



Molehills not mountains

The so-called "beef mountain" at present in cold storage represents about one kilogram (2.2 lbs) per head of population in the Community, Agricultural Commissioner Petrus Lardinois told Parliament at question time on May 14. Indeed, he added, if we had an "eat more beef day" the whole stock would be demolished.

But this comment was too flippant for his questioner, Ralph Howell (Con/UK). How many days' consumption did the stocks represent? he insisted.

Eleven to twelve, the Commissioner replied. The worst of the crisis was over, he added, but its settlement would depend on the general state of the economy, for the current recession has badly affected beef consumption.

Butter stocks are slightly higher, Mr Lardinois said in reply to another question: about 14 days' consumption — which represents under 4% of annual consumption. He confirmed to Elaine Kellett-Bowman (Con/UK) that the Commission supports a consumer subsidy policy for butter and told her that of the £100 million annual cost of the present British butter subsidy the Community is paying about 20%, and over and above that the Community is also paying 15% of the cost of all butter imported into Britain, whether from other Community countries or elsewhere, New Zealand included.

Persistent "pre-referendum" questioning from British Members also led to the Commissioner

stressing the benefits British consumers had had from the Community's sugar policy. In the past year, the price of sugar in Britain had been only half the price of the world market from which Britain used to draw the bulk of its supplies. Prospects were good for a normal beet harvest this year and the new Community agreement with sugar producers in the West Indies, Africa and the Pacific will guarantee British supplies at reasonable prices for a long time.

"I think I may say that in this field the Community has displayed great solidarity, especially since this has demanded great effort and financial sacrifices, and that it is the best example of what we set out to achieve with the Common Agricultural Policy."

Comparisons with the Norwegian experience having been raised in the British referendum campaign, Members were interested in price comparisons Mr Lardinois made. Food prices have risen less in Norway than in Britain because they were always higher. And they still are: beef and dairy products cost 50% more in Norway than in Britain, Mr Lardinois said, and bread is 80% more.

The car crisis

The Commission is urgently preparing guidelines for aid to Europe's ailing motor car industry, Commissioner Altiero Spinelli told the European Parliament on Thursday, May 14. The Commission will not concern itself with whether firms in particular countries are nationalised or not; but it will ensure that the necessary restructuring of the industry is co-ordinated at Community level, and that individual governments do not, by separate aid policies, cut each others' throats.

Both the speakers who opened the debate — Bernard Cousté, a French Gaullist, and Marcel Lemoine, a French Communist — were concerned both at the gravity and the Europe-wide nature of the crisis. "One in seven people in the Community," Mr Lemoine noted, "depend directly or indirectly on the Motor-vehicle industry." But production was falling, and the financial situation of firms was as bad. "There are 200,000 Italian cars waiting to be sold already," pointed out Hans Edgar Jahn (CD/Ger).

Several national governments have already taken steps to support car firms in their own countries. In Germany, about £40 million is being put up by the Federal and Land governments to help Volkswagen. In France, the government is lending Citroen some £100 million, and the nationalised Renault another £50 million. And in the UK, British Leyland is being guaranteed up to £700 million — a sum which Mr Jahn described, with almost English understatement, as "an awful lot of money".

What was the Commission's response to the situation? Commissioner Spinelli was able to tell the House straightaway that a study of the situation was already under way, and that discussions had been held with the trade unions concerned. In October of this year, there would be a seminar of technical experts. Finally there would be the directive on financial aids and on restructuring.

The Commissioner, however, was at pains to point out that the crisis in the car industry was not a short-term phenomenon, which would go away with Europe's current economic difficulties. Cars would have to become safer and cleaner in

the future — and this would put up costs even further. Above all, there were not going to be non-European markets freely open to exporters in the future as in the past. "We can no longer look forward to flooding the world with our motor vehicles."

On the specific matter of national aid policies, Commissioner Spinelli was careful to stress that the form of ownership in the car industry was not the Commission's concern — indeed that it had no powers in the matter. It positively welcomed workers' participation. Aids by national governments, however, had to be given in such a way that fair competition was not damaged; and there were circumstances in which short-term measures

could actually damage the industry in the long run. As regards the British Leyland proposals there were some details which were still not clear.

Tom Normanton (Con/UK), however, was more forthright. British Leyland was itself an example of how restructuring of the industry should not be done: the original merger had been brought about solely for political reasons. As for Chrysler (UK): the crisis was the result of "sheer wanton irresponsibility". He had, however, one specific proposal to make, on which the Commission was empowered to take action. It was "lunacy" for Europe to be importing cars from Japan and the Iron Curtain countries, without those countries themselves providing reciprocal entry to European cars. This was a proposal, indeed, which quickly found support from no less a body than the Confederation of British Industry, whose President, Ralph Bateman, supported joint action to remedy the situation at a press conference following a visit to the Parliament.

Few and cheap

There are only four "Eurocrats" per 100,000 inhabitants of the European Community, whereas there are 1,300 British civil servants for every 100,000 inhabitants of the United Kingdom, Commissioner Albert Borschette told Parliament on May 14 in reply to a question by Hugh Dykes (Con/UK). But he stressed that a strict comparison was difficult, for the task and structure of the Community institutions were different from those of a national civil service. Three thousand of the Commission's 7,000 staff were in the translation services, while the Commission had relatively more planning staff and fewer administrative and service staff than a national civil service.

But, taking the example of the department responsible for the Common Agricultural Policy, whose responsibilities are closest to those of the equivalent national ministry, Mr Borschette pointed out that it had only 600 staff in all.

Nor is the cost of the Community staff very high: the annual cost for each citizen of each official employed comes out at 50 pence, while the average British civil servant costs the average British citizen £24.



On a visit to the European Parliament in May: Lord George-Brown; and Trade Union leader Clive Jenkins and Georges Spénale, President of the European Parliament

BRITAIN MAKES A PROFIT ON MEMBERSHIP

Total UK receipts from the European Community up to May 9 are £721 million, according to the European Commission in a reply to a parliamentary question from Lord O'Hagan (Ind/UK).

These include £285 million in loans, divided roughly equally between loans from the European Investment Bank and those under the European Coal and Steel Community, while the other £436 million are direct, non-repayable grants to Britain from the other eight members.

Despite all the British criticism of the Common Agricultural Policy, the UK has received £345 million in grants under the farm policy, of which no less than £158 million has been agreed in the first four months of this year. This reflects above all the fundamental changes which have taken place in the CAP since British entry into the Community. In particular, the import subsidies (totalling £72 million) which helped keep down the cost of British food imports from other Community countries in 1973 and 1974, while the cost of subsidising British sugar and beef consumption in the first four months of 1975 alone accounts for most of the £158 million received this year. (In addition to all this, food exporters in the original six member countries were paid £249 million as subsidies on food exports to the UK, Denmark and Ireland in 1973 and 1974, the bulk in respect of the UK. This figure is excluded from the above totals.)

Most striking of all is the sharp increase in the material benefits to Britain the longer she remains in the Community. Early this year the White Paper on government expenditure in 1978-79 estimated that the balance of payments in and of payments out (excluding loans) in 1974-75 would result in a net British payment to the Community of £35 million. However, to a question in the House of Commons, Chief Secretary to the Treasury Joel Barnett replied on May 5 that the latest calculation showed a net receipt in 1974-75 from the Community of £35 million (again excluding loans) a turnaround of £70 million "to the good".

This trend looks like continuing. On May 16 Mr Barnett was able to tell the House that in the first four months of 1975 (calendar year) the UK had paid out £97 million to the Community but received £146 million — a net gain of £49 million, "largely due to the exceptionally high level of receipts from the European Agricultural Guidance and Guarantee Fund".

EEC grants and loans to the UK (Jan. 1, 1973 to May 9, 1975)

	£m.
Non-repayable grants	
Coal and steel research	7.24
European Social Fund	60.84
Coal and steel retraining	12.78
Agricultural Fund	344.68
Research	6.20
Miscellaneous	4.09
Total	435.83
Loans	
European Investment Bank	136.20
Coal and Steel Community	144.20
Research	3.06
Workers' housing	1.67
Total	285.13
Grand total	720.96

How the regions fared 1973 & 1974

	Grants £m	Loans £m
Scotland	12.0	39.6
N.W. England	9.7	2.3
N.E. England	6.1	36.4
Yorks & Humber	8.6	40.6
E. Midlands	0.8	3.3
W. Midlands	5.1	7.6
Wales	6.0	25.1
S.W. England	3.6	—
S.E. England	0.8	7.0
E. Anglia	0.8	—
N. Ireland	11.5	2.5
General UK (incl. farm support)	202.0	36.2
Totals	267.1	200.6

Less filthy for bathers

"Being too permissive in such a serious matter as public health seems to me extremely dangerous," French Socialist Pierre Giraud declared severely at the end of Tuesday, May 5's debate on sea pollution. So, despite a spirited rearguard action by the European Conservative Group, Parliament overwhelmingly approved a new Commission directive on sea bathing, adding that "bathing should be formally prohibited in water with a higher level of pollution than stipulated in the directive".

Everyone was anxious to welcome the broad outlines of the Commission's proposal: as Sir Derek Walker-Smith (Con/UK) pointed out, "we all have some personal interest as consumers, so to speak". But the Conservatives at least had reservations about how the policy would work in practice. "As I understand it," Lord Bethell noted, "it will be necessary for samples to be taken of the sea round the coast-line of all the member states every two kilometres." It would also be necessary "to erect large numbers of warning signs" to indicate where bathing did not comply with the guidelines. "Strict rules may be very appropriate for the southern coastlines of France and Italy, but in the isolated coastlines of the North . . . I hardly think that it is appropriate to impose severe controls unless it can be proved that there is significant danger to the health of someone who ventures into these cold waters."

Jim Spicer (Con/UK) thought, indeed, that there was a less expensive way of achieving the same objective. "About four years ago, in the United Kingdom, a national newspaper undertook a survey of 12 major resorts. It graded those resorts as 'filthy', 'more filthy' and 'even more filthy'. The direct result of that campaign was that it was taken to heart because it hit the pockets of those whose livelihood depended on the attraction of

tourists . . . Action was taken".

Commissioner Scarascia Mugnozza tried to allay Conservative fears by pointing out that the proposals were only for a directive rather than a regulation. Here, however, he was challenged by Chairman of the Parliament's Legal Committee, Sir Derek, who objected that "as he and all of us well know, a directive is binding as to the whole of the substance and it is only the form in which that substance is clothed in regard to which an individual Member States has any discretion".

The majority, however, was adamant; all Conservative amendments were rejected. Sir Derek seemed pleased as a bather, if not as a lawyer.

The lost years

Without the support and belief of the people the building of Europe cannot succeed, said John Corrie (Con/UK) in a debate on the Commission's information programme. But at present, he went on, people know little about Europe; about the Commission, the Council or the Parliament; "millions of people" do not even know which countries are in the European Community. Disaffection with the Community was hardly surprising since "nothing breeds fear in people's hearts more than ignorance". When uncertainty in Britain and Europe as a whole was ended on June 5 much would have to be done to "catch up on the lost years", he said.

A call for greater honesty in information policy was made by Tullia Caretoni-Romagnoli (Comm/It). Whilst the Community had many achievements to its credit it had its limitations and shortcomings also. Information should always stress the truth of a situation "whether we like it or not". If there were political disagreements in the Council then these should be discussed openly. If the press was talking about scandals in the Community then the official information services

should talk about them too. In considering accession and membership the disadvantages as well as the advantages should be presented. The Community should be an open organisation and invite criticism — "like a glasshouse".

In his report, the Cultural Affairs and Youth Committee rapporteur Helveg Petersen (Lib/Dk) agreed with the Commission that a rethink of the information policy was necessary, in order to go beyond press, radio and television media in order to reach a larger audience, particularly trades unions, consumers, local political circles, teachers and young people. Several speakers in fact attacked the Commission during the debate for the slow progress in establishing a youth forum as called for by the Parliament (although Commissioner Mugnozza could only give a non-committal reply). One idea which was generally accepted was that information should be presented in a straightforward and practical way, showing how the Commission was working to find compromise solutions where member states had divergent interests. "By assuming its political responsibilities it could also show that failures to act are more often than not the fault of the decision-making body, the Council, and take advantage of this to revive matters on which urgent solutions are required," said the report.

If the Community "gate" had been meagre during the last years, Willem Schuijt had a suggestion for bringing back the crowds. Why doesn't the European Parliament sponsor a European football championship cup? he asked.

Socialist 'yes' call

Membership of the Community is no barrier to socialist policies. On the contrary. European Parliament Socialist leader Ludwig Fellermaier said in Strasbourg on May 13. The stronger the Community was internally, the greater was the chance of a breakthrough to a socialist Europe.

Appealing for a "very strong affirmative" vote in the referendum, Mr Fellermaier said that the continental Social Democrats were "longing for the moment" when Labour Party representatives took their seats in the European Parliament. When they did, the Socialist Group would be the largest (with about 67 out of 198 members).

Mr Fellermaier was speaking on the return of a Socialist Group delegation from Yugoslavia and the Middle East. Soon, he reported, a delegation from the Yugoslav Federal Assembly would visit the European Parliament, an event which he welcomed because the Parliament was thinking not only of integration between the Community countries but also with their neighbours. Similarly, contacts with the Egyptian Parliament were planned.

Bureaucrats or bankers?

An attempt by the European Conservative Group to develop the constitution of the European Parliament by the hallowed British method of establishing precedents seemed successful on Thursday, May 15. A report on the raising of a Community loan to finance nuclear power stations was returned to the Energy, Research and Technology Committee by the device of a simultaneous withdrawal of both the report itself and of a Conservative amendment.

The amendment itself also showed the Parliament beginning to flex its muscles as regards the constitution of the Community as a whole. The original proposal was that the Commission should be responsible for the loan operation. But, as Tom Normanton (Con/UK) noted, the "financial accountability of the Commission has on many occasions left much to be desired". Instead, having taken the framework decisions, the Commission should step back and leave the matter to a different body, more suitable for the task: the European Investment Bank.

Visitors to the European Parliament during the May session included a party from the Greater London Young Conservatives and students from Portsmouth Polytechnic.