

## British MEPs would be "unpopular"

What would be the status of British Members of the European Parliament if the other eight Community countries went ahead with direct elections while the UK held back? "Unpopular, I'm afraid," replied Belgian Foreign Minister and current President of the Council of Ministers, Henri Simonet.

Although the Parliament rocked at this riposte to a supplementary question from William Hamilton (Soc/UK), there was serious intent about the issue, raised at Question Time on September 14. Three Members, from France, Italy and the Netherlands, had put down questions to the Council of Ministers about what is widely seen outside Britain as unnecessarily slow progress of the British legislation on European elections, and growing doubts whether it will be possible to hold the elections throughout the Community in May/June of next year.

The date of the elections was of such political and psychological importance to the Community, Mr Simonet argued, that if one or more countries held back then the others should go ahead. But, queried Michele Cifarelli (Lib/It), how did this square with the Convention which specified that the elections should take place simultaneously in all member countries? It is a matter of deciding which is more important, the legal or the political objective, the Council President

replied. With the present texts, the elections can only be held simultaneously, but if the Parliament wished to act politically in a given situation he believed that it should reserve the right to express its views in that way, not limiting itself to the strict terms of a Convention.

This view caused some controversy. Lawyers Sir Derek Walker-Smith (Con/UK) and Mario Scelba (CD/It) were sceptical. John Prescott (Soc/UK) called it an astounding doctrine. "He has . . . implied that the Treaty obligation now can be considered changed on political grounds, rather than remain a legal obligation. If that is the case there are those in my country who . . . would use, so they would argue, the obligation politically not to have those direct elections and that it is no longer a legal obligation."

For Winifred Ewing (Ind/UK) the issue was clear: ". . . when Westminster wishes legislation to get through speedily, it can very well do so. It is a simple question of the will of the British Government."

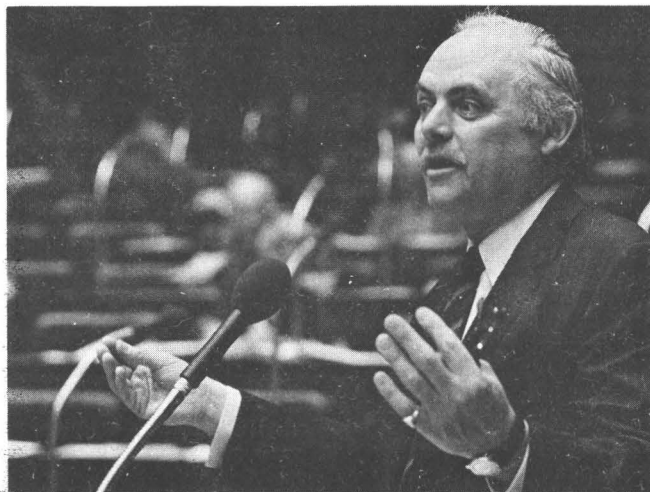
## Parliament condemns another "patch-up" Budget

It was a piquant sight: a speech from former Conservative MP and now Budgets Commissioner Christopher Tugendhat repeatedly interrupted by applause, and received at the end by the nearest thing the European Parliament has to a standing ovation — all led from Socialist benches (and the left wing of them to boot).

He summed up for Members on all sides their feelings about the 1978 Budget before the House: "the Council has always approached the budget as an accounting exercise... whereas we, Sir, and you, have taken the view that the Community budget should be the expression of the development of Community action in the coming year...". More significantly he launched a scathing attack on the earlier claim by Belgian Secretary of State for the Budget (speaking for the Council of Ministers), Mark Eyskens; that the Council's approach was one of "selective austerity". On non-agricultural expenditure (over which Parliament has most control) there had indeed been a freeze; but agricultural expenditure had been left largely untouched.

Later in the debate Lord Bruce (Soc/UK) gave some telling supporting figures for this thesis. The amount which the Council was proposing to spend on the storage of surplus food under the CAP was almost exactly the sum that was needed to finance all the new projects under dispute in the social, regional and energy sectors. "Apply your budgetary stringency first to the agricultural sector", appealed the Commissioner.

There was, indeed, little support for the Council's view. Parliament's rapporteur this year, Michael Shaw (Con/UK) described the draft budget as "a patch-up job, designed simply to by-pass the differing views and failures to take decisions that seem to feature so largely in the Council's proceedings". One of the features of the Budget to which Members most objected was the substitution of "token entries" — "of dashes instead of figures", as Michael Shaw complained — for all those policies on which the Council itself had not yet agreed. If Council *did* agree there might be Supplementary Budgets; but "we do not believe that a supplementary budget should be necessary where figures can be reasonably accurately assessed". The fact that there are some 100 token entries in this year's draft budget proved too much for even the most pro-Council Members.



Michael Shaw

This year, Parliament has, unequivocally, the power to reject the Budget as a whole; and the debate was full of references to this possibility. Michael Shaw brought it up "as a fact and not in any way as a threat". Later, for the Liberals, Martin Bangemann (Ger) called forcefully for the total rejection of "this European scandal" — adding, for good measure, that "if we were able to table a motion of censure on the Council of Ministers we should do it today".

But, of course, it is early days. Both Parliament and Council know that any actual budget for 1978 will have to be a compromise between Parliament and Council, achieved through the conciliation procedure: and this was reflected in the markedly cordial tones adopted by both Mark Eyskens and Michael Shaw at the end. The Budget now goes into Committee, to emerge for the real debate on October 24–26.

## Herring ban in 1978 approved

Yet another report on fishing by Mark Hughes (Soc/UK) was piloted through Parliament unscathed on Friday September 16, though with the difference that on this particular Friday the House was as full as it had been all week. The debate was on the Commission's proposals for banning herring fishing, in some areas into 1979; and, as Mark Hughes pointed out at the start, there could be no compromise: a ban in 1977 was meaningless unless continued through 1978.

The Germans and the Danes were principally concerned with the social problems created by a complete ban, and the Christian Democrats proposed a quota system, based on "historic rights", instead. But Mark Hughes' rejection of this idea was strongly backed by James Scott-Hopkins (Con/UK), who believed that quotas were useless compared to a licencing system for boats, skippers and equipment; and even Danish Liberal Niels Anker Kofoed, who pointed out that quotas had been totally ineffective in the past. Winnie Ewing (Ind/UK) noted that "historic rights" were a misleading basis for quotas anyway, since they would take into account industrial fishing by certain countries. Priority now had to be given to fishing for human consumption, not fish-meal; it was regrettable, but the Danes had "the wrong kind of fleet". The social consequences of a

ban in 1978 would be as nothing to the consequences if herring were exterminated.

In this, Mrs. Ewing received the support of Commissioner Vredeling, who also threw his weight behind the Hughes report; and with most of the Danes, in the end, abstaining, the report went through.

The debate was also of interest for a reason quite unconnected with fishing. Hitherto, the Commission has regarded fishing as being within the broad general sphere of competition policy: i.e. of EEC Treaty Article 103, under which Parliament has no automatic right to be consulted. The Council lawyers, however, ruled on July 22 that fishing came under Agriculture (i.e. Article 43), so that Parliament's opinion was obligatory. This must surely be the first case of Parliament's competence increasing thanks to the Council of Ministers rather than the Commission.

## Agrarian applicant

Henk Vredeling did not say what the Commission's verdict on Portugal's application to join the Community would be, but he hinted broadly where his sympathies lay, as did several MEPs. Faced with a 645 m. EUA trade deficit with the Community in 1976, 600,000 people out of work, (out of 10m. population), and a 30% rate of inflation — Portugal certainly needs sympathy and help. Its chief difficulty, as James Scott-Hopkins (Con/UK) pointed out, is that the economy is primarily agrarian: 28% of the population work on the land but produce only 14% of the GNP.

As Christopher Price (Soc/UK) said, it needs to diversify away from tourism and migrants' remittances as the mainstays of its economy. To do this it needs investment: about 15,000m. EUA worth. This sets into perspective the modesty of the Community's efforts to help, said Mario Martinelli (CD/It); the agreements before Parliament will provide 350m. EUA. And the main impact, said Mr Scott-Hopkins, would be in agriculture. Portugal wants to increase its exports of farm products, if only to redress its trade deficit with the Community.

## What help for immigrants?

On May 21 the Council of Europe (a 15-nation body, not to be confused with the Council of Ministers or the European Council) adopted a convention on the status of migrant workers: in effect, recommendations on the legal, social and cultural problems they face. Was the Community, a number of Christian Democrats wanted to know on Thursday September 15, going to adopt a similar statute?

Commissioner Vredeling, however, was sceptical. What, after all, was a convention or a statute? Nothing, unless backed up by laws. More important was the Community's own Action Programme which had led to the adoption of several directives on migrant workers' rights.

The effectiveness of even these measures, however, had already been called into question on the previous day. A recent directive makes provision for



*Eyskens defends his Budget (see p. 1)*

linguistic teaching for the children of migrant workers — but "migrant worker", in this case, refers only to those from other Community countries. What about those from non-Community countries? asked Members from all sides of the House. These comprised a third of all the children involved.

## Youth unemployment

Unemployment leads to apathy and despair and to have 2 million young people out of work was unacceptable, the House told the Commission on Thursday September 15. Members did not agree, however, as to the underlying causes or the measures the Community should adopt. Gwyneth Dunwoody (Soc/UK) felt that capitalism had proved incapable of producing an adequate employment structure. Elaine Kellett-Bowman (Con/UK), however, objected to the Socialist Group's attack on the market economy. Trade unions, she said, had priced young people out of the job market as employers found it cost little more to employ an experienced worker. Commissioner Henk Vredeling said the Community could learn from the UK experience of premiums. Also commended was a system in Belgium whereby firms employing more than 50 people had to reserve a quota of jobs for young people and each retiring worker had to be replaced by someone under 30.

## Question Time

### Uranium prospecting

The Community has been subsidising the search for uranium in Scotland, Ireland, Greenland and Germany in the past two years, Commissioner Burke told Lord Bessborough (Con/UK). A prospecting project lasted about 8 to 10 years. What was the effect, then, went on Lord Bessborough, of the Council having cut the appropriation in the 1978 Budget? Not helpful, hinted the Commissioner, in view of the encouraging results in Greenland and Ireland; but he was hoping to get the 11.5 EUA (£7.4 million) restored by Parliament.

### Channel Islands threat

At present, the Commission could not intervene in response to objections by Channel Islanders to the planned extension of the French nuclear fuel reboosting plant at Cap de la Hague, since they had not been told about them, Commissioner Burke told the House. What had the press department of the Commission been doing for the last few months? interjected Bob Mitchell (Soc/UK). "I did not say that the Commission was not aware", replied the Commissioner; "I said that the Commission had not been informed". Only at a later stage did the Euratom Treaty give them a role, though proposals for more extensive Community action on nuclear safety were before the Council.

### "Not satisfied" on insurance

Progress in producing a true common market for insurance was not satisfactory, Commissioner Henk Vredeling told Sir Brandon Rhys Williams (Con/UK). In 1973 a directive coordinating compensative insurance had been adopted; and there would be one on co-insurance in the near future. But a 1973 proposal on life assurance was stuck in Council. A 1975 proposal on restrictive categories of insurance was currently before Parliament itself.

### "Genuine" prices for steel?

Although the Community as a whole was a net exporter of steel to Eastern European countries, Commissioner Henk Vredeling said that the price of imported steel was considerably lower than that produced internally, and the Commission was examining the problem. In 1976 there was a positive balance with the USSR, Poland, Albania and Rumania, but a substantial deficit with the rest. Charles Fletcher-Cooke (Con/UK) and Tom Ellis (Soc/UK) wanted to know how you could estimate "true" prices where there was no genuine market. The Commissioner pointed out that anti-dumping arrangements could be activated if necessary; but that it was difficult to get data on production costs in the East European countries. Commissioner Etienne Davignon would be reporting shortly.

### Elasticity of cheese

Commissioner Finn Gundelach gave Parliament a firm undertaking that agreements with New Zealand concerning butter and cheese imports would be kept by the Commission. He was replying to a supplementary question from Michael Herbert (EPD/Irl) which called for the restoration of "Community preference" as the first step towards getting rid of the butter mountain.

On Mr. Herbert's original question, however, which concerned imports of New Zealand cheese, the Commissioner noted



that the agreements were less clear-cut. The Dublin agreement on imports of New Zealand cheese expires at the end of 1977, and then provides for a Commission report. It would also be covered at the multilateral trade talks.

In reply to Tam Dalyell (Soc/UK), Commissioner Gundelach told the House that the price elasticity of demand for cheese might be higher than had generally been assumed (i.e. if the price of cheese went down, so much more might be sold that the revenues to the sellers would increase).

### Commission staff shortages

Commissioner Antonio Giolitti was unable to give Elaine Kellett-Bowman (Con/UK) any assurance that the Regional Fund would have adequate staff to deal with its responsibilities in the future. As with all Commission Directorates-General, the Council had not made sufficient budgetary provision. Mrs. Kellett-Bowman was "exceedingly dismayed": there was a threat not only to new policies, but to existing programmes as well.

### Fair fares?

Air travel was in the news — with a plus for Freddie Laker for setting the IATA cartel in a swirl and a minus for British (and French and Spanish) air controllers for making air travel even more tedious than usual — when John Osborn (Con/UK) asked the Council if it was not desirable to conduct international air-route negotiations on a Community basis instead of bilaterally between individual Community states and third countries. Civil air transport in the Community was something the Council planned to discuss shortly, Mr. Simonet replied.

### Political fiction

Would an independent Scotland have an automatic right to Community membership? Tam Dalyell (Soc/UK) asked the Council. Not at all, came the reply from Henri Simonet, such a state would have to fulfill the requirements of membership. Winnie Ewing (Ind/UK), not to be outdone on her favourite ground, asked whether an independent England would be in the same position? That would be a complex problem, Mr. Simonet said, but certainly a part of any state which became separate would have to reapply for membership. Pierre Giraud (Soc/F) intervened to suggest that surely the problems of the Community were real enough without indulging in "political fiction".

### It won't happen by 1984

The protection of the individual's privacy against ever-growing data banks is one of the measures to be considered in the Commission's multi-annual programme for the data-processing industry which the House considered on Wednesday September 14. Rapporteur Pierre-Bernard Cousté (EPD/F) and several other speakers felt that IBM plants dominated the market and that the original aim of making a community-based industry competitive by the mid-80's was unobtainable. Lord Bessborough (Con/UK), did not regard IBM as a non-European company. Ronald Brown (Soc/UK) commended what the Commission was doing in coordinating its own data base facilities and looked forward to a day when he and his colleagues could press a button to obtain information.

## Memories of the Hafod hooter

Despite the energy crisis, the Community is currently suffering from a "coal mountain" — by the end of last year, stocks of coal and coke had risen to 22.3% of annual production. This might not be such a bad thing, were it not for the danger that productive capacity might be cut back. As John Osborn (Con/UK) pointed out when introducing his report on the matter, the Community is going to rely very much on coal in the future; but it is much easier to close down a mine than open it up again.

So the Commission is proposing a subsidy of 2.5 EUA (about £1.60) per ton for coal storage, in the hopes of maintaining Community production at the 1974 level. All sides of Parliament reacted favourably, except for Protogene Veronesi (It) for the Communists, who feared that the proposal would merely repeat the errors of the CAP.

But how meaningful were the proposals anyway, asked former mine manager Tom Ellis (Soc/UK)? The Council's Budget

contained no money for the scheme; not even, as Mr. Osborn noted, in the reserves. This was a pity because the proposal was certainly better than the production quotas Mr. Ellis remembered from the 'thirties, when the hooter was blown in the evening if it was not worth turning up for work next day. "There is more music in the hooter of Hafod colliery", Mr. Ellis recalled a somewhat lazy friend of his remarking "than in the whole of Handel's *Messiah*."

## It shall be what o'clock I say it is

At 12 noon GMT on Wednesday September 14, it was GMT + 1 in London, Dublin, Bonn and Copenhagen and GMT + 2 in Paris, Brussels, The Hague, Luxembourg and Rome. So the Community is divided into two time zones, something the Nine have just learned to live with.

What is far less easy to live with, however, is the fact that clocks are put on or back in different countries at different dates: on March 20 the UK and Ireland moved to GMT + 1, on April 3 France and the Benelux countries moved to GMT + 2, and on May 29 Italy moved to GMT + 2 too. So in February 1976 the Commission proposed all the Nine should put their clocks on on April 3 in 1977, April 2 in 1978 and April 1 in 1979 and that they should put

them back on October 16 in 1977, October 15 in 1978 and October 14 in 1979. What Horst Seefeld (Soc/Ger) wanted to know on the 14th was: why it is taking the Council so long to adopt this Commission proposal to deal with the chaos? He got no reply. So on September 25 France, the Benelux countries and Italy will all move back to GMT + 1. But the UK and Ireland will not move back to GMT + 0 until October 23.

## Curbing foot-in-the-door salesmen

We have the perfect European apple but not the perfect consumer who can afford to buy it. This is how Lady Fisher (Soc/UK) on Tuesday September 13 reproached the Community for its inadequate consumer policy.

We would do well to revise the whole CAP, she continued — what was the consumer to make of mountains and lakes of surplus produce? Commissioner Richard Burke reported to the House that measures drawn up by the Commission on the basis of the Montpellier symposium of December 1975 included the promotion of consumer associations, the establishment of arbitration bodies and the simplification of legal proceedings. Sir Derek Walker-Smith, however, warned against adopting measures which would lead to over-legislation; and Pierre-Bernard Cousté (EPD/F) saw consumer education as of crucial importance in the promotion of consumer

interests. It should, in fact, begin in the primary school, while adults could also benefit through effective use of the media.

More specifically, the House welcomed Commission proposals aimed at protecting consumers who conclude contracts involving more than 15 EUA (about £10) with doorstep salesmen. The chief recommendation is that the purchaser should have the right to cancel the contract within seven days. Rapporteur James Spicer (Con/UK) called successfully for the exclusion from the provisions of delivery of milk and other foodstuffs and of mail-order trading. Commissioner Burke accepted the first; but not the second.

## Warning against "blind optimism"

The gravest economic ills of the Community were unemployment and lack of investment, the House agreed on Wednesday September 14. Rapporteur Lord Ardwick (Soc/UK) called for structural changes in employment policy and specifically for Community loans to back development projects.

There was also a need to avoid protectionism in trade with third countries, he said. Sir Brandon Rhys Williams (Con/UK) called on the Commission to give a lead by making specific proposals. He saw the attainment of the 30-hour week as a means of increasing productivity and revitalizing industry. In the monetary sphere forcing currencies to join the 'snake' had served no useful purpose. He applauded the recent reduction of interest rates in London.

President of the Council Henri Simonet felt progress had been made but warned against blind optimism. He believed in 'organised liberalism', he said — markets should be closed to products already highly competitive in Europe. Vice-President of the Commission Francois-Xavier Ortoli said that current problems were not merely short-term and arose through inability to adapt to changing structures. On the international market we constantly met with new competitors.

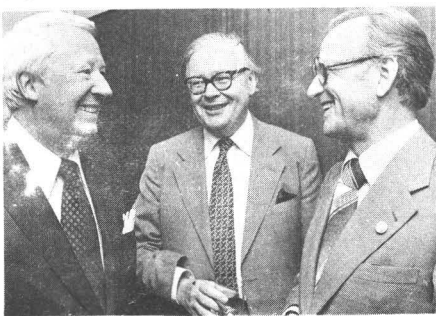
# Unofficial Journal

There was an unusual number of Conservative MPs about the European Parliament during its September sitting in Luxembourg. They included shadow Chancellor of the Exchequer, Sir Geoffrey Howe, who could be seen during the week deep in conversation with various Commissioners in the Members' bar; and also former Prime Minister Ted Heath.

The Heath visit naturally gave rise to speculation: was he, asked excited German pressmen, about to follow ex-Chancellor Brandt and announce his candidature for the directly-elected Parliament? As it happened, however, the main purpose of the visit was more immediate: Mr. Heath was seeing the Parliament and Commission Presidents in preparation for his speech to the Conservative Party conference CPC meeting on Wednesday October 12. This in itself, however, is likely to be something of a major pronouncement, and for the first time the Blackpool conference hall itself has been booked for an evening meeting.

## Group shuffle

Seven other Conservative back-benchers from Westminster were also about — to say nothing of Central Office's new "Director of Communications"; and observers might have been forgiven for thinking that the Group in the European Parliament had suddenly dilated. As a matter of fact it has, by one: as a result of the latest Danish elections, the European Parliament now has a genuine Danish Conservative, Mr. Ib Gunnar Stetter (the other Danish Member of the European Conservative Group, Erhard Jakobsen, is a Centre Democrat).



Ted Heath, Geoffrey Rippon and Ib Stetter.

The Danish, together with the Belgian, elections have also altered the strengths of every other Group bar the Communists. They now stand at:

Communists	17 (same)
Socialists	65 (+ 2)
Christian Democrats	53 (+ 1)
European Progressive Democrats	18 (+ 1)
European Conservatives	18 (+ 1)
Liberals & Democrats	24 (- 3)
Independents	3 (- 2)

## Eurospeak

Visitors to the European Parliament at Luxembourg sometimes hear an introductory briefing in the "Blue Room" of the tower building, recently taken over by Parliament from the Commission. If you have a few moments to spare, wander through the thick blue curtains opposite the door; and you will find yourself in a lavish, but now out-of-date exhibition on the history and working of the Community.

The texts are not just printed: they are engraved in what seems to be stainless steel; which makes the English version that much more curious.

"The economic unification of Europe which stepwise progresses within the framework of the European Community", it begins, "must lead to political unification. This aim has been stressed on the occasion of the Paris top-conference where the heads of the states and of the government from the nine countries, members of the Community, met. Seen under this angle", the first panel concludes, "it has been decided on that occasion that a 'European Union' has to be created by the end of this present decade."

The other panels are all much the same. That on environment policy, for example, mentions the action programme which "takes into consideration the purposeful handling of natural resources, the ecological equilibrium, the outlines for life and suggest (sic) cooperation on world-wide level for common solutions (sic) of the environment problems."

The Commission is now said to be worried about the linguistic implications for the Community of Greek, Spanish and Portuguese membership. They can't have been too happy about English either.

## Tacete!

But Parliament also suffers from language problems. At the middle of Commissioner Tugendhat's speech on the Budget, Tam Dalyell (Soc/UK) rose to object that it was "impossible to follow or concentrate on these necessarily complex matters if for ever people are coming in and having discussions in the plenary sitting". Parliament President Colombo agreed; and made a further appeal for quiet.

There was, however, a problem. Though Members have headphones through which they receive simultaneous translation of the proceedings, those Members not in their seats, or the ambulant Group officials, do not. Two staff members, indeed, were holding a loud and passionate conversation at the back of the Chamber throughout the appeals of Mr. Dalyell and the President, of which they took not a blind bit of notice. How could they? Presumably they understood neither English nor Italian.

## Swinging elections

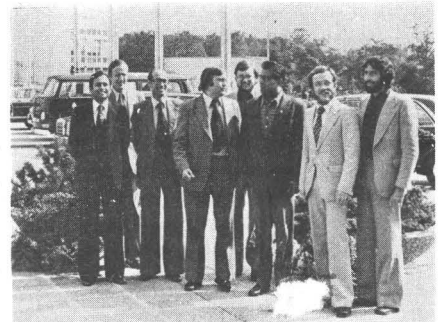
Remember Veronica? She was a radio station in the great days of the pop pirates, broadcasting from a disused fort off the Dutch coast; and only closed down in 1973 when the Dutch Government had put through the necessary legislation.

Veronica got her revenge. Under Dutch

broadcasting rules, anyone (presumably within reason) can put together their own radio and television programmes and get them transmitted, provided they are backed by 100,000 signatures. With the aid of a special magazine, Veronica did it; and now has three hours of radio time and one of television under the name of VOO (Veronica Broadcasting Association).

And where does the European Parliament fit in? In one of VOO's television programmes. Filming has recently been completed for a special examination of the Parliament in the light of the coming European elections — not surprisingly, it features the Member who did most to devise the election arrangements, Dutch Socialist Schelto Patijn.

So, Caroline, where are you?



A delegation from the Australian Parliament, led by Liberal Senator Harold Young, were in Luxembourg during the September sitting of the European Parliament. This is the second Australian Parliamentary visit — the first was in June 1975 at Strasbourg.

Also in Luxembourg was the new Indian Minister of Industries, Mr Georges Fernandez, seen here with members of his staff; John Prescott (Soc/UK), Schelto Patijn (Soc/NL); and Socialist Group officers.

## School speakers

Among the large number of visitors to the European Parliament in September (among them the Scottish CBI and a party of Scottish grocers) was a group of four from British schools: Misses Fiona and Jennifer Smyth from the Dunganon High School for Girls, Northern Ireland; and Bill Buckley and Michael Roberts from the Bishop Vesey's Grammar School, Sutton Coldfield. They were the winning teams, respectively, of the junior and senior "Growing up in Europe" schools speaking competition, organised earlier in the year by the British Junior Chamber and the Midland Bank. The first prize in each category included a visit to Brussels, Luxembourg and Strasbourg.

## Culpa nostra

The Parliament information service's twice-daily press diary for the evening of Wednesday September 14 reported that day's debate on the computer industry under the title: "Date processing". Journalists hoping the Community's computer along the road would fix them up with a girl-friend for the evening, however, were disappointed. And so were the agricultural experts. It was a misprint.

K.P.G.