

European Communities

EUROPEAN PARLIAMENT

Working Documents

1982 - 1983

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MOTION FOR A RESOLUTION

tabled by Mr EPHREMIDIS, Mr ADAMOU and
Mr ALAVANOS

pursuant to Rule 47 of the Rules of Procedure

on the prices of agricultural products for the
year 1982-1983

PE 77.753

English Edition

The European Parliament,

- whereas inflation in Greece in 1981 fluctuated around the 25% mark and whereas the increase in the prices of basic inputs in the agricultural sector (pesticides, machinery, artificial fertilizer, seeds, and so on) was even greater, primarily as a result of the abolition of national subsidies following Greece's accession to the European Community and the substantial increases in the prices of these products, which mainly originate, in Greece's case, from the Western European monopolies (Bayer, Hoechst, Rhône-Poulenc, etc.),
- whereas the prices of agricultural products in Greece are crucial for workers in the agricultural sector, because of the small size of their agricultural plots and because the overwhelming majority of agricultural holdings are family concerns,
- whereas the average agricultural income in Greece is less than half the average agricultural income of the other nine Member States of the Community,
- whereas agricultural incomes in Greece in 1981 - the first year of Greece's membership of the European Community - fell by 4.1% compared with 1980 - or by 7.7% if one excludes national subsidies - primarily as a result of the implementation of the common agricultural policy in Greece and in particular as a result of Community prices during the previous year, despite the increase in the volume of production compared with 1980,
- whereas the price increase of around 9% proposed by the Commission accounts for approximately one-third of the increase in the index and in production costs in Greece and is likely to deal a serious blow to the incomes of Greek farmers,
- whereas approximately 28.8% of the working population in Greece are employed in agriculture - compared with a figure of around 8% for the other nine Member States - with the result that any deterioration in the economic situation of farmers leads to serious social and general economic problems, combined with growing unemployment and a dangerous degree of stagnation in other economic sectors of the economy,
- whereas basing the increases in the prices of Greek agricultural products on the production costs of the major capitalist undertakings in the northern countries would exacerbate the differences between rich and poor countries in the Community, since the present structure of the Greek agricultural economy is outdated in comparison with the remainder of the Community - the ratio of crop production to livestock farming is 3:1, the very opposite of the situation in the rest of the Community - and its productivity is 40% of the average productivity of the other nine Member States.
- whereas one of the main objectives of the common agricultural policy is to reduce the gap between those employed in agriculture and in other sectors of the economy,
- whereas an increase of the order of 9%, if supplemented by national subsidies, would have serious consequences for Greece's national budget now that Greece is suffering in many areas the serious effects of its accession to the European Community,
- whereas the difficulties connected with the marketing of Greek agricultural products can be attributed in large measure to Greece's accession to the European Community (235,000 tonnes of fruit and vegetables were left unsold in the first year following Greece's accession) and in particular also to the unacceptable conditions attached to accession, the low level of exports to the Member States, the violation of the principle of Community preference, the one-sided nature of exports and the barriers set up by the European Communities against commercial and economic relations with third countries, in particular the Socialist countries,

1. Requests the Council to exempt Greece from the general Council Regulation on price increases, in view of the abovementioned special circumstances in which Greece finds itself (inflation, production costs, low agricultural incomes, adverse effects of accession, large proportion of the working population employed in agriculture, and so on);
2. Requests the Council to increase prices for Greece by at least 25%, especially since, according to the General Farmers' Federation of Greece, farmers believe that an increase of 30% could cover their production costs and at the same time guarantee a fair income; firstly, in view of Greece's small percentage of the Community's total production the budgetary appropriations to cover this increase in the prices of Greek agricultural products are of minor importance in relation to the overall Community budget and secondly, given the large share of the Community budget currently accounted for by agricultural expenditure, these products can be exempted as part of the restructuring of expenditure to favour Mediterranean products and small producers, especially when nearly half the budget expenditure on agriculture is in the form of aid for milk and dairy products from the Northern countries;
3. Requests the Council to respect the principle of Community preference, because Greece's experience in the field of fruit, vegetables, sugar and so on indicates that this principle has been applied selectively to the advantage of the products of the strongest Community countries;
4. Opposes an extension of the coresponsibility levy and the imposition of direct or indirect quotas for sugar-beet, cotton, olive-oil and so on, as long as there are important export markets for the agricultural goods produced by Greece in state-trading countries and other third countries;
5. Considers there is a need to take steps to abolish compensatory amounts and to remove tariff, financial, political and other barriers, recently imposed on the pretext of developments in Poland, which constitute serious obstacles to Greece's commercial and economic relations with the state-trading countries, which represent a significant market for Greek agricultural products;
6. Calls for a package of support measures in the form of appropriations for agriculture and other aid, including export subsidies, with the aim of increasing the productivity of Greek agriculture, which is well below the Community average.