

"Great event" in Community progress

On April 20 Parliament unanimously approved the Commission's draft Sixth directive on VAT — heralded by rapporteur Harry Notenboom (CD/NL) as a "great event" in the Community's progress towards integration. The measures to introduce a common system of VAT throughout all nine countries have already been agreed by the Council of Ministers, and will enable the Community budget to be financed wholly out of "own resources" by the beginning of next year.

The steps towards a common VAT system have been slow and painful. Under a directive in April 1967, all countries were committed to the introduction of VAT as their principal indirect tax: and this was eventually achieved. But numerous problems remained. If all distortions to the free movement of goods and services were to be removed, and, if the "own resources" of the Community were to consist in part of a 1% VAT, the various systems had to be brought together.

First, for example, the VATs will have to cover the same range of goods and services — the "VAT base" will have to be the same. So the new directive lists a hard-fought list of exemptions that all countries will apply. Then all countries must have common definitions of "taxable person" and "taxable transaction". Contrary to the belief of some, however, the new directive does not mean that all countries will have to charge the same *rate* of VAT. Article 12 on rates says that "the standard rate of value added tax shall be fixed by each

Member State as a percentage of the taxable amount and shall be the same for the supply of goods and for the supply of services".

The European Parliament voted through the Commission's first proposals for a harmonized VAT as early as 1974. The new version does not by any means accept Parliament's amendments, which generally tended much further towards a common tax; and it was for this reason that the Council of Ministers asked Parliament whether it wished to activate the conciliation procedure (which can come into effect when Parliament and Council disagree on any matter "with budgetary consequences"). On April 20, however, Parliament decided to avoid any further delay: the adopted resolution urged the Council to implement the directive as it stood before the Summer, and then "to begin its work on completing the Sixth directive in 1978 so that true fiscal harmonization may be achieved".



The European Parliament assembled in Strasbourg on April 18 to learn with shock and regret of the death of Sir Peter Kirk at the age of 48. Members and staff recalled the energy which he has brought to the Parliament when Britain entered the Community in January 1973 and the thrust of his wish to see its influence and effectiveness increased in the face of lethargy and indifference.

"Each one of us feels the significance for this Parliament of the loss of Sir Peter Kirk", said President Emilio Colombo. Other public tributes came from Richard Burke on behalf of the European Commission, Lord Reay, Vice-Chairman of the European Conservative Group, and two days later from British Foreign Secretary David Owen. Private tributes were numerous.

Peter Kirk was born in May 1928 and educated at Marlborough, Trinity College, Oxford, and at Zurich University. At Oxford he was elected President of the Union in 1949 and in that year he started his journalistic career which he continued until elected the Conservative Member for Gravesend in 1955. He lost that seat in 1964, but he returned to the House of Commons a year later for Saffron Walden in succession to R.A. Butler. Under Harold Macmillan he was Parliamentary Under-Secretary of State for the Army in 1963-64 and Under-Secretary for the Navy under Edward Heath in 1970-73.

In that last year his long devotion to the European cause — he had joined the Council of Europe delegation in 1956 — was rewarded when he was appointed leader of the Conservative delegation to the European Parliament. In this role he strove to strengthen the influence and effectiveness of the Parliament, to unite the centre-right parties of the Community, and to keep Britain in Europe during the 1975 referendum. During recent years he had been working on a major report on the future powers of the Parliament, which has still to be debated.

Sir Peter leaves a widow and three sons. A memorial service will be held at noon on Thursday, May 19, at St Margaret's Westminster.

Agricultural Price Review

The European Parliament's sitting of March 22 and 23 on agriculture was intense, but not particularly fruitful. The censure motion on the Commission for its handling of "cheap butter to Russia" was voted on after lunch on the Wednesday, and rejected by an overwhelming 95 to 15 (though it is worth noting that the burden of the proposers' complaint — that the Commission should not have suspended sales to the Communist bloc — has now been accepted insofar as the Commission has resumed them).

The more important business of the sitting, however, was the Annual Price Review: a matter was not to be finally decided by the Council of Ministers until the early hours of the morning on April 19. The key to the debate was paragraph 2 of the Agriculture Committee's report, which considered the Commission's proposal for an average price increase of 3% to be "manifestly insufficient", and suggested instead a figure of 5%. But this was one of those occasions on which a parliamentary

Committee did not turn out to be a microcosm of the House. When the time came to vote on the paragraph, three vital amendments had been tabled: one (Socialist) reinserting the Commission's 3%; one (Progressive Democrat) upping it to 6.5%; and one (Conservative) deleting any reference to percentage. Parliament proceeded to vote them all down in turn, . . . and then to vote down the text of paragraph 2 as well: as neat an example of a circular negative majority as can be found! (see below under 'Elections').

Two adjournments later, and after several compromise amendments had been tabled orally (one of which appeared to be rejected on the reasonable grounds that it contained no main verb), Parliament had to settle for a sentence which merely "noted the intention of the Commission's overall price increase of 3%". Certainly this seemed to give President-in-Office of the Council of Ministers, British Agriculture Minister John Silkin, the free hand of which he subsequently made ample use.

Silkin in the dog house

If John Silkin's left ear ever burns, it might well have suffered spontaneous combustion on April 20, for he was bitterly criticised for what many Members considered undue intransigence and lack of Community spirit during the Council's negotiations on farm prices for the current year. Niels Kofoed (Lib/Dk) was among several who regretted that Mr Silkin did not appear before the Parliament on behalf of the Council. Nor was criticism confined to non-British MPs, for Ralph Howell (Con/UK) joined in to speak of the "totally inexplicable" behaviour of the British Minister in the Council, and another Conservative, Scot John Corrie, added his voice. Sharpest criticism of all perhaps came from the deceptively mild-appearing Irish Senator, Michael Yeats, who accused the British Government of making an onslaught on the common farm policy. Mr Silkin's attitude, he argued, was simply not

compatible with Community membership.

"Never in the history of the Community have we witnessed such a blatant abuse of the decision-making process by the government of a member state in pursuit of its own destructive policies and national self-interest," Mr Yeats asserted.

Catching the flak for Mr Silkin was Foreign Office under-secretary John Tomlinson. He expressed optimism about the outcome of the negotiations. The gap was not very great (and indeed was bridged the following Monday). But feeling ran high, with Commissioner Finn Gundelach painting a dire picture of the Council even failing to agree to prolong the year for dairy and meat products beyond May 1, and there would then be no common prices and therefore no monetary compensation amounts (i.e. subsidies for UK imports), no export restitution, no import levies — "and we shall be in a holy mess".

More third-world aid

Dr David Owen's debut on April 20 at the European Parliament as President of the Council of Ministers was brief, sandwiched between his visit to southern Africa and opening the debate in the House of Commons on the election of the European Parliament (see page 4). The substance of his address was to try to lift the attention of his audience from the immediate concerns of the Community, grave though they were, to understanding that economic circumstances for hundreds of millions of people overseas were far worse. "Help for the poorest countries of the world does not receive much sympathy from people living in the shadow, let alone the reality of unemployment. We, as politicians, will carry our own European electorates in outward-looking policies to the developing world only to the extent that we can convince them that we are also doubly concerned about their lives and their jobs . . . Stability in Europe cannot be isolated from world stability." And then, turning towards the Socialist benches, he added to their applause: "Speaking as a Socialist politician to my fellow European Socialists, rather than as President of the Council of Ministers, we cannot with conviction use the language of social democracy at home and that of Adam Smith and *laissez faire* in the international economy."



UK Agriculture Minister Silkin

European Elections – Commons debate White Paper

For reasons best known to Michael Foot, the House of Commons' debate on the direct elections White Paper (see European Elections Briefing 2) opened on Wednesday April 20, when all the British Members of the European Parliament were safely away in Strasbourg. But on this occasion, fortunately, there was also a second day's debate on Monday 25, after the MEP's had returned.

As it happened, two quite separate debates seemed to take place.

1. Between the Government and the anti-electioneers (Jay, Heffer, Moate, Powell, Mendelson, Gould etc.) on whether the elections should be held at all.

2. Between those of all parties who wanted PR (Heath, Thorpe, Wood, Irving, Morrison etc.) and those who definitely did not (Gardiner, Rippon, Rhodes Boyson, Small etc.).

To a minimum extent the debates overlapped: for example, the anti-electioneers (in effect the old anti-marketters in new costume) appeared also to be anti-PR, for whatever reason. But it was clear that some had come only to debate ends, others to stick to means (which, after all, was what the White Paper was about).

What of the official party positions? Both Labour and Conservative, it became clear,

will be having a free vote on at least the method of election; so, on debate 2, both front benches preserved an outward agnosticism. The main thrust of the Conservative argument was that the House should get the vote on system of election out of the way as soon as possible — preferably before the Bill. Indeed, John Davies on the Wednesday refused even to state which system he preferred — prompting Jeremy Thorpe to observe that there was now a "Davies doctrine: no vote, no views". Willie Whitelaw and Douglas Hurd expressed preferences for first past the post, but said regional lists would be acceptable. Government speakers — in so far as they dealt with the matter at all, rather than with reassuring Labour back-benchers that direct elections did not mean federalism — appeared to incline, though almost imperceptibly, towards PR on regional lists.

On the face of it, therefore, there would seem to be a comfortable majority in favour of direct elections on one of these two systems — indeed a number of speakers observed that the system of election was of minor importance, since there would soon be a change to a common Community system. But, as Enoch Powell noted in a powerful contribution, the late devolution

Bill provided an interesting precedent. Here too there had been a majority in favour of devolution in principle; but disagreement on means. George Gardiner indicated that he supported direct elections, but would vote against them if there were PR; Jeremy Thorpe was likewise in favour, but would vote against *unless* there was PR. How to avoid the anti-electioneers joining both groups in succession to defeat *any* system of election is a problem which had fallen heavily into Home Secretary Merlyn Rees' lap by the end of the debate.

One matter, however, seemed to be entirely decided: virtually no-one had a good word to say for the compulsory dual mandate. Indeed, the tributes to Sir Peter Kirk from all sides were linked to a determination that no-one should be put in such a position in the future. How, then, should contacts be maintained between the House of Commons and the European Parliament Members? Ted Heath suggested that MEP's might have the right to speak in the Commons but not vote — which prompted Anthony Fell to remark that, what with the front benches, Privy Counsellors and now MEPs, the ordinary back-bencher would never get into debates at all. The general view seemed to be that the parties themselves would find a way.

Yo, ho, ho!

Piracy on the high seas seems a long way from Strasbourg, and in any case it was not doubloons and pieces of eight which were at issue when Willie Hamilton put down an oral question to the Commission. It was more a matter of trade-union rates for the job, for the piracy in question was the "disgusting" episode when Grimsby-hired strong-arm men hustled striking Filipinos off the *Globtik Venus* at Le Havre. Mr Hamilton called for ratification of the International Labour Office Convention of minimum standards in seafaring and a common code of practice. Ex-seaman John Prescott (Soc/UK) supported this call, while from the public gallery Ted Brown, the national secretary of the British seamen's union, looked down approvingly.

The House as a whole had in fact just voted to accept the report by Horst Seefeld (Soc/Ger) urging a common sea transport policy for the Community, including a common approach by the Nine to international shipping rules and regulations, particularly regarding flags of convenience, conference lines and the state-trading countries. The report also points out that the proportion of intra-Community trade carried by sea now amounts to 25% of the total and that it was illogical to exclude it from the competence of the Community Treaties.

Guiding the multinationals

Introducing his report on the principles to be observed by multi-national companies Erwin Lange (Soc/Ger) summarised the progress made since the question of multinationals was discussed in 1973 by delegations from the European Parliament and the U.S. Congress. A year later the OECD turned its attention to the question and produced guidelines for international enterprises, a document which was signed by all but one of the OECD states in June 1976. The OECD had changed its point of departure and eventually agreed upon a voluntary code of practice. The Economic and Monetary Committee felt, however, that a voluntary code would be unworkable and called for legally binding rules to regulate conduct. This was no witch-hunt, Mr Lange hastened to point out. Many multinational companies had made a large contribution to technical and industrial research. It was the companies who ventured outside legal practices and abused positions of power which had to be controlled.

Lord Bruce of Donington (Soc/UK) drew attention to the report of the Maldague Committee in 1975 which showed a clear link between the operations of multinationals and the rates of inflation prevailing in various member states. Both Ernst Müller-Hermann (CD/Ger) and Norbert Hougardy (Lib/Bel) spoke of the need to be dispassionate. Mr Hougardy recommended leaving the implementation of the OECD guidelines to national governments.

Realism on iron and steel

On April 21 Parliament held an emergency debate on the EEC iron and steel industry. Whilst agreeing that the situation was grave — one in seven of those employed in this industry fears redundancy — the House warned against taking protectionist measures against third countries. Short-term subsidies might be useful social measures, but what was needed was structural reform of the industry, said Horst Haase (Soc/Ger). The House favoured a tripartite conference within the framework of the OECD.

Strategy for the Environment

The environment was very much to the fore during the April session. On April 18 the House debated Hans Jahn's (CD/Ger) report on the Fourth International Parliamentary Conference on the Environment held in Jamaica, April 1976. The subject of the Conference had been "Environment and natural resources — the duty of Parliamentarians", and it had put forward 16 resolutions concerned with three main issues — water pollution, air pollution and the disposal of waste. The House welcomed the initiative taken by the Conference, agreeing that governments should take an interest in environmental matters. "Our very survival is at stake", said Michele Cifarelli (Lib/It). The Conference had stressed the problem of transfrontier pollution and Pierre-Bernard Cousté (EPD/F) urged the Community to establish a dialogue with Switzerland and Norway. In its motion for a resolution Parliament pressed the Commission to put forward a directive prohibiting harmful aerosol sprays, though stressing the need for world-wide cooperation.

Red mud in the Med

On the same afternoon Italian members again raised the question of the treatment of waste from titanium dioxide. They were pressing for the immediate adoption by the Council of a directive approved by Parliament in January 1976, but claimed that certain member states, presumably those which did not border on closed seas like the Mediterranean, were opposing the general applicability of the directive. Camillo Ripamonti (CD/It) stressed that a discriminatory policy would result in some firms

being forced off the market because of the estimated 25% increase in costs incurred through combating pollution.

On April 21 Parliament approved a proposal from the Commission concerning a directive to enforce the use of low sulphur content fuel oils in areas where air pollution by sulphur dioxide is high. Parliament, however, stressed in its motion for a resolution that the directive did not go far enough.

The industrial revolution

On the same afternoon the House turned its attention to an oral question on industrial dereliction originally tabled by the late Sir Peter Kirk. (The word 'dereliction' had caused some difficulty in translation and had been rendered into French unsatisfactorily as 'decline').

"The Community owes a lot to those regions which were the first to industrialise and which are now facing the problems of derelict factory stock", declared Elaine Kellett-Bowman (Con/UK). But Commissioner Antonio Giolitti told her that to set up a fund to deal with the situation would be inappropriate. A global strategy was needed. Indeed funds were available — for instance, through the European Investment Bank — which could be used for related matters such as vocational training, the improvement of infrastructure and the creation of new jobs.

Finally, on April 22 Parliament adopted a Commission proposal for a directive regulating the use of materials containing vinyl chloride monomer — a gas used in the manufacture of PVC — for the packaging of foodstuffs.

Vehicle safety standards

The House considered safety standards to be observed by motor vehicle manufacturers three times during the April session. On April 18 Commissioner Richard Burke told Parliament he was satisfied with the car industry's efforts to draw public attention to defective vehicles. The Socialist Group in an oral question had been calling for greater use of the media in such cases and for a central computerised register of car owners. The latter measure would be an unnecessary intrusion upon privacy, records already kept by member states were adequate, said Commissioner Burke. He reported that a proposal already

approved by Parliament concerning the fitting of seat belts would probably be adopted by the Council. A proposal concerning laminated glass had run into opposition from member states.

On Tuesday April 19 Parliament approved without debate two reports by Kai Nyborg (EPD/DK). The first concerned 8 proposals from the Commission concerning the approximation of legislation. These included lamps, tyres, heating systems and wheel guards. The second related to windscreen wipers, demisting and defrosting systems and interior controls.

Question Time

British ice-cream safe

Are the Eurocrats really trying to ban British ice-cream? Certainly not, Agriculture Commissioner Gundelach told Parliament; the intention is merely to legislate on the clear labelling of dairy products. But he agreed with Tam Dalyell (Soc/UK) that an inadequate information campaign was to blame for the *Sunday Post* allegations of an ice-cream ban. In reply to a supplementary question by Pierre Lagorce (Soc/Fr) Mr Gundelach also assured the House that if saccharin is proved to be harmful the Commission will draft a directive regulating its use.

Concorde

Unfortunately the Community will not be intervening to get Concorde landing rights in the United States. Why? Because, John Tomlinson, President-in-office of the

Council told William Hamilton (Soc/UK), Concorde is an Anglo-French, not an EEC venture. This did not satisfy Mr Hamilton, however, who called for retaliatory action against the USA.

Self-employed

Commissioner Henk Vredeling told Elaine Kellett-Bowman (Con/UK) that the question of reciprocal medical treatment for the self-employed would be considered at the forthcoming meeting in Brussels of the Consultative Committee on the social security of migrant workers.

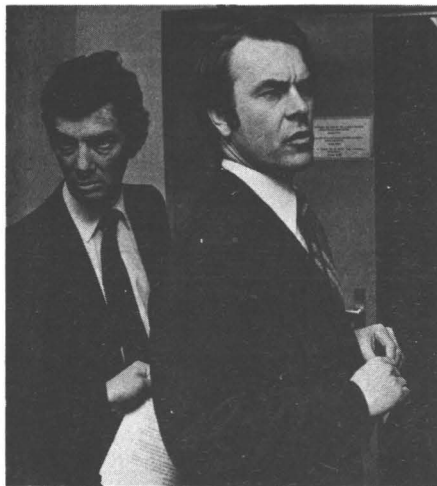
Jute Industry

The Commission will bear in mind the problems of the EEC jute industry when implementing agreements made with India and Bangladesh concerning jute products, Commissioner Henk Vredeling assured William Hamilton (Soc/UK). 8,000 workers in the Dundee area are employed in this sector.

Unofficial Journal

The Foreign Secretary, Dr. David Owen, was surprisingly rude about the European Parliament when introducing the direct elections debate in the House of Commons on April 20. "I must tell right honourable and honourable Members who see grave threats to the power and position of this House," he told the anti-electioneers, "that having observed that Parliament, I can see no such threat, either at the moment or in the future". He had, in fact, just flown in from Strasbourg that very morning; and might perhaps be forgiven a certain unwanted acidity, considering the manner of his going.

Just back from Africa, Dr. Owen was clearly anxious to be on his way to London once he had reported to Parliament. But Members were equally anxious that he should stay to listen to their comments, attend a reception by President Colombo, have his photograph taken shaking hands, etc. After several speeches his patience appeared to be exhausted, and he left the Chamber



Doctor in distress

hurriedly through the exit behind the Presidential chair. To no avail. Ten minutes or so later he and entourage were discovered by cameramen hopelessly lost in the corridors. The Palace of Europe had claimed another victim.

Back at the ranch

Moreover, Dr. Owen's pique at Westminister was paralleled back in the Chamber at Strasbourg. When Members re-assembled after lunch to resume the debate on the British Foreign Secretary's statement, they were surprised to find themselves moved onto next business by the chair. The official view seemed to be that, the Minister having left, there was no point in continuing the debate. But a British Minister was there — Parliamentary Under-Secretary of State for Foreign Affairs, John Tomlinson, who normally represents the Council of Ministers in Parliament. Lord Ardwick, among others, was incensed and eventually walked out — followed by the entire Socialist Group.

Colour problems

What of the new building? Not surprisingly, it was getting more familiar to those there for the second time, though one observer (not Dr. Owen) did comment that he now understood the disorientation of people transplanted from old familiar slums to new tower-block estates. President Colombo started to improve matters in response to press complaints with a fact-finding tour of the press room, and action to provide extra desks and (a few) sandwiches.

But — surely to Strasbourg's shame — food proved an additional problem. The new self-service restaurant was open, but goaded Willie Hamilton and Elaine Kellett-Bowman into a bi-partisan official complaint — they had queued for over an hour for lunch, by which time the food had run out (and according to our gastronomic correspondent, they were lucky). No doubt the delay was deliberate; given the bilious green of the restaurant floor, it was perhaps there to allow stomachs to settle after the initial shock.

Indeed, Parliament's own "rainbow" could not compete with the Palace colour schemes. Named after the Parliament's six-colour code used to identify documents in the different languages, this "Hansard" did not appear after the Tuesday of the session. Local printers were on strike.

Another YC triumph

Whatever the defects of Strasbourg as a European Parliament meeting place — tenuous air-links, food-less canteens, rough police — it clearly has something that may make up for it all. On April 9 two Young Conservatives, former Bristol policewoman Judith Hucklebridge and ex-Royal Marine Officer Simon Hadley, were married at All Saints, Farnborough, Avon. And they first met while on a YC visit to the European Parliament in Strasbourg last year.

Kiwi dairy plea

Visitors to Strasbourg in April included delegations from New Zealand House of Representatives, the Yugoslav Federal Assembly and local councils in the North of England. Sir Roy Jack, Speaker of the New Zealand House, stressed the cultural and historic links between his country and one Community country in particular, and therefore also with the others, but in addition to all the appreciative words spoken on such occasions, there was serious intent in the visit — not least at a time when more bitter than usual negotiations about dairy products were going on between the Nine. In response to the suggestion that New Zealand should diversify her export destinations, Sir Roy commented that in the past forty years the proportion of her dairy exports going to the Community (effectively to the UK) had fallen from 88% to 30%, but that "we should undoubtedly suffer grave economic damage if the entry of a substantial part of the remaining 30% were seriously impeded".

Limousine

Always conscious of the criticisms of Strasbourg's poor communications and anxious that the elected Parliament

should stay in the city, Mayor Pflimlin has now arranged to lay on cars to pick up MEPs arriving at airports up to 100 miles away. Christopher Price enjoyed this treatment when he arrived at Mulhouse in April, being ushered through passport control by attentive officials and swept away ahead of hoi polloi into an official car. But from Mulhouse it is often quicker by train; for although Strasbourg is now linked by a 500km motorway to Paris, it often repays crossing into Germany to join the 'Autobahn' to get from the south to the north of Alsace.

Money, money, money!

Though the introduction of European Elections legislation appears to be going surprisingly smoothly in all countries except the UK, a storm is brewing which could prove particularly difficult to calm down. It concerns money for political parties.

The six political groups in the European Parliament already have sizeable budgets from Community funds for staff, publications, etc.; and it is probable that considerably increased funds will be available for the election campaign. Indeed, the Budgets Committee and Bureau of the Parliament have already decided to allocate 2.4 million units of account (about £1 million) to the groups for "the dissemination of information" on the elections during this year.

The implications, however, are already sinking in. Two prominent Luxembourg Social Democrats (one of whom is former EP Member Astrid Lulling) have formally petitioned the Parliament to cancel the funds on the grounds that they "give the political parties currently represented in the European Parliament an unfair advantage and accordingly represent a misuse of public funds for one-sided political propaganda". All political organisations putting up candidates, they maintain,

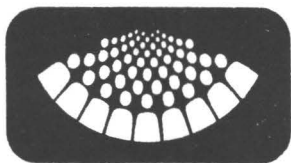


President Colombo goes visiting

should be given "fair and equal access to these funds". The decisions represent "a flagrant violation of elementary democratic principles".

In the UK, there are several interested parties. The Scottish National Party is represented in the European Parliament but not as part of a political group. Plaid Cymru, the UUUC, and the National Front (and, of course, the Sunshine party, Legions of God, etc.) are not represented at all. On the other hand, the Labour Party, surprisingly through the good offices of Ian Mikardo, are likely to get over £50,000.

K.P.G.



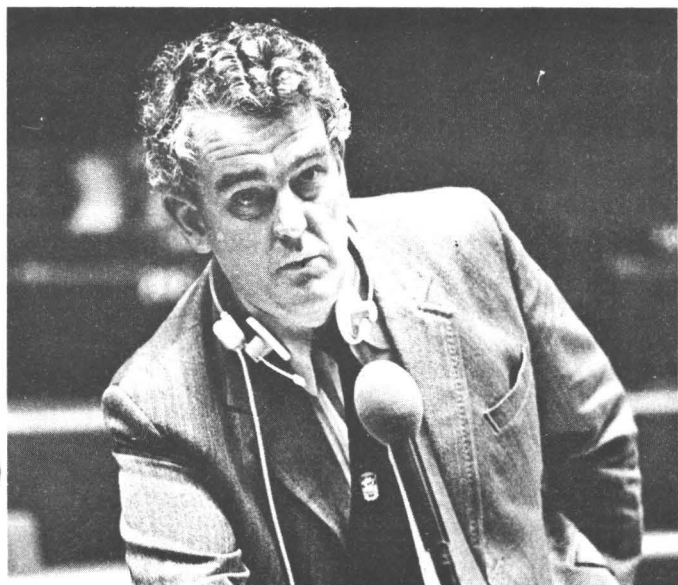
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No. 36 June 1977

That lost uranium — who is to blame?

In 1968 some 200 tons of uranium oxide vanished without a trace while being shipped from Antwerp to Genoa. This still unsolved mystery — the uranium is variously rumoured to have ended up on Israel or Latin America — exercised a powerful fascination over the European Parliament at its May sitting: it was brought up on every single day. The affair could now be the subject of a special enquiry by Parliament's Energy and Research Committee.

The details, as far as they are known, were outlined to Parliament by Commissioner Brunner on Tuesday May 10. The uranium oxide was ordered from the Belgian firm Société Générale des Minerais Belges by the German firm



Tam Dalyell — "J'accuse!"

Asmara-Chemie, which was itself acting as an agent. It was declared that the uranium was to be used as a catalyst in the petrochemical industry, i.e. for non-nuclear purposes, and would be handled by an Italian firm, SAICA'. After a time, the Commission asked the Italians whether the uranium had arrived: it had not.

Accordingly, the Commission alerted the authorities in the countries concerned. They discovered that the ship involved (see photo) had changed its owner, name and flag when at sea; and that the log covering that particular voyage had been covered in oil, so that it was unreadable. Of the uranium oxide there was no sign.

Commissioner Brunner asked the House to remember one or two important points. Although — as John Prescott (Soc/UK) had earlier pointed out — the quantity of uranium involved could be converted into "something like 30 nuclear bombs", oxidised natural uranium was not a substance from which you could do this easily; and the nuclear non-proliferation treaty had not then come into force. The events had taken place 8½ years ago, when both international and Euratom control systems were sketchy. In particular, Euratom had no competence over transport on the high seas. Moreover, "we have no police force". Two days later, Commissioner Haferkamp — who was actually the responsible Commissioner during the period from 1967 to 1972 — made much the same points at a two-hour press conference in Brussels, adding that the competence of the Euratom Supply Agency had been in dispute until a Court of Justice ruling in 1969.

This explanation, unsurprisingly, did not clear up the mystery for the House, which in any case had got itself into a deep procedural tangle over how the question should be raised anyway. Originally, the subject was on the order

paper in the name of Tom Normanton (Con/UK) for answer at Question Time on Wednesday. However, the Socialist Group on Monday tabled a similar question under "urgent procedure" for debate on the Tuesday, to strong protests from the Conservatives. Moreover, when Wednesday came, the Normanton question was ruled out of order as having already been dealt with; though chairman of the Legal Committee, Sir Derek Walker-Smith (Con/UK), raised doubts as to whether *this* was in order.

It then fell largely to Tam Dalyell (Soc/UK) to keep the issue alive. "It looks to many of us as if someone, somewhere . . . does not want this question raised", he protested on Thursday morning; and on the previous day, at Question Time, he accused President of the Parliament Colombo of "conniving at what looks like a fix . . . to protect the executive, with Commissioner Haferkamp sitting in your presence on the front bench". Why not ask the Israelis what they know about it? he suggested during Thursday's debate on the EEC-Israeli Agreement. Finally, on Friday he drew attention to the fact that President Colombo had, in 1968, actually been the Italian Finance Minister, and later Prime Minister: "it is inconceivable . . . that the Italian Secret Service did not inform Mr. Colombo at some stage of the uranium loss . . ."

So, as Members left for their national parliaments, the affair was still rumbling on. There is now a strong possibility that the House will take up the suggestion made on Tuesday by John Prescott that "we shall set up on our own investigation — in this case through the Committee on Energy and Research — to get to the facts".

Hi-jacked on the high seas?



(by permission of the 'Sunday Times')

From Aesop to de Tocqueville

Following the "Bravo" disaster in the North Sea's Ekofisk oil field, the Commission will, on June 15, present the Council of Ministers with proposals for joint safety measures, Commissioner Natali told Parliament on Tuesday May 10. This was one of the more concrete results to emerge from a wide-ranging debate on all aspects of Community energy policy (see also page 1).

Several Members — in particular those like Ralph Howell (Con/UK) and Tam Dalyell (Soc/UK) with constituencies bordering the North Sea — were dissatisfied with present Community arrangements. Tom Normanton (Con/UK) also pointed out that "six mini-submarines can put out of action the life-blood of industry in Britain". But Hanna Walz (Ger/CD) reminded the House that any more stringent safety precautions would inevitably put up the price of North Sea oil.

The UK has reserves of coal to last 200 years and those in the Federal Republic should last at least 150 years. This is why Lord Bessborough (Con/UK) advocated the proposal to promote the use of coal for electricity generation. In addition, the industry is labour-intensive and even the environmental disadvantages of coal-mining can be minimised.

The need to be independent of third-world energy suppliers was one of the underlying themes of the omnibus debate. Commissioner Guido Brunner told Clara Krüchow (Lib/DK) that the EEC aims to reduce energy consumption by 15% by

1985, particularly through the reduction of petrol consumption and measures to rationalise domestic heating. It is worth spending money to save energy, argued the Commissioner.

The need for security in nuclear activity was constantly stressed. The Ramussen report had compared the likelihood of a grave nuclear accident with that of the fall of a meteorite.

Tom Normanton saw the problem of Community energy supplies mirrored in statistics he had obtained in Washington. These forecast a 150-fold increase in energy costs between 1972 and 1985. The Community should therefore follow President Carter's energy policy with interest and follow American initiative by establishing a Community energy agency.

Apart from having wide-ranging implications the energy problem seemed to capture the literary imagination of several speakers. Albert Liogier (EPD/F) quoted from Aesop and spoke of North Sea oil in terms of Ali Baba's cave. Pierre Giraud (Soc/F) quoted from de Tocqueville when assessing US energy policy.

The inferiority complex of tyranny

According to Amnesty International there are 500,000 political prisoners throughout the world, and there are only about 60 or 70 democratic nations. These were merely two of the statistics cited by Alfred Bertrand (CD/Bel) as he enumerated case after case of political oppression when the House debated human rights on Wednesday May 11. The Helsinki final Act had become a Charter of Human Rights, he said.

"It is not the identity of the criminal, nor of the victim which is our concern," said rapporteur Russell Johnston (Lib/UK) in a commanding speech. He was heartened by the fact that five of the six groups were unanimous on the question of human rights (the Communists abstained at the vote). Democratic parties were, he said, moving away from traditional double standards and rejecting totalitarianism in any form. Indeed, Lord Bethell (Con/UK) called on Communist members to intercede on behalf of victims of oppression in Eastern Europe.

The main concern of the House was how the common viewpoint of the Nine could

most effectively influence the attitudes and policies of third countries. Lord Bethell spoke of the need to convince the Third World that the EEC is not a "rich man's club" and is anxious to support the underdog.

"Tyranny has an inferiority complex," said Russell Johnston. John Tomlinson, President-in-Office of the Council, stated that apart from supporting the United Nations the Community could, through persistence, create a climate where violation of human rights became unacceptable.

The House felt idealistic aims could only be achieved by realistic policies. The Final Act of Helsinki had proved effective in allowing over 60,000 persons to leave the Soviet Union. John Tomlinson assured the House that the Community would continue to press for the implementation of the Final Act.

Both Michael Yeats (EPD/Irl) and Marcel Lemoine (Comm/It) called for more adequate provision for the protection of human rights within the Community.

Fishing - off-shore storms blowing

The ambiguity of the Community's status in the international order — which had been exemplified by the curious affair of President Jenkins' dinner the previous week — came up again when Martin Bangemann (Lib/Ger) on May 13 presented his report on the Law of the Sea Conference. The Community was not a state but it was different from other international organisations, he argued and, given the very concept of "Community waters", it should be a signatory to any agreement. But Mark Hughes (Soc/UK) was pessimistic about there being an agreement anyway: the forthcoming New York conference may well fail, and what would the Commission propose then?

Speaking later to his own report on the

Commission's regulation on the fishing agreement with the United States, Mr. Hughes voiced "deep concern" that it should not be a model for the fishing agreements with other countries. By passing domestic legislation on mesh sizes, catch quotas, etc., the Congress had tied the hands of the US negotiators. Not that there was much the Community could negotiate about, for there was no fishing by Americans in Community waters (except for shrimps off French Guiana), whereas Community fishermen did want to fish US waters. It was not a model for the future, Commissioner Claude Cheysson assured him: further negotiations would be reciprocal — as the first talks with Sweden and the Faeroes had already indicated.

Bankers and blank cheques

Export credits date back to the Florentine bankers of the 14th century, and this accounts for the diversity of systems found in the EEC today. So Commissioner Christopher Tugendhat reassured the House on Monday, May 9 following the debate on the proposed European Export Bank. The House approved of the Bank's function — to improve credit facilities both to EEC multinational exporters and to third country buyers of capital goods and services; and agreed about the need to increase competitiveness and accelerate harmonisation. However, both Parliament and banking experts had reservations about the usefulness of a European Export Bank in view of the lack of clear guidelines or an adequate forecast of costs or turnover of business. "We cannot sign blank cheques," said rapporteur Kai Nyborg (EPD/Dk).

Michel Cointat (EPD/F) was undeterred by the prevailing diffidence. "Experts never do agree anyway," he said. The value of a European Export Bank lay in the use of a single currency which would cover exporters against risk on the exchange system.

Less money

"Tourists have been treated like criminals and gangsters," asserted Erwin Lange (Soc/Ger) on Thursday, May 12. Commissioner Richard Burke reported to the House on the case of ten foreign tourists who were arrested on leaving Italy because they were unwittingly infringing Italy's emergency currency restrictions. His reassurance that all money confiscated had been returned did not placate the House. Sir Brandon Rhys Williams (Con/UK) felt currency regulations were counter-productive.

.more wine

On the same afternoon the House approved a Commission proposal to increase duty exemptions in international travel, and specifically to increase the still wine allowance from 3 to 5 litres.

Parliament as legislature

The policy of the new Jenkins Commission to "treat Parliament as if it were elected" appears to be improving Parliament's influence on Community legislation. This does *not* depend, as one might gather from the Treaties, on getting the Council of Ministers to accept Parliament's "opinion". Rather it rests on the ability of the Commission under Article 149 to change its proposals "as long as the Council has not acted".

On Monday May 9 Commissioner Tugendhat announced this month's changes to bring proposals into line with Parliament's amendments. These include three transport proposals, the harmonisation of social provisions in transport (i.e., drivers' hours, etc.), and two proposals to reduce sulphur in the atmosphere.

Much the most interesting item, however, was the highly-charged subject of fishing policy. Parliament's report, said Mr Tugendhat, "has raised some problems for the Commission". Since Parliament's amendments had been passed, the situation in the Council of Ministers had changed. The Commission had therefore presented a new proposal "which is both more wide-ranging in its scope and also more closely in line with the ideas expressed by Parliament".

Question Time

Conscientious objectors in Greece

British Minister John Tomlinson found himself in some deep water on Wednesday May 11 when answering questions on the imprisonment of conscientious objectors in Greece. Those who refuse to do national service there, claimed Jan Broeks (Soc/NL), are not only imprisoned for longer than the service period; when they come out they are called up again, and then put back in prison. Shouldn't the ending of this practice be a condition of Greek Community membership? To everyone's astonishment, the Minister at first declared the subject "outside the competence of the Council of Ministers". As it happened, however, there was a later question on the order paper, in response to which Mr. Tomlinson revealed that stage one of the Greek accession negotiations consisted "mainly in defining both parties' positions on the most important problems". So the imprisonment question was within Council's competence, claimed Mr. Broeks! No, maintained the Minister, but hinted that Parliament's opinion would somehow be conveyed to the Greek authorities.

Angolan refugees

Refugees at the moment fleeing from Angola to Zambia are being afforded aid by the United Nations relief organisations; but those fleeing into South West Africa are not. Did this not mean an unacceptable classification into "first-class" and "second-class" refugees, asked Jim Spicer (Con/UK)? For the Council of Ministers, John Tomlinson undertook to look into the matter.

Small firms

John Tomlinson was pressed on all sides of the House to call a special Council meeting of Ministers dealing with small businesses. But "one of the problems", he replied, "is that there is no Community policy on small and medium-sized enterprises, nor does the Commission seem likely to propose one at least in the foreseeable future". The Council of Ministers had to wait for the Commission.

Deep-sea fish

The Community ought to get into deeper water, Kai Nyborg (EPD/Dk) to encourage the catching of blue ling and blue whiting. Commissioner Tugendhat agreed that the Community could do a lot more to develop markets for other types of fish, but that first of all it had to agree on a fisheries policy.

Time, gentlemen

Eurobeer may be dead, and any hopes of the harmonising of opening hours and off-licensing throughout the Community appear slim from a written question to the Commission by the Liberal Belgian MEP Norbert Hougardy. He asked what the conditions of on- and off-sales were in the Nine, and in reply received a five-page summary. As any Briton will expect, laws in the UK are the most stringent, though the Belgian laws on the sale of spirits are theoretically even stricter, as being entirely forbidden except in quantities of two litres and more. Several countries have specific rules regarding sales to minors, but they are variously defined. In France, it seems a minor grows up at 14 for on-premises consumption and 16 for off. But then the laws probably reflect social habits, and probably the stricter laws are characteristic of countries where hard, concentrated drinking is more common.

Social Fund improvements approved

"By your works shall ye be judged", Michele Cifarelli (Lib/It) reminded Parliament on Thursday May 12; and all sides of the House agreed that the Social Fund, now up for review, was for the Community a positive weight in the scale. Indeed, the only major criticism was of the totally inadequate size of the Fund, given the fact of 5 million Community unemployed.

The Commission is proposing three major changes:

1. *At present, at least half the Fund's allocations have to be spent on "Article 5" projects, e.g. specific employment problems resulting from technical progress, rather than "Article 4" projects which deal with general unemployment. Though keeping the distinction, the Commission proposes that the distribution should be decided during the annual budget (and hence effectively by Parliament).*

2. *Instead of a single rate of help of 50%, the Commission proposes a choice of three rates: 65% in special regions with serious problems; 50% in other regions; 35% for specific projects independent of regions.*

3. *Changes in administration will, for example, enable 30% of the grants to be paid in advance.*

The most detailed critique of the Commission's proposals came from Elaine Kellett-Bowman (Con/UK). Why, she asked, couldn't the maximum grant rate be 90%? And, since everyone agreed that social and regional policy should be linked, what was the point in keeping the distinction between Articles 4 and 5? However, like the Employment and Social Committee report, she also hoped that existing special schemes — in particular to help the disabled — would not be reduced; and renewed her call for Community housing loans to aid employees' mobility. On this last point, she was specifically commended by Commissioner Vredeling for her "bulldog tenacity". After all, if it could be done under the Coal and Steel Community treaty, why not under the Treaty of Rome? But both Mrs. Kellett-Bowman and the Commissioner were taken to task by Tam Dalyell (Soc/UK) for approving help to "enable women over 35 to acquire a qualification or skill or to update a qualification or skill acquired earlier". "It may be I shall be thought a male chauvinist pig", he remarked, but was this really a high priority? "In a word", retorted the Commissioner, "you are out of date."

Commissioner's CAP criticisms



Commissioner Tugendhat

No-one emerged from the Parliament's debate on May 11 on the Community budget for 1978 with any hopes of any significant change in policy. Technically, changes are planned: the budget should be denominated in units of account and a proportion of national VAT revenue directly paid into the Community coffers — thus completing the Community's "own resources" system. But that the ratio of farm to other spending of three to one will alter or that indeed the total budget would be any more than 2% of the combined national budgets — and that puts the farm

fund in its true perspective — there is no likelihood at all.

Budget Commissioner Christopher Tugendhat took the opportunity to repeat — though in more muted tones — the kernel of a criticism of the present emphasis on certain sectors of farming. On the earlier occasion he had described the Agricultural Council's attitude as "frankly irresponsible" in deciding the 1977-78 price review. It was for these remarks that he was to be subjected to bitter criticism by Ministers on May 17.

In Parliament on May 11 he limited himself to commenting: "Unfortunately, the Council of Agricultural Ministers have to a great extent ignored the Commission's proposal, and have concluded a prices settlement which will increase the cost of the agricultural budget by four times as much as the Commission proposed, thus reinforcing the imbalances in the agricultural budget taken as a whole."

These remarks won him the appreciation of Lord Bruce (Soc/UK) who, however, and together with other MEPs generally more friendly towards the common agricultural policy, drew little comfort from the rest of the Commissioner's remarks. Mr. Tugendhat could see little chance in these days of national budgetary stringency of expanding Community spending in the social and regional fields, though changes in these funds' rules should aid their more effective employment.

Irish elections bill

The Irish Government published the Bill for direct elections to the European Parliament, together with an explanatory memorandum on April 19 (*An Bille um Thoghchain do Thionol na hEorpa*, 54pp. Government Publications Sale Office, GPO Arcade, Dublin, 30p).

As forecast, it proposes that:

1. all nationals of a Community country resident in Ireland shall be eligible to vote;

2. the method of voting will be the Single Transferable Vote in multi-member constituencies (the Bill in fact includes a very useful description of how this system works);

3. there shall be four constituencies, returning 3, 3, 4 and 5 Members (see *European Elections Briefing 2*).

Other interesting features of the Bill are the arrangements for registering political parties, and the provision for a £1,000 deposit for candidates.

Unofficial Journal

Former Belgian Trade Union leader Alfred Bertrand has stepped down from the leadership of the European Parliament's Christian Democrat Group, to be succeeded by the 47-year old German, Dr. Egon Klepsch. The change could have some interesting consequences for relations between Conservatives and Christian Democrats.

Dr. Klepsch, like many of his British Conservative contemporaries, built up his early political career through his party's youth movement, the CDU/CSU *Junge Union*. He joined it at the age of 20, and became its international representative in 1959. It was at this point that he came into close contact, through the maze of inter-linked student and youth organisations that exist on the international political right as much as on the left, with the British and Scandinavian Young Conservatives and Conservative Students. Though co-operation between Conservative and Christian Democrat youth movements has never been plain sailing, they have always been light-years ahead of the parent parties; and Egon Klepsch, as *Junge Union* chairman between 1963 and 1969, can claim to have been something of a pioneer.

Dr. Klepsch's experience in this direction made him a natural candidate for European Parliamentary work, and he has sat in the Council of Europe, the WEU consultative assemblies and the NATO parliamentary conference as well as the European Parliament. His leadership of the Parliament's CD Group brings with it the vice-presidency of the European People's Party (the international party, established by the Christian Democrats to fight European Elections next year).



Dr. Egon Klepsch

So any closer cooperation between Conservatives and CDs inside Parliament could even be extended outside. So far there is a very small pointer: Alfred Bertrand used to sit on the extreme left of the CD benches, as far as possible away from the Conservatives. Egon Klepsch has moved three seats nearer.

Small is beautiful (1)

It might have been a trick of the head-phones, but we could have sworn that the English interpreter on Monday May 9 referred to the Council of Ministers responsible for the Community budget as "the Council of Midgets". This must be the world's only example of a shrinking bureaucracy.

Saved for posterity?

The old "Maison de l'Europe" in Strasbourg now lies in ruins next door to the controversial "Palais de l'Europe". Bulldozers have virtually flattened it — all except for "P" block. This is being carefully taken apart, and loaded up on to lorries for transport to Luxembourg.



"P" block on the move

Unlike the rest of the old Council of Europe headquarters, "P" block actually belonged to the European Parliament. So Parliament's Bureau decided to have it dismantled, and re-erected in Luxembourg for use by staff thrown out of their regular offices there during Parliament sittings.

Unfortunately, there are some doubts about whether "P" block will stand the strain. And, on top of that, the site earmarked in Luxembourg is currently covered in trees — the permission of the Grand-Duke himself is required to cut them down.

Co-op for Eurovote

The Co-operative Party's Easter conference rejected a motion opposing direct elections to the European Parliament. The defeated motion argued that European elections were "a reversal of the trend towards devolution at all levels of government, with greater participation by the community". Sydney Irving MP had no difficulty in persuading his fellow co-operators to reject this logic.

High-risk jobs

A macabre edition of the Commission Staff Courier has been circulating in Brussels with details of the Community's insurance cover for accident and occupational diseases. If you have a hole in the head, for example, the amount you receive depends upon the size of the hole: "Loss of the substance of the cranium in its entire thickness" of an area of at least 6 sq. cms. entitles you to 40% of the total

invalidity payment. Amputation of the big toe (whether as a result of official duty or not) entitles you to 10%. If one of your legs has to be shortened by between 3 cms and 5 cms you will get 20%. And for being driven incurably insane by red tape, you get 100%.

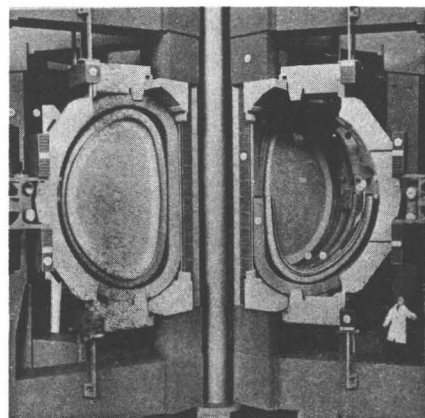
Certain surprising and little-known Community activities are hinted at in the section on accidents resulting from boxing, karate, underwater fishing and parachuting. They are only covered if they occur "in the course of or in connection with performance of official duties". But one revelation about life as a Eurocrat is positively sinister: "The following shall *inter alia* be considered accidents: . . . the unexplained disappearance of an official".

Small is beautiful (2)

The English are supposed to have a reputation for kindness to animals (except foxes); but Elaine Kellett-Bowman must have stretched non-English credence to breaking point on Thursday May 12 when calling attention to a British job-creation scheme — which could have attracted Community social funds — "to feed ants affected by the drought".

Homeless Torus

If the European Parliament does eventually abandon the Palace of Europe, the French authorities might do worse than use the building for the Joint European Torus. This amazing machine promises to give the Community, in due course, unlimited power from nuclear fusion — if only the nine Member States can agree where to build it. Culham in Oxfordshire, Garching in Germany, Cadarache in France and Ispra in Italy are locked in combat as potential JET sites; and it was no doubt to force a decision that the Commission put the thing up in the Members' lobby of the Parliament at the May sitting (see photograph).



JET all set

Of course, it was only a model the man bottom right is not even a member of the Council of Midgets). But with it went some very impressive technical literature (in French) and a technician eager to explain the functions of "bobines toroidales", "champs poloidaux" and a "Tokamak". No doubt someone will reach a decision on it someday — if, meanwhile, the Americans haven't bought up all the scientists.

K.P.G.