly pointed out by Mr Scott-Hopkins. I therefore felt it my duty to propose that we depart from the usual procedure.

I call Mr Howell.

Mr Howell. — When my question on skimmed-milk powder was not reached yesterday I asked the President whether we might have a debate on that very important subject, and it was agreed. I think that Mr Scott-Hopkins is right to say that we should have 20 minutes of questions now on Mr Lardinois's statement, and this period of questions should be followed by a debate on the skimmed-milk powder surplus.

President. — I call Mr Cipolla.

Mr Cipolla. — *(I)* Mr President, I agree with your proposal.

President. — I call Mr Laban.

Mr Laban. — *(NL)* Mr President, I, too, realize that some Members do not wish merely to put questions but also to react briefly to Mr Lardinois' observations. In my view, a short debate would be a more satisfactory response to his statement.

I also realize that a speaking-time of five minutes for each Member would lead to a debate lasting one-and-a-half hours if twelve speakers took part in it. I therefore propose a compromise which would enable Members to comment briefly and then put questions. The maximum speaking-time allowed for this would be three minutes. I appeal to Members to respect this arrangement if my proposal is adopted. The debate would then last about three-quarters of an hour.

President. — I call Lord Walston.

Lord Walston. — I urge that we are given rather longer than simply 20 minutes of questions. After all, this is a vital matter which affects all of us. The Commissioner has come here and has kindly given an explanation. To have further time will not delay the proceedings of the House at all. We are not due to start again until three o'clock this afternoon. All that the proposal means is that those who are concerned and sufficiently interested will have to curtail their lunch hour to stay here a little longer. Surely we can afford an extra half-hour to discuss such a matter if we are only forgoing half an hour of eating our food.

President. — I call Mr Howell.

Mr Howell. — I suggest that we have a debate lasting one hour and 20 minutes—in other words, taking together the 20 minutes of questions on the statement and the hour for debate as suggested yesterday.

President. — I call Mr Martens.

Mr Martens. — *(NL)* Mr President, we have now lost ten minutes on this discussion. I suggest that Mr Laban's proposal, which seems reasonable to me, should be adopted.

President. — I call Mr Broeks.

Mr Broeks. — *(NL)* Mr President, on this occasion I am glad to endorse Mr Laban's proposal, but it must not constitute a precedent.

President. — In the light of those observations, I withdraw my original proposal.

I call Mr Houdet.

Mr Houdet. — *(F)* I do not want to hold up this debate, Mr President, but, as Mr Martens has said, we have already devoted too much time to procedural matters. It is now 1 o'clock. There is practically no difference between the proposals made by Mr Scott-Hopkins and Mr Laban. Mr Scott-Hopkins proposes that we should stick to the Rules of Procedure and therefore have twenty minutes of questions. Mr Laban goes a little further in proposing three minutes for each speaker. That would take us to half past one.

The Commissioner would then have to answer all the questions, as he did yesterday in the Committee on Agriculture. I repeat, it is now 1 o'clock. We should then end our debate at one-thirty with the benches empty.

Whatever solution is adopted, I would ask you to postpone this debate until the afternoon, Mr President.

President. — I propose that we follow the Rules of Procedure, while applying them flexibly.

Are there any objections?

That is agreed.

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

The House will rise.

(The sitting was suspended at 1 p.m. and resumed at 3.05 p.m.)

IN THE CHAIR : LORD BESSBOROUGH

Vice-President

President. — The sitting is resumed.

I call Mr Houdet.

Mr Houdet, Chairman of the Committee on Agriculture. — *(F)* Mr President, I shall not abuse my speaking-time, but I am sure you would all want me to thank Commissioner Lardinois for volunteering to attend the Committee on Agriculture's meeting yesterday and being with us now to report on the decisions taken by the Council of Ministers on prices and related measures for the 1976-77 agricultural year; those decisions were taken after the by-now-traditional marathon, which lasted much longer this year than in the past.

Clearly, these measures have a far-reaching impact on the earnings of our agricultural producers, on the security of supplies for consumers and on the price of food-products. The decisions of 6 March, often badly understood or not fully known to public opinion in our countries, are already giving rise to questions and criticism. The statement by Mr Lardinois this morning will enable us to provide better answers, but we need to see the actual texts before we can analyse the situation fully.

As chairman of the Committee on Agriculture I do not wish to encroach upon the speaking-time allocated to us for this debate. Mr Lardinois, I shall therefore leave it to my colleagues to put questions to you, especially those Members who were unable to do so yesterday as they do not belong to the Committee on Agriculture. I myself would have a great many questions to put to you if only on the compounding of skimmed-milk powder with animal feeds and the private storage of imported protein products, but we shall be having a debate on this subject in April and as we shall be considering the matter again on that occasion I shall make only two remarks now.

Firstly, I share your view, Mr Lardinois, on one point: the extremely arduous discussions in the Council of Ministers have clearly shown that in future it will be

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increasingly difficult, if not impossible, faced with widely varying inflationary trends in our nine states and with often conflicting monetary developments, to maintain a single agricultural market and common prices without a coordinated monetary and conjunctural policy.

My second observation — I have already expressed a keen regret to you on this point, Mr Lardinois — is that the Council of Ministers takes far too long to act on proposals from the Commission on which Parliament has delivered its opinion. These delays create a disturbing *malaise* in our farming communities, leading to regrettable excesses and the adoption of defensive positions by governments which would not have been necessary if certain decisions reached on 6 March had been taken four months sooner when Parliament delivered its opinion. You will all understand that I am referring to the organization of the market in wine and wine-products.

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

Mr Frehsee. — (*D*) Mr President, we, too, wish to assure Mr Lardinois and his colleagues of our respect and gratitude for the logical and consistent attitude adopted in dealings with the Council and for the fact that the proposals made by you, Mr Lardinois, which we described in the agricultural debate on 9 February as 'bold' and 'progressive', have been in large measure implemented. We are also grateful to the Council of Ministers of Agriculture for showing that even highly difficult situations can be handled provided that the necessary determination is shown and a willingness to spend forty-five hours on discussions. This has been a great service to the idea of the European Community — especially in view of the monetary chaos which was the background to these decisions.

My first question to Mr Lardinois is this: how widely will prices vary after these decisions? The text of the decisions does not provide the answer. We share Mr Lardinois' concern about the milk sector. We consider that the price increases go too far. What incentive to increase production will result from this excessively high price-rise? Will that incentive be counteracted by reducing the intervention price for skimmed-milk by 2% this March and a further 1% in September, or should we expect an increase in the mountain of skimmed-milk powder and perhaps even a new butter-mountain?

We are also worried about wine. Our question is this: what is to be done with all the alcohol derived from wine now that we have already distilled 26.5 million hectolitres? Should we now distil a further 4 million hectolitres?

As far as sugar is concerned, we believe that the threat of a new sugar-mountain has been removed by the decisions to limit the B quota to 135% and to introduce a high production-levy.

A fourth question: what is the true cost of the new decisions on monetary compensation? They will presumably make considerable demands on the Community budget.

Now for my fifth question: what was the true reason for the decision, which is not readily understandable to every observer, to increase the contribution from the EAGGF in aid to farmers to 35% in Ireland and Italy but not in the other Member States? Parliament had agreed that this measure should be generally introduced. I should like to hear your comments on this matter, which is in fundamental contradiction with the conception of common action and common policy.

I have just started my third minute and I come to my last question but one, concerning the storage of soyabbeans and soya-husks. We are surprised by the Commission's proposal to make ten million units of account available for such storage. Already in December, when the Commission informed us that an obligation to compound skimmed-milk powder with animal feeds would be stipulated, we feared the threat of a trade war with the United States, a subject on which we have spoken frequently here. We were never told that this might be a condition for averting a trade war. Did you, Mr Lardinois, by any chance promise such a measure to Mr Butz?

Now for my last question: to what extent were the Ministers of Agriculture prepared to deal seriously in the autumn with the question of producers' joint financial responsibility?

(*Applause*)

President. — I call Mr Scott-Hopkins to speak on behalf of the European Conservative Group.

Mr Scott-Hopkins. — First, may I ask Mr Lardinois whether these total arrangements which have been arrived at will necessitate a supplementary budget this year?

Secondly, there has been a great difference in currencies in the last two days, particularly with regard to the United Kingdom pound. This will accentuate the MCAs being paid into the United Kingdom and also into Italy. It might well affect the French franc also. Would this not make the agreements which have been arrived at rather meaningless in comparison with what the Commission originally proposed? Will it not change the whole basis as far as compensatory amounts are concerned, certainly in my own country, from the Community and for export opportunities to third countries?

The dairy package which has been agreed at the end of the day is an unacceptable one. Several necessary elements have been left out. In my view, the elements which have been left in do not make much sense. It is idiotic to store somebody else's protein when one is trying to store one's own. This makes no sense.

Scott-Hopkins

I move now to the details. Will the Commissioner withdraw the document of the Commission concerning the storage of this protein as the figures it contains are incorrect? They are 600 000 and 400 000 tons. This has been changed by the Commissioner's own statement of what was agreed. The figures are now 400 000 tons and 250 000 tons. Presumably that document will have to be amended or withdrawn. I assume this will be done, giving us the opportunity to debate, not the document which we have at present from the Committee on Agriculture, but a new document which will be presented.

As to cereals, can the Commissioner tell me whether there was any agreement—it does not appear to have been stated, either by the Minister in my Parliament or, indeed, by the Commissioner—concerning the so-called bread test? I am not sure about the situation concerning wheat for bread-making and whether an agreement has been reached.

Lastly, there is the question of the distillation of 4 million hectolitres of wine to deal with the wine-market situation. That is an enormous amount which is going into agricultural alcohol. The Commissioner will be aware, as will the House, that this will affect the market. It will particularly affect the production of industrial alcohol, which is particularly based in my country and in Germany. It is not that I object to the 4 million hectolitres' being put into alcohol, but I want an assurance that this will not adversely affect by undercutting with Community funds an extremely competent industry, that of alcohol manufacture, particularly in the two countries I have mentioned and in one or two others in minor quantities. I do not want to see a disruption of this market because of a surplus of wine which has been produced in Italy and France. If the Commissioner can give me an assurance that this will not take place, I shall be satisfied with this solution.

On the whole, this is very much like the curate's egg—good in parts but bad in an awful lot of other parts. We shall need in this House to have a full debate at a later stage on the whole package when we can see the whole depth of it and discuss the details with the Commissioner here in April or in May.

Mr Cipolla. — (I) Mr President, I wish to begin by associating myself with Commissioner Lardinois in an expression of sympathy for the victims of the wine war in southern France.

But I would like above all to ask the Commissioner whether the measures taken are likely to bring about a real change in the situation. Last summer, Mr Lardinois asked the Community countries to reduce excise duties on wine in order to increase consumption and so eliminate the surpluses. Does he not think that the imposition of compensatory amounts may have the effect of reducing consumption, which, it is hoped, on

the contrary, to increase and of building up surpluses which we want to eliminate? From the human and political angle we can all agree that there must not be a war and that a conflict must not be allowed to arise. But appropriate measures are needed: the producers must be enabled to sell, and people in the Netherlands, Britain and Germany who wish to drink wine must not be taxed unduly.

I consider that the compensatory amount established by the Commission is contrary to the principle of the Community regulations because there is no total guarantee for wine (the compensatory amount would be admissible if there were a guarantee; as there is no total guarantee, the compensatory amount should also not exist). I would ask the Commission whether compensatory amounts do not have the effect of inhibiting consumption in the Netherlands, Britain or Germany. That is my first question.

My second question has already been put by Mr Frehsee and Mr Scott-Hopkins and we shall have an opportunity to return to it.

We are faced with a grotesque situation in which, although it is in our own interest to keep the price of soya low as we have to import this product, we are adopting measures such as storage of soya at our own expense, thus keeping the price high. What is the purpose of storage measures? To keep the price of the product high. I should like to hear the Commissioner's reply on this point.

As regards durum wheat, the solution proposed by the Council of Ministers was surprising, because it is necessary to assess fully the results of this proposal. I was also surprised as a parliamentarian by this solution. I wonder whether, in the dialectics of producing Community regulations, it is admissible for the Commission to make a proposal on which Parliament expresses its opinion and for the Council of Ministers then to change completely the proposal from the Commission and the opinion of Parliament. We in this House had delivered our opinion on one proposal but now we are faced with a different proposal.

In conclusion, Mr Lardinois, allow me to say that you made an extremely important observation on monetary problems when you said quite rightly that the responsibility for not finding ways of achieving a single currency lies with the finance ministers of the Community. But I am afraid that it will now be difficult to achieve anything on these lines.

Well then, if the mountain does not come to Mahomet, Mahomet must come to the mountain. And if it proves impossible to introduce a single European currency we shall have to modify the machinery of the common market. The situation as it is at present seems quite intolerable.

President. — I call Mr Martens.

Mr Martens. — (NL) Mr President, my first reaction to the price proposals was distinctly favourable. Now that I have looked at these proposals in great detail and after Mr Lardinois' explanation, however, my enthusiasm is on the wane.

The 7—7.5 % increase relates to the guide-prices ; but we refer to intervention prices — and these are the most important — the increase will seem a good deal lower.

I wish to comment particularly on the dairy sector.

When I calculate the monetary compensatory amounts — 0.6 % for Belgium — and when I see that the prices are to be increased in two stages, bearing in mind the relative reduction in the intervention price for milk powder and the fact that the higher processing costs are not being fully taken into account — I wonder why they are taken into account in the sugar industry but not in the dairy sector — I feel bound to note that in the best possible assumption the increase will be one of only 3.5 % as far as overall revenue for the milk marketing-year 1976-77 is concerned.

Next September, there is to be a discussion of greater joint responsibility for producers. I admit that the European Parliament has approved this proposal, but Parliament also considers that the problem of the co-management of markets must be discussed.

If the Commission is to continue to pursue its own policy of market management without reference to the producers, it would be quite wrong to present the bill to those producers later.

We are bound to admit that over the past few years market management has often come up for discussion.

The European Parliament requested also a definition of production targets. I understand Mr Lardinois' reasons for being somewhat reserved on this subject.

We all know that there are surpluses in this sector. We should deal with the problem of feed fats. Can there be any question of butter surpluses amounting to 200 000 tons at a time when 3 million tons of vegetable fats are imported? Can there be any question of surpluses of animal protein when 6 million tons of vegetable protein are imported? This problem must be considered in all its aspects.

What is the position regarding the sale of dairy produce? The Americans wish to export soya meal to the Community but they do not want Community cheese exported to their country. We are obliged to import butter and cheese from New Zealand. Where, then, is the European Community surplus?

We are having to grub up grape-vines and fruit-trees. We have to reduce our dairy-cattle herds. What will

happen to the land released in this way? We should surely one day decide where we are going.

I note the absence of structural measures in these proposals. Agriculture is always said to have a bad structure, but the only decision taken has been to widen the measures for hill-farmers. What about the premium for farmers who leave their holdings when these are too small? What about modernization, which is so expensive, the conversion of dairy cattle and support for young farmers? I have not even mentioned the subject of poultry-farming.

To begin, I viewed these proposals with some optimism; that now I feel bound to observe that there are at least a few bad eggs in this basket of measures. I hope that Mr Lardinois will soon give more substance to these proposed measures.

(Applause)

President. — I call Lord Walston.

Lord Walston. — I am not in disagreement with the price package as a whole. I cannot say that I am enamoured of every detail, but there is no time to go into that.

I should like to expand on one thing that Mr Lardinois said. At the end of this speech he said that he thought that this price package went a long way towards solving the basic problems of agriculture. I suggest that it is impossible to solve the basic problems of agriculture by the price mechanism. Farmers do not react in that way, as I am sure the Commissioner knows as well as I do.

A subsidy may be paid for grubbing up vines in France and Italy, but unless the grape-grower is given an alternative method of making his living he will not grub up his vines. The price of milk may be reduced, but unless the dairy farmer, whether in Cheshire, Bavaria or anywhere else in the Community, is given an alternative crop that he can grow so that he can have the same standard of living, or unless he has alternative employment, his only reaction will be to keep more cows so as to keep his total income as it always has been. An agricultural policy cannot be made simply out of prices. I fail to see that there is any attempt here to produce a genuine agricultural policy that will solve our basic problems.

The Community has shown a great deal of ingenuity, as it always does, in overcoming some of the problems that have resulted from over-production. Enormous ingenuity has gone into solving the problem of surplus milk, but does not the Commissioner agree that there are only two effective ways to solve the problems of over-production? The first is to limit the total amount for which intervention is applicable, no matter what the commodity may be. Secondly, when a

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surplus arises, particularly of perishables such as milk, more than a million tons should not be allowed to accumulate before anything effective is done. Once the figure of, say, 150 000 tons or 175 000 tons is exceeded, immediate steps should be taken to dispose of the milk by welfare schemes, food aid or whatever one chooses—even by insistence, although I should deprecate, it, on incorporating it in animal feeding-stuffs. It should not be allowed to go on building up into an unmanageable surplus.

President. — I call Mr Hughes.

Mr Hughes. — Many of the questions that I should have liked to ask have already been asked, but I wish to draw attention to the important fact that the consumer's interests were not adequately reflected in some of the proposals. With regard to Britain, it appears rather curious that the country grappling with and suffering from, the highest rate of inflation should — as a result of the package, the transitional arrangements and all the rest — have the highest rate of price-increases as well. I accept that in part it is a result of correcting historic inflation, but does not the Commissioner agree that the package can do little to bring about monetary and economic union so long as it reinforces a higher rate of inflation in one country than in others?

In particular, what is the Commission's estimate of the decline in butter consumption per head as a result of the sharp increase in the price of butter? If butter consumption declines, how large a butter mountain shall we be financing within the Community by the end of the year? A supplementary budget would appear to be inevitable as a result of the package, not merely because of the absence of economic and monetary union but because of the internal tensions of the Common Agricultural Policy and the last such ministerial package. Far from being the great engine of Community togetherness that the CAP is often argued to be, it is revealed by this package as the greatest source of division and national and social disharmony within the Community.

President. — I call Mr Howell.

Mr Howell. — Mr Lardinois was extremely frank. He said that these proposals were not adequate to deal with the central problem of excess dairy production. In saying that he has condemned these proposals. We must do something to face up to this over-production and, basically that means that we have too many dairy cows in the Community. Something must be done to reduce this number from 25 million to 24 million, or even less, because they are producing more year by year. Also it seems obvious that since we import 12 000 million tons net of grain per year, there is plenty of scope for increasing our grain production.

Somehow, we must switch from dairy to grain production. I do not believe that these proposals will do anything substantial towards that end.

I wish to ask one or two specific questions about the inclusion of skimmed milk powder in animal feed. Does the Commissioner not agree that this is an ingenious way of proceeding to a tax on feeding-stuffs, that it will increase the price of feeding-stuffs, will be inflationary and eventually will come through to the consumer? Furthermore, these proposals, the details of which we do not yet know, are to take effect from next Tuesday. This an odd way of conducting our business. Why do we not know precisely what will be insisted upon as a surety and how it will operate?

Secondly, who is exerting an extraordinary pressure to force us to import soya when we do not need it, since we are trying to get rid of our own excess protein and at the same time are being forced to import the grain we need? The suggestion put forward is quite crazy and amounts to a direct subsidy to American producers. They must be exerting a great deal of pressure, and it is nothing to do with GATT, as was suggested by the Commissioner at one time.

I agree with Mr Martens that we need more open discussion about the direction in which are moving. The producers in the Community need to be held what is wanted and to have a much sense of direction given them by the Council and the Commission.

President. — I call Mr Dalyell.

Mr Dalyell. — I wish to raise one question in substance. It relates to the green pound and is a matter that worries Scottish farmers. This is what they say, through their representative:

We are still fighting with one hand tied behind our backs because of the fictitious green pound — a problem which is growing worse day by day. This country has got to realize that the food must be paid for if supply is to be assured, and I utterly reject statements made by some MPs who apparently are not prepared to meet the cost of production either in shop prices or through Exchequer contribution.

The President of the Scottish National Farmers' Union, Mr Evans, continues:

The Minister has spoken of the intention to run down the beef cow and calf schemes after 1977.

He says that the Scottish farmers

... would not claim the right to any preferential treatment over the rest of Europe, but if these subsidies are to be phased out we must get full parity of treatment with the rest of Europe, and that includes an end to the green-pound nonsense. We believe that the calf scheme in particular has been useful in getting money in at an early stage in the production process, and we think it would be more to the point if the rest of Europe followed our example.

Dalyell

Finally, Mr Evans says :

I must refer also to the scheme for the compulsory incorporation of skimmed-milk powder. The scheme is wrong-headed in principle, because it represents an attempt to meet the costs of support in one sector by recouping them it represents additional cost burdens on such commodities as poultry-meat, eggs and pig-meat where the existing support arrangements cannot be adjusted to provide adequate compensation for these additional costs.

My question is as follows : what comment has the Commissioner to make on the problem of the green pound ? All of us have difficulty in getting through to our home bases on the Strasbourg telephones, but in a somewhat disjointed telephone conversation this morning I was told, 'For heaven's sake, ask the Commission about the green pound.' Therefore, I pass that on, in question form, on behalf of my constituents. I hope that we shall be given a reply, first, on the green pound and, secondly, on the problem of skimmed milk.

President. — I call Mr McDonald.

Mr Mc Donald. — I should like to ask two brief questions of the Commissioner. I sympathize with him in this rôle because I do not think it will ever be possible for him to announce a series of price increases which will be received with universal acclaim.

It can be said that this year there has not been as much of a backlash as usual. However, even with the amount of satisfaction after the new price increases, I was very glad to read the Council's decision to make available 200 000, tons of skimmed-milk powder to the Third World.

I should like to know whether an estimate has been made of the cost to pig and poultry producers of including a considerable amount of skimmed-milk powder in the ration over the next year. My reason for asking this is that especially the pig sector, which is not a very big segment in agricultural husbandry terms, has had a fairly rough period over the last four or five years and it is unfair to load it with the burden of supporting the dairy industry, which has a well-organized lobby and which, granted that it has had ups and down, has nevertheless fared much better than its colleagues who have been in intensive pig production.

I should like to know also whether it will be possible in the foreseeable future to strengthen — or, at least, make more attractive — the land-restructuring schemes, taking Nos 159, 160 and 161 together. We must try to look for long term agricultural policies. The best way of overcoming the need to sharp price-increases each year is to make the structure of the farms more viable.

I wonder whether it would be possible that the Commission could in any way help the national

administrations to press faster ahead with restructuring policies and whether also we could then have not an annual price-increase but possibly a increase and try to get farmers thinking on a long-term basis, bearing in mind that out of every three years in agricultural production there is bound to be a serious dip in the graph for at least one season.

President. — I call Mr Lardinois.

Mr Lardinois, Member of the Commission. — (NL) Mr President, I thank Mr Houdet, Chairman of the Committee on Agriculture, for what he has said.

I fully agree with his comments on the wine regulation. On 9 September we came very close to a compromise on a new regulation : if all the delegations had been able to display the same willingness to compromise that 8 of the 9 delegations showed at 5 a.m. on 10 September, then we could have saved ourselves a lot of trouble. Unfortunately, however, the Council can take majority decisions only in exceptional cases. We saw one of the results of this in recent weeks in connection with difficulties in the wine sector. I shall not go any further into this question at the moment, since I might become bitter and that would not improve the atmosphere.

Mr Frehsee has thanked the Commission for getting the Council to accept the main lines of its proposals. He has also commended the Council of Agricultural Ministers for its determination to reach agreement, and I join him in his tribute. The bitter words I addressed to the Council this morning sprang from over 9 years' personal experience that I have had as a member of the Council and as a member of the Commission responsible for agricultural problems. In my experience, the Council rarely goes to the trouble that the Council of Agricultural Ministers has taken. We sometimes have to be satisfied if the gentlemen meet at 3 p.m. and go home at 5, having decided that they cannot reach agreement. Then the question is postponed for months or years.

I hope that Parliament's comments on this will be acid and that it will launch the attack it calls for. If this Europe does not succeed, the reason will not be that decisions have been taken which, here and there, perhaps go too far financially speaking, but that too many politicians in Europe with powers at home cannot see beyond the frontiers of their own countries. This means following a policy of no decision rather than one in which perhaps too many decisions are taken.

Mr President, the increase in the price of skimmed-milk powder will be minimal. In the Benelux countries and France it will come to about 1 or 2 %. I even believe that in Germany there is no question of a price increase at all. I have to admit that in the other

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countries except for Denmark, in Great Britain, Ireland and Italy, the price is much higher but that, in fact, is purely and simply the effect of inflation; it certainly does not go up in terms of real purchasing-power.

Mr Frehsee asked how much what he called the 'Währungsmaßnahme' will cost. Insofar as the measures have been decided by the ministers of agriculture, it is a question of big cuts in the budget. There is, however, talk of a large monetary compensation for Italy and an increase in Great Britain because of the events of recent weeks. This means that we are faced with the need for substantial increases in expenditure for monetary purposes. We shall certainly have to submit a supplementary budget to enable the Agricultural Fund to absorb the cost of changes in the exchange rate of the Lira. What this cost will come to I cannot yet say, but it will certainly be at least 150 million u.a. The point is that the original budget makes no allowance for the virtual devaluation of the lira, which is probably too great to be borne by the budget unless the Ministers of Finance decide to change the 1969 double exchange-rate system. However, I cannot be certain of this.

You asked whether the nominal increase under the so-called hill-farming programme in Ireland and Italy was in fact a Community matter. I believe that this is indeed so, and for very good reasons. We have to take into account the fact that Italy and Ireland have insufficient financial resources of their own to carry out this programme on the basis of 75 % national and 25 % Community finance. This is bound up with the relationship between the number of people working on the land in this type of area in the two countries and in the rest of the Community. I also think that from the Community viewpoint it is more than right for the two countries to receive a slightly higher financial contribution from the Community. The farmers receive the same amount, but this comes less from their own governments and slightly more from Community resources. In this way, we in fact make it possible for Italy and Ireland to carry out these programmes on their own territory.

Why has this not happened before in the rest of the Community? Simply because the rest of the Community is in a position to pay for three-quarters of these programmes from national funds. This is, however, not possible in Ireland and still less so in Italy.

Mr Frehsee, and other speakers too, drew attention the 10 million u.a. to be made available for the storage of soya bean. I believe this Parliament will be taking a definite decision on this matter in the April part-session and will return to the problem when an answer is given to the remarks of Mr Howell, who also put some oral questions on this subject yesterday.

How great a preparedness is there for financial joint responsibility? In view of the discussions in the Council on this point and also the unanimous invitation from the Council to the Commission to make

detailed proposals, it is my opinion that no single Member State can now permit itself to go back on this principle.

I certainly take the view that financial joint responsibility cannot be introduced earlier than 1 March 1977, not because of the terms of implementation but in view of the need for the necessary change in farmers' attitudes.

From the general way the debate went and also from the fact that definitive measures are still lacking — this year only a holding operation was conducted — it may be concluded that the Council will no longer be able to evade the issue and will be compelled to follow the Commission and Parliament, which, for more than two years now, have approved the principle of joint responsibility.

In this connection, a great deal has been said about the idea which Mr Martens threw into the debate: financial joint responsibility but at the same time some measure of co-decision. The intention is not that financial joint responsibility in agriculture and in the dairy sector should extend to 50 or 100 % of the costs of the dairy policy. Mr Martens pointed out that, in the sugar sector, practically 100 % of the financial responsibility has been placed on the shoulders of the beet-growers, sugar manufacturers and consumers, and that the taxpayer in this sector is spared. This is possible as far as sugar is concerned because we have a quota system for it, and also a system of levies, and because, in addition, we base the price to be paid by consumers in Europe on the result of adding these sums together. Thus, in the sugar sector there can indeed be said to be 100 % responsibility on the part of the beet-growers *via* the quota system and by the sugar manufacturers *via* the levy system on B sugar. Finally, consumers also shoulder part of the burden.

This is not however, the situation in the milk sector. Here we are thinking of a relatively small levy running at about 2.5 to 3 % of the price of milk, which would not yield anywhere near the sums we need to make good the financial losses in the dairy sector, which are certainly 4 to 5 times as high. Even so, you will realize that if we move in the direction of cooperation with the dairy industry and above all with crop and livestock farmers, not only in the framing of these measures but also in determining the amounts that we shall ultimately be claiming from the dairy sector, some intensive consultation will be necessary.

That does not mean that we think it will be possible to cover the whole dairy policy by some kind of joint responsibility scheme, because by far the greater part of the burden will still, and rightly so, rest with the Community funds and with the taxpayers and consumers as well, for whom we ultimately bear a governmental responsibility.

Mr Scott-Hopkins spoke about the compensatory monetary amounts, which last week, as far as the pound is concerned, went up by about 2 % — that is, from just over 6 to just under 8 %. Every week we

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tensely await news of any change. The fact that every point the pound drops gives us extra problems speaks for itself. It should be realized that every point the pound falls costs us, on an annual basis, 20 million u.a. from the Agricultural Fund. This makes a big difference. If the drop is 5 points, that costs us, on an annual basis, 100 million u.a. and if the drop is 10 points, it costs us twice that sum. Every point that the lira falls costs us 27 million u.a. It obviously makes a considerable difference whether the drop is 5 or 10 or, as unfortunately happens to be the case at the moment, nearly 15 points. These are responsibilities that we have taken upon ourselves in our agricultural policy and which are abnormally advantageous for consumers in the Member States whose currencies have devalued but which place abnormal and unforeseeable burdens on the Agricultural Fund.

If, in this connection, I display a certain bitterness at the failure to achieve a more integrated policy in other sectors, then the reason, or at least part of it, is this kind of unforeseeable burden that the Agricultural Fund has to bear. I personally, perhaps more than anybody else, am conscious of the fact that the Agricultural Fund, even though it has no formal ceiling, must remain a politically feasible thing.

Mr Scott-Hopkins asked what the agreement is with regard to wheat for bread-making. The intervention price has been established on the basis of so-called bread-wheat. The intervention price for fodder wheat is 13 % lower. In either case, the evidence has to be produced by the Intervention Bureau, at least this year. The following year it will have to be produced by those offering the wheat to the Intervention Bureau. For this next selling season, we have agreed — albeit with great difficulty — that the Intervention Bureau would have to produce evidence that the quality of the wheat was unsuitable for making bread. How can that be proved, if not by baking bread? The evidence will therefore be produced in that way. The experts have made very great progress on this point in recent months. I hope that this system can be put into practice after the next harvest.

I have little sympathy for the chemical firms producing alcohol, for it is a by-product that costs this industry practically nothing. Firms distilling high-quality alcohol from wine and other agricultural products deserve it more. Even so, this year only a few million hectolitres will reach the alcohol market from the wine industry, probably not more than 15-20 % of last year's figure. I think, therefore, that sympathy for the chemical firms producing alcoholic is misplaced.

Mr Cipolla asked whether the measures regarding the wine sector are adequate. My answer to this question is yes — provided all Member States implement the decisions. If this is done, then, in the next 3 or 4 years, we shall have a better balanced market than we have known in recent times.

Mr Cipolla also asked whether excise duties should not be harmonized in the Community. Mr President, is it not scandalous that the producers receive a price which is about one-sixth or one-seventh of the excise duty that consumers have to pay? In my opinion, we come very close to this kind of thing when we find excise duty in Ireland, Great Britain and Denmark coming to more than 6 times the amount that the producer receives for his wine. This is the clearest possible evidence of a lack of solidarity in the Community. I am not talking about champagne or high-quality wines like the Bordeaux. I am talking about ordinary wines for which the producer receives less than the price of milk and on which there is an excise duty amounting to 6 or 7 times that price. We cannot live with this sort of situation in the Community, but forcing the Member States to change their policy overnight is another matter. I can see only one possibility of inducing them to do this. I brought this up in the Council and in the Committee on Agriculture, and I will now raise it again, though on my own responsibility since the Commission has not yet taken any decision on it. It is my opinion that this excise-duty question in the northern Member States should be on the agenda when the Community which also produce wine. If we do not want the whole responsibility, and the burden of that responsibility, to rest on the present southern Member States but to be evenly shares, then we must take steps about the high duty-rates in the northern Member States. At the moment we have no problems with regard to Germany, France and Italy; there is a limited problem in the Benlux countries and very big problem in the three northern Member States I have just referred to. It is a very long time since any sign of possible solidarity was given. In the fifties, the Benelux countries decided to remove duty solely from Luxembourg wines. On the others — from other Member States — excise duties in the Netherlands and Belgium were increased once more last year, although not to an exorbitant level.

Mr Cipolla and Mr Howell spoke about currency measures. In my opinion it is not necessary to demand that we have a single currency in order to put matters straight in the monetary world. I am against the Community's becoming a 2-speed community and I consider that what is being done, at least by several countries, in the framework of the 'snake' points the way that — with a little more courage — everyone could take.

Obviously it is true that what disappoints Mr Martens suits me. Perhaps it is just that our responsibilities are different. But if the dairy regulations are studied carefully it will be seen that the measures are not wholly disappointing. Mr Martens says that the net increase in the price of milk is only 2.5 to 3 %. On an annual basis this is in fact the case if you compare today's

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end-price with next year's increased, but not if you compare last year's average price with the average price for the following year or if you compare the end price this year with the end-price for the following year. If you compare last year's average price with that for the coming year, then, unfortunately, there is a price increase of 6 to 7 %, even in the Benelux countries. Mr Martens' theory works only if you compare things that cannot in fact be compared.

With joint financing, organization of the market can naturally be more liberal than when financed solely by the Community. It could be perfect for the dairy producers if there were unlimited resources. Unfortunately, that is only theoretically possible. In market management, too, we have to allow for the fact that there is a limit to all resources, even the resources of the Agricultural Fund.

If we could take structural measures had an immediate effect by reducing milk production, then I would be the first to propose such measures. But, in my view, there is little sense — and this is also in reply to Mr McDonald — in taking structural measures now with regard to milk production which would indeed reduce the number of producers but would ultimately lead to an increase in milk production. In the dairy sector, the immediate problem is overproduction. In our structural measures we need to take more account of increases in productivity: there is little sense in reducing the number of farmers by, say, 20 % if at the same time milk production goes up by 40 %. That is, in fact, roughly the effect of the structural measures taken in certain Member States since 1972.

I would now like to answer Lord Walston, who said, in my view rightly, that the problems of agricultural policy cannot be solved solely by prices. I completely agree with him; but price policy is far from unimportant for the development of agricultural production. I believe that we must take this as axiomatic in spite of many assertions to the contrary. I have never yet come across an agricultural organization that did not want to convince us that we ought to increase the price for a certain product when that product was not available on the market in sufficient quantities. If we have a sugar shortage, as last year, or a potato shortage, as this year, the producers will always — and rightly, in my view — argue that a price increase is the only solution — although, curiously enough, when the reverse is the case, it is claimed that a price decrease will have just the opposite effect to the fall in production that is wanted.

Still, I agree with Lord Walston: agricultural policy should not operate solely *via* prices. Complementary measures are necessary. Here, limiting the scope of intervention is essential. I also tried to limit the scope of intervention to some extent for a number of products: meat, milk and wheat. The Council went part of the way with the Commission on this matter,

but the European Parliament did not support the Commission at all.

Mr Hughes says that little is done for consumers. I have just said that what exists in the agricultural sector with regard to monetary compensatory amounts is totally absent in the industrial sector. In that sector there is nothing comparable at all. Neither, in the industrial sector, is there anything comparable to the subsidies given under the agricultural policy. There is nothing, for example, comparable with the food subsidy, as in the case of butter — a measure, incidentally, that we shall be discussing again in April.

Mr President, it is important to the Community that butter consumption in Great Britain should be maintained as closely as possible to the present pattern of consumption, not merely in the interest of British consumers but also, as can be readily understood, in the interests of the Community itself and of agriculture in the rest of the Community. And that is the only possibility, anyway, of allowing some New Zealand butter to be imported.

We shall be returning to this problem during April and going further into what we can do in the Council.

Why has the country with the biggest inflation the biggest increases in prices? In my view, this arises exclusively from the fact that in a country with high rates of inflation costs rise steeply for agriculture as well. We have had some experience of this in Italy, for example, in 1973 and 1974. Then, Italy was so pleased and happy at the monetary compensatory amounts that it realized insufficiently and too late that the system could also have adverse effects on production at home. As it happened, we then adjusted the monetary compensatory amounts in Italy too late, and this had a disastrous effect on the development of meat and milk production.

Mr President, I now come back to skimmed-milk powder, I admit that there are too many cows in the Community, at least too many that produce milk, but the difficulty is that we could very well do with maintaining the number of cows if there were more cows producing practically nothing but meat.

Probably the only problem that is left is that of skimmed-milk powder, about which Mr Howell and others have spoken. Will the proposed method not put feedstuff prices up? The measure that we are proposing will certainly have an effect on feedstuff prices, particularly in the case of pig-production, but the effect will not be all that great. For all that, pig-feed prices will be very little different from the feedstuff prices we had last year, at least in countries where devaluation has not been above average. The effect of the measure will also be less, for example than the agreements on soya flour, since, in Great Britain, there was still a full import-duty on soya beans.

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You know that the import duty was completely removed in the framework of the Community and has now been brought back to about one-third of what it was prior to Great Britain's accession to the EEC. The regulation should therefore have a certain effect on the price that the producer of pigmeat will have to pay. It will have no direct effect on consumers, because we have no intervention or guarantee price, or anything of that nature, for pigmeat.

We are expecting a good price for pigmeat for the whole of this year; the capacity on the pigmeat market should therefore be such that the effects of the proposed measure can probably be absorbed in the production sector without much difficulty.

I do not expect that much of the milk powder will go to the poultry-raising sector, because, in our system, we leave milk-powder manufacturers free to decide where they dispose of the denatured milk powder. In view of the fact that, biologically speaking, the decision will have a greater positive effect in the pig-meat sector, particularly for young pigs, I expect that 90 % of the milk powder will go to this sector.

I now come to the problem of the storage of soya bean or vegetable protein. It has been said that this is nonsense, because it does not matter whether we store one product or another. One or two ministers say the same, but I would give them the following answer. The storage of vegetable protein costs about one-third of what it costs to store skimmed-milk powder. In other words, storing the same amount of protein in the form of skimmed-milk powder costs far more.

The second reason is that we can get rid of the stock of vegetable protein within one month of deciding that we no longer need it. That is, unfortunately, not the case with skimmed-milk powder.

The third reason is that, at the moment, we have stocks for 3 to 4 weeks in the Community. I do not consider it a luxury to increase this quantity, for a certain time, to 5 or 6 weeks. But that is not the reason for the proposal; the reason is purely and simply one of trade policy. We do not think that America has any cause for complaint. The Americans have no leg to stand on if they go running to GATT about this measure. But it is one thing to say that they have no right to be heard on this point and another to try to prevent a very involved and lengthy discussion by doing something that makes some sense in itself and will also cost us not 10 million but something more like 7 million u.a., which, incidentally, will come out of next year's budget.

In my view, such a measure would not have been necessary if we had kept to our original proposal, but unfortunately that was rejected by Parliament. The proposal envisaged a certain percentage of compulsory mixing, which would have made a vegetable-protein storage system unnecessary.

A guarantee system is a difficult trade-policy weapon. The Commission considers that we should be well advised to move carefully from the trade-policy viewpoint. The Council, going against its own intentions, was able to agree. I hope that this Parliament, probably against its own instinct, will also, ultimately, take the responsibility for this on itself. I am willing to discuss this matter in greater detail with the committees concerned in the consultations that I shall be holding in about ten days' time.

Mr McDonald asked for prices to be established every 2 years instead of every year. I share his feelings, but I must tell him that he is chasing rainbows, certainly in a period of inflation. In the last two years, prices in the country he is talking about were amended, because of changes in the value of the pound, not twice but 6 or 7 times. I hope that this will not happen again.

President. — This item is closed.

I call Mrs Dunwoody on a point of order.

Mrs Dunwoody. — Mr President, will you inquire gently of the Commissioner whether he is seriously suggesting that by raising the price of dairy products and other basic foods to the workers so much that they cannot afford to buy them, and lowering the tariff on wines, the workers will be kept sufficiently drunk not to realize that they cannot afford the Common Agricultural Policy?

President. — That is not a point of order. I cannot allow that question. We have already very much overrun our time on this topic.

4. *Community of stability and growth — Report by Sir Brandon Rhys Williams*

President. The next item is a debate on the report drawn up by Sir Brandon Rhys Williams, on behalf of the Committee on Economic and Monetary Affairs, on the motion for a resolution tabled by Mr Brugger on the Community of stability and growth (Doc. 534/75).

I call Sir Brandon Rhys Williams.

Sir Brandon Rhys Williams, rapporteur. — We have been dealing with one very contentious and anxious subject. Now, in dealing with Mr Brugger's motion for a resolution, we come to another which has also been hitting the headlines in recent days.

In this document, Mr Brugger voices the deep concern felt in all parts of the Community about the present state of the Community's economy. In the four paragraphs of his motion, he spells out in broad and simple terms the situation as he sees it. I believe that his motion will obtain wide support from colleagues in Parliament today.

Rhys Williams

First, Mr Brugger looks back to 1971 and the adoption of a positive programme for the Community geared to the now famous slogan, 'Stability, growth and full employment'. At the same time, he points out how since 1974 we have shown a lack of resolution — a dangerous slide into anarchy, as many people now feel.

In the second paragraph, Mr Brugger deals with the essence of the old policy of economic and monetary union, the hope that within the Community we should achieve the free movement of people, goods, services and capital, that we should be able to build an autonomous currency, and that the Community would have a central policy administration for economic decisions.

In his third paragraph, Mr Brugger points to the way in which rising unemployment, inflation, our balance-of-payments deficits and perhaps even the threat of an economic break-up in the Community all call urgently for harmonization of policies. In his fourth paragraph, Mr Brugger calls on the Commission to submit new proposals and places emphasis on the need for a new lead in Brussels.

I mention in passing, in case there should be any misunderstanding, that there is reference in the motion to the report of Mr Tindemans on European Union. I am sure that there was no thought in the minds of the Committee on Economic and Monetary Affairs, or among my parliamentary colleagues, of endorsing what has been thought to be one of Mr Tindemans' recommendations — namely, that we should advance in economic and monetary affairs on the basis of a two-tier Community — in other words, that the Member States should advance at two different speeds.

Perhaps Mr Tindemans was being dangerously ambiguous on this point. I heard him speak at a public meeting in Brussels, shortly after his report was published, disclaiming any wish to go along with those who believe that the Community should divide up into first-class and second-class nations. Certainly in mentioning his name in these resolutions neither I nor the Committee on Economic and Monetary Affairs wish to advance the idea of a 'Europe à deux vitesses'.

When considering our difficulties, it is worth reminding ourselves how we have got to where we are. In 1968 there was the certainty of the Bretton Woods Agreement, there was a general atmosphere of confidence, and the stability of exchange rates was only beginning to be questioned. For the most part, industry and business were able to operate in a framework of certainty and security. But in 1971, when Mr Nixon announced the major change in American policy, we saw the end of the gold exchange system. In 1973 the Western world had to abandon the whole structure of fixed exchange rates. We started on the new régime involving 'dirty floating'. In 1974 we saw

the emergence of the Third World, particularly in the form of the new oil cartel, but also a general awakening of a new sentiment among commodity producers all over the world calling for a new world economic order. It was a movement which has produced an entirely fresh climate in the world economy.

We must ask ourselves how the Community should adapt itself to this new world economic order. It is certain that we cannot hope realistically to go back, certainly not in the foreseeable future, to the old Bretton Woods way of life. The Werner programme for European Community unification by stages has been halted and now is clearly obsolete. Indeed, the Marjolin Report has suggested that even at the time we adopted the Werner Programme it was given inadequate preparation and forethought. Under the leadership of Mr Barre, the European Community focused its attention on the idea of a progressive narrowing of exchange-rate margins. But the events of the last fortnight have surely proved that under our present régime parity changes are still inevitable. Parity adjustments have taken place this year on a scale which shows that the policy of narrowing margins is merely academic.

In this anxious situation, it is possible to detect many respectable schools of thought pointing in different directions in the Community. Many experts are still looking to the reform of the International Monetary Fund. They feel that the Community's difficulties are not just a European problem, but a world problem. Perhaps from the agreements in Jamaica the IMF may re-emerge as the governing body of a world economic order. Personally, I venture to doubt it.

The IMF has refounded itself on the SDR, which no longer is an instrument based on gold but on paper. It has been called the 'paper tiger' in the world's banks. However ingeniously the SDR is reconstructed, I do not think we can build too securely upon it.

The agreement at Rambouillet was useful in many respects, but it was hollow in so far as it hoped to rebuild a firm relationship between European currencies and the dollar. The American economy has not set itself out to become the linch-pin of a floating rate system: the Americans have limited usable reserves for day-to-day interference with currency markets, and their exchange-rate and interest-rate policies are governed by their own internal considerations. Perhaps we should follow along with the people who hope that the Community will be able to solve its problems on its own. With this in view, the Commission is still looking to the snake, the policy of bringing the paper currencies of the Community together in some kind of fixed relationship to each other.

We have heard much of the conflicts between the monetarists and the economists, and some experts have sought to solve the dilemma of which comes first — monetary policy or economic policy — by

Rhys Williams

developing the theory of parallelism. Unfortunately it is not just a two-way fight, with the monetarist on the one hand and the economists on the other: in fact the conflict has three sides, for we have to remember the influence of the electors. The Community is a democratic system divided into nine Member States, and the electors in the end decide how our economic and monetary policies are to develop. They do not speak with one voice. That is why governments cannot speak with one voice any more than the central banks. European Community governments have to heed democratic pressures. That is the central problem.

I believe we do not have to despair. What we need, however, is a new approach to economic and monetary union. I do not like the two-tier approach. In fact, I reject it altogether, but there are other ways.

Much has been made lately of theories on the use of the 'alternative currency'. I like this idea. In all our countries we already have a cost-of-living index which is a sort of alternative currency. We need now to move towards setting up a European standard of value. Possibly, too, we could do something in the way of developing a European currency pact — an outer snake — with rules which all Member States could accept. Certainly we need institutional developments. I would be prepared to say that, if necessary, the European Fund for Monetary Cooperation should set up a branch in Basle. Even though it is outside the Community, that is where the decisions are taken, and it is no good fighting against the facts.

If the countries in the snake have to realign their central rates during coming weeks, following the sudden adjustment of the pound in the past week of over 5% and the pressures that we have seen on the French franc, there are still some who will say, 'The snake is dead; long live the snake', in the hope that with new parities somehow or other the snake policy can be put together again. But others may regret that the Commission is still placing so much emphasis on the snake policy — which is now dividing the Community — and is not looking for ways of restoring our confidence and sense of direction by immediately practicable initiatives which will strengthen cooperation and Community solidarity.

This brings me back to Mr Brugger's initiative. It is not necessary to abandon the snake for those countries that find it a useful formula any more than it is necessary for the Benelux countries to abandon their agreements, long established between themselves. But other approaches must also surely be worth consideration.

I hope that by its vote today Parliament will express its concern at the obvious inadequacy of the Commission's policy and guidance and the deep concern of our electors to restore integrity, certainty and unity of purpose to the Community's economic and monetary system. We have to make a stark choice between unity

or chaos. The Commission must give the lead. Time is running out.

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

Mr Lange. — (*D*) Mr President, ladies and gentlemen, it is somewhat difficult in the present circumstances to take up a position on a motion which at root, if I interpret Mr Brugger's original motion for a resolution correctly, was designed purely to remind the Council of its responsibilities. The intention is not to hold a large-scale debate on economic policy. We have had this in another connection, and later we shall also have an opportunity to discuss the Artzinger report. Here the only question is whether this Community and its own legislative organ are ready, even though the circumstances have changed, to uphold and develop the European positions which they themselves defined in the first place or to let everything slide and possibly allow the whole edifice to collapse.

It is evident that the Council has failed to realize its European responsibility. Instead — and this has emerged once again today — the Council has for a number of years evolved its decisions from the various national positions and has, in practice, agreed in all cases only on the smallest common denominator, which is, however, no European denominator in any real sense.

If certain Members do not like the reference to the Decision of the Council of March 1971 because their country was not yet a member of the Community at that time, I can to some extent understand them. The only thing is that everything that was decided prior to the accession negotiations and then up to the accession itself on 1 January 1973 was accepted by the new member countries on the basis of the Treaties. Therefore everyone, including the newcomers, must be ready for the question whether they are ready to develop this Economic Community in such a way that, via economic and monetary union, a social union, with the appropriate economic and social security, will come into being as well, and ultimately, given those conditions, what we call European Union can be built.

But first it is a matter of how far we are ready and willing, even when times are difficult, to continue with the development of the Community as originally conceived and established in the Treaties. This is conditional — and we must make no mistake about this — on the individual Member States' transferring more and more responsibility to the Community. There is just no way round this.

What is contained, over and above this, in the motion of the Committee on Economic and Monetary Affairs is intended to spur on the Commission, in the altered circumstances, to further these principles, which are

Lange

right in themselves, and so speed the progress of the European Economic Community towards economic and monetary union.

It might have been expected that in times of need like 1973 and 1974 the Member States of the Community would hold together more firmly. We have said it often enough and hardly need to repeat it: we still hold the view that the Council has not realized its European duty and that it simply has to be reminded of it and compelled to realize it.

We cannot build Europe with nationalistic and national positions. That way we would one day become the pawn of others — this we must clearly realize.

If, on top of that, one or other of us thinks that certain notions or principles are in conflict with one another and that words in the different languages may have different meanings, then there is nothing for it but to come to an agreement and find a language that rules out such misunderstandings and differing interpretations. We are fully aware of the difficulties that arise out of having six official languages. Experience going back over 6 years has taught us that differences in semantic content may arise, if a word is literally translated, because of the background and evolution of a language and of a Member State. This we fully recognize; but economic and monetary union is defined in a way that clearly rules out any illusion of Utopia.

If it is really regarded as Utopian, then many political developments over the years and decades have been started off by a Utopia. I personally, at all events, consider that what was decided in 1970-71 in this connection is not Utopian but as realistic tomorrow as it is today. We must see to it that these things are taken further.

For this reason I believe that we ought, remembering that here it is just a question of reminding the Council of its duty, to vote in favour of this motion for a resolution. This does not, however, also have to imply — and I must say this quite definitely — acceptance of the Tindemans report, even though his name and his report are cited in one of the paragraphs. I am by no means prepared to accept the Tindemans report as a whole, but in the committee a majority unfortunately felt that, because the Tindemans report was at that moment on the table, some reference had to be made to this topical paper in the motion for a resolution. I myself confess frankly that I do not regard this as a good thing, but we agreed to it by way of a compromise. But that does not mean acceptance of the Tindemans report as a whole. This must be clearly understood. What is more, we still have to discuss the Tindemans report in this House. To that extent, therefore, if the original intention of the author of this motion for a resolution is correctly interpreted, it fits in completely with the general attitude of Parliament towards the further development of the European

Economic Community in the direction of economic and monetary union. For this reason we should support it in order to put on record that the Council, which has not performed its European duty, is bound to perform it now and in the future.

(Applause)

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

Mr Brugger. — *(D)* Mr President, ladies and gentlemen, first of all I would like to express my thanks to Mr Lange for his analysis of the lines of thought underlying this motion for a resolution, an analysis which is exactly in line with the intentions of the author. Nevertheless, as author of the motion for a resolution on the Community of Stability and Growth, I feel I owe you some further explanatory comments.

I tabled this motion for a resolution as a Member of the European Parliament who is also the representative of a national minority on the outer borders of a big Member State of our European Community. Those of us who live on the external borders of the Community keep a particularly watchful eye on turns for the better or the worse that the process of European integration may take. We are concerned if difficulties arising along this road are not disposed of with the necessary determination for lack of courage, vision and preparedness on the part of government representatives from the individual Member States.

The discussion on this motion for a resolution ought not only to give us an opportunity to examine which forces outside the Community have put obstacles in the way of our efforts; it should also spotlight the deficiencies within our own Community so that we may apply our strength to removing them wherever we can.

I believe that the European Parliament has an important rôle to play as a champion of ideas on integration and the prime mover of European unification.

I shall begin by recalling that, on the basis of proposals made by the Commission in 1969 and after comprehensive investigations lasting some two years, the Council finally succeeded in drawing up the basic principles of economic and monetary union in the important Resolution of 22 March 1971, declaring that such a union had to be the foundationstone for a Community of Stability and Growth. This House approved these goals and the decisions necessary to achieve them. Parliament therefore shares responsibility with the Council and Commission.

I believe that it is now our political duty to take stock, as it were, and see whether we have been faithful to the decisions we took 5 years ago and to urge, notwithstanding the enlargement of the Community and the new accessions in view, that we at last do something serious about consolidating the Community internally.

Brugger

We have to admit that European economic and monetary union and the hopes placed in it have been given concrete form only in some very minor sub-areas. The realization of the four fundamental freedoms in the EEC Treaty — freedom of individuals, goods, services and capital — has still a long way to go, and the same applies to taxation harmonization. The creation of a single currency-area is stuck at the starting-post.

The authority running the union, which will have to take the necessary economic decisions at Community level, and its democratic control are the subject of keen debate confined only too often, unfortunately, to academic aspects and not resulting in any practical developments for the Community's citizens. Instead, one has the feeling that preference for one's own national way of doing things is increasingly taking the limelight again in the most varied areas of public life in the Member States. We feel it every time we cross the frontier from one Member State into another or get told at customs offices that the Common Market is just a theory: customs formalities are just the same as they ever were.

We see it above all in the slow rate at which work progresses in the Council, where government representatives from 9 Member States delay practical and effective economic-policy decisions, claiming important national interests are involved which, only too often, serve as a cloak for pressure from the lobby at home.

With 21 months to go before direct elections, we as Members of the European Parliament have the very important task of infusing new life into the decisions of the early 70s that are mouldering in the archives of the Council of Ministers. Here I am thinking particularly of the Commission's 5 proposals to the Council for measures in connection with economic and monetary union, which were approved by the European Parliament on 13 December 1973 at the wish of the Council and about which nothing more has since been heard.

We shall very soon be called upon to give electors news direct about our plans for Europe. These have been introduced with enthusiasm but are all too often sinking into oblivion, waiting for the Council's final approval.

In a time of unemployment, inflation, balance-of-payments deficits and disparities threatening the cohesion of the Community, Europe can no longer veer about as it has done up to now. The provisions of the EEC Treaty must be put into full effect through short- and medium-term action in the field of economic and monetary policy. Existing monetary-policy organs must be enlarged. The co-ordination of economic policy and its structural enforcement through appropriate medium-term programmes must be brought to the front, and our knowledge of the problems raised by economic integration in Europe must be deepened. Implementation of the Community's regional policy must be intensified, taking into account the prevailing

structural and regional disequilibria, and we need a social and employment policy in Europe that will help forward the process of economic integration.

I recognize the cursory nature of these remarks in view of the scale of the problems to be solved. Ambitious objectives take shape at a time when ideals and the wings they led to the human will are capable of conquering and occupying great realms; but the daily routine then starts and tiny steps have to be taken, steadfastly and laboriously, if the great idea is not to finish up on the rubbish-dump. Here this Parliament has an important rôle to perform as, so to speak, administrator of our integration assets, and according to my political conscience and my conception of justice we cannot behave today, in a much-changed world, as though we had forgotten the binding decisions taken by the Council in 1971. We must be ready to explain why it is not possible to implement certain plans, and we must find other suitable solutions to put in their place. Otherwise who, today, will put their faith and reliance in our big new schemes?

If we can prove to Europe's citizens in the individual Member States that the Community does not shy away from difficulties but energetically looks for other answers to suit the altered circumstances, we shall strengthen Europeans' confidence in the Community. If the European Community enjoys the growing confidence of the citizens of Europe, then it will succeed in spite of the selfish aspirations of the governments of individual Member States.

(Applause)

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

Mr Guldberg. — I should like to say a few words at this point, although it is difficult to discuss these important general problems without reference to the report of Mr Artzinger, to which we shall come in a few minutes. However, it does justice to the report of Sir Brandon Rhys Williams that we are taking it as a separate item. I believe that we cannot discuss our general economic policy and monetary problems without considering the problems of a more technical monetary character which are raised in this report and which we must consider apart from the political aspect of the matter.

I have listened to the discussion on what to do about monetary cooperation, and whether it should be done one way or another in present conditions. I should not like to criticize the six old member countries on this, but the question of the position of the new countries has been raised. I recall my first experience of the Rome Treaty, which was presented in Copenhagen on 1 October 1957 at a meeting I had arranged with a Dutch industrialist. The whole Treaty and the whole idea of economic cooperation were presented in an interesting speech.

Guldberg

We were then told that if there was one fundamental fault in the Treaty it was that for political reasons it did not include agreement on a common monetary policy and a common monetary system, which were necessary if the whole system under the Treaty was to function. That is very true, but the industrialist also said that he was not very worried about that because he was sure that when the Treaty had been established and economic cooperation came about it would be of such advantage to the six member countries, and possibly also to other countries, that the governments of the member countries would be forced to achieve monetary union as soon as possible to maintain what they had gained.

Therefore, I deplore, as others do, that we do not have the means to achieve that monetary union as it should be. It is a basic condition of the whole work. But I do not accept that that is the fault of the three new member countries. Six member countries had 18 years to bring it about, and did not do it.

Today we must be realistic, and the realistic approach is that we cannot do without monetary union, but we cannot have it generally for all member countries at the same time. We have cooperation on the snake in the tunnel, but I could never accept the idea that it is no good having that snake because it is not for everybody. I never interpreted the report of Prime Minister Tindemans in that way. But I can understand the idea that we should hand over to the Community institutions, including the Commission, the responsibility for administering this in a way privately arranged between some member countries, in the hope that cooperation of a general character will be extended to become a permanent, fundamental monetary union.

I shall not now go on to the next step, because I think that that comes up in the next item. We all know that there must be many conditions on economic policy and cooperation for which we do not yet have the tools.

I agree with the motion, and I do not understand why the Socialist Group does not want it. I think it is right of us to urge the Council and the Commission to remember this and do something about it, even if everybody can see how difficult it is and even if we are not able to point out technically how it should be done. We can go on to discuss other fundamental conditions for doing that under the next item.

In conclusion, Mr President, I was glad of the chance to do justice to the report, and am pleased that Parliament has been given the opportunity of taking up this important problem.

President. — I call Mr Ellis.

Mr Ellis. — The resolution tries to put down on one piece of paper an enormously complicated and diffi-

cult problem. I suppose, therefore, that in my brief five minutes I can do no better than indulge in the luxury of a little homespun philosophizing. I know that at the end I risk having to hear the House say, 'Yes, it was homespun', but that is a risk I am prepared to take.

I am aware that intellectual honesty is not always the greatest virtue in politics. It is the job of the politician often to paint an impressionist picture. We have to try to move the hearts of men. Indeed, I was heartened to hear Sir Brandon Rhys Williams refer to the third force in the battle between the economist and the monetarist — that is to say, the insistence of the electorate. It is the question of moving the hearts of men that is at the nub of all our problems. Therefore, one cannot possibly indulge in any kind of metaphysical exactitude as a politician trying, as it were, to stir people. Therefore, one sloganizes and one allows a little intellectual woolliness. Sometimes, however, I feel that it becomes necessary to clear our own minds as politicians. We reach a juncture where serious harm is likely if we do not clear our own minds.

I think that the present resolution is a case in point. I am allowing for an element of platitudinizing. I know that when one produces a resolution one has to say that one is against sin — and in so far as the resolution is against sin the Socialists support it. But being against sin is not enough, and I accept what the previous speaker said: that presently we shall be having another debate, when, one presumes, we shall study the tools for learning how to do away with sin.

Allowing for all that, however, I must say that the resolution as it stands—we are faced with it as it stands and the words in it: we can accept only those words—enshrines so great an economic confusion that it becomes politically unacceptable. The impressionism has become such as dangerously to distort the picture of reality.

Even the first paragraph of the resolution, which on the surface is quite unexceptionable, makes, at least implicitly, an assumption which will lie at the root of a failure to create a true economic Community, let alone a true political Community if we persist in it. I shall return to that point presently.

I am talking about the phrase—and how timid it looks—'aid in cases of structural and regional imbalances'. We are talking, or so one believes, about some homogeneous political and economic Community.

The nub of my argument in this philosophizing in which I am indulging concerns paragraph 2, where the first inset refers to the decision 'to achieve the fourfold freedom of movement of persons, goods, services and capital' and so on.

Ellis

The problem lies in the word 'competition'. When my very good friend Mr Lange spoke about our semantic differences in our various languages, he might have been reflecting a conversation we had earlier when I said that it was possible for a word to have two different meanings in the same language or at least to have very different shades of colour in the same language. 'Competition' is one such word. It is a word that occurs throughout the Treaty of Rome and colours the whole conception of the Treaty. Its first shade of meaning is largely technical. That is to say, it is a kind of criterion for measuring and regulating efficiency, in the same way as an accountant might use a technical term, 'unit costs' or some such thing. All kinds of things follow like harmonizing of technical qualities, ease of movement and transparency. I do not think anybody could have any objection to the use of the word in that sense.

The second shade of meaning to the word is the classical, entrepreneurial, old-fashioned, capitalist one where, somehow or other, one has a vision of the strong succeeding and the weak going to the wall, with a ruthless disregard for any considerations except the inviolability of some perfect and pure market determinism. I reject that. I am not—and I am sure that hardly anyone in this Chamber is—in politics to be the puppet of any machine whether run by apparatchiks or by people with a deft eye for the main chance. It is apparent from the confusion in the resolution that no one—certainly not the Committee on Economic and Monetary Affairs—is prepared to accept the absolutist view of this classical interpretation.

When the prevention of structural or regional imbalances is referred to in the resolution, the movers in reality are talking not simply of governmental intervention but of massive governmental intervention. By 'governmental' I do not mean national governmental intervention but intervention from a public centralized agency like a government—and here I agree entirely with Mr Lange—running the Community on a Community basis. This is inevitable. It is not a question of aid, as referred to in paragraph 1. This is something much more profound.

When one talks about the free movement of goods, capital and people, I remind the House that the traditional way of dealing with economic disparities in the past, which can be seen in many countries or regions such as Ireland and Sicily, has been external disinvestment, unemployment and mass emigration. The free movement of people in that sense is, I am sure, abhorrent to the great majority of people in this Chamber. It is in that sense that we want to be clear what we mean.

The same kind of argument applies to the pleas made in some countries for the stimulation and reflation of those countries which are best placed to carry this out. Germany, for example, is quoted: why do not the

Germans reflate? What that means in effect is merely: to him that hath shall be given, from him that hath not shall be taken away.

There are other problems which get greater and greater. This is the quandary in which I find myself. At the end of my speech it brings me to the point Mr Lange was making, namely, that without having a kind of supranational arrangement one cannot deal with the problem. If one were to ask Germany to bear the responsibility, let us say, for Britain—I will use my own country as an example—then, of course, one would expect the Germans to insist on an authority to go with that responsibility. The same applies to all the countries of the Community.

Having advanced in this rather homespun way to reach this very important conclusion, at the same time I feel that the sheer economic confusion as embodied in the resolution is such that we as Socialists supporting the concept of a united Community cannot support the resolution because it will do more harm than good as it is written.

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — (D) Mr President, on behalf of the Commission I would like to say that we are grateful for the fact that the initiative taken in tabling this resolution and holding this debate has revived the discussion on economic and monetary union questions.

We tackled this question yesterday, in another context, when dealing with Mr de la Malène's question. I would like first of all to tell you this: when this motion for a resolution was discussed in the Committee on Economic and Monetary Affairs and widespread discussions recently began about the report on European Union, I remembered the debate that we had had in public and in this House little more than 2 years ago, when the Commission tabled its report, after the Paris Summit Conference in December 1972, on transition to the second stage of economic and monetary union.

I would regard it as useful reading if those of you interested in this question would pick up that report again. It is not all that long. I think there is even some suspense in it. At that time — in those days, as now, I was responsible in the Commission for this report — we proposed a second stage which we saw as lasting 2 years. The Commission was criticized on all sides for being too faint-hearted: what we wanted to do in this second stage, it was said, was far too little.

Mr President, I find now that what we then proposed for the second stage was far more concrete and far more courageous and went much further in economic and monetary union matters than much that is today claimed as bringing us closer to European union.

(Applause)

Haferkamp

I do not mention this just to air my vanity as author. I do so because of the lesson it contains: 2 years ago criticism of things which were written off as faint-hearted and timid, and today applause for things which, compared with them, are impotent. This shows what has happened to what we want to do in Europe about economic and monetary union. Unless we change this, you can put down a hundred resolutions, we can talk as much as we like, but we shall not bring it into being.

(Applause)

This is the simple, brutal truth. To my mind the time intervening between these two reports is not all that long, and the results so far are very negative. In the meantime there has been the crisis — we talked about it yesterday — and that got us no farther forward. One thing we can be happy about today is that we have prevented the Common Market from breaking up. If, then, I have looked back — not in anger but rather in sorrow — I merely wanted to recall when we started talking about economic and monetary union and why it happened at that time. It was 1969, when we had come to the end of the transitional period and achieved the customs union and were forced to conclude — in this House as everywhere else where we discussed Europe, that is, in the Commission and at the Summit Conference in the Hague, which for some of us in this House meant something more than just transition from a customs union to economic and monetary union — that if we did not take the step from a customs union to real economic unity, we should not be able to preserve the customs union. We ought to remember why economic and monetary union came to be tabled as a matter for political decision. It was not for the sake of a debate on economic philosophy or on the virtues of one system or another. These are inflections brought in by people who have forgotten this whole development or did not live through it. We must not let ourselves be switched onto the wrong track. The question facing us is whether we really want to further this policy.

On that I would say quite plainly that we shall not be able to dodge the issue or to succeed in furthering this policy if we imagine that we can save the boat with mere mechanisms or monetary contrivances. There is no sense in talking about the Snake, and 'Snake plus' or 'Snake minus' if we do not manage to bring economic problems under control and come closer to one another. There is no point in developing new monetary techniques and all kinds of inventions whilst we still have price-increases or a rate of inflation of 5.5 % in one country and 23 % in another. It just will not work. Those who have been following an economic policy over the last years and decades leading to this 23 % will have to find the necessary discipline to come closer to the others. Otherwise it will be no use. But it is also the duty of the others to stand by them and help them see this process through.

Neither should we conceal the fact that in the interests of a union it is essential to realize clearly that the

economic and social systems in our countries have developed at different rates over the last 30 years. I shall just name a few points. If you look at the tax and social systems, and other areas too, which have a critical effect on the social and economic groups in some of our countries, you will find in them the reasons why development does not keep pace at the rate it should. These are things which lie outside the formal impact of economic and monetary union but are part of the economic and social order in each country. All of this, to my mind, needs to be discussed, over and above the techniques and formal regulations.

One of the reasons why we have made no progress with the resolutions and the phased programmes is that we have hesitated to hold this discussion. Where is the focal centre of economic and social policy to be placed in this union? Can you expect an answer from government officials who are not even ready to hand a problem over to others because they are worried they will lose their promotion? Can you expect it from social and economic pressure-groups who are certain that they can exercise greater pressure at home than in the European institutions? *There* are the real reasons why there is no progress.

(Applause)

Now, in the political field, we have a chance to do something. We can debate it here. In broad areas we shall agree, but on specific points of basic social and economic policy we shall not agree. But where do you agree at the national level? There, as well, you are split according to the attitudes that your parties happen to have, whether they belong to the government or to the opposition. That too must be discussed here. In these matters we cannot just leave things at the formal level. At all events, this discussion must not be confined to the European level.

Now I shall repeat something I said yesterday in the debate on Mr de la Malène's question — and this is an issue that should be on the table in every national parliament: what are the national governments doing about these vital European questions? It is not my business to explain the positions of governments; you can find that out at home, and the Office of the President of the Council could tell you. But unless you exert enough pressure to make your *national governments* move in the direction you want to go in this motion for a resolution, then your resolution, even if you vote unanimously for it, will have little effect.

(Applause)

President. — I call Sir Brandon Rhys Williams.

Sir Brandon Rhys Williams, rapporteur. — I wish to say a few words, partly in appreciation of my colleagues. Mr Brugger appreciates that my report is almost identical with the text of his motion. I am glad to endorse it, although he knows that I abstained when we voted in committee because I believe that the Committee on Economic and Monetary Affairs must tackle this matter in greater detail than he has

Rhys Williams

done with his broad approach — perhaps since he is not a member of that committee.

I do not disagree with anything in his motion, although personally I feel that the European Parliament too should be tackling the matter in greater detail. We were moved by his reminder of the problems of people who live on the borders between Member States. We must ask ourselves what we are building. 'Dirty floating', the system under which we now live, is building barriers between Member States—barriers that did not exist 10 or 20 years ago when the Treaty was first conceived. We must realize that we are in danger of losing everything we have so laboriously achieved.

Mr Lange spoke with conviction and sincerity about the need to act together to set up central institutions and to make real concessions of national sovereignty in the interests of economic and monetary union. If he and I differ, it is on the means rather than on the ends. I must remind him that politics is the art of the possible. Economic and monetary union is a political target, not a conjuring trick or a slogan. Experience shows that economic and monetary union is not as easy as it once looked. We must learn from that. We need to get the details right if we are to make serious progress. Empty phrases fill no wage-packets.

I was interested in the comments of my countryman, Mr Ellis. Economic and monetary union is not just a far-ranging academic study. We must be concrete and must also act this year—not in the next decade, or indeed in the next century.

Economic and monetary union is an expression of Community policy, not the absence of it. It is not just a continuation of *laissez-faire* ideas carried into the 20th century from the past. Regional policy means positive mutual aid, not exploitation or neglect. A united capital market means positive joint effort to create wealth, not a sharpening of differences or a perpetuation of injustice and inequality. We shall achieve nothing if we blunder on as we are and end up drifting apart.

I fully understand the anxieties of those who feel that economic and monetary union is a target for bankers and has nothing much to do with everyday life, with the individual voters in the Community. I do not see it as a greater convenience for monetary institutions and those who run them. I think of it as providing a tremendous opportunity for individual citizens in the Community to work together to make the most of their endeavours.

Mr Haferkamp spoke of the frustration of the Commission, and we fully understand that situation. He looked to the Council to respond to the Commissions' initiatives. Certainly the Council has responded in a disappointing way to initiatives from the Commission and from this Parliament in past difficult years. Yet as parliamentarians we can only repeat that the Commission has the responsibility for the formation of policy and for guiding the Community in this matter.

Therefore, we must press the Commission at this time, a time of crisis, to come forward with new and realistic ideas and to give a practical lead. It is not enough to find other people to blame or even to analyse correctly the difficulties of Council Ministers, who are responsible to their own electorates. The problems of the European Community are not insoluble. The Vice-President, who is with us this afternoon, bears a heavy burden. We in this Parliament will back him through thick and thin if he comes up with idealistic policies for economic and monetary union—policies which are also practical and take account of regional inequalities and practical difficulties of industry and commerce. We cannot go on as we are. That is why I hope that this resolution will be endorsed by Parliament this afternoon.

In closing I would like to thank Mr Brugger personally here in the plenary session for his initiative and for the valuable work that he has done.

(Applause)

President. — I call Mr Lange.

Mr Lange. — *(D)* Mr President, I am sorry to have to ask for the floor again. I have never yet seen myself as a conjurer, nor did I know I had a magic wand; in fact, I see my political task as a difficult one.

Sir Brandon, you must admit that every proposal that goes into any detail is conditional upon overcoming reluctance to take decisions. We must apply political pressure on the Council to take decisions in favour of further steps towards economic and monetary union. That is the real problem. We can think up all sorts of things and the Commission can go on making excellent proposals, but if the Council is not prepared to take decisions in a certain direction, we shall not advance on inch. The real problem is the Council's responsibility for European decisions. We simply have to note the Council's failure to realize its responsibility. If we may be allowed to use Mr Ellis's expression, in reality the Council has sinned against the European idea and to that extent against what Europe needs. We must therefore try to set it on the right path.

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

The resolution is adopted.¹

5. *Economic situation in the Community*

President. — The next item is a debate on the report drawn up by Mr Artzinger, on behalf of the Committee on Economic and Monetary Affairs, on the economic situation in the Community (Doc. 557/75).

¹ OJ C 79 of 5. 4. 1976.

President

I call Mr Artzinger.

Mr Artzinger, rapporteur. — (D) Mr President, ladies and gentlemen, the agenda, and not I, now imposes on this House a somewhat abrupt transition from the big questions of economic and monetary union to the smaller in terms of time but not for that reason any less important questions of short-term economic policy.

The Committee on Economic and Monetary Affairs submits to this House a motion for a resolution concerning the Commission's statement on the economic situation in the Community which Mr Haferkamp made on 12 February in plenary sitting. As rapporteur, it is my duty to present the explanatory statement. The motion for a resolution does not deal with that part of the statement giving a first analysis of the causes for the acute 1974—75 recession. However interesting this might have been, it seemed to us at the time more important to say something about the tasks lying ahead. In its first 3 paragraphs, therefore, the motion refers to the 1975 annual economic report and to the guidelines proposed in it, which the Council of Ministers has adopted. In this connection, our motion refers to what it calls 'the upward tendency in economic development'.

Since 12 February in other words, since your statement, Mr Vice-President other economic forecasts have come out. A feature common to all of them is that, following the severe inroads made by the recession in 1975, a fresh upswing is anticipated for 1976.

However, the hypotheses on the scale and duration of this economic recovery vary. In paragraph 4, therefore, our motion turns to the question how to ensure that the upward trend is maintained. We stress the need — and Vice-President Haferkamp also emphasized the same components of demand — for private and public consumer spending to be maintained in order to bring about a return to normal private savings-patterns and an increase in investment. This, we believe, depends in particular on sustaining the revival of confidence in a once again promising future.

Fears have, in fact, continued to spread that the possibilities for further improvements in economic well-being have definitely shrunk and that the aim of providing people with secure jobs has receded into the distance. I myself — and here I can speak only on my own behalf — consider these fears to be not entirely justified, and I was pleased to read in the press that Mr Haferkamp, as well, had scouted them.

The motion for a resolution, in paragraphs 5 to 7, then goes on to deal with the concern about unemployment which is worrying us all. The removal of unemployment is referred to explicitly in paragraph 6 as a critical test for free Europe. Free Europe does not mean just the institutions of the European Communities and the governments and parliaments of the Member States, but all its social forces.

In paragraph 7; we follow the Commission in urging that unemployment be held in check through an active national and Community labour-market policy. This paragraph also contains the first reference to structural policy.

With this term of 'structural policy' there is a risk of misunderstanding. There is an impression that the phrase 'structural unemployment' entitles one to put the blame for a large part of the unemployment problem on governments and their economic policy. If I correctly interpret the vote in the committee on this point, a narrow majority does not take this view. On the contrary, it cannot be the business of structural policy to plan and create sectoral and regional structures. In a market economy such as we have, in various forms in all Member States of the European Communities, sectoral and regional structures are the outcome of economic development and therefore the result of a complicated mechanism of concertation *via* the market in which all those responsible for economic decisions, but private enterprise in particular, take part.

We therefore have to maintain their scope for initiative. This is the import of paragraph 8 of the motion, which was hotly debated in committee. I would, however, point out that there is no ideological inference in the wording and it should not be understood as having any. The 'necessary scope' for the initiative of private employers that is referred to and called for as a task for economic policy is a flexible dimension. It does not rule out introducing selective investment control, as the Netherlands did in 1974, or an interlocking of economic and structural policy by means of a differentiated general policy.

In paragraphs 8 to 10, the committee wanted to underline the importance of structural policy in the removal of unemployment and the achievement of steady growth. If, in paragraph 9, Mr Haferkamp, the committee regrets that the medium-term economic policy goals will not be published before the middle of 1976, this is because it did not know at the time that the text, according to a recent press announcement, would be issued as early as this April. Thank you.

In paragraphs 11 and 12, the committee takes up the Commission's pressing appeal for a European alliance for full employment and stability. The fact is that the cyclical stimulus of inflation is played out. Measures influencing demand cannot alone be expected to keep recovery going on a lasting basis; only if prospects are stabilized at a lower level than in the previous cycle will the economy get back on the road to full employment and growth. In particular, however, the economy needs stable prospects as regards future monetary values. Otherwise it has no firm ground on which it can base the effectiveness of its measures.

Artzinger

Economic stability is therefore an important goal for the removal of unemployment. This stability demands sacrifices from all concerned, including both sides of industry. Despite the freedom to negotiate wages, most criticism is levelled at the market economy and its distribution principles. And yet I do not think it is a realistic alternative to do away with the market economy system out of dissatisfaction about the distribution of wealth. If, Mr Haferkamp, I may use your comparison, there is no point in drastically reducing the whole cake just to make the slices as equal as possible.

Thus, the Commission's appeal is not directed solely at the social partners' basic consensus on a liberal economic order, but also at the sheer economic interests of each individual.

Paragraph 13 of the motion calls on Member States, should all these steps not achieve the aim of a lasting economic recovery, to take further measures to stimulate the economy and to show flexibility in adapting to their individual situations.

Lastly, paragraph 14 refers to the recent monetary disturbances. In this much debated item, the committee calls not only for the protection of the Snake as it is but also for its further development along the lines, say, of the Tindemans proposals.

That, I think, is an adequate explanation of the motion for a resolution that we have tabled.

IN THE CHAIR: SIR GEOFFREY DE FREITAS

Vice-President

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

Mr Prescott. — This is undoubtedly the most fundamental problem for all of us here, particularly those of us whose main priority is full employment, and who judge any economic system that we are expected to support by whether it can produce the goods—namely, full employment.

The whole economic system, whether in the free economies or the Socialist economies, is beginning to show considerable changes. I believe that all the normal economic indicators suggest that we are witnessing fundamental changes in our economic systems and not necessarily simply a reflection of the economic depression from which the world is beginning to recover somewhat.

We would remind ourselves of the problem to be solved. Does Mr Artzinger's report go any way towards solving it? The evidence from the Commission's reports for 1975, undoubtedly a difficult period, is that the gross domestic product fell, we did not grow as fast, and industrial production also fell. Prices have

increased, and so have inflation and unemployment. Unemployment is now at the unacceptable level of five million people, representing 4.5 % unemployed, to whom must be added more than two million on short time.

The high levels of inflation and unemployment together defy all the predictions of economists years ago that it was not possible to have that kind of stagflation—stagnation in growth and inflation at the same time. In 1976 there are some signs of recovery from what the Commission has described as the worst depression, but it is clear that by the end of the decade we shall still have a high level of unemployment, a level that is unacceptable to me.

The Commission has rightly said that solving the problem of unemployment will depend on the level and pace of investment, but all the evidence is that there is a weak propensivity to invest.

We should also be aware that the problem is not simply one or for the Community's economists. Problems have begun to grow in all developed economies. An OECD study of more than 18 countries over the past two decades has produced interesting suggestions that the problem is much more fundamental than of cyclical development and recession.

It was Commissioner Haferkamp who said that we must learn from past mistakes and look carefully at the analysis. In all the developed economies covered by that report, the rate of growth from 1960 to 1971 was reducing. The average growth rate of 5.4 % fell to less than 1 % in some of our economies in 1974 and 1975. Between 1961 and 1971, inflation increased. In 1973 it doubled from an average of 4.2 % to 8 %, and it reached more than 14 % or 15 % in 1974. It was considerably higher in countries such as my own.

The average level of unemployment has been increasing after each cyclical term, and industrial profits have been constantly falling. That has resulted in a reduction of investment, and has had consequences for the level of unemployment. The level of unemployment is increasing. No matter how we have attempted to control the demand forces in our economy, we still have not been able to arrest the problem of increasing unemployment and the economic, political and social problems associated with an increasing rate of inflation.

Therefore, we have to ask ourselves whether, as many have argued at different points in time, this is not a problem for market economies. As we drift away the *laissez-faire* philosophy, this is a trend that has been clearly evident in a number of our economies at a time when, under a new international economic order, the distribution of wealth between the rich and poor, which has provided the raw materials sustaining our economies for so long, is being seriously challenged and so no longer will produce the cheap resources on

Prescott

which standard of living and employment levels have largely depended. There is an increasing interdependence of our economies, as pointed out frequently in our debates, which depends more on cooperation than on conflict, so introducing considerable problems. Indeed, without cooperation on the widest scale, it is not possible to maintain the necessary level of activity within our economies.

That is why there is a constant call for greater cooperation, witness the Tripartite Conference recently called by the Community to discuss with all parties how a new kind of formula can be found. OECD set up a special committee a few months ago to look at the basic contradictions developing within our economies, namely, the decline in profits and the consequent effect on investment.

If we are to solve the problem of unemployment, how do we compensate for the level of investment necessary to ensure the full employment that is politically required? Also, there are the increasing social aspirations of people in conflict with the supply of resources distributed at present by a largely free market economy.

There is also the much more fundamental question how, and whether, it is possible for the Keynesian approach in the demand economies to be able to produce the goods or, indeed, whether the levers of control, fiscal or monetary, on which a debate has recently taken place, even if they are implemented, can solve the problems, particularly with regard to unemployment and maintaining stability, which is our desired economic objective.

These questions are being posed by the OECD and not by some Marxist who has suggested that capitalism is bound to break down. They are being posed by the very people within our systems who question whether we can maintain the desire for a high standard of living, the social priorities and an economic system as presently organized.

In the estimates for 1976 given in the report by Mr Haferkamp, he makes the priority for 1976 and the ensuing years unemployment. That is a priority which the Socialist Group fervently supports. He also makes clear that within that policy there are fears that, if one wishes to get the economy going by the traditional methods outlined in the Artzinger report, and if one attempts to increase the demand, the price structure begins to increase. There is then a conflict with those in our society who are competing under the system for their share and their rewards in an expanding economy.

The danger is that out of this *laissez-faire* process one will enter a bout of inflation, far greater than existed before, which will create considerable problems in our political and economic systems and will certainly do little to solve the unemployment problem.

There is a call by the Commissioner in the report for a greater sense of responsibility by those component

parts in our society. I think Mr Haferkamp called it a European alliance to achieve full employment.

On the hand, the Tripartite Conference may call for support, but it must be realized that support does not come without its price. In each of our countries, whether it be called a social contract or something else, there is a price to be paid for people not fully utilizing their strength within a system. It is about that price that we must be concerned. The first objective of any system must be the maintenance of full employment. If we produce policies in this Parliament or in our countries individually the cannot in any way achieve progress towards that objective in the next few years, the support that is essential in interdependent economies will be denied.

I have spent some time attempting to suggest that the problem in our economy is much more fundamental than that of a recession. Even when we get back to the stage of economic activity that existed a year or two ago — and let us presume, although it is not easy to do so, that the level of growth is the same — it will be the same level of growth at a higher level of unemployment. That has been so constantly over the last two decades. It is a clearly discernible possibility in the next one or two year as we come out of the recession.

The Artzinger report in many ways comes at an appropriate time. As was pointed out to me by a colleague, an article in *The Times* yesterday reported on the 200 years' celebration of the production of Adam Smith's *Wealth of Nations* incorporating the *laissez-faire* philosophy. That work may well have shown us a great deal about our economies at that time, but it does not show us how to solve unemployment.

The report tends to reflect the conception of a market economy embodying a *laissez-faire* philosophy. If we follow the principles contained in it, we cannot produce full employment. I agree that it is then incumbent on us to produce an alternative. I do not take the easy way out. Of course I could project my own views, but there are no easy formulas for the future. What I question is the view that somehow an emphasis on old principles and philosophies will solve our problems. That is not acceptable. By 1980, for example, this principle will leave us still with a very high level of unemployment, far higher than will be acceptable to those who are being asked to compromise, to sacrifice, to give support and to provide that essential ingredient necessary to maintain stability within our system.

The report has to be judged against the possibility of producing full employment. I do not mean that the system in some way gets it right for 95 % of the time and that 5 % are unemployed. That is too high a price for those in our socio-political systems to pay. The situation has to be judged against that background.

Prescott

As Mr Artzinger recognizes in the report, it is essential to have that cooperation, but the principles contained in the report will not achieve it. Paragraph 1 of the motion says that no essential change is needed. If the analysis is as I have painted it, clearly much more fundamental change is needed than has been suggested.

Paragraph 7 contains the principle of taking workers to work. That allows for the migration that takes place in many countries. Indeed, we are beginning to witness that in many communities, and in the German economy investment has begun to fall.

The simple principles embodied in this report reflect a philosophy that is not acceptable. It assumes that the production forces like capital and labour are almost the same. Clearly they are not. Labour is certainly of a higher priority, and the social consequences with it.

Paragraph 8 talks of a free world. I think Mr Artzinger meant that this is not to be taken in an ideological sense, as he said. It is wedded to the idea of an extension of the private sector producing the main employment. The evidence is that the public sector in investment, particularly in the period of recession, has been mainly responsible for producing jobs in our economy. It has not been the private sector. In all our countries the private sector has been supported by tax incentives, subsidies and all kinds of money provided by the public sector to help it carry out its private initiatives.

Bearing in mind your remarks, Mr President, I conclude by saying that paragraphs 11 and 12 also reflect principles that are not acceptable. Therefore, to that extent certainly the division of the resources in our society as suggested in paragraphs 11 and 12 is not acceptable to us. It has to be changed. But that change means a challenge to the system. Therefore, it is our view as a Socialist Group that the change is more fundamental and, therefore, requires a much more fundamental solution if we are to solve the problems of full employment, and that the philosophy of 200 years ago embodied in the report is not acceptable and cannot solve these problems.

(Applause)

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

Mr Schwörer. *(D)* Mr President, ladies and gentlemen, I would first like to thank Mr Artzinger for his excellent report and for the motion for a resolution, with which, as Christian Democrats, we are in complete agreement. We also agree with the Commission that a 9 days' wonder of a recovery is no use, it has to be a continuing, lasting revival.

Mr Prescott has just referred to the need for basic changes. In my view, that is just what is not wanted.

Instead we need to follow the principles that have proved themselves right in the past because the difficulties we face today have arisen through departing from them. The goal must be full employment, stability, sound economic growth and equilibrium in foreign trade, with the responsible institutions concentrating on the most threatened area in each case and ensuring that its importance is not belittled. We, too, see the dangers pointed out by the Commission. It could be, for example, that world trade cannot be stimulated as much as we would like. This applies particularly to the USA, where recovery is by no means secure. The developing countries are known to have serious difficulties as well. We must be untiring in our efforts to help the developing countries overcome these difficulties, for one day we shall want them to be able to buy more of our products from us.

Another danger I see is that of inflationary tendencies flaring up again alongside the recovery. In this connection I find a sentence in your report, Mr Haferkamp, and which you repeated in your speech, particularly comforting, namely, that the critical need was to make the whole cake bigger so that the slices could be larger. This is one of the principles with which the social market economy began and with which it was able to frame this successful policy for all.

Mr Haferkamp, I can but offer you my best wishes for the dialogue with the social partners that you have decided on and the new alliance of all political, economic and social groups for full employment and stability. We sincerely hope that you will succeed in bringing this association into being. Our group will certainly give you every support it can.

The specific measures that may lead us to lasting recovery are, in my view, correctly conceived. Technical stimulus to internal demand via the stock cycle and government measures to boost the economy are not sufficient; the two other major components of demand must also be brought fully into play. In other words, consumer spending must be revived and maintained. This means, firstly, that private savings patterns must return to normal and, secondly, that investment must again increase.

In my view, the fact that consumers and investors are holding back is attributable to the insecurity stemming, in particular, from the inflation and the unemployment that follows in its wake. For this reason renewed confidence among consumers will depend on the removal of unemployment and the safeguarding of existing jobs. Then panic saving and artificial limitations on consumption will automatically cease.

Various measures are necessary to restore full employment. Reference has already been made to structural and training policy measures, improved mobility, a persistent attack on inflation by limiting cost increases and the consolidation of government budgets, which unfortunately have often increased rather than reduced the risk of inflation.

Schwörer

The most important measure, however, to bring back full employment on a lasting basis is fresh economic growth achieved by stimulating fresh investment. Several conditions are necessary for this.

Firstly, in the short term, wage agreements have to allow firms to achieve the necessary improvement in their profit situation without price-increases. Paragraph 12 in the motion for a resolution makes this point.

Secondly, we must make sure that, the basic principles, Mr Prescott, of the market economy are not undermined. Under this heading come the freedom of entrepreneurial decision, particularly on investment, the sovereignty of the two sides in wage-agreements and our efforts to ensure that workers participate in growth so that in the long term a partnership may be achieved between employer and employee, extending to investment capital. Paragraph 8 of the motion for a resolution rightly refers to this point.

Thirdly, taxation policy must ensure favourable treatment for firms who use their profits to maintain jobs: in other words, not an increase in contributions to the state so that investments can then be made *via* the state, but favourable treatment for the amounts that are left in firms in order that jobs may be maintained in the best possible way. These measures, in my view, are particularly necessary in the sector employing the largest number of workers, namely small and medium-sized businesses. Paragraph 10 in the motion for a resolution refers to this.

Fourthly, the promotion of industrial investment is particularly necessary because the years of inflation between 1970 and 1975 were accompanied by a dangerous ageing of the European economy. An important German economic institute in Berlin has given figures to show this: 50 % of the machines in the Federal Republic are 12 years old or more and only 30 % are less than 6 years old. This can be traced back to an investment deficit that worsened every year from 1970 to 1975 and totalled DM48 million, equivalent to a loss of 1.08 million jobs in the capital goods and supply industries.

But not only have jobs been lost with manufacturers of capital goods: jobs that used to be regarded as safe have become insecure. In production plants, to quote the words of an American industrial manager, today's records for speed, accuracy and flexibility are the norms for tomorrow. In my view, he was also right when he said: if you cannot break or at least match today's records, you stand no chance of being in business tomorrow.

Full employment has increasingly become a problem of the younger generation. Only economic growth investment will provide the Community's young citizens with the chance of a job. Social security schemes provide older workers with some guarantee of retaining their jobs. The victims of a stagnant

economy are primarily those just entering working life at all levels down to the unskilled worker.

I share the opinion of the Rapporteur in paragraph 6 — and here I bring my remarks to a close — that the creation of jobs for all those seeking employment will be a critical test for free Europe.

(Applause)

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

Mr Guldberg. — *(F)* Mr President, I might be tempted to start an ideological discussion with Mr Prescott, but economic and unemployment problems are too acute at the moment to be used as a debating-point or as a source of ideological argument.

I congratulate the rapporteur for his excellent report. I would like to make a few comments which are not, I believe, in conflict with what he has said but relate to problems of concern to us. I feel, in fact, that we are not fully aware of the seriousness of the present situation and that we are showing premature optimism because of the beginnings, everywhere, of a certain measure of recovery.

It therefore needs to be made very clear, as you point out in your report, Mr Artzinger, that economic activity should not be boosted in the traditional structures. Criticizing the United States or Germany, for example, does not mean that we do not need to increase our efforts to bring about economic recovery. I even think we should admit that our economic structures, or rather our production structures, are outdated and no longer those that we need to have if we look at the Community as an economic entity and not merely as an association of nine countries.

Another reason why this viewpoint is outdated is that it is based on a false idea of the relationship between energy and raw materials prices on the one hand and manpower costs on the other. A new relationship will have to be taken into account if we want to bring about a new equilibrium with a new structural model. Otherwise it means going back to a situation which we have already qualified as unacceptable and untenable.

Refusing to recognize this fact is tantamount to retaining the foundations of present structures — in other words, a high level of unemployment. The forces that are attempting to create conditions for recovery based solely on economic policy — primarily in the United States or Germany — have not understood this. Unfortunately, there is, I think at the moment a misplaced optimism in the air. I agree there is a recovery in the United States, but that will not change Europe's outdated structures. On the contrary, there is a risk that we may be robbed of one of the forces that could impel us to change our structures.

Guldberg

Another reason for these structures' obsolete nature is that they take no account whatsoever of relations with the third world. A new distribution of labour would mean that the developing countries, too, had their share in the level of production that has so far been achieved. And that, too, means a change in structures.

Any attempt to increase economic activity within outdated structures must inevitably culminate in untenable crisis situations in Europe. These structures do not come up to the high level of our Community, whether in technology, scientific manpower or skilled manpower.

There are many examples, Mr President, illustrating the present problems of European industry, and I think we have to recognize that there is no solution for us if we go back to an economy structured as it was prior to the price fluctuations in the various production sectors.

For us in Europe there is no solution unless we are really willing to change our structures. But that means that Europe must tackle the most sophisticated industrial sectors where one cannot afford to be outstripped by competition — nuclear energy or aerospace, for instance.

We have to recognize that that is where the future of our European industry lies and that we shall not find a solution by restricting our national industries to a rôle of second-rank production when compared with more advanced technologies and industries.

It is a difficult decision, Mr President. In Europe we must find the courage to move into a new industrial structure based on a political will that does not yet exist. I fully agree with Mr Artzinger's report. I simply make this remark in order to stress that we must not imagine we shall be able to find a solution for our industry and economy in the future purely on the basis of a recovery.

To improve the present situation, we must accept the idea that European industrial and economic sectors demand policy measures.

The biggest danger at the moment would be to think that everything is alright. We must not be satisfied with a certain improvement in the economy and a temporary drop in unemployment or congratulate ourselves because difficulties are less severe for a year or two.

The only remedy is to accept, in the long term, structural changes in Europe's high-level industries. We all know that this cannot be done purely at the economic level but that there also has to be a political will. Of course we are determined to see European industry develop, but that does not mean that it has to be to the detriment of cooperation with the United States; it simply means that Europe must have its own development and achieve results in all sectors, not only economic but also defence. These are the facts.

Once again, I repeat that I agree with Mr Artzinger's report. I merely wished to stress this point of view.
(*Applause*)

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

Mr Yeats. — I begin by thanking Mr Artzinger for an excellent report and also for a fine introduction to the debate, which was backed by his well-known financial expertise—and which we have come to expect from him.

It is a source of some mild degree of satisfaction to us that this debate takes place at a time when we can at last see what may be the beginning of the end of the present prolonged recession. We can take courage from the statements on the economic situation made by Mr Haferkamp in this Parliament in February 1976, when he expressed some optimism about the possibilities for economic recovery. We willingly endorse this opinion, as does the rapporteur, even though we must accept with regret that recovery is likely to lag behind in some member countries of the Community.

On the face of it, 1975 was a very bad year for the Community, with an overall fall in the gross domestic product by 2 ½ %, a fall of 8 % in industrial production, and an increase to over five million of the number without jobs. On top of this, as Mr Prescott pointed out, there were by the end of the year an additional two million on short time. World trade fell by 4 %, and trade within the Community by 7½ %.

Even though during 1975 there was a very considerable fall in the total balance-of-payments deficit of the Community—it was in fact eliminated—it would seem that this was due to extreme market depression rather than to any basic structural improvement. If, as we hope, the next couple of years see a return to relatively rapid economic growth, we can expect an immediate return of serious trade imbalances. No matter how economic conditions may improve, all our countries will have to face, as a permanent fact of life, the burden on their balance of payments of the enormous increase in the costs of energy.

None the less, although the year 1975 was one of overall depression, the position was not without some signs of recovery. The difficulties of the first few months were, in at least some member countries, offset by the recovery that began towards the end of the year. Unfortunately, this recovery, in a world with weak economic structures and a chaotic monetary system, is not without its own disadvantages. Not merely is there a danger, as I have already said, of a rapid increase in balance-of-payments deficits, but there are signs of renewed inflation and of other economic and monetary difficulties.

Yeats

Even with the present very moderate improvement in economic conditions, there have been unexpected psychological reactions. There has recently been tension in the foreign-exchange markets again, resulting in the suspension of official quotations for the lira. In the past few days there has been the sudden and unprecedented fall in the value of the pound sterling. The basic problem is that there is little point in supporting this or that currency, because this merely increases our currency losses without bringing any lasting results. A monetary policy cannot be defended sporadically on the foreign exchange market. In fact it represents an integral part of the entire range of economic policies, incomes policies, social policies, and, of course, international monetary policy.

In this context, the Kingston agreement will not change, the present situation very much. In Jamaica, the monetary authorities of the Member States of the IMF reached agreements on methods designed primarily to adapt the rules of the Fund to monetary reality, in the light of the monetary troubles of recent years. Europe, therefore, can only rely upon itself. As Mr Haferkamp said last month, only joint action will bring us economic and social security in the future.

One must express some doubt whether such joint action is being achieved. In the absence of such action, it is difficult to build Europe.

In the view of my group, the present unsatisfactory situation is to a large extent a result of the lack of any clear definition of binding economic objectives, the broad lines of which have been worked out jointly. Long-term stability of exchange-rates is not a means, as some people appear to think, but an end in itself. It depends mainly on the compatibility of the rates of expansion of internal monetary supply, and on rates of inflation in the various countries.

Although we support this objective, we must give priority to another fundamental aim the solution of the unemployment problem throughout Europe. I regret very much that it is my own country, Ireland, that has the most serious unemployment problem, with over 12 % of the labour force out of work; but this is a crisis which in varying degrees faces all our countries, and its solution calls for Community solidarity. Europe must set an example for its citizens by taking measures with real and immediate effects to solve the unemployment problem, particularly among young people.

The employment crisis in Europe has affected young people more than any other section of society. Since 1970, and especially since the second half of 1975, the number of young people unemployed, according to figures just published by the Commission, has increased much more quickly than the total number of unemployed. At the end of last year, the percentage of young people out of work ranged from 27 in

Germany to 42 in the United Kingdom. Moreover, it is the youngest people, those under 20, who are most affected. Unfortunately, the number of young people who have been unemployed for more than six months is growing. According to the Commission, there is a risk that a 'hard core' of unemployment might develop in the long term among young people.

I think that we can only agree with the Committee on Economic and Monetary Affairs that there is little likelihood of an early improvement in the unemployment position, and with its conviction *'that the creation of jobs for all those seeking employment will be a critical test for free Europe'*.

It is clear that the committee is right to insist on a revival of confidence. In at least some of our countries, the greatest single obstacle to the achievement of economic revival and the consequent reduction of unemployment is the complete erosion over the past few years of all confidence among the public in the possibility of any economic advances being made.

We in our group support the various measures proposed in the resolution before us, but we attach particular value to the appearance of the medium-policy goals to be published by the Commission. We share the committee's regret that they will not appear until the middle of this year, but we hope that when they appear they will provide a set of guidelines that will help to speed the recovery of Europe.

(Applause)

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

Mr Dykes. — I should not like to detain the House for too long. This has been quite a long debate already, and the previous economic debate was also quite lengthy. Therefore, we have heard a great deal about this dry subject today. But it is right to say how much we appreciated the wise words of Senator Yeats in his extremely skilful analyses of the problems facing the Community economy. We are also grateful to Mr Artzinger not only for producing an excellent and balanced report but for his masterly verbal analyses of the current economic dilemma facing the Community. The use of the depressing word 'dilemma' is perhaps inevitable, but there are glimmerings of light. Because of those glimmerings of light, we need not be entirely despondent, but should be optimistic about the medium and long term.

We are glad to see the Commissioner, who has been patiently listening to the debates. I look forward to the publication of the Commission's medium-term economic policy goals, which Mr Artzinger refers to in paragraph 9 of his motion. Last year and the year before, some people were dubious about the concept of medium term goals, but I think that such goals will turn out to be useful. Therefore, we wait patiently to hear what the Commission has to say.

Dykes

The rapporteur is correct to say of the generalized economic-policy guidelines, the convergence requests and convergence policies that the way in which they have been formulated and carried out in the Member States does not leave one complacent, but one must accept them and say that no material changes need be made in those policies for the short or medium term. That does not mean that recovery is coming rapidly as a result of the reflationary packages, principally in France, Germany and Italy, which experienced a remarkable financial recovery up to the receipt series of currency upsets. It will be a long haul. European citizens as well as politicians will need to be patient.

That is one reason why we were extremely disappointed by the negative remarks of Mr Prescott, spokesman for the Socialist Group, who inflicted on the House a turgid, long winded philosophical diatribe about neo-Marxism. Perhaps he might be tempted to take a few more steps and move on to the benches to his left ...

Lord Castle. — That is not worthy of the honourable Member.

Mr Dykes. — ... I apologize. I was using those words only in a symbolic way, because Mr Prescott went on for so long with his neo-Marxist analysis, dealing with matters that were not of direct relevance and failing to leave himself time to deal with the main parameters. I hope that I shall not be misunderstood or regarded as being difficult with Mr Prescott, but he should acknowledge that much positive work has gone into the main parameters of the report. That is why we are grateful to Mr Artzinger.

Paragraph 4 of the motion speaks of a return to normal private savings patterns, which must be the rational goal of all of us. Mr Artzinger no doubt meant that savings should be channelled into useful productive investments, and that included companies. We have seen an increase in the savings ratios of the Member States' economies, but, disappointingly, the savings have gone into what the economists called 'funk' investment instruments, such as government stocks and building-society deposits. They are productive, but they do not betoken any ability of industry to put net new resources into industrial investment.

We in the Conservative Group also bitterly regret that there are still more than five million unemployed in the Community. That situation seems likely to continue for a very long time, and it is a blot on the Community escutcheon. The sooner the unemployment figures can fall, the better. Only those with little personal experience of unemployment are inclined to say, 'Let us not be too worried about it. After all, it means that there has been an increase in productivity, which is a good thing. Unemployment benefits are

generous nowadays, and, therefore there is no hurry to get people back to work'. The psychological and social effects for the workless are disastrous. It will be depressing for the whole Western European economy as well as for the Community economy if the Community cannot achieve a better result.

The sooner, therefore, that we revert to faster rates of real growth, the better. But that will not be easy. Therefore, one hopes that Commissioner Haferkamp may be able to say something about his view of the future. It will not be easy because, as we know, there is the biggest margin of spare capacity in industry that has been suffered since the war and even though, if one looks back at the 1930s, when recovery succeeded the depression and the slump, one sees that there was a very fast expansion of real output in that period — and that was a good thing—it seems unlikely this time round and I expect that recovery will be very slow. That in itself betokens the difficulties that Mr Artzinger has tried to grapple with: that companies will not find an automatic built-in incentive to invest in new equipment if the margins of spare capacity in the commanding heights of industry remain too substantial in the medium-term future.

In paragraph 8 we in the Conservative Group give a warm welcome to the desirable reference to the ability of private industry to take the initiative because it takes the risks, and that is true. I suppose, speaking as a politician from a country which now has only a 40 per cent private sector left in the so-called mixed economy, although it is both very easy and unwise to draw that crude black-and-white distinction of saying that all State industries are inefficient, which certainly is not true, and that all private industries are models of operational efficiency, which equally certainly is not true, none the less on all empirical grounds there must be some powerful pressures leading me and other economic commentators to suggest that all private industries are models of operational efficiency, which certainly is not true, none the less on all empirical grounds there must be some powerful pressures leading me and other economic commentators to suggest that once one gets beyond a certain proportion of the total amount of the resources of our mixed economies of the Community in State hands, be it local or central government, one begins to observe drastically impairing effects on private initiative.

This also applies to that which the United Kingdom above all, I think, in the Community suffers from—namely, very high and, indeed, excessive rates of taxation, above all personal taxation, which are now hitting very hard the skilled industrial worker who is still fortunate enough to be in employment and whose overtime earnings in particular are drastically slashed by excessively penal rates of taxation. I would love to hear the Labour Party dealing with that one in the future.

Dykes

I hope that the very valuable message that Mr Artzinger has put into paragraph 12 will go home not only in this House but outside also in the Press. We hope that there will be continued cooperation in the future between all the social partners.

I think that caution is called for in respect of paragraph 13, which refers to 'further energetic measures to stimulate the economy', because of what not only I but other speakers have said: that it is unrealistic to think that one can now begin to apply any dramatically new stimulatory measures. The scope is extremely limited. Therefore, one will have to be patient to see how the last set of reflationary packages begin to exert a much slower effect than we expected, but at least on the positive side.

I shall be brief on paragraph 14, about the monetary situation, because I believe that Sir Brandon Rhys Williams will intervene shortly in the debate to explain more adequately than I can the rationale of his amendment. In the reference to monetary arrangements and the exchange rate system, I hope Mr Artzinger could feel able on behalf of the committee as well as himself to accept the amendment which will be proposed by my colleague. Not only would it do what my colleague will explain, but it would tighten up the meaning which Mr Artzinger has put into his original paragraph. Its relevance is the greater now because of the lamentable currency crises we have seen occurring this week and last week, particularly with the dramatic fall in sterling.

I hope that Commissioner Haferkamp can give us today, as he always tries to do when he comes to the House, at least a marginal piece of encouragement about the economic outlook and that what the Commission says in writing this year will also supplement some of his encouraging words today.

The economic crisis in the Community has already been long. It is three years since the energy crisis. Clearly, the old perspectives of growth to which we became accustomed have not only received a dent but have been virtually dismantled, not only in intellectual terms.

It behoves us all in this House, Therefore, to join with the Commission—and, indeed, the Council of Ministers—in working together for that which we all hope to see once again in the future: not only a temporary cyclical economic recovery, perhaps next year and the year after, followed by a setback once again, but a sustained return—even if the rate of growth in the Community economy for the future is slower than in the past—to what the European citizens are entitled to ask as of right: a real prosperity and not just the imagination thereof.

(Applause from the right and centre)

President. — I call Lord Bruce.

Lord Bruce of Donington. — At the conclusion of the exhausting series of budgetary debates held last December, many of us retired to our respective homes to have a good rest. But we revived, and sooner or later we all received the document from the Parliament which set out the programme of work for 1976. I read it with some enthusiasm, because in January I saw that we were to have a report on the economic situation of the Community. In view of the economic state of the Community at that time, I looked forward to the debate with keen anticipation. Unhappily, it did not materialize. One therefore went into February somewhat reassured to find that there would possibly be a debate on the economic situation within the Community. Unhappily, once again that did not materialize. I knew perfectly well that the Bureau of the Parliament, being composed as it was of the heads of the great political groups and parties, had this matter under serious consideration. I therefore wondered why our part-session in February was cut down to four days for lack of subjects to discuss, whereas I had previously been under the impression that the economic situation was so grave that it was bound to be discussed. Instead, we had a statement from Commissioner Haferkamp on 12 February. It was not circulated in advance and the printed text did not become available until much later. Therefore, it was not possible to have a debate on that occasion.

Today, therefore, we are having a debate on a motion by Mr Artzinger, and on looking through it I now know why we did not have a debate at all. With all respect to my good friend Mr Artzinger's powers of draftsmanship and, indeed, his powers of persuasion and expertise, which he certainly exercises in the Committee on Budgets, I am bound to say in all fairness that this report of his on behalf of the committee gets us nowhere at all. It has no constructive suggestion whatever to deal with any of the problems that face either Europe as a whole or the Member States at this time.

What frightens me is that there seems to be a subconscious assumption that the state of the economy in Europe follows substantially the pattern that the Community assumed it had when the Treaties were drafted 18 years ago. It is as though nothing had happened since—and nothing in the report indicates the slightest apprehension that something may be fundamentally wrong with most of the economies in Europe.

Mr Guldberg, speaking from the Liberal benches, seemed to be tormented by doubts. I was hoping that a flash of lightning would break through when he was saying that we should have to change structures in Europe and that industrial structures were not quite what they ought to be. After that confession of unease,

Lord Bruce

however, he returned to his solid support of Mr Artzinger's report.

The report refers to the Commission's survey of 1975 and its projection for 1976. It

'notes that the analysis contained in the 1975 annual economic report ... has been confirmed to a different extent in each of the Member States and that no essential changes need to be made in the economic policy guidelines for the Community and the Member States'

If one returns to the document that was produced by the Commission and approved by the Council, all one finds under guidelines is a monotonous recitation of the policies already being pursued or proposed to be pursued within the Member States. There is absolutely no deviation from the advertised plans of Member States. Indeed, there is no examination here of the fundamental problems facing Europe. As I have said, it is as though the Europe of today were exactly the same as the Europe of 18 years ago. But it is not. Very considerable changes have taken place.

What bothers me is the obvious inability of the Commissioners even to concede the possibility that there might be something wrong, that the market mechanism may not be behaving in exactly the same way as it was supposed to work 18 years ago. I cite an example of this, which I have cited once before. A document was produced by a study-group commissioned by the Commission to study the problems of inflation. It has been disowned—or, rather, paternity has been barely acknowledged—by the Commission, but it was published in 1975.

That document, called 'The Problems of Inflation', numbered INFLA22 and Marked 'Brussels, 18 July 1975', challenges the whole of the mystic concept of the market economy which still seems to inspire not only the Commission but the Council. Surely, with a document of that authority produced by many eminent economists on behalf of the Commission it would have been courteous to this House to have afforded it an opportunity of debating it in the very simple way of the Commission itself introducing its own document for discussion in Parliament and asking Parliament's opinion on it.

It is precisely because that document challenges the whole structure as it is assumed to be and sets out quite convincing arguments for the rôle of private corporate power in Europe, as distinct from the mass of small individual entrepreneurs, that it ought at least to have been up for discussion in Parliament. The Commission, however, has not done that, and I assume that it is afraid that Parliament will discuss it and will come to conclusions which challenge fundamentally the conclusions reached by the Commission.

Finally, I wish to say to my good colleague, Mr Dykes, that it is not always wise to stigmatize opposition with which you disagree as Marxist. We could all indulge

in a number of epithets. The arguments that my friend, Mr Prescott, was putting forward were taken almost direct from the OECD, which I think Mr Dykes will agree is hardly a Marxist organization. I do not think that that kind of argument will get us very much further. We must argue this question out on its merits.

It is no comfort for the young people of Europe to be told, as they are told in paragraph 5 of Mr Artzinger's report, that the committee is concerned at the continuing high level of unemployment, especially of young workers. Alternatively, there is the platitudinous bromide in paragraph 6, which speaks of the conviction that the creation of jobs for all those seeking employment will be a critical test for free Europe. These are all very unexceptionable sentiments that get us no further at all.

The attitude of the Commission, of the Council and of many honourable Members in the Christian-Democratic and other groups closely allied to them is almost as though the French *Commissariat du Plan* had never existed and there was no such thing as any kind of coordinated plan between section of government and industry. It is as though the various planning agreements envisaged for the future in my country had no theoretical or practical foundation, or as though the Commission had never heard of them.

I therefore implore the Commission in future, when it examines economic problems—that is, when it can take time off from its main preoccupation of the Common Agricultural Policy—to leave all its options open, to search and to answer all arguments that may have some bearing on the future of Europe.

In the meantime, speaking on my own behalf, while I deeply appreciate the sincerity of my good friend, Mr Artzinger, I cannot as a Socialist support the motion.
(*Applause from the left*)

President. — I call Lord Gordon-Walker.

Lord Gordon-Walker. — I wish to make one point only. It concerns what I regard as one essential need for economic recovery which has hardly been discussed in the debate. We have not yet achieved it, and at the moment it seems unlikely that we shall achieve it in time unless we take proper steps. It is that we must get industrial investment—both public and private—going before the next upswing is with us.

One of the major errors of the past is that we have started this kind of investment much too late in the course of the trade cycle. This tends to bring in excess imports, to create consequent balance-of-payments problems and, therefore, to start the next depression before one has emerged properly from the previous one.

Lord Gordon-Walker

Somehow we must find the means to make the controllers of industry—and I refer to both public and private controllers of industry—act in a way that one might call unnatural, that is, to invest their resources before profits are clearly visible to them. If they wait until profits are clearly visible to them, as I have argued, the investment will come too late. It is only by what might be called premature investment, by which I mean investment that is not natural if normal economic calculations are made, that we shall get an investment-led expansion and, as I believe, make a real reduction in unemployment.

I draw the consequences from this and state them frankly and clearly. If this kind of investment is desired, profits must be made available to both public and private industry so that they can invest. They cannot invest if profits are not available to them. This, in my view, can be achieved in the main through fiscal policies, but there are other ways in which it can be done.

This is clearly not the whole of the economic policy we need. We have been hearing very able speeches on many aspects of this matter. Many other factors are involved, including necessary social policies. However, it seems to me that early investment before the full upswing has occurred is absolutely vital to regain and maintain a new prosperity in Europe.

(Applause)

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — *(D)* Mr President, I shall try to compress my comments considerably because, since September last year, we have had a debate every month in this House on all conceivable grounds. I must confess that my imagination does not stretch far enough to announce new items every month. What is more, when I had the honour to make my report to Parliament on 12 February last, I spent over an hour answering a whole series of questions, and I would refer the House to the report and the answers given at that part-session.

I am grateful we have had this debate. I am especially grateful to the rapporteur for his report and to the committee for the motion for a resolution they have tabled.

I would also like to say that we have new figures on economic trends available since the time of my last report. In every case these figures, bringing us right up to the last few days, are more favourable still than those of 4 weeks ago. They are much more favourable than the winter figures. We can count on a substantially faster rate of economic recovery. Whereas in February I had to point out that precisely in the investment sphere there was still some holding back the latest figures show that here too the revival is developing on a very broad front. The situation is going to improve. In a very short time we shall probably even be able to see or be forced to admit that the prospects

of real growth in the Community are substantially better than could be supposed a few weeks back, and this, of course, will also have its effect on the employment situation and all other economic factors. In the autumn we had to face the criticism levelled at the Commission that we had painted too optimistic a picture. We can see today that our optimism was justified.

However, I pointed out — and not just in February and autumn last year — that even if we extricated ourselves from the difficulties of the recession through a cyclical upswing this would not solve our problems. We have always stressed that we have to make a considerable effort over a long period in order to modify our economic structures and adjust to the new requirements namely, the new situation in the energy sector, the new situation with regard to raw materials supplies, and the new situation, to which I would give the title the new world economic order which is now under discussion and which will trigger off changes that will call for prolonged efforts from all of us and the determination to carry these changes through and to accept the discipline that this implies.

Saying this, I would like to recall, once again, what we have long been pointing out and that is that we shall still have to go through a period of reduced growth-rates in real consumption in which we shall have to invest more than we consume. If we do not do this, not only shall we destroy the basis of the present recovery, but we shall also fail to lay the foundation we need in order to see us through the structural changes that the next half decade requires of us.

We must make these changes and accept, in the interests of investment a lower growth-rate for our standard of living, not least for the sake of the younger generation, which will be entering into working life in the years ahead and for whom it is our duty to create jobs. Those who fail to do this or to help do this will be sinning against the younger generation. They will not be able to talk themselves out of it by claiming they have done their duty by pronouncing great and sweeping resolutions. The people who do not join in the common efforts of the economic or social forces in our democratic order harm those whose cause they claim to be upholding in their decisions and their general criticism.

In this period of recession and in our deliberations on the proper course to take we often hear criticism levelled at the system. I am ready and willing to have a debate on the system; two months ago, I said the something here on another occasion. But I would ask those who want to have this debate to say openly and frankly that they want it and that they want to talk about our order. They must not take cover behind some other subject, the multinationals say, or investment or other topics that we happen to be discussing. The question must be placed openly and frankly on the table; then we can talk.

(Applause)

Haferkamp

I would also ask those who are always pushing for a general debate on the system not just to come out with general observations. I would also like to protest against the levelling of general criticism against Mr Artzinger's motion for a resolution and report. I would ask those who do that to supplement their general criticism with quite definite proposals showing how things could be done better.

(Applause)

That is what the Commission has been trying to do in recent years. I am far from claiming that we are perfect. I have often told Parliament — month in, month out — that we have no patent remedies to offer. The problems facing us are so new that there are no prescriptions for their cure in old or recent economic history. We must work out the solution ourselves and we must do it together. We must look for it in the combined efforts of all democratic forces. But if we are not perfect, then we should talk together frankly and admit that something is wrong somewhere. But we should not make general statements without saying clearly what the solution ought to be. That we shall have to do in the very near future and see it thought in the next few years. We in the Commission are ready to do out part at any time, at any hour, and in all fields for which we have a responsibility.

It has been rightly said - this I would like to say as a Member of the Commission and I think that Mr Brunner and Mr Lardinois take the same view as I do — that we are by no means happy at the fact that agricultural policy often claims so much of our time. All of us, including those responsible for agricultural policy, have often wished we had more time to deal with other subject as exhaustively.

But perhaps part of the reason for this is that, in our agricultural policy, we have produced a system that, basically, is not compatible with our general economic system. In our agricultural policy we have brought in a system of regimentation, planning and intervention whose transposition to other fields I would warn you against. In agricultural policy this may be necessary for a whole series of reasons which you have discussed today again in another connection.

I would like you to know that we are ready to discuss the new order of this economy and its structural changes with you and with everyone. I set particular value on the fact that we have an opportunity to do this not only in the politics but also at social level with the trade unions and the employers' associations, and especially at the next tripartite conference to be held in July. If we can mobilize these forces and our imagination in favour of a new order, to which we intend to contribute in practical terms, then we shall be able to overcome the difficulties that lie immediately ahead and await us during the next few years —

but only in the spirit of partnership about which I have often spoken to you on earlier occasions.

(Applause)

President. — I call Mr Artzinger.

Mr Artzinger, rapporteur. — *(D)* Mr President, I should like to have just a brief word in conclusion to round off the many contributions to the debate.

I thank all those who have spoken, whether in praise or in blame. I ask those who supported me to forgive my not thanking them individually, since I want to devote the little time I have to those who found fault with what I said.

I am grateful to Lord Bruce for calling me his 'friend', and I gratefully accept the honour. I cannot, however, agree with his comments, neither do I find them 'friendly'. He described paragraphs 5 and 6 of the motion as mere expressions of sentiment. Far from it! We have proposed very definite measures, and I am grateful to Mr Haferkamp for telling you in return that we are still waiting for your proposals.

I wish to thank Mr Prescott for bracketing me with Adam Smith and his old philosophy. For putting us together like that I am honestly grateful and flattered. I understood this old philosophy. You said, Mr Prescott, that the capitalist system was 'about to break down', if I correctly understood the translation. As a much older parliamentarian, allow me to tell you that I have been hearing this phrase for the last 50 years, and so far the capitalist system has outlived these prophets of doom. I am firmly convinced that it will be the same in your case too.

(Cries. Applause from the right and centre)

Mr Prescott. — Five million unemployed!

President. — The general debate is closed.

We shall now consider the motion for a resolution.

I put the preamble and paragraphs 1 to 13 to the vote.

As the result of the shows of hands is not clear, a fresh vote will be taken by sitting and standing.

The preamble and paragraphs 1 to 13 are rejected.

I call Mr Dykes on a point of order.

Mr Dykes. — May we have the voting figures, Mr President?

President. — It is not the practice to announce the figures. The voting was very clearly for the rejection.

On the same point of order I call Mr Fellermaier.

Mr Fellermaier. (*D*) Mr President, thank you for this decision, for I take the view that, if you lose a vote by a narrow margin, you cannot suddenly change the Rules of Procedure. To do that you have to table a motion for an amendment to the Rules of Procedure. But there is no reason for proceeding any differently, at one time in the week, than with all the other votes.

President. — I am of the opinion that since the preamble and the first 13 paragraphs have been rejected, the last two paragraphs become void. What is the rapporteur's view?

Mr Artzinger, Rapporteur. — (*D*) Certainly, Mr President, if 13 paragraphs of a motion for a resolution are thrown out there is no point taking a vote on the 14th and 15th. I therefore think you should close this item on the agenda.

President. — I call Mr Fellermaier.

Mr Fellermaier. — (*D*) Mr President, since the rapporteur has made it quite clear that, now that 13 paragraphs of this Motion for a resolution have been thrown out, there is no point in referring the 14th back to committee, I propose that we move to the next item on the agenda in accordance with the Rules of Procedure.

President. — The resolution stands rejected.

The debate on this item is closed.

6. *Regulation on a Community Institute for economic analysis and research*

President. — The next item is a debate on the report drawn up by Sir Brandon Rhys Williams, on behalf of the Committee on Economic and Monetary Affairs, on the proposal from the Commission of the European Communities to the Council for a regulation on the establishment of a European Community Institute for Economic Analysis and Research (Doc. 560/75).

I call Sir Brandon Rhys Williams.

Sir Brandon Rhys Williams. — After these hectic excitements we come to a much less controversial item— or at least I hope that it will prove to be so. I draw that hope partly from the helpful and constructive debates which I had the pleasure of attending in the Committee on Budgets and in my own Committee on Economic Affairs.

On this item we are discussing a Commission proposal to set up a European Community Institute for Economic Analysis and Research. Put in a few words, the Commission needs a think-thank. I do not think that the anxieties and controversies of this afternoon will have made anybody less anxious to respond to the Commission's proposal in this respect.

The Vice-President must be black and blue with all the criticisms plus the rebukes he receives when he comes to Parliament. I assure him that it is all in good part. We know that nobody in the Community, certainly no living economist, could hope to solve the problems of the EEC in a few sentences or in a few days. We respect the Commission's view that medium term policy is not being adequately studied in the light of the Community's present difficulties and of the commitment to advance towards economic and monetary union.

The Commission began the movement towards the setting up of this institute as long ago as 1972, but we know that proposals of this kind often take a long time to mature. It is only today that Parliament has had before it these specific recommendations. If there was a need for this institute in 1972, the need for it now is even more glaringly obvious.

We must move on and consider how to meet the need. A proposal has been tabled by Mr Nyborg as Amendment No 2 on behalf of the Group of European Progressive Democrats. The proposal is that the Commission should expand its own staff to cater for this policy study in the middle distance. But, speaking as a rapporteur who has given much attention to the views of colleagues in the Parliament, I believe that view is not widely supported. I hope that the amendment by Mr Nyborg, which could be called a wrecking amendment, will not be supported by the majority this evening.

I think that the Commission has made the case for the setting up of an independent institution. We know that there are already many valuable national, independent, semi-official or official bodies working in the area of economic analysis and research. But the Commission feels, and we must endorse its view, that these already existing institutes tend to start from national viewpoints rather from a Community viewpoint and that what is needed is the coordination of their work under a body able to start its own initiatives.

The independent status of the new institute is most important. It must not be swayed by short-term political or national considerations and needs to have a Community character as its special feature. We have to find a balance between that side of its work requiring an academic character and that side of its work involving more practical and political matters. The new institute will have to be an amphibian. It will have to live partly in an academic world and partly under day-to-day pressures of political and industrial events.

Much will depend on the choice of the first director and his staff. Let us examine the Commission's representations as to the governing body. It recommends that there should be 12 members of the governing body, but in the resolutions I am proposing we have not entirely accepted the Commission's recommendation. It recommends that there should be two members appointed by the Commission, one from the

Rhys Williams

European Investment Bank and one from each of the Member States. The idea is that the European Investment Bank should nominate a member of the governing body, and that is an idea of long standing. But that it has grown up with the institute does not mean that it is a good idea. The European Investment Bank, like other European Community institutions, will have the right to call on the new institute, if constituted as envisaged, to carry out studies on its behalf. It does not seem necessary that this one Community institution should have a member on the governing body when the other institutions have not.

In recommending that the European Investment Bank should not nominate a member, I and my colleagues believe it right that the Commission should increase its representation to three. When we examine all the different sides of the Commission's work which will have contact with the work of the institute, that is to say in economic and social policy, on industrial questions and in respect of statistical services, it seems clear that the Commission ought to be strongly represented. However, I do not regard the Commission's recommendation on the choice of director as a sound one.

In the Commission's proposals it is suggested that the director should be nominated by the Commission on the advice merely of the governing body. I think it preferable that the governing body should appoint its director on the advice of the Commission.

In passing, perhaps we might note that the official proposal envisages that members of the governing body should serve for four years. That will help to give continuity of policy to the institute without making the governing body into a supreme court in the American sense where members are appointed in perpetuity.

By contrast, the director is to serve for five years and his appointment is to be renewable. That, too, seems to be a wise recommendation. One does not want the director to be thinking about retirement as soon as he begins work.

As for the precise functions of the institute, the Commission aims to avoid the two extremes. It does not intend it to be concerned with ultra-short-term considerations, nor with the very-long-term aspects of the scene as covered in the interesting study by Lord Kennett published a few weeks ago.

I wish to draw attention to my resolutions 10 and 11, which should be read as a pair. The resolution which I propose as No 10 deals with the statistical services provided by the Commission, and is of a critical character. The Commission needs to remedy forthwith the storage of regular statistics on economic, monetary and social matters of the kind regularly produced in some Member States and particularly in the United States, where up-to-date accurate data on industrial and business trends are depended upon by economists and business leaders and make a serious contribution to the unity of the United States economy. In the Euro-

pean Community, on the other hand, we must manage without such a service, and it is a lack which the Commission needs to remedy. But one does not expect this institute to be the body to provide this information month to month, nor do we look to it in the ultra-long-term to provide the kind of thinking called for by Lord Kennett.

I regard Lord Kennett's proposal as interesting and serious, and I am glad that the Commission is to study it. However, it would be wrong for us to stop the movement towards the setting up of this medium-term institute while we examine longer-term issues.

A question which arose in committee—and it is still a matter of doubt which must be settled in plenary session—concerns the emphasis to be placed on the new institute's work. Is it to make its own reports and to use its own staff or resources, or is it to rely more on coordinating the work of other institutes? I have emphasized the need for the coordination of work already being undertaken, because such a valuable contribution is to be made in that way. Other colleagues feel that to put too much emphasis on that matter will be hampering the institute and will set it off to a bad start. I respect their views, and as rapporteur I am prepared to accept the guidance of my colleagues this evening. Ultimately, time will decide the issue and the director and his staff themselves. Parliament will continue to keep in touch with developments in the work of the institute because of the necessity for the institute to come back to Parliament for budgetary sanction.

One suggestion made by the Commission which is certainly wise is that the institute should be able to carry out up to 20 per cent of its work on behalf of agencies other than European institutions. This will help it to keep in touch with trends and opinions other than those of an official character.

I wish to pay tribute to the work carried out by Lord Bruce and his colleagues in the Committee on Budgets and to congratulate them on an excellent report. I wish to pay a personal debt of gratitude to him for the courteous way in which he has tackled this matter. Most of these matters will be open to annual consideration by Parliament, and Parliament can take further interest in the way the body develops.

Speaking as somebody with some experience in the application of personnel management theory, I question whether the Commission has got it right in the initial sketch as to the way in which staff are to be recruited. It suggests that there should be 21 A-grade staff and only 22 among grades B, C and D. This looks to me like too many chiefs and too few indians. Perhaps time will be the best judge of the right staffing ratios between the A-grade and the other grades. However, I cannot help remembering that, when two economists meet, they end up with three opinions. If 21 A-grade economists meet, Parliament will pay its money and take its choice among the divergent opinions which no doubt they will produce.

Rhys Williams

It is part of the Commission's plan that there should be very close relations between the new institute and Parliament. We warmly endorse that idea. I have suggested that the director should present his report annually to Parliament and that Members should automatically receive the reports of the institute on the date of publication.

One question remains, which in my view is a minor one, though I dare say it will prove controversial. It concerns the site of the institute. My first draft contained a recommendation that it should be in Luxembourg. I feel that we need to see this institute centrally placed in the Community and in close liaison with other Community institutions. On the other hand, Mrs Ewing has made an interesting suggestion which is valuable, namely, that it might be sited in Edinburgh does not meet the criteria embodied in the recommendations. The Commission made three suggestions as to the way in which the choice of site should be made. I was happy to embody them in paragraph 12 of the motion. If Parliament so wishes, it could accept Mrs Ewing's recommendation. However, as rapporteur, my suggestion is that the matter should be left for final decision by the Council. Unfortunately, there has to be a political element in all such decisions. The Council, therefore, will overrule us whatever we may say. That would not be a good reason for our not expressing a point of view. However, I am content with the resolution as it stands.

My view is that Europe needs this institute. We wish it success and we launch it with hope and good will.
(Applause)

IN THE CHAIR : MR YEATS

(Vice-President)

President. — I call Lord Bruce of Donington to speak as draftsman of the opinion of the Committee of Budgets.

I appeal to all speakers from now on to try to stay well within their allotted time.

Lord Bruce of Donington. — Mr President, with the considerations upon which you have touched in mind, I propose, subject to the agreement of the House, to deal with the amendments at the same time as making my first remarks in order to avoid coming back to them later.

I uttered some harsh words in the direction of the Commission in the course of an earlier debate. It is now my very great pleasure to support Sir Brandon in his efforts to see that facilities which the Commission has requested are granted to it.

I pay my own tribute to Sir Brandon for the excellence of his report. I shall be making certain sugges-

tions in a friendly way to him in the course of my remarks. However, that does not detract from the fact that he presented the case most cogently.

For the purpose of my own remarks, I assume that Members of the House have read Doc. 560/75 of 8 March and Doc. 325/75 of 27 October 1975.

The Commission in its proposals made its own needs and the reasons for them perfectly clear. The Commission said in the course of its document :

'Never before has the Community been faced with the combination of unemployment, inflation and external disequilibria on the present formidable scale.'

That is precisely what I was endeavouring to convey earlier.

The Commission then says :

'The European Communities do not possess facilities for a systematic academic approach to research which would enable them to cope with these problems, yet economic policy measures taken within the Community must be supported by a forward analysis with proper scientific basis.'

I endorse those sentiments entirely.

I sincerely hope that, if the Commission is successful in establishing the institute, it will in future be possible to present specific proposals for monetary union, for changes in the Common Agricultural Policy and for a whole number of other changes proposed together with the expertise that is necessary for their presentation, so that Parliament may be well aware, before coming to a decision, of the economic implications of the various schemes that are brought forward from time to time by the Commission and the Council.

I need say very little on Sir Brandon Rhys Williams' report other than to offer my support. However, the amendments tabled by Mr Lange and myself are designed to liberate him even further. We find that his proposals in their present form place an undue restriction on the Commission. We would prefer the Commission to operate much more closely within the bounds of its own proposals.

I am therefore hopeful that Sir Brandon may be able to accept the amendments tabled by Mr Lange and myself, particularly Amendment No 4, which deletes the words 'in principle' in paragraph 2. The suggestion is that we accept the proposal of the Commission rather than the principle of the proposal of the Commission.

We suggest in Amendments Nos 3 and 5 the deletion of paragraphs 3 and 4, which in our view are too limiting. We believe that the Commission should have its own discretion.

We suggest the deletion of paragraph 10 on the basis that, by implication, it imposes a restriction on the institute when reporting on short-term matters and month-to-month developments. We prefer to leave the matter, if possible, without even the implication

Lord Bruce of Donington

that they are not entitled, if these matters are referred to them by the Commission, to do this.

From that it follows that we propose to ask Sir Brandon to delete the second new paragraph of Article 3.

On the other hand, we support Sir Brandon's amendments to Article 5, dealing with the structure of the management board that he suggests. We think that Sir Brandon's amendment to the second paragraph of Article 5 is a good one and we support him in that amendment. We think that his amendment to paragraph 3 of Article 5 is a good one. We agree with him that the European Investment Bank probably ought not to be involved here, since the Commission might wish to confer to the new institute matters involving the Investment Bank.

We also support Sir Brandon's amendment to Article 7, paragraph 1, his amendment to Article 10 and in particular his addition to Article 11, paragraph 2, which says that a study should be made available to Members of the European Parliament on the date of publication. We entirely agree with that. I will not cite again the report that came out in July last, which still has not been circulated as an official parliamentary document to all Members of Parliament.

On behalf of the Committee on Budgets and on behalf of my own group, I offer our blessing to the proposal in the hope that it may be another weapon in the hands of the Commission and may enable the Commission to come to more rational decisions with a greater breath of mind and knowledge than is now, on its own admission, available to it.

President. — I urge all speakers to do as Lord Bruce did and discuss the amendments when they speak. In that way, when we reach the amendments, I can ask the rapporteur for his opinion and then Parliament can go straight into a vote without any further discussion.

I call Mr Artzinger to speak on behalf of the Christian-Democratic Group.

Mr Artzinger. — (D) Mr President, I can assure you that I shall by no means use up all my speaking-time.

Firstly, I would like to thank the rapporteur, who had no easy task with this subject. It is somewhat difficult to understand why such a technical proposal — at least in committee and possibly also in plenary session — is treated as so controversial a subject. But that is a fact that we have to accept and which also has its good side.

I would like to jump straight ahead to our conclusions. My Group approves the motion for a resolution and the regulation as they stand. That means that we go along with the Commission in its wish to set up such an institute. We do not think the necessary staff can be found by streamlining in the General Direc-

torate for Economic and Financial Affairs. We would like to limit the size of the institute.

We do not think it would be useful to set up another large-scale organization in addition to the very prominent institutes of a similar kind that already exist in many places — at least not at the moment. The planned framework seems right to us, but we do not want to sow the seeds for further enlargement by extending the institute's duties. To our mind the institute should be, as it were, a hived-off department of the General Directorate rather than a big institute with grandiose scientific aspirations. This is why, in paragraph 5 for the motion, we say 'not more than 20 %' for outside work. This will also keep costs within reasonable limits. I think that this is an aspect we cannot and should not neglect.

As regards the seat of the institute, we agree with the proposal in the motion which sets out specific conditions without settling on a specific town.

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

Mr Nyborg. — (DK) Mr President, I shall try to make my speech as short as possible.

I should first like to say to Sir Brandon Rhys Williams that we very much value the work he has done which is earnest, serious and honest. We thank him for it, even if we do not entirely agree with him on one point, possibly rather an important one.

We can see that the Community has never had such serious problems as it was at the moment regarding employment, inflation and the balance of trade. We can see that it is no longer possible to influence rates of growth in our countries by means of competition, and that there are circumstances which lead—as they always do—to shifts in priorities and in economic goals.

It looks as though the Commission, with its proposal to establish an Institute for Economic Analysis and Research, were aiming at something quite different from what we have today, something outside the existing arrangement, something quite new institutionally, quite new in administrative requirements. We must therefore say that we are only partly in agreement with the goal the Commission has apparently set itself.

It is of decisive importance for economic research to be concentrated, for effectiveness' sake, on scientific areas. It is likewise extremely important to forecast all the economic consequences of the policies put forward. It is also necessary for future analyses to be carried out at the European level and from a European viewpoint, so differing from the analyses worked out by the Member States on national criteria.

To maintain its independence, this Institute ought not to have direct political commitments. In our view, it would thereby soon become isolated from the

Nyborg

concrete reality that is being formed in the economic and social integration of Europe. It would end by having a kind of university function, and we see no reason for competing with the universities and with the excellent work they carry out in complete independence.

When working out medium-term economic programmes, the Commission has available excellent facilities and outstanding workers, particularly in the Directorate-General for Economic and Financial Affairs, and these workers do not concern themselves exclusively with administration. One of the directorates in that Directorate-General has the task of carrying out medium-term studies. It has a division for synthesis and methods which does excellent work. That work serves as a basis for discussion in the medium-term policy committee.

What is being researched? Is yet another institute to be set up? Are we to have many more fine investigations, fine tables, pretty statistical curves, that only end up in the drawers like so much else? The possibility is there, for what is asked for here is a new establishment in which only half of the staff would be carrying out research while the rest would be involved in administration.

Regarding the argument that one cannot entrust this kind of investigation to strangers, since there is a risk that institutes which had been given such a commission would pass on information to their other customers, we can fully understand this. Nor have we ever advocated wasting Community money though a multiplication of research studies to be entrusted to such bodies.

It must be said that by setting up a European institute we should be falling into the same trap. As soon as it was allowed to take work from other bodies, it would not be long before it took on the same features and the same faults as all institutions of this kind.

Our attitude to this proposal is therefore sceptical.

It is undeniable that there is a need for serious research into Community problems, but instead of setting up a new body we think that such research could be done by rationalizing the work carried out in the Commission, and by making better use of that work. This is not solely a research problem but also a political and administrative problem.

Finally, we feel, after having stressed the need for mutual understanding between the experts and those who are to take the decisions, that the Commission ought to arrange its work in such a way that there was more publication of economic information, on both the short and the medium term. In a world whose economy is extremely complicated, this economic transparency seems to us to be objective for tomorrow.

Among other things, Sir Brandon Rhys Williams said that work on this had been going on since 1972, that there was already a need for this kind of institute in 1972. I can agree with him on that. So far as I know, however, there has been an expansion of the Commission's staff within the same period, and it is perhaps, therefore reasonable to say that the Commission today is better able to carry out such tasks itself. The proposal now before us would not create fresh demands on our administrative and financial resources.

I should like to take up briefly what Sir Brandon said to the effect that my amendment was aiming at an increase in staff for the Commission. That is not the case. As I said before, we conceive rationalization in such a way as to enable the work to be done with the staff available today. That is the way to make the greatest profit from the purely economic point of view.

With these words, Mr President, I hope that I have at the same time explained my proposed amendment.

President. — I call Mrs Ewing.

Mrs Ewing. — I support Sir Brandon's report, and I thank him for his work on this matter. I take issue with Mr Nyborg on his amendment, because it seems to me that the Commission's function is to do its job on a day-to-day, week-to-week, month-to-month basis rather than a long-term basis. If we have the direct elections about which we talked earlier today, Members of Parliament who are more nearly full-time will keep the Commission very busy. I receive helpful information from the Commission in great detail.

The United Kingdom has never produced a longterm energy policy, with disastrous waste as a result. Such long-term planning is difficult for governments faced with day-to-day problems. I liken that failure to the difference in function that I see here, and I support the principle behind the report.

I should like to speak to my amendment now, in order to save time. I ask the House to consider that Edinburgh would be a suitable centre. I was heartened to hear Sir Brandon say that it met the criteria. I am not asking the House to say that the institute will be at Edinburgh but to say that Edinburgh would be a suitable centre. The ultimate decision can then be made in due course.

I do not know how many Members know Edinburgh. It is a brave thing for me as a Glaswegian to say nice things about Edinburgh, because there is considerable rivalry between the two cities and we rarely say such things about one another back home. Edinburgh is a beautiful capital. It has been a European capital for 1500 years, which must be a record.

It has frequently been described, and still is described, as the Athens of the North. It is known as a centre of culture and education and is also known to be a welcoming city, as was proved by its fantastic popu-

Mrs Ewing

larity at the Commonwealth games. It obviously took every visitor to its heart then. It is a city that likes to be visited.

One of my colleagues said that he had been blamed for being a follower of Adam Smith. Edinburgh was the home of Adam Smith, the father of political economy. But perhaps that is not something one should boast about, as he has been blamed for many ideas ever since.

Within a small radius of Edinburgh there are eight universities, some of which are already undertaking highly technical studies in economic matters. For example, at Strathclyde we have the David Livingstone Institute of Overseas Development Studies. There is the Fraser of Allander Institute for Research into the Scottish Economy, which has other tasks to follow. The Centre for Industrial Innovation is at Edinburgh and there is the Centre for Industrial Consultancy, and at Glasgow there is the Department of International Economic Studies. We have a long history of education and a number of universities out of all proportion to our population.

Here perhaps I may aim one blow at my fellow-country of England by saying that we had four Medieval universities when it had two. We are perhaps 'over-universitied', but it means that we have a wealth of ability to draw on.

We have a grave unemployment problem, but so have many other parts of Europe. The latest figures, on 8 January, were horrific, showing 162 123 unemployed out of a population of five million. Of those people, 16 000 are qualified to do clerical or managerial work. One of the worries about the suggested institute was whether there would be a sufficient pool of the right type of labour, and we have it available. We have this pool already waiting.

I need not beat the drum about the fact that it is known that we have North Sea oil very close to us and various oil offices are dotted around our country. The headquarters of the British National Oil Corporation is in Glasgow, just under an hour away.

Given the exceedingly healthy signs for the Scottish economy and the fact that 2 1/2 million people live in the industrial belt close to Edinburgh, with every conceivable type of industry located there, I suggest that the strategic interest in the oil industry might be a factor in deciding whether the institute might find it logical to go there.

We hear a great deal of talk both at Westminster and here about decentralization and the genuine regard that the Community is meant to have — and, I am sure, tries to have — for all the various parts of it. Here would be a very good example. We know that we are out there on the Atlantic seaboard. I think used as an example in the winding-up speech last time of a

kind of far-away place along with Sicily. The adoption of my amendment would be concrete evidence that the talk of the genuine involvement of all parts is not simply talk but is being translated into reality.

I therefore move my amendment. As I say, I am not asking Parliament to decide I am asking to consider my proposal as one it place that meets the criteria and is suitable.

President. — I call Lord Ardwick.

Lord Ardwick. — I am very strong believer that an institute of the kind proposed by the Commission is necessary. We need a telescope to look at the future. Although we shall not see the future all that clearly, at least in some of our ventures it may save us from having to take a leap in the dark we shall be able to take a leap; instead, in the twilight.

I believe that if we are to have a European Institute it must be absolutely first class. It must be in the world league. I think that this is what the Commission envisages and this is what Sir Brandon opposes.

This is not really a party question. We should all be thinking freely about this subject. As, however, we are not fortified in this by our party prejudice or sustained by our political philosophy, we have to take great care not to be beguiled by Sir Brandon's charm or deceived by his gentleness. He managed to win over, it seemed, my friend Lord Bruce. Instead of his usual hammer blows, he delivered merely love taps this afternoon.

What Sir Brandon has done is a quite clever job of demolition by degrees. I see that he is looking indignant, but this is how it appears to me when reading his resolution. First, he accepts the proposal of the Commission, but not really. He accepts it only in principle. My experience of life is that when people accept things in principle they do not really accept them in practice.

Then Sir Brandon lays a rather bigger charge of dynamite in paragraph 3. He questions the need to set up a body of the size that is suggested. In paragraph 4 he judges that an important function would be the sponsorship of research by universities and other institutes. In other words, the institute which he envisages would be operational to only a minor extent and would be largely engaged in administering the research of others.

In paragraph 10 Sir Brandon asks the Community to strengthen its own internal day-to-day statistical services. I have no doubt that that is necessary, but I do not think that mention required in this document except as part of the movement to cut the proposed new institute down to a smaller size than the one which the Commission envisages. We therefore get the picture of a rather modest-scale institute largely administering the research of others.

Lord Ardwick

Europe needs and must have something much better than that. We must get economists of world class who are capable of looking at Europe without national preoccupations and prejudices. I suggest that to attract the right men and women in the right conditions we should put the institute in one of the capitals of Western Europe where they will enjoy the necessary mixture of commercial bustle and intellectual stimulus from their own kind.

When I say that, I do not think — if I may mix the metaphor — that we should put them in an ivory tower rising from some romantic backwater. I am not referring to the 'Athens of the North', the east-windy, West-Endy city as it has been described. Edinburgh should certainly be on the list, but I should also put on the list London, Paris and Rome.

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — (D) Mr President, on behalf of the Commission, I am very grateful for the interest shown in this subject, not only today in this debate but also in the many keen discussions in committee, and for the extremely constructive and positive suggestions offered for improving the Commission's proposal. I should like to express my especial thanks to Sir Brandon and Lord Bruce, the rapporteurs. I would also like to thank Mr Nyborg, although, if I may say so, I do not think his proposed amendment is a good one. I was pleased, however, at the explanation he gave for it, since this contained an extremely fair judgement of the work done by the Commission and its officials.

Ladies and gentlemen, you may take it that, with these proposals, we wished to create an instrument that would provide us with a European framework, beget ideas and give us a basis for development, an instrument which had long been called for by this House and by other bodies — I refer particularly to the Committee on Economic and Social Affairs. We are not simply asking for something so that we may have one more institute in Europe or give the Commission or anyone else in Europe a new toy. Consulting groups of experts from the Member States, we have gone thoroughly into the question whether there was not some other solution in the way of simple coordination. In the explanatory statement, we have given you detailed reasons why there is not. We feel it is important to underline that we wanted an effectual, scientific and highly-qualified unit that would help us, as rapidly and as efficiently as possible, to serve as a centre and focal point for the work which is being done on these important questions in other scientific institutes of the Community and also to work in ever closer cooperation with those who are responsible, in the political and social groups, for formulating new solutions to the major problems facing us.

I very much hope that the thorough and constructive manner in which this subject has been treated by Parliament will, once you have given your opinion, help to ensure that subsequent deliberations and decisions at the level of the Council of Ministers will go forward swiftly and smoothly.

(Applause)

President. — The general debate is closed.

On Article 3 of the proposed regulation, I have Amendment No 3, tabled by Mr Lange and Lord Bruce on behalf of the Socialist Group and deleting the new paragraph 2.

What is the rapporteur's view?

Sir Brandon Rhys Williams, rapporteur. — This new paragraph was proposed by Mr Scholten, who is no longer with us, having left the service of the Parliament. It was accepted by the committee. It puts emphasis on the need for the institute to work in liaison with outside bodies.

It is a matter for Parliament to decide whether it is necessary to emphasize this aspect. I believe that, in accepting this proposal of Mr Scholten's, Parliament would be endorsing the views of the majority of Members who have given the matter active study. I would therefore recommend that this amendment should not be accepted.

President. — I put Amendment No 3 to the vote.

Amendment No 3 is adopted.

We shall now consider the motion for a resolution.

I put the preamble and paragraph 1 to the vote.

The preamble and paragraph 1 are adopted.

On paragraph 2, I have Amendment No 2, tabled by Mr Nyborg on behalf of the Group of European Progressive Democrats:

'This paragraph to read as follows:

"2. Does not approve, however, the proposal to set up a European Community institute for economic analysis and research since the Commission already has highly efficient services and staff, particularly in the Directorate-General for Economic and Financial Affairs, and since the analysis and research objectives could be achieved by greater rationalization of the work carried out in the Commission and by better utilization of the results of this work ;"

Again on paragraph 2, I have Amendment No 4, tabled by Mr Lange and Lord Bruce, on behalf of the Socialist Group, and deleting the words 'in principle'.

What is the rapporteur's view on these two amendments?

Sir Brandon Rhys Williams, rapporteur.— I was most interested in Mr Nyborg's speech, I think he accepts, like the rest of us, the need for studies of the kind outlined in the Commission's proposal. On the other hand, we have to say that by its form his amendment is a wrecking amendment and it is flatly contrary to what the Commission has recommended. I think that it would be disastrously wrong-headed if we were to accept the amendment, because not only would it be rejecting the Commission's view but it would be taking us back to where we stand.

I hope that colleagues will therefore support me in my recommendation that, persuasively though he moved it, we should not accept Mr Nyborg's amendment.

On Amendment No 4, I am prepared to go along with Lord Ardwick. I think that these words are superfluous and could be misinterpreted. I should be happy therefore to accept Amendment No 4.

President. — I put Amendment No 2 to the vote.

Amendment No 2 is rejected.

I put Amendment No 4 to the vote.

Amendment No 4 is adopted.

I put paragraph 2, as amended, to the vote.

Paragraph 2, as amended, is adopted.

On paragraph 3, I have Amendment No 5, tabled by Mr Lange and Lord Bruce, on behalf of the Socialist Group, seeking to delete the paragraph.

What is the position of the rapporteur?

Sir Brandon Rhys Williams, rapporteur. — I feel that this should stand. The paragraph is more neutral than it seems. I feel that the precise personnel structure proposed by the Commission is unwieldy and possibly will prove with the passage of time to be inconvenient. The Commission is not expecting the institute to reach this size for two or three years, or possibly longer. I wish to emphasize the need for this body of men to grow as needs dictate rather than as a preliminary sketch of the final structure would suggest. It would be better if this remains, but I am not afraid of defeat, because the amendment is well-intentioned and is aimed to assist rather to hamper the body's work. Therefore, I recommend that this resolution should stand, but my resolution will not be destroyed if this paragraph is deleted.

President. — I put Amendment No 5 to the vote.

Amendment No 5 is adopted.

On paragraph 4, I have Amendment No 6, tabled by Mr Lange and Lord Bruce, on behalf of the Socialist Group, seeking to delete the paragraph.

What is the view of the rapporteur?

Sir Brandon Rhys Williams, rapporteur. — I think that Mr Lange and Lord Bruce and their colleagues are perhaps pursuing their point a little too far here. I feel inclined to ask them not to press this point. When we think of the work of the OECD, we must admit the value of studies carried out by *ad hoc* groups and the coordination of experts sponsored by OECD for particular studies. It would be a mistake not to place emphasis on this matter, and indeed it is emphasized by the Commission itself.

I shall not delay the House by reading the explanatory memorandum, but certainly if the paragraph is deleted that change of emphasis will be undesirable. Therefore, I ask those who sponsored the amendment not to press it.

President. — I put Amendment No 6 to the vote.

Amendment No 6 is adopted.

I put paragraphs 5 to 9 to the vote.

Paragraphs 5 to 9 are adopted.

On paragraph 10, I have Amendment No 7, tabled by Mr Lange and Lord Bruce, on behalf of the Socialist Group, seeking to delete the paragraph.

What is the view of the rapporteur?

Sir Brandon Rhys Williams, rapporteur. — I should have made clear at the start that paragraphs 10 and 11 are intended to be read as a pair. Paragraph 11 was intended to deal with the long-term view, particularly that laid down by Lord Kennett and his working party. Paragraph 10 deals with month-to-month statistics at the other end of the scale. I have already touched on this important matter in my introduction and I shall not repeat the points.

Is it in order to suggest a minor amendment to paragraph No 10 as it stands, Mr President, because if it is removed altogether, we shall lose something that many of my colleagues believe to be of value? If it is in order, I hope I shall be allowed to take out the first line and most of the second line and begin the provision with the word 'Considers...' If it is possible to take that course, I hope that those concerned will be in favour of withdrawing their amendment in favour of my amended version.

President. — It is not usual to accept amendments without notice, but if Members are prepared to agree, that will be in order.

Is it generally agreed?

It is agreed.

Will the rapporteur read out the exact text of the proposed version of paragraph 10?

Sir Brandon Rhys Williams, rapporteur. — Paragraph No 10, as amended, would read;

'Considers that the Community lacks the regular statistics on economic, monetary and social matters which are essential for accurate and up-to-date assessment of short-term trends, and calls on the Commission to extend and improve radically its statistical services.'

President. — Does Lord Bruce agree to withdraw his Amendment No 7?

Lord Bruce of Donington. — Yes, we agree.

President. — The House has heard the new amendment to paragraph 10 read out by the rapporteur.

I put the oral amendment to the vote.

The admendment is adopted.

I put paragraph 10, as amended, to the vote.

Paragraph 10, as amended, is adopted.

I put paragraph 11 to the vote.

Paragraph 11 is adopted.

On paragraph 12, I have Amendment No 1, tabled by Mrs Ewing:

'Add the following text to this paragraph:

'... and considers that Edinburgh would be a suitable centre;'

What is the rapporteurs' view?

Sir Brandon Rhys Williams, rapporteur. — In the draft report as it began, there was a resolution recommending a specific centre — namely, Luxembourg. However, as discussion has developed I have felt that it would be more judicious not to make too invidious a choice between one suitable centre and another. Certainly in the Community we are rich in places where work of this kind could be carried out. Therefore, I adopted the Commission's recommendation that we should define three principal criteria. I shall not read them out because they are to be found in the resolution.

It would be difficult for me as rapporteur to vote against any suggestion that is suitable, and Mrs Ewing moved her amendment in a way that carried conviction among many people. This is something that we must leave to the wisdom of the House.

As rapporteur, I feel I should abstain, and in so doing I may be suggesting that it would be wiser to leave the matter as it stands, because the case could so easily be made for so many different places. But I do not think that colleagues who vote with Mrs Ewing will necessarily be making a mistake, because all who know Edinburgh recognize its strong claims.

President. — I put Amendment No 1 to the vote.

Amendment No 1 is rejected.

I put paragraph 12 to the vote.

Paragraph 12 is adopted.

I call Mr Hughes.

Mr Hughes. — On a point of order, Mr President. The English text of paragraph 13 says:

'Approves, therefore, with the above reservations...'

Most of the 'above reservations' having been deleted, that does not make much sense, and therefore I ask that it be redrafted to make English and sense.

President. — Does the rapporteur agree that we should delete those words?

Sir Brandon Rhys Williams, rapporteur. — No, sir. I prefer that the paragraph stands as it is. Changes have been made in the course of the discussions which are embodied in these paragraphs. Though I have suffered a series of defeats, I do not take them in bad part, because their intention has been all in the direction of strengthening the institute, which I am sure is what the majority of us want. To take out the phrase would be carping, because the Parliament has made suggestions which are not insignificant, such as the change in membership and the increased representation of the Commission on the governing body. Therefore, it is right that it should stand as it is.

President. — There have been objections to the making of verbal amendments, and therefore we cannot proceed with the matter.

I put paragraph 13 in its original wording to the vote.

Paragraph 13 is adopted.

President

I put to the vote the motion for a resolution as a whole, incorporating the various amendments that have been adopted.

The resolution so amended is adopted.¹

7. *Agenda for the next sitting*

President. — It is now after 8.30 p.m. There is another item on our agenda, but yesterday the staff had to work from the group meetings at 9 a.m. until half-past one this morning, and today they have again worked since 9 a.m. without a break for dinner. Therefore, I propose that we adjourn until 9 a.m. tomorrow. Then, in accordance with the decision taken by the House on Tuesday, the motion on the DRAGON project will be the first on the list. I understand that the rapporteur and the Commission find that convenient.

Are there any objections? That is agreed.

The next sitting will be held tomorrow, Friday, 12 March 1976, from 9 a.m. until 12 noon, with the following agenda :

- motion for a resolution on the DRAGON project tabled by Mr Springorum ;
- Della Briotta report on a conversion premium in the wine sector ;
- Martens report on the fat content of full cream milk ;
- Della Briotta report on the Community list of less-favoured farming areas ;
- Houdet report on the common organization of the market in fruit and vegetables (without debate) ;
- Seefeld report on summer-time ;
- Spicer report on the approximation of legislation on mayonnaise ;
- Zeller report on arrangements applicable to agricultural products originating in the African, Caribbean and Pacific States or in the Overseas Countries and Territories (without debate) ;
- Schwörer report on customs warehousing procedure (without debate) ;
- Spicer report on the EEC-Malta Association Agreement ;
- Lady Fisher of Rednal report on colouring matters for use in foodstuffs.

The sitting is closed.

(The sitting was closed at 8.35 p.m.)

¹ OJ C 79 of 5. 4. 1976.

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IN THE CHAIR: MR SANTER

Vice-President

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 submitted*

President. — I have received the following documents:

(a) from the Council of the European Communities, requests for opinions 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. 5/76).

This document has been referred to the Committee on the Environment, Public Health and Consumer Protection.

- the protocol laying down certain provisions relating to the agreement establishing an association between the European Economic Community and Malta (Doc. 8/76).

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

(b) from the committees, the following reports:

- report by Mr Spicer, on behalf of the Committee on External Economic Relations, on the agreement extending the provisions governing the first stage of the agreement establishing an association between the European Economic Community and Malta (Doc. 12/76);

- report by Mr Geurtsen, on behalf of the Committee on Social Affairs, Employment and Education, on

I. the Third Report from the Commission of the European Communities to the Council on the possibilities and difficulties of ratification by the Member States of the first list of conventions concluded within other international organizations (COM(75) 142)

II. the relations between the European Communities and the International Labour Organization (Doc. 13/76).

3. DRAGON project and high temperature metals

President. — The next item is the motion for a resolution tabled by Mr Springorum on behalf of the Committee on Energy, Research and Technology on the research programme concerning the DRAGON project (Doc. 558/75).

I call Mr Springorum.

Mr Springorum, Rapporteur. — (D) Mr President, ladies and gentlemen, I think that we can deal very briefly this morning with our motion for a resolution in view of the fact that we already discussed the DRAGON project in this House on 17 December 1975. On that occasion we adopted a resolution with a request to the Council to push ahead with this project. The Council did not heed Parliament's resolution.

This raises the entire question of the value of resolutions of this kind, when the Council does not seem to take any notice of them. We had the same experience at the January part-session with our motion for a resolution which was accompanied by a request to the Council to finally decide on a site for the JET programme. Even in this matter the Council was not able to bring itself to take a decision. There are good grounds, therefore, for our fears that in the matter of research the Council does not think along European lines but continues to put national interests into the foreground, thereby forgetting the European idea and failing to realize that Europe can only be harmed if national egoisms alone are to be deciding factor and not the interests of the Community as a whole.

In the motion for a resolution that we are tabling today we are being very modest. We are only asking for something that under normal circumstances would be absolutely taken for granted. In dealing with the Council, however, we are accustomed to seeing no attention paid even to matters that would normally be taken for granted.

All that we want to do in tabling this motion for a resolution is to ensure that the work that went into this DRAGON project is not forgotten and that the results of all this work are not simply thrown aside. The DRAGON project was an important one as far as hydrogen extractation is concerned, and further research has been carried out in this area with much success. The DRAGON project was important for the high temperature reactor, an area that is going to have to occupy a great deal for our attention in the future. Finally the DRAGON project was also important for materials research into heat-resistant neutron-bombarded steels.

All three areas were and still are important for the future. It is all the more deplorable, therefore, that work on them has now been more or less shelved.

On 17 December Mr Brunner said in this House that under the DRAGON project alone 200 patents had

been applied for and 1 000 papers had been published. Now everything seems to have come to a full stop for the moment.

In our motion for a resolution we ask that the results and the data that have been produced so far by the DRAGON project should be evaluated and that work should not be abruptly broken off. On the contrary, all the results that have been obtained should be set down in the form of final reports, so that if the DRAGON project should be revived and other research institutes wish to carry on the work on the basis of what has been done so far, all the material will be to hand.

This will, of course, call for certain financial resources. Nevertheless, it is a matter of urgency that the Council should agree as soon as possible to the resumption of this work, so that all will not have gone for nought but may possibly still bear fruit.

At this point I should like to say a special word of thanks to the Commission, which as one man did its utmost to see that this project was given another chance. Unfortunately the Commission did not succeed in achieving this.

The request that we make, therefore, is a modest one. I ask Parliament to vote in favour of this motion for a resolution.

(Applause)

President. — I call Mr Flämig on behalf of the Socialist Group.

Mr Flämig. — (D) Mr President, ladies and gentlemen, there is, I believe, an English proverb which says, 'Don't cry over spilt milk'. In our case the milk has already been spilt. The Council has decided. The DRAGON project is dead. The question might be asked: What more do we hope to achieve at this point by having a debate?

We in the Socialist Group have discussed this matter and have been forced once again to acknowledge the difficulties that we, as politicians, are faced with when we are asked to give an opinion on technical problems. The experts have told us that there is a great future for the high temperature reactor and that the DRAGON project has been of great service in developing this high temperature reactor. The experts have also told us that this reactor is the great hope of the 80's, just as fusion is to be the great hope of the coming millenium. The high temperature reactor is the hope of the 80's in regard to coal gasification, chemical process heat, the production of steel and district heating. Another factor that makes it such a hope for the future is that this kind of reactor, we are assured by the experts, has a built-in safety guarantee in the case of coolant failure.

Flämig

On the other hand, the experts have also told us that the high temperature reactor operates on highly enriched uranium and that some research still has to be done on its fuel cycle.

In the light of what has been said by the previous speaker and of the accounts given us in committee by the Commissioner, we in the Socialist Group feel that much valuable knowledge has been gleaned from this project. It has emerged from various enquiries undertaken by our group that the experts are divided on the question of whether the suspension of the DRAGON project was justified or not. Some say that there was very little else to be gained from it, while others maintain that it could have been continued for a while longer. Only one thing, however, is important, — and in this connection we support what has been said Mr Springorum — namely, that the data and the knowledge that have been gathered together in the course of this project must be evaluated. It is perfectly obvious to us that a final report ought to be drawn up setting out the results of these years of research, and after all, to do so cannot cost the earth.

It seems essential to us that this should be done, if only for the reason that the high temperature project is being carried on elsewhere within the Community. I would remind you of the results being obtained at the present time in Jülich, I would also remind you of the fact that a high temperature reactor will shortly be completed in Schmehausen-Uentrop in the Federal Republic. We feel that it is essential that the experience gained in the DRAGON project should in turn be brought to bear on these projects.

We in the Socialist Group would like to see further research being done in the high temperature sector if only because of its importance for the future utilization of coal. We consider it particularly vital that further research should be carried out immediately in the field of extremely heat-resistant materials and that everything possible should be done to solve the problems connected with the fuel cycle of the high temperature reactor.

In this sense we will vote for the motion for a resolution and we ask Parliament to do likewise.

(Applause)

President. — I call Mr Noè.

Mr Noè. — *(I)* Mr President, Commissioner, my dear colleagues, the motion for a resolution tabled by the chairman of the Committee on Energy, Mr Springorum, is the logical result of the position adopted by this Parliament when the decision of the Council of Ministers became known. There was at that time a unanimous reaction which has now been made concrete in the motion for a resolution before us, which the Christian-Democratic Group is also supporting wholeheartedly.

In point 1 Mr Springorum rightly pointed out that the decision was adopted in an unsatisfactory manner. There was bargaining rather than a systematic approach to the problem, which required a comparison of the quality of reactor in question with that of other reactors and an analysis of the prospects for their use. However, these factors were not properly taken into account by the decision-making body.

As has already been pointed out by colleagues before me, this reactor has a special feature; besides providing electrical energy, like other nuclear reactors, it also provides heat at such high temperatures that it enables nuclear energy — and I stress this — to go beyond the relatively restricted, or if you prefer wide field of the production of electrical energy, and move into other fields such as the production of hydrogen gasification of coal. If — as is not at present the case — there existed a European energy strategy for the next ten years, there is no doubt that this kind of reactor could contribute to the production of gas from coal initially, and later from hydrogen and from water, thus permitting — and this is an idea of Dr Marchetti's — the maintenance of adequate stocks of natural gas as a substitute for the inadequate reserves of oil which it is at present possible to store in tanks.

After this brief mention of the important consequences of the double use of the Dragon reactor, I would now like to say a few words on its inherent qualities. As a reactor producing electrical energy it has three characteristics which cannot be ignored. First of all, in comparison with traditional reactors at present in operation it has a better neutron yield, that is to say a better use of uranium. Since uranium reserves are not inexhaustible, this fact must be taken into account. Secondly the water necessary for cooling is heated up less, and this represents a reduction of thermal contamination of approximately 30 %. Here, we are geographically situated close to a major river like the Rhine, and we are aware of the limits of pollution which the waters of this river are reaching. Therefore a 30 % reduction in thermal contamination is something which must be seriously taken into account. Finally, there is a greater safety margin, because temperatures are lower. These are called high temperature reactors, but this name refers to the final temperature. At the heart of the reactor the temperature of the uranium reaches only 1 300° compared with 1 800° in other reactors. Since the casing of the uranium is partly of graphite, this increases its mechanical resistance to the temperatures at which the reactor operates and temperatures would need to reach 5 000° before the graphite sublimated. The safety margin is therefore very great.

Of course I am not saying that we must build high temperature reactors because they present these three qualities. I am saying — and this is message of Mr Springorum's resolution — that we must complete the studies and draw from them more specific informa-

Noè

tion to evaluate the cost of this reactor. Only if costs remain within reasonable limits can we continue our research.

I would like to add another short comment. Even if high speed reactors pass, as we hope, all the safety trials and economic tests, they will still be very expensive reactors per installed kilowatt. It may be therefore that in time the picture will be based on high speed reactors, but with cheaper reactors leading the way. It is possible to build a reactor which is cheaper per kilowatt produced, which could operate not 24 hours a day but 8 to 10 hours a day. This too is a long-term solution which is worth considering.

I would like to conclude by saying that this Parliament has already given its first reactions. Now it has presented a new motion for a resolution which I am convinced we will all approve. It should be clear to the Council of Ministers that if the small sum which is now being asked to complete studies is refused, this Parliament will react vigorously because that sum constitutes only a small percentage of what is spent on certain agricultural products. We cannot accept such discrimination. I believe that on this point, Mr President, we must be specific and forceful.

(Applause)

President. — I call Mr Normanton.

Mr Normanton. — In this House we tend to avoid — indeed, to eschew as far as possible — special pleading when that is based upon national as opposed to Community interests, but I hope the House will forgive me if what I have to say is interpreted as special pleading. It is not intended to be so.

We should be ill-advised to the differences between successes and failures as far as far as major projects are concerned in the Community, whether these projects are in a Member State or on behalf of the Community. The DRAGON has been a great success in technological and scientific terms. It has resulted in identification of the importance of major areas of research. It has succeeded in assembling scientists from many and distant countries and welded them into an effective team working whole-heartedly to achieve a common object. It has built up a wealth of experience which should, and I believe will, form the basis of further and more important research in areas of high technology.

On the other hand, the DRAGON has undoubtedly been a failure in the sense that it has been terminated prematurely, which has resulted in the dispersal of researchers. After all, it is men, not materials, that are the key element in technological innovation. It has

resulted in the breaking up of a team which has amongst its peers in science been recognized as an effective team. It represents the sacrifice of long-term benefits to mankind and to the Community in particular for the sake of immediate advantage. I am almost tempted to place on record the feeling which is expressed, and is certainly there, in many quarters, that partisan considerations, including antipathy to the idea of a European Community, may well have played some part in influencing the decision.

The motion relates to the DRAGON in isolation from other facets of research and technology. However, I suggest that we should be ill-advised to ignore the effects of the DRAGON decision on future ventures into new areas of technology and in particular the JET — the Joint European Torus — project.

We have good reason to believe in this House that the siting of the JET is giving rise to great and, indeed, growing political conflicts whereas the sole and exclusive criteria should be technology and science.

My reference to special pleading relates as much to the DRAGON as to the JET. Both are projects of high technological importance which have much in common. I believe it is a tragedy to have closed down the DRAGON project, since it might, and I think would, have been logical scientifically to locate the JET in about the same area as DRAGON. The JET would have benefited both scientifically and in terms of time from the facilities and the people established there already. But that is not to happen. That is the matter which, on the grounds of special pleading, I deplore.

The request contained in the motion standing in the name of Mr Springorum is realistic and modest. It is simply a request to give a decent burial after a full and complete post-mortem.

We hope that the post-mortem documentation will provide two things. The first is a source of information on which vitally important progress can be made in the search for a source of new and advanced energy. Secondly, a point that in my view is even more important to us as politicians, it will serve as a lesson to politicians and political leaders of all countries to base scientific decisions on scientific grounds.

The cancellation of the DRAGON is a classical example of what we should not do if we wish to become a true Community.

We should be grateful to the German Government for having taken a part already in the rescue of scientific material.

The Commission's help requested in Mr Springorum's motion will be of even greater value.

Normanton

The European Conservative Group gives the motion its full and unreserved support.

(Applause)

President. — I call Mr Brunner.

Mr Brunner, Member of the Commission. — (D) Mr President, I share the view that there is no point now in looking back so far. Mr Normanton said that he felt that the decision to cancel the DRAGON had probably been based on non-scientific considerations. I can only say to him: I don't know who killed the DRAGON. This time it was certainly not St. George. (Laughter.)

We share the view which has been expressed here by the rapporteur, Mr Springorum, and also by Mr Flämig, Mr Noè and Mr Normanton, namely that we must now make efforts to salvage what we can from the project. The Commission will certainly make great efforts here, including financial ones. We are prepared to transfer a large part of the salvage costs to our budget. We will be able to provide these funds by means of budgetary transfers and thus be able to cover them. We do not want a supplementary budget. We will thus make a large financial sacrifice.

In our view, work should now be concentrated on two points. Firstly, the continuation of the research project on high melting-point metals. We intend to continue this work until 31 December 1976 and spend 0.6 m.u.a., of which the Commission will provide 40%. The other 60% will be supplied by the Federal Republic of Germany and the United States Energy Research and Development Agency. There is thus an international interest.

Secondly, we intend to utilize to the full the results which have already been achieved. This programme will also run until 31 December 1976. It requires funds totalling 2.79 m.u.a. The Commission is to make a financial contribution of 90%. It seems possible that Austria, Sweden and Switzerland will also share the costs. Here, too, then, there is an international interest. We will need 35 to 40 engineers for these programmes and therefore propose that the agreement should be extended pursuant to Article 101 of the EURATOM Treaty and that the research programme which has been fixed should be adopted pursuant to Article 7. All in all, then, the commitments of the Commission amount to 2.86 m.u.a. which we are to supply. That means that we shall not apply for any further funds or call for a supplementary budget. We are thus pursuing the same objectives. We, too, consider that it is better not to give everything up. We believe that under the circumstances we are doing what is necessary and possible.

(Applause)

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

The resolution is adopted.¹

¹ OJ C 79 of 5. 4. 1976.

4. Regulation on a conversion premium in the wine sector

President. — The next item is the report 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 on the granting of a conversion premium in the wine sector (Doc. 540/75).

I call Mr Della Briotta.

Mr Della Briotta, rapporteur. — (I) Mr President, ladies and gentlemen, the proposal I am asking you to approve is part of a complex of measures which the Commission has prepared to get under way the process of restructuring the wine sector which has been characterized by a crises of surpluses which the Commission believes are structural. It is a proposal to grant a premium for voluntary grubbing up of vineyards during the next three marketing years. The premium is regressive, starting at 1 500 units of account per hectare the first year, falling to 1 400 the second year and 1 300 the third year. The vines to be grubbed-up must be among the varieties which qualify only temporarily: the so-called hybrids which produce wines which are difficult to market. The Commission estimates that grubbing-up measures should cover 120 000 hectares of vineyards: 50 000 in Italy and 70 000 in France, for a total cost of 28 million units of account per year and with a considerable saving for the Community, because expenditure would be approximately one-third of the cost of distilling be wines which would be produced from these vineyards. This is due also to the fact that 50% of the financial burden would be borne by the Guidance Section of the EAGGF and the other 50% by the budgets of the States.

In order to receive the premium, wine growers must undertake to plant no new vines for at least 10 years on the land grubbed-up and to carry out no new planting for at least 3 years in the rest of their vineyards; these commitments concern the estate, and are independent of whether the property is sold.

This is the content of the proposal which the Committee on Agriculture has approved. The report to which, for brevity, I would refer you, makes a series of comments which I will recall briefly.

It is difficult to reject the provisions if you accept the existence of a crisis of structural surpluses, as the Commission does. However, it is worth recalling, with some scepticism, that previous experience of this kind of thing, such as the grubbing-up of fruit trees or the slaughtering of cows, does not give the desired results. The prohibition of replanting for 10 years is certainly — as I have said in the report — a serious obstacle to the transferability of the estate. This period could be reduced. Moreover there is no indication of alternative produce which could take the place of grubbed-up vines, a serious problem especially for small farms. We know that small farms predominate in wine-growing.

Della Briotta

In the report I also mentioned the inadequacy of the premium, making this not a very attractive measure for wine growers. As regards the financing of the operation, some reserves were expressed in the Committee on Agriculture, and the intervention of the Guarantee Section of the EAGGF, together with the Guidance Section was asked for. The amendments to this effect, however, were not adopted.

This is what I wanted to say to Parliament, recalling that this proposal deserves to be approved, as it has been in the Committee on Agriculture, especially if we accept that there is a structural crisis in wine-growing. The conclusions which the Commission has reached are, in my view, perhaps a little too drastic. However, I believe that in administration one should base one's actions on hypotheses and information which are considered certain.

I hope that this provision will be followed quickly by the whole of the rest of the package aimed at settling the difficult matter of wine growing. I hope that in saying this I echo the feelings of the Commission, and I therefore ask Parliament to approve this resolution.

(Applause)

President. — I call Mr Brugger.

Mr Brugger. — *(D)* Mr President, ladies and gentlemen, the proposal for a regulation which we are discussing here has already been fully explained by Mr Della Briotta in his opinion, and he has commented on it. I would like to add my own opinion. We know that Mr Della Briotta is not merely a theoretician but also has practical experience in this matter. We must therefore welcome his criticism and his suggestions. I, too, am convinced that this is one of those measures which seem straightforward on paper but whose implementation will give rise to considerable difficulties in practice.

Of course, this is one of the measures proposed in the package aimed at limiting production in order to master the wine crisis, which has been caused by over production. If the wine crisis is to be mastered — and this package of measures will certainly help — the processing of the product must also be supervised, for what goes on in Europe's cellars is a subject worthy of discussion in its own right. The cellars sometimes deliver to the consumer products which are no longer as genuine as those which come straight from the vine. I am convinced that it would be a service to consumers if we ensured that they should receive genuine products in the wine sector. Many other things could be done in this field to get over the wine crisis.

However, the main point of the proposal for a regulation seems to me to be the premium for winegrowers who have already decided to grub up unprofitable

vineyards. I share the rapporteur's view that the premiums provided for grubbing-up are not in proportion with the economic viability of the winegrower. For example — and the rapporteur said a few words about this in his explanatory statement — a premium of 1500 u.a. per hectare is in fact equivalent to the average per hectare yield of a medium-sized vineyard. It is not easy to persuade anyone that there is a need for grubbing-up if his compensation is equal to only one or two years' yield.

I, too, believe that the proposed area of 125 000 hectares is based on an assumption which is too theoretical. I would also suggest, in connection with the other conditions contained in this proposal for a regulation, that the minimum area should be halved and that the funds which have been made available should be used to double the grubbing-up premiums.

I think that these funds would be enough; I am convinced of that. After all, the main point is not to grub up unprofitable vineyards but, if we look at it more closely, to reduce excessive production in some areas to a normal level. In certain winegrowing areas, these are yields of over 10 000 litres per hectare. That is too much; the quality suffers.

If it were possible to reach a normal production level for wine, both requirements could be met. On the one hand, consumers would be provided with better wine, and production would be limited. I would again like to take up this suggestion by the rapporteur, which is to be found in the explanatory statement.

I therefore support the proposal of the rapporteur to approve the proposal for a regulation pursuant to Article 149 (2) having regard, however, to the reservations which are expressed in the report and the motion for a resolution.

(Applause)

President. — I call Mr Früh, draftsman of the opinion of the Committee on Budgets.

Mr Früh. — *(D)* Mr President, the Committee on Budgets welcomes this measure, which it regards as a constructive contribution to the solution of the wine problem and in particular because it considers that this measure will encourage the elimination of poor-quality wines. It was even said in the Committee on Budgets that measures of this type should have been taken at an earlier stage. Nevertheless, the Committee on Budgets felt — although not unanimously — that measures of this kind were not in themselves sufficient to solve these difficult problems.

I would like to make two remarks. There is little point — and I think here I am in agreement with Mr Brugger — in compensating for the reduction in the surface area producing poor-quality wines by producing more wine in existing or new vineyards.

Früh

The most difficult and, in my opinion, the most protected and urgent problem is, however, that if these regions are to be helped on a long-term basis they must not be deprived of what is at present their only source of revenue, unless they are provided with other sources of revenue under a well-directed regional policy. That is an appeal to the whole Community which the Committee on Budgets feels obliged to repeat. The Committee on Budgets therefore supports this measure in its entirety.

(Applause)

President. — I call Mr Brunner.

Mr Brunner, Member of the Commission. — (D) Mr President, we are grateful for your support. This is one of the few structural measures which can be taken in the wine sector. It is part of an overall solution. We are trying to relieve the problem to some extent with this measure.

We think that the greatest relief will be felt in the Massif central in France and also in the south-west of France. The quality of the wines which are grown there is such that farmers should be prepared to undertake grubbing-up and by and large cease wine production.

We also consider, however, that grubbing-up premiums are not a suitable solution for higher-quality wines. We think that in southern Italy, for example, where the production of wine is 3 to 4 times as high as elsewhere, the problem cannot be tackled by means of premiums. In these cases, premiums would have no prospects of succeeding.

I think my colleague, Mr Lardinois, has already explained to you why we hope to concentrate on encouraging grubbing-up in those areas in which we can expect a clear success, that is to say in low-quality areas.

Your approval is very important to us, particularly your remarks on points 6 to 12 of the motion for a resolution.

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

The resolution is adopted.¹

5. Regulation on the fat content of full-cream milk

President. — The next item is the report drawn up by Mr Martens 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 1411/71 in respect of the fat content of full-cream milk.

(Doc. 541/75).

I call Mr Martens.

Mr Martens, rapporteur. — (NL) Mr President, this proposal relates to the standardization of the fat content of fresh milk. The report was distributed in good time. The report and the motion for a resolution were adopted by 11 votes to 1, and no amendments have been put forward. I shall not, therefore, say anything now.

President.— I call Mrs Dunwoody.

Mrs Dunwoody. — I have the greatest respect for the rapporteur, who is an extremely knowledgeable member not only of this Parliament but of the agricultural industry, and has had a great deal of involvement in the dairy industry, which we are discussing. But his report is a minor example of the difficulties we face from time to time inside the Community in the form of harmonization for harmonization's sake.

I am prepared to believe that one of the objects of the Common Agricultural Policy, which the nine Member States are most anxious to see progress, is the easy movement of goods from one country to another. But the movement towards standardization of full cream milk is slightly more complex than one would gather from the discussions that have gone on and from the document before us.

To begin with, in Britain our milk nearly always has a higher fat content than the figure at which the standardization is to be fixed. It is the consumer's habit in Great Britain to drink milk in its natural form, and it is very important to the housewife that the taste should be that of the natural milk. That has been found to be so, even when rising prices, often the direct result of our accession to the Common Market, make it ever more expensive to buy milk.

I am glad that the report accepts that to go too fast towards an artificial standardization would have an immediate effect on the consumer not only with regard to sales but also in other ways. Britain does not at present contribute to the skimmed-milk mountain. It would be absurd if by introducing standardization too soon we put our own country into the position of contributing to a surplus which the rest of the Common Market is trying to dispose of.

We are used to different forms of containers. We have milk delivered to each house. These are some of the reasons why the consumption in milk per head in Great Britain is very high.

If the Common Agricultural Policy not only insists on this form of standardization but moves too rapidly towards it, the consumer, already faced with rising prices because of the transition arrangements, will begin to buy less milk. Because of that, the dairy industry, which faces considerable extra costs as a result of moves of this sort, will have to make arrange-

¹ OJ C 79 of 5. 4. 1976.

Dunwoody

ments to deal with skimmed-milk. That will inevitably lead to an increase in the storing of skimmed-milk powder and other products of the milk industry. That cannot be defended either on the ground of common sense or on the ground that it will facilitate the movement of milk products from one country to another.

It is not good enough to say that the difference in taste is marginal, that no one will notice it, and that therefore it will have no effect. To suggest that the Commission needs to take a good deal of its time and the time of highly-paid civil servants to investigate the effect on market sales of price-rises and changes in content is absurd. Without being too brilliant, those of us who have been drinking milk all our lives, and have hips to show for it, know very well that it is the quality of the milk, the taste and the price that determine how many pints are sold every day.

We are dealing in pint measures which are delivered in glass containers to the doorstep. That is why people buy milk, and, I hope, will continue to do so. If the Common Market is serious about protecting the dairy industry, it will not go forward with this sort of nonsense. This is not a practical step to encourage the sale of milk or to protect the dairy farmer.

It is perhaps only a mild harmonization, or only a move towards harmonization, but it is an attempt to produce an artificial directive simply for the sake of form. If this Parliament is to mean anything, it will have to cease making gestures on either consumer affairs or more important subjects simply to protect a public relations image, because that will be rejected each day by the consumer in the Member States.

I shall vote against the report. I regret that I must do so, because I believe that it is deliberately couched in moderate terms, and the rapporteur has taken considerable care to try to meet many of the objections that we already have in Great Britain. But I do not believe that it is yet understood that this is not a necessary harmonization measure. It will not contribute either to the good will of the average consumer towards the Common Market or to the conditions of the dairy industry in my country, which will have considerable extra costs to bear.

I hope that there will be an opportunity at least for the Commission to think again before it goes ahead with yet another unhelpful move.

(Applause from certain quarters)

President. — I call Mr Brunner.

Mr Brunner, Member of the Commission. — *(D)* Sometimes, it is a good thing not to understand too much. That is how I feel in this case. Looking at what we are proposing here, I can see that we are proposing two completely different systems, one for the United Kingdom and Ireland, if those countries want it, and another system which can be applied to the other countries of the Community if they want it.

We have been giving consideration to these matters since 1971, so I think they are technically mature. At that point, we established that the fat content was higher in the United Kingdom and Ireland. We therefore proposed two different systems, I therefore do not see what harmful effects our harmonization is likely to have, or in what way the situation in the Community is going to be uniform. On the contrary, this is an example of flexibility in the preservation of systems which have evolved and which we do not wish to standardize by compulsion. I really do not see what the problem here is.

In February 1978, we also intend to submit to Parliament a report on the implementation of this regulation and we hope that we will then have a comprehensive picture of the situation.

A transitional solution is also provided for. I think that this allows us to aim at harmonization where it is desired without using compulsion.

President. — I call Mr Martens.

Mr Martens, rapporteur. — *(NL)* Mr President, I am thankful to my British colleague for her friendliness, but must advise her to read the whole of the report. As Mr Brunner has just said, it does include a compromise where the United Kingdom and Ireland are concerned. Previously, the fat content of drinking milk was to be 3.5 % in all the Member States. Now, an exception has been made precisely for Britain and Ireland: in these two countries the sale of non-standard milk may continue, but the fact of it being non-standard must be mentioned on the label.

The consumer will, in this way, be better informed. In Britain this will certainly not lead to an increase in price — the costs of standardization are negligible, and Britain does not, indeed have to standardize. I believe it will be easy for everyone to accept the proposal, including the country for which a special exception has been made.

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

The resolution is adopted.¹

6. Directives on the Community list of less-favoured farming areas

President. — The next item is the report drawn up by Mr Della Briotta on behalf of the Committee on Agriculture on the proposals from the Commission of the European Communities to the Council for:

¹ OJ C 79 of 5. 4. 1976.

President

- I. a directive amending Council Directive 75/271/EEC of 28 April 1975 on the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (France)
- II. a directive on the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (France - Overseas Departments)

(Doc. 549/75).

I call Mr Della Briotta.

Mr Della Briotta, rapporteur. — (I) These are two Commission proposals, the first aimed at adding to the list of less-favoured hill-farming areas in metropolitan France and the other at drawing up this list for the French Overseas Departments.

The Committee on Agriculture has accepted that the indices fixed as regards the criteria taken into account — altitude, population density, and others — have been respected, and it has unanimously approved this provision. I hope that Parliament will be able to do likewise.

President. — I call Mr Brunner.

Mr Brunner, Member of the Commission. — (D) I would like to thank Mr Della Briotta for his clarification. As you know the Council drew up the first list of these areas on 28 April 1975. Now we are being asked by the French Government to extend the list and to incorporate French overseas territories.

The Commission has examined the situation of these less-favoured areas. We have come to the conclusion that their inclusion is justified. So we propose to include this extended list.

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

The resolution is adopted.¹

7. Regulation on the common organization of the market in fruit and vegetables

President. — The next item is the vote without debate on the report drawn up by Mr Houdet on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation supplementing Annex I of Regulation (EEC) No 1035/72 on the common organization of the market in fruit and vegetables.

(Doc. 551/75).

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

The resolution is adopted.¹

8. Directive on summer time

President. — The next item is the report drawn up by Mr Seefeld on behalf of the Committee on Regional Policy and Transport on the proposal from the Commission of the European Communities to the Council for a directive on summer time arrangements.

(Doc. 559/75).

I call Mr Seefeld.

Mr Seefeld, rapporteur. — (D) Mr President, ladies and gentlemen. We are dealing here with a proposal from the Commission of the European Communities to the Council for a directive leading to the introduction of common summer time arrangements. More specifically, we want the countries which have already introduced summer time arrangements, or who intend to introduce them in the next few years, to begin and end this period on the same date.

The proposal of the Commission reflects the great concern at the confused situation. In Ireland and the United Kingdom, summer time runs this year from 21 March to 24 October, in France from 28 March to 26 September and in Italy from 30 May until 25 September. This means that at widely differing times, clocks within our European Community will have to be altered and this will lead to difficulties particularly for transport in the drawing up for international timetables. Between London and Paris alone, clocks will have to be altered four times during 1976.

The proposal which the Commission has submitted and with which the Committee on Regional Policy, Regional Planning and Transport entirely agrees, provides that in the next few years fixed dates will be set for those countries which wish to introduce summer time. You will find the dates in the documents.

It was impossible for the Commission to introduce a rule which would be valid for all nine countries since not all countries have summer time arrangements. But I repeat once more, for those who want to introduce summer time the date must be uniform.

Clearly we are concerned with saving energy and we have therefore taken into account the views of the Committee on Energy and Research, which was asked for its opinion.

In fact, we were not in a very fortunate position. The Commission had to prepare their proposals very quickly. They would like the Council to take a decision before 1 April. So the Committee on Regional Policy, Regional Planning and Transport, as the committee responsible, was asked to vote as quickly as possible. And unfortunately it had to vote without having the opinion of the committee asked for its opinion. The latter proposed a number of draft amendments and its chairman Mr Springorum will perhaps say a few words about this.

¹ OJ C 79 of 5. 4. 1976.

Seefeld

In terms of transport policy, the Committee on Regional Policy, Regional Planning and Transport can give nothing but unanimous support to the Commission's proposal. In our motion for a resolution, we have also expressed the wish that the Commission — if possible without undue haste — should give further detailed consideration to the whole problem of the introduction of summer time arrangements in another report, which would take into account the difficulties as well as all the advantages and drawbacks.

This, for us, is the first step. The second and third steps will have to follow. I would be very grateful if you could agree to this view and adopt the motion for a resolution. We shall have an opportunity to discuss the draft amendments in a moment.

In order to save time, I would also add that the Socialist Group has asked me to say that it supports the motion and hence waives its right to another speaker for the group.

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

Mr Springorum, Chairman of the Committee on Energy and Research. — (D) Mr President, ladies and gentlemen, I am speaking on behalf of the rapporteur appointed by the Committee on Energy and Research, Mr Hougardy, who is unable to be present this morning. In order to save time I shall also speak for the Christian-Democratic Group.

The Committee on Energy regrets deeply that in its proposal the Commission takes no account at all of the question of saving energy: after all, the whole idea of introducing summer time is to save energy. In reply to a question, the Commission once said that that was not vital. In the Federal Republic of Germany, however, experts have shown that energy savings would be significant, since the introduction of summer time would save 0.3 per cent of energy consumed: out of a consumption of 350 million tons of fuel oil all of 1 million tons would be saved.

Even the electricity producers in France, who were against the introduction of summer time, have had to admit that 140 000 tons of heavy fuel oil — not to mention other energy sources — would be saved. So we should not let this question of saving energy fade into the background. I would have expected a little more courage from the Commission in stating the case for uniform summer time arrangements.

The Commission has said in answer to my question that since in any case not everybody wants to be involved they wanted to avoid a refusal. The Commission in my opinion should bring such matters into open discussion. What good is a common passport with psychological implications of unity, if we have to change our watches backwards and forwards every time we cross a border? Summer time only makes sense if in a common group we have a common time system.

The Mayor of Berlin explained unequivocally that for Berlin it was not vital if it had a different time system from that of the GDR. The Federal Government has in the meantime itself said that it would re-examine the question of summer time very thoroughly. In my opinion a readiness to achieve common time arrangements exists. This is necessary for energy reasons and also for psychological reasons, so that Europeans do not continually need to change their watches.

The Committee on Energy and Research has submitted two draft amendments. Apart from emphasizing energy savings the idea was to give the Commission the possibility of bringing into the system transit countries such as Austria and Switzerland, and for this it would need a mandate from the Council.

In the light of Mr Seefeld's remarks, we are of the opinion that we ought to withdraw amendments Nos 2 and 3; at the moment, because of the necessity for speed in this matter, they are not vital. But I would urge the Commission, when it gives further consideration to the question of introducing a uniform summer time, to bear in mind more strongly our committee's suggestions. They will then be important.

I should like to repeat that we agree with the proposal and withdraw the two amendments because of the need for speed, but we do request the Commission to pay greater attention to these ideas from the Energy Committee in future discussions.

(Applause)

Mrs Ewing. — When we discussed this matter in the Legal Affairs Committee, we took the view that it was desirable that summer time as variously arranged in the Member States should be introduced on the same day. It did not seem to me to be beyond the bounds of possibility that the countries with different dates should compromise, perhaps each yielding a little, and agree on a mutual date. It would obviously be much more convenient for all the states of Europe if this type of arrangement hit us all on the same date.

In the experiment which was conducted in Britain, when we had the same time as the Continent, it was called British Standard Time. That experiment was extremely unpopular. It was said to be for the convenience of business people. But surely the Community would not put the interests of business people above the interest of the community at large.

Coming, as I do, from a northern and western part of Europe, I can assure honourable Members that, because of darkness which affected children when going to school, which increased road accidents and which depressed people, because daylight is one of the joyful things we have free in life, there would be great resistance on my part if there were ever to be any other attempt to make us have the same time.

In my opinion the present arrangements suit Britain, but I am all in favour of compromising to find the same date on which to introduce whatever summer time arrangements we all have.

President. — We call Mr Schwabe.

Mr Schwabe. — (D) Mr President, ladies and gentlemen. I only want to take a moment of your time because the sector which particularly concerns me apart from foreign policy, namely international tourism, suffers particularly from the rules which are in force at the moment. I would like to point out that millions of people have to plan their holidays a long time in advance. The timing must be fixed many months before their departure. Such varied rules as we are threatened with at the moment constitute a real danger, not least for leisure activities; they will in practice, as we have experienced often enough, lead to missed air, rail and coach connections with all the frustrations that that entails.

Let me just say in conclusion that we must make certain sacrifices if we are going to build a European Community. Although the Community is big, it is not so enormous on its east-west axis that we need to change the hours for the course of the sun. It is obvious that, from north to south, the European Community is huge. But since the sun, despite all the changes which we introduce, will continue to travel from east to west and although we recognize that in China and America the time is different from ours, for the European population it would be decisive if we could agree that we should have a common time, even if one or other of the Nine needed to make a special sacrifice, because then each traveller would know exactly when he had to depart and when he would arrive.

The humorous remark that a writer once made to the effect that in France the clocks run differently was meant more in cultural and other respects but certainly not in respect of this practical and technical question. I would like to plead that we should reach agreement in the interests of international tourism.

(Applause)

Mr Normanton. — I extend a welcome to the Commission's proposals in general in the sense that the Commission is trying to find a common solution to a common problem.

There can be little doubt in anyone's mind that the problems which arise from the emergence of different time-zones in different places at different points in the year cause acute, growing and continuous inconvenience. It has been said this morning that when in Britain we adopted British Standard Time public reaction was wholly hostile. There was, and will continue to be, grave hostility to any change at all. There is still widespread scepticism on the merits of any of the different arrangements for dealing with winter and summer time.

If the Commission would be willing to undertake to look into this question further, we for our part would

not wish to hold up progress in its attempt to find a common solution. If the Commission will look at only one of a number of suggestions which my honourable friend Mr Osborn has in mind, namely, the establishment of time-zones in Europe both latitudinally and longitudinally, then I on his behalf would be willing to withdraw the amendment and speed up the progress towards bringing this item on the agenda to an early conclusion. If the Commissioner in his reply will give that assurance, I shall be delighted to withdraw the amendment, bearing in mind that, in recognition of all sorts of interests—not just business interests—in Europe, we must find some solution to a common problem.

(Applause)

President.— I call Mr Brunner.

Mr Brunner, Member of the Commission. — (D) Mr President, you have put us in a difficult situation. The situation is the opposite of the musical 'Porgy and Bess' where the song runs, *Summertime, and the living is easy!*

We are grateful to you for dealing with the matter so rapidly. If we wish to get this through on the basis of the optional, non-uniform procedure, we shall have to refer the matter to the Council before 1 April. This will now be possible since you have dealt with the matter very rapidly. We are grateful to you for doing so.

We will consider all aspects of the problem. I do not believe that the fact that we have not yet submitted a far-reaching proposal is due to any lack of courage on our part. If this were the case I would even have borne Mrs Dunwoody's criticism, which shows that I would have had the courage to submit a uniform proposal. However, we haven't got that far yet.

The reason we have not got that far is that we must first examine how energy-saving in particular will actually be affected. The conclusions we have reached are somewhat different from those suggested by Mr Springorum. The conclusion we have reached is that while it would save energy in many countries, in some countries like Italy, for example, it might even increase energy consumption. However, these and Mr Osborn's proposals are matters which will have to be examined. And this we shall certainly do.

In these circumstances we can only say that countries which introduce summer time should as far as possible do so at the same time.

I would also like to point out that a time difference can cause obvious difficulties in the Federal Republic of Germany and even within a single city, namely between East and West Berlin. Since these are also aspects of the problem they must, I believe also be taken into account.

Brunner

We should not act hastily. However we should do everything possible and therefore we should ask the Council to set a uniform date before 1 April for the introduction of summer time in countries which have decided to adopt it.

President. — The debate is closed.

On the proposal for a directive the Committee on Energy and Research had tabled Amendment No 2:

Preamble

The second recital to read as follows:

'Whereas this situation directly affects the working of the common market by causing difficulties especially for transport and other communications, the consumption of imported primary energy, commerce and contact in general between the states involved;

The third recital to read as follows:

'Whereas the approximation of the regulations of the Member States — *particular those playing a special role in transit traffic* — to achieve a single period of summer time would effectively remove these difficulties and would moreover constitute a first step towards a more comprehensive harmonization of summer time arrangements;

Add the following new sixth recital:

'Whereas an agreement with those third countries which are of major importance for transport between the Member States would be particularly relevant to the purpose of these measures;

After Article 5 of the proposal for a directive add the following new Article 5a:

5a. The Commission is empowered to conduct with third countries of particular importance for transit traffic between Member States negotiations on the adoption of this Community ruling on the simultaneous introduction of summer time;

Mr Springorum has just withdraw this amendment. We shall now consider the motion for a resolution.

On point 6 I had amendment No. 3 tabled by the Committee on Energy and Research:

This point to read as follows:

'6. Requests the Commission to adopt the following amendments pursuant to the second paragraph of Article 149 of the EEC Treaty;

Mr Springorum has withdrawn this amendment.

I also received amendment No. 1 by Mr Osborn seeking to add the following new point to the end of the resolution:

'7. Urges the Commission to undertake a review, with the governments of all European countries, of the possibility of setting up different European time zones.'

Mr Normanton has just withdrawn this amendment.

I therefore put the motion for a resolution to the vote.

The resolution is adopted.¹

¹ OJ C 79 of 5. 4. 1976.

9. Directive on the approximation of legislation concerning mayonnaise

President. — The next item is the report drawn up by Mr Spicer on behalf of the Committee on Public Health and the Environment on the amended proposal from the Commission of the European Communities of the Council for a directive relating to the approximation of Member States' legislation concerning mayonnaise, sauces derived from mayonnaise and other emulsified condiment sauces. (Doc. 532/75).

I call Lord Bethell.

Lord Bethell, deputy rapporteur. — In the absence of my colleague Mr Spicer, it falls to me to raise the question of mayonnaise and emulsified sauces. I shall attempt to do so with brevity and speed.

The bare bones of the motion for a resolution call on the Commission to proceed with its proposal to make compulsory the distinguishing mark on bottles of mayonnaise and emulsified sauces, which consists of the letter 'E' three millimètres long and three millimètres high. By this means, it is hoped, housewives and consumers will be able to distinguish Euro-approved mayonnaise and emulsified sauces from those unhappy sub-Euro-standard sauces that do not bear the mark of European approval.

We spent a good deal of time, I am sorry to say, discussing this matter in committee. We felt that this mark was hardly sufficient to guarantee the consumer would be protected against sauces of an inappropriate standard. The 'E' mark seems to be designed for the extremely sighted consumer, for a number of people will not be able to distinguish it or read it. It also seems to be aimed at the well-informed, because one can appreciate that, despite the considerable publicity that the directive will receive and the information concerning the 'E' mark which will appear on bottles of sauce, consumers may still be unaware of this, they may be misled and may buy sub-Euro-standard sauces as a result.

Therefore, the committee thought that it would be better if a general list of ingredients of sauces were included on the bottles in question, at least in the language of the country where the sauce is most likely to be consumed, and perhaps in other languages too. The ingredients will give an appropriate guide and will enable the consumer to judge far more effectively whether the sauce is of a proper standard.

I have consumed a good deal of mayonnaise in my researches and I have seen that a number of labels carry no information at all. They simply have on them

Lord Bethell

the word 'mayonnaise' and no information about what is in the bottle. I know that this must be misleading, because these sauces contain certain glutamates to enhance flavour and also contain preservatives.

This leads me to the question whether bottled mayonnaise is mayonnaise at all. I am surprised that our French colleagues have not made more of this matter, because mayonnaise was a great French invention and, personally, I do not like to think of its being bottled in this way and presented as a product with a label that is slightly inaccurate. It is rather like the material that used to be served in the war, and shortly after it, called 'cream' a substance made of a little flour, a little skimmed milk and a little white of egg. But it was not cream. When we became a little richer, we had a product which was real cream. It became compulsory under certain trade description Acts to call cream 'cream' and not to call 'cream' some concocted substance that resembled it in colour but not in taste. However, that is a slight divergence from the subject.

I shall not labour the House with any more time on this subject, except to say that it is a mistake for Members of the European Parliament to have to spend time discussing a technical directive of this nature. We shall not spend much time on the subject in this plenary sitting, but certainly a number of hours were spent discussing the matter in committee and that all involved the time of Members of Parliament. I hope that if such directives of such a technical and minor character come up in future they will be made available to this Parliament but, in the absence of any significant change which Members may wish to make, I trust that these matters may go through on the nod without having to come up in committee.

This directive on mayonnaise has laid the European Parliament open to a certain amount of ridicule, and the sooner we dispose of it the better. Nevertheless, I commend the resolution to the House and hope that it will be a step forward and smoothly throughout the European Community.

(Laughter)

President. — I call Mr Broeks.

Mr Broeks. — *(NL)* I shall ask for the House's attention for only a brief moment, Mr President. There is a danger hidden in Article 2, as it is proposed by the Commission. The proposal could cause quite considerable damage. We have discussed this matter once already, during a debate on cosmetic products. One question whether arose then was whether materials approved by the Safety Council would have to be used, or whether all materials could be used until it was found that they were injurious.

I think this latter approach is extremely dangerous. There have already been quite a few victims through

this, in a number of fields. This is why I want to ask the Commission to strengthen Article 2 by saying: 'only from sound raw materials recognized as such by the Foodstuffs Councils we must not allow the producers concerned to carry on as they wish until the harmfulness of the materials used becomes apparent.'

I want to call attention to this. I hope that the Parliament will under no circumstances accept the proposal as it is set out under Article 2 of the directives.

President. — I call Mr Brunner.

Mr Brunner, member of the Commission. — *(D)* Mr President! we can accept a number of the proposed modifications you have made including that proposed by Mr Broeks. The proposals which we can accept fall under Article 2, 5 and 6 and Annex 1.

I would like to comment on the points on which our views diverge. We feel that the Member States themselves should be responsible for ensuring that the necessary information is printed on the packaging in the language of the country. However, we also believe that we can also make a contribution, namely by means of the 'E' mark. The 'E' mark will be printed on products which conform to Community norms. This is a contribution which we can make to the consumer.

We have been asked to lay down norms for the use of flavouring which would reduce it to a minimum. We are afraid that this is impossible in practice. We are aiming at optional harmonization and wish to remain flexible.

Finally we hope that details of sampling and methods of analysis can be settled as quickly as possible. We shall make every effort to achieve this before the directive comes into force. However we do not wish to make a formal undertaking in this matter for the moment.

Finally, you have proposed that the amended legislation should come into force 18 months after the directive has been passed. We believe that a period of 2 years would be more realistic and would allow more time for conversion. In conclusion, I would like to assure you that we will submit a comprehensive directive on the packaging and labelling of food, aimed at protecting the interests and health of the consumer.

President. — I call Mr Broeks.

Mr Broeks. — *(NL)* I am grateful that Mr Brunner intends to take my remarks into account. If, however, he accepts the amendment to Article 2, then he will not be taking account of my remarks. We have discussed this problem in this House on several occasions, and Mrs Orth has devoted particular interest to

Broeksz

it. She is unfortunately unwell and cannot be here today. I hope that the European Parliament, which accepted this principle for cosmetic products, is not going to take a step backwards on this matter.

I hope that full consideration will be given to my comments.

Mr Brunner, member of the Commission. — (D) My remarks refer to the fact that we can accept the amendments to two of the points formulated by Mr Broeksz. Perhaps he could hand in the formulation singly. I don't believe that this poses any great problem.

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

The resolution is adopted¹

10. *Regulation on arrangements applicable to agricultural products originating in the ACP States or the OCT*

President. — The next item is the vote without debate on the report drawn up by Mr Zeller on behalf of the Committee on Development and Cooperation on the proposal from the Commission of the European Communities to the Council for a regulation on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the Overseas Countries and Territories (Doc. 536/75).

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

The resolution is adopted.¹

11. *Directive on customs warehouses and free zones*

President. — The next item is the vote without debate on the report drawn up by Mr Schwörer on behalf of the Committee on External Economic Relations on the proposal from the Commission of the European Communities to the Council for a directive amending Directive No. 69/74/EEC on the customs warehousing procedure, Directive No. 69/75/EEC on free zones and Directive No. 71/235/EEC on the usual forms of handling which may be carried out in customs warehouses and in free zones. (Doc. 553/75).

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

The resolution is adopted.¹

12. *EEC-Malta association agreement*

President. — The next item is the report drawn up by Mr Spicer on behalf of the Committee on External

Economic Relations on the agreement extending the provisions governing the first stage of the Agreement between the European Economic Community and Malta.

(Doc. 12/76).

I call Mr Shaw.

Mr Shaw, deputy rapporteur. — In the regretted absence of Mr Spicer, who has been called back to London on other business, I beg to move the report on his behalf: he was to have moved it as rapporteur of the Committee on External and Economic Relations.

The report is on the Agreement which extends the provisions covering the first stage of the Agreement establishing an Association between the European Economic Community and Malta. I shall not spend long on this, save to say that the first stage of this Agreement should have ended on 31 March 1976. Since, however, it has not been possible to open the negotiations on the matters to be covered by the second stage, the Maltese delegation has requested that the provisions governing the first stage should in the meantime be extended. In other words, we are asked to approve a holding operation.

It is therefore clear that what we are seeking to approve is nothing new but something which has been in existence for some time and which is to be extended not later than 30 June 1977.

I can therefore assure the House that the time for a full debate on this subject will come not today, if such is the agreement of the House, but when the second stage of the Agreement comes for approval by this House at some time not later than 30 June 1977.

Another Agreement between Malta and the EEC was concluded on 23 December 1975, but it has nothing to do with the second stage of the Agreement that we are now discussing. I hope that nobody will be confused by the fact that that Agreement was recently concluded.

President. — I call Mr Laban on behalf of the Socialist Group.

Mr Laban. — (NL) I want to speak on this subject, Mr President, not because I have any objection to the proposal on extending the first stage of association with Malta — if we had any objection, we could express this by voting against it — but in another connection. I am concerned about the procedure by which the Parliament has had to deal with this proposal. This applies, indeed, to other proposals that we in this Parliament have had to discuss without having beforehand had any papers on them.

¹ OJ C 79 of 5. 4. 1976.

Laban

We received the report which is now being debated during the constituent meeting of the Committee on External Economic Relations, and although this is a fairly simple and straightforward subject we can hardly be said to have been able to give it serious study. I see that the proposal was dated in Brussels on 6 February. I feel, therefore, that it ought to have been possible for us to get it rather sooner and for it to be discussed in an ordinary meeting of the committee.

The same applies to the request from the Commission for a discussion at breakneck speed of the proposal on a regulation on storing protein products. Very rightly, the Parliament did not agree to this. What I would like to do now, therefore — since direct protests from committees to the Commission obviously do not help — is publicly to ask the executive to see that parliamentary committees can prepare their reports satisfactorily, that they are able to do a proper job of it, and that they get the proposals in good time.

It is not that my group does not wish to be constructive. When matters are genuinely urgent and there is no other way, the Parliament has to be flexible about debating them at once; but in most cases this is totally unnecessary. I ask the Commission, therefore, to see that we get papers promptly, so that they can be discussed properly and can be put on our agenda without difficulties.

President. — I call Mr Brunner.

Mr Brunner, Member of the Commission. — (D) Mr President! I wish to thank Mr Laban for his remarks. We shall certainly do everything possible to speed up the matter. However, in this case we have not been remiss. We completed our side of the matter in February. We forwarded it to the Council on time. It was the Council which waited until 2 March before sending you the opinion. I merely wish to state, for the sake of the record that we are not responsible.

This does not exclude the possibility that we too are sometimes dilatory and have every reason to take this kind of criticism to heart.

The agreement with Malta has been in force since 1 April 1971. It was intended to last five years. Because of the accession of three new Member States, the Association could not be completed. Under these circumstances it was thought proper to seek a solution over and above the first phase and before entering into negotiations regarding the second phase.

In the meantime we wish to help Malta in a number of different areas. First, in the area of agriculture: we have accepted a number of regulations which benefit Malta, especially regarding early potatoes and onions; secondly, in the area of finance we intend to give to

Malta 26 m u. a. in financial aid. Taken together these measures provide a good basis for taking a further step towards negotiations on the next phase. The negotiations can now begin in a favourable spirit.

The first stage lasted 5 years and expires at the end of the month. We feel that we have made adequate arrangements to cover the period up to the beginning negotiations.

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

The resolution is adopted.¹

13. Directive on colouring matters for use in foodstuffs

President. — The next item is the report drawn up by Lady Fisher of Rednal on behalf of the Committee on Public Health and the Environment on the proposal from the Commission of the European Communities to the Council for a directive on a fifth amendment on the directive on the approximation of the laws of the Member States concerning the colouring matters authorized for use in foodstuffs intended for human consumption.

(Doc. 533/75).

I call Lady Fisher, who will speak also on behalf of the Socialist Group.

Lady Fisher of Rednal, rapporteur. — I shall not delay the House long on what is a simple matter after all scientific research into colouring matters used in food. Colouring matters are among the additives which cause great concern to consumers.

The committee looked at the matter from the point of view of possible health hazards. The proposal clearly defines the colouring matters placed on the prohibited list. If we adopt it, it will result in a decrease in the number of colouring agents which can be used in food for human consumption. Not all of the items are on the list because they are known to have a serious impact on public health: some are there because it is thought that they might have such an impact.

I hope the Members will support us. The committee was concerned that the directive gave the manufacturers longer than we thought desirable to make necessary changes. We thought that, bearing in mind that there had been a great deal of discussion with manufacturers who use colouring matters in food, the date for bringing the proposal into effect should be brought forward. That was our real disagreement with the directive.

¹ OJ C 79 of 9. 4. 1976.

President. — I call Mr Brunner

Mr Brunner, Member of the Commission. — (D) Mr President, we will examine the suggestion that doubtful colouring agents be removed from the list of approved products and to forbid the addition of inadequately tested colourants to food. We too are concerned at the use of colouring agents. However, we must also state that there is no reason for panic. We take the view that we should use the new developments in strict scientific testing at our disposal to determine, in cases of doubt, whether one or other colourant is innocuous or not. But the way to do this is not by issuing a blanket prohibition. We must allow sufficient time for the measures to become law in the Member States and this requires an adequate period of adaptation. Certain types of food, such as those made from sugar, have a long life span. In these cases too a certain period of adaptation is required.

We have consulted you and we agree with you that colourants used in food should be indicated. We will submit a proposal to Parliament as soon as possible. If we succeed in preparing the proposal without delay — and you can depend on us to do so — there will be no gaps in the legislation of the new Member States.

President. — The general debate is closed.

We shall now consider the motion for a resolution.

On the preamble and points 1 to 4 I have no amendments or speakers listed.

I put the preamble and points 1 to 4 to the vote.

The preamble and points 1 to 4 are adopted.

After point 4 I have amendment No 1 tabled by Mr Jahn 1 tabled by Mr Jahn which seeks to add the following new paragraph :

- 4a. Regrets that, contrary to the assurances given in 1962, a considerable number of colouring matters are authorized for use in foodstuffs despite the fact that the toxicological data available on these substances is not sufficient to allow a reliable assessment of their safety; therefore demands that these questionable colouring matters be deleted from the list of authorized substances, thereby prohibiting the addition to foodstuffs of any inadequately researched colouring matter;

I call Mr Härzschel who, in view of Mr Jahn's absence, is moving the amendment.

Mr Härzschel. — (D) Mr President, honorable friends, the proposal is justified. Although Mr Brunner has warned against panicking, past experience has

shown that we must exercise care and do everything to prevent damage to health. Where no adequate method exists for testing and insuring that there is no danger to health the prohibition should be rigorously formulated. It is not absolutely necessary for the consumer that this or that colourant should be permitted or used. What is important is to provide maximum health protection. I therefore request that this proposal be adopted.

President. — What is the rapporteur's opinion?

Lady Fisher of Rednal. — While I have some sympathy with the amendment, I feel it is framed in a very indefinite manner.

The directive before us to which we have agreed states quite conclusively the colouring matters concerned. If we discuss this item sensibly, it must be dealt with legally, because it will become a trade matter.

The amendment is much too indefinite, although I have full sympathy with the idea behind it.

President. — I put amendment No 1 to the vote.

The amendment is rejected.

I put point 5 to the vote.

Point 5 is adopted.

I put the motion for a resolution as a whole to the vote.

The resolution is adopted.¹

14. *Designation of Members of the European Parliament and verification of credentials*

President. — On 16 December 1975 the French Senate renewed its delegation to the European Parliament, with effect from 13 March 1976. The new delegation is as follows: Mr Amédée Bouquerel, Mr Marcel Brégère, Mr Henri Caillavet, Mr André Colin, Mr Emile Didier, Mr Charles Durand, Mr Pierre Giraud, Mrs Marie-Thérèse Goutmann, Mr Roger Houdet, Mr Léon Jozeau-Marigné, Mr Jean-François Pintat and Mr Alain Poher.

In accordance with the provisions of Rule 3(1) of the Rules of Procedure, the Bureau has made sure that these appointments comply with the relevant provisions of the Treaty.

¹ OJ C 79 of 5. 4. 1976.

It therefore asks Parliament to ratify them.

Are there any objections?

The appointments are ratified.

I congratulate those representatives whose appointments have been renewed and extend a warm welcome to the new Member.

15. Membership of committees

President. — I have received from the Group of European Progressive Democrats a request for the appointment of Mr Bouquerel to the Legal Affairs Committee to replace Mr Duval. This appointment is to have effect from 13 March 1976.

Are there any objections?

The appointment is ratified.

16. Dates of the next part-session

President. — There are no other items on the agenda. I thank the representatives of the Council and the Commission for their contribution to our work.

The enlarged Bureau has proposed that our next part-session be held in Luxembourg from 5 to 9 April 1976.

Are there any objections?

That is agreed.

I call Mr Normanton on a point of order.

Mr Normanton. — Before you bring this part-session of the Parliament to a conclusion, Mr President, I

wonder whether I might have the benefit of your guidance concerning the next part-session. In May a regular service is due to open between Europe and the United States by the Concorde aircraft. Would you care to suggest to the Bureau of the Parliament that that occasion should not be allowed to pass without Parliament's being given a chance to voice its congratulations and best wishes to all responsible for this testimony to Europe's highly advanced technology?

President. — I have taken note of your statement, Mr Normanton, and will submit it to the Bureau.

17. Adjournment of the session

President. — I declare the session of the European Parliament adjourned.

18. 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 today's sittings 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 a.m.)

