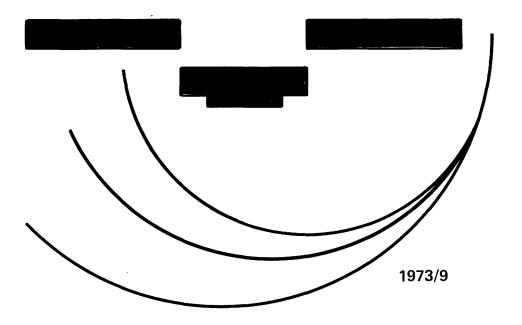
european parliament

information

PARLIAMENT IN SESSION



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The European Parliament was in session in Strasbourg from Monday, 12 November to Friday, 16 November

Chancellor Willy Brandt addressed the House on Tuesday, 13 November, being the first Head of Government to do so. Speaking from the rostrum reserved for rare occasions (such as the Commission President's annual report), the Federal Chancellor was warmly received and frequently applauded and, as he resumed his seat on the Council benches at the end, Members applauded for several minutes.

The budget for 1974 was debated and voted on and Parliament delivered its opinion on regional policy.

The oil crisis was discussed and there were several important statements by Commissions: Mr Henri Simonet on energy policy, Mr Wilhelm Haferkamp on the second stage of Economic and Monetary Union, Mr Petrus Lardinois on overhauling the common agricultural policy and Mr George Thomson on regional policy. Mr François-Xavier Ortoli made an important statement on cooperation between the Commission and Parliament.

There was no statement by the Commission on action taken on resolutions agreed to by Parliament.

Parliament held its Twentieth Joint Meeting with the Council of Europe.

Chancellor Willy Brandt addresses Parliament

A Germany Chancellor addressing the European Parliament on French soil was not, he said, an everyday occurrence. It showed how far Europe had progressed towards unification.

He began by referring to the tragedy in the Middle East. Europe could only help resolve the situation through the closest cooperation. This had been achieved through the Communiqué of the Nine Foreign Ministers. But political unity had its price. 'It demands the discarding of accents which some of the Member States would want to set more strongly than others.'

As regards Israel, however, the Chancellor stressed that, for Germany, there could be no neutrality of the heart or conscience. But Germany's commitment would also benefit the Arab world. He asked what the Community could do to improve the prospects for peace, through food aid and support for the settlement of refugees.

Turning to European unification he said, "We can and we will build Europe'. Only in a Europe that had found its personality could we secure our national identities. But he wanted faster progress. He therefore accepted the French President's proposal for regular summits. This could be a decisive step towards political union.

The aim was a sensibly organized European government able to take the necessary decisions in areas of common policy and subject to parliamentary control. The European States, he said, would transfer to that government those sovereign rights which can only be exercised effectively together.

This would be in charge of the economic and monetary community, the social community, perhaps also the educational community, definitely the community of foreign affairs and, one day, the community of defence under European sovereignty.

He thought the peoples of Europe should be more closely involved and feel that Europe had an effect on their everyday lives. Europe must remove frontier checkpoints and alien laws.

One should not, he said, accept the increase in the number of customs officials or the fact that customs regulations were getting more complicated. National bureaucracies should not be given a European dimension. 'What we want is a Europe of common sense.'

Chancellor Brandt spoke of Europe's ties with the rest of the world, particularly the United States of America. He looked for a consolidation of the Atlantic Alliance on the basis of a partnership between equals. He stressed the importance of cooperation with the Soviet Union and the East European States.

He thought that the bilateral negotiations and plans of individual governments in their relations with other world powers and the third world should be reviewed together with partner States.

Chancellor Brandt said progress must be fastest in Economic and Monetary Union. There had to be a better harmonization of cyclical policies but he accepted that it would not be possible to go on to the second stage by January 1974.

Structural differences between Member States had to be evened out through a policy designed to serve the rehabilitation of the regions concerned.

On agriculture, Chancellor Brandt said markets must progressively be stabilized to secure a better balance between supply and demand. The Community had also to take part in a World Food Programme for it clearly shared responsibility for providing food for the developing countries.

Referring to oil, he appealed to the Community institutions to mobilize cooperation before the Copenhagen Summit.

Chancellor Brandt called for tighter control over Community spending, not least through wider powers of control for the European Parliament.

Social progress, he added, had to rate with economic growth because production and consumption could no longer be regarded as an end in themselves.

Referring again to regular summits, he said these should impart a real impetus.

Chancellor Brandt said nothing must keep us from progressively adding to the powers of the European Parliament. Its powers must be widened. Parliament needs to have a say in decisions, especially those giving the Community more scope without national parliaments being involved.

'A mediation committee of the kind you have suggested and which exists in Bonn between the Bundestag and Bundesrat is well suited to preparing budgetary decisions by both the Council and Parliament.'

The Chancellor reminded the House of his suggestion that leading parliamentarians should take part in debates.

Finally, he said, the European Parliament had to prepare a report on changing all the relations of the Member States into a European Union.

'We want to achieve that goal by 1980.'

President Cornelis Berkhouwer thanked Chancellor Brandt. He hoped the Chancellor's views would prevail at the next Conference of Heads of State or Government of the Nine.

Sitting of Tuesday, 13 November 1973

Budget for 1974

Debate on Report (Doc. 230/73) drawn up for the Committee on Budgets by Mr Rafton Pounder (British, European Conservative)

Parliament's consideration of the budget was split between Tuesday morning, Tuesday afternoon and Thursday morning.

Mr Pounder saw the budget as a statement of Community policy and a declaration of intent. It was also an opportunity for a shift of emphasis away from agriculture to social affairs and regional policy. It was regretted that the budget included only a token entry for the regional fund.

Mr Pounder found the presentation of the budget sloppy. This prevented the House from making a full and proper assessment of its financial implications.

The Council had altered 34 of the 47 chapters of the budget. Parliament had not been informed of the real reasons for the Council's decisions. Mr Pounder noted supplementary budgets would be needed. When the Community became fully self-financing this would create serious problems.

Mr Ivar Norgaard, President, said the Council would study the draft general budget, as modified by the European Parliament, with the attention it deserved.

Mr Heinrich Aigner (German, Christian-Democrat) found no lack of goodwill on the Council's part. What was lacking was any involvement by Parliament in decision-taking. It was the Permanent Representatives who took the decisions, after what was a 'hearings procedure'. This was not satisfactory. The 1974 budget lacked the stamp of a policy. What funds were to be made available for a common energy policy, for common research, for a common industrial policy? Where were the resources for regional policy? The second stage of Economic and Monetary Union would not begin if regional policy were not tackled.

The Council was lagging behind in every field. If Parliament was to mobilize public opinion in support of Europe, public discussion was needed. The public should know who was in favour of Europe at home on Sundays but was not ready to act. Mr Aigner was disappointed the Commission had not fully endorsed Parliament's budgetary proposals, and he trusted the matter would not rest there

His Group would, he said, agree to the motion.

Mr George Spénale (French, Socialist) said the 1974 budget would, in one sense, lead into that for 1975. He had hoped for a change of emphasis but 90 % of the budget concerned CAP. The Commission had made proposals to diversify the budget but the Council had rejected them or cut them down on the grounds that all the details had first to be worked out. On this Parliament had to agree. It was better than saying 'the funds have been approved. There is nothing left to discuss.'

It was not good enough to include a contingency item for sums not appropriated. It would be too lax a method when the Community became fully self-financing.

The Committee on Budgets, he said, would agree to the motion.

Miss Astrid Lulling (Luxembourg, Socialist) regretted there was no decision setting agricultural prices for the period covered by the budget. This made it even harder to assess how much money would be needed.

The Committee on Agriculture, she said, would be tabling three modifications.

Mr Claude Cheysson, the Commissioner responsible, was not happy about the way the budget was being discussed. It was not being given the prominence it deserved. The Commission too was at fault here: the budget, he said, should be seen as one of the most important documents of the year.

The budget was an exercise in forecasting. It should provide a check on the execution of common policies, forecasts being compared against actual results. The Commission would step up the flow of information on the actual use of appropriations, possibly through quarterly reports. He undertook to improve the presentation of the budget.

Mr Cheysson then announced plans for tightening controls over the use of Community funds.

Internal control

An official would be appointed to each of the main fund-consuming departments to check their use of funds. Every new proposal submitted to the Council and Parliament would be backed up with a draft financial regulation and a plan for keeping a check on fund use.

External control

Mr Cheysson agreed this was the more difficult aspect. He accepted Mr Aigner's long-standing recommendation to set up mobile teams to travel as required. They would go either to make systematic checks for the Commission departments concerned or to make spot checks for the audit service. This would be in cooperation with national administrations but it would be financed by the Community.

He added that requests would be addressed to governments with a view to improving the information at present available. The responsible committees of the European Parliament would be consulted on control measures so that the new system could come into operation in the spring of 1974.

An extraordinary frauds committee was to be set up comprising senior audit experts from national administrations. They would be seconded to the Commission for a few months at a time. Mr Cheysson thought that if a few frauds were then investigated, this would show up the loopholes in Community law. This new committee would be having its first meeting on 29 November. Parliament would be informed of the results.

Turning to the budget itself, he agreed the figure of 5,000m u.a. was misleading because it did not include any appropriations for regional policy. 5,500m u.a.

would be nearer the mark. The new budget was 400m u.a. or 8 % of greater than that for 1973 (including supplementary budgets) but included new policies. This meant a cut in funds for other policies. He felt this effort to contain expenditure deserved recognition.

Expenditure on CAP was down from 80 % to 69 % and social expenditures were up only from 5.5 % to 6 %. The EAGGF (Guarantee Section) had been cut by 300m u.a.

Receipts from own resources were up from 2,600m u.a. to 3,800m u.a.. If 500m u.a. were included for regional policy, the overall increase of 400m u.a. corresponded to the increase in the budget as a whole.

Mr Cheysson concluded by asking Parliament to give the budget the place it deserved; at the same time the Commission wanted Parliament to be in a position to assess Community policies in detail through the budget.

The debate was then thrown open to the House.

Speaking for the Communists and Allies Group, Mr Fazio Fabbrini (Italian) took issue with the Commission for failing to take Parliament's recurrent criticisms seriously. Parliament's annual reports for better budget presentation and content had been ignored. He noted that four-fifths of the Community receipts would go to agricultural policy and regretted that the funds were going to the Guarantee and not the Guidance Section.

He asked the Council for an assurance about regional policy and deplored the fact that after fifteen years the Community was still not setting aside enough funds for social policy.

His Group would vote against the motion.

Mr Maurice Dewulf (Belgian, Christian-Democrat) urged the House to accept a budget modification that would release more funds for the Sahel region. The drought-stricken countries involved were in a desperate situation and the six to eight million people who lived there needed help now. He expressed his appreciation of the response of the press and the public but underlined the urgency of the situation.

Speaking for his Group, Mr Alain Terrenoire (French, European Progressive Democrat) took issue with the Council for failing to inform Parliament of its intentions, both as to policy and its budget. Broadly endorsing the rapporteur's comments, he agreed the Community was the result of its budget. Even more, however, it was the result of our will and the resolve of our governments.

Mr John Hill (British, European Conservative) welcomed Mr Cheysson's proposals for better controls. His Group would put down a modification to provide the Commission with the funds it needed for this purpose.

Mr Jean Berthoin (French, Liberal) said the Council had never given a proper explanation of the principles underlying its decisions on the budget.

Mr Ivar Norgaard, President of the Council, thought it curious to find complete agreement among Members when governments from the same political parties as those in the House often disagreed.

He told Mr Fabbrini the Council was not being negative in not including 500m u.a. for the regional fund. To set the amount before discussing content would lead to smaller appropriations.

Arrangements had been made for paying out money as from 1 January.

He told Mr Dewulf that his request would be referred to the Council. He told Mr Spénale that cooperation between the institutions would be stepped up and his proposal for a meeting between Council, Commission and Parliament on budgetary powers would be considered.

The Commission could include a plan of reasons for the draft budget to ensure Parliament had all the necessary information.

It was not always possible to give reasons for changing appropriations. The Council had to strike a balance and keep the budget within reasonable limits, acceptable to all Member States.

Procedure for handling the budget in 1974 was still under discussion.

Winding up the debate, Mr Rafton Pounder (British, European Conservative), suggested an alternative form of presenting the budget to the bulky volumes one

had now. This would be to make greater use of the ordinary columnar practice. Beside the budgetary item there would be four columns:

- (a) the Commission's proposals
- (b) the Council's drafts
- (c) Parliament's suggestions and
- (d) the final product.

He concluded by referring to another irregularity, involving 3m u.a. This is bad for our image.' Parliament must acquire the powers national parliaments were losing.

The motion tabled

- 1. called for better cooperation between instutions,
- 2. noted that the procedural commitments entered into on 22 April 1972 have not been observed,
- 3. noted the Council's intention to introduce supplementary budgets and warned that this practice must be discontinued,
- 4. criticized the presentation of the budget,
- 5. criticized the lack of appropriations for industrial development policies and the small amounts set aside for research, youth activities, the environment and information policy.

The resolution was agreed to and a large number of proposals for modifications to the budget were adopted.

Sittings of Tuesday, 13 November and Thursday, 16 November 1973

Regional Policy

Debate on second report drawn up for the Committee on Regional Policy and Transport by Mr Fernand Delmotte (Belgian Socialist), on the Commission's regional policy proposals.

Mr Delmotte said his committee had held four meetings since the October sittings and that the thirty-three amendments to the original motion had been the main business dealt with.

Regional policy was a key feature in establishing economic and monetary union. But this would not be possible while there were still people with incomes of only one fifth of those enjoyed in the most prosperous regions.

It was no doubt the failure of national regional policies that prompted the Nine to call for a common drive.

The regional fund proposed ought to finance industrial investment and the infrastructures needed to promote industry and services. But it should also finance infrastructures which would produce no immediate yield: the cultural and social services, for example.

He stressed that spreading aid to meet countless requests was a temptation to be resisted. The result would be little better than that achieved before. The problem, he added, had to be seen as a whole.

He concluded by asking that priorities be established by reference to

- 1. the seriousness of imbalances
- the lack of available national funds.
- 3. the comprehensiveness of programmes submitted and, hence, the guarantee of their effectiveness.

Mr Karl Mitterdorfer (German, Christian-Democrat), spoke for his Group and the Committee on Economic and Monetary Affairs. He hoped the Commission's proposals would be the beginning of the common policy our peoples hoped for.

He agreed with Mr Delmotte about not concentrating wholly on economic aspects. There was more to regional policy than economics. Conditions had to be created to enable people to live decently.

He was concerned that the proposed committee would sit between Commission and Council. It could, he feared, become a clearing house for national interests.

Speaking for the Committee on Social Affairs and Employment, Lady Elles (British, European Conservative), was concerned about the reliability of statistics and asked for an assurance that this point would be looked into. Lady Elles stressed the importance of housing, education, hospitals and vocational training

in regional development. Similarly, the regional fund could not be applied thinly. Enough help must be given to build a new society in the areas concerned.

Mr Thomas Nolan (Irish, European Progressive Democrat), was concerned as to whether those benefiting from CAP or the social fund might not benefit from the regional fund.

Speaking for the Socialist Group, Mr Doeke Eisma (Dutch, Socialist), welcomed the new social emphasis the regional fund would give the Community. Member States had to forego national interests and concentrate on the three main underdeveloped areas of the Community: Ireland, Southern Italy and parts of the United Kingdom.

Speaking for the Liberal and Allies Group, Mr Russell Johnston (British) agreed with Mr Mitterdorfer and Lady Elles that regional development was more than a simple economic matter. It was about living in an area under circumstances which made it desirable to do so.

Speaking for the European Conservative Group, Mr James Hill (British) also said 'regional policy is about people — people changing their national way of life, people who are destitute, people forced to migrate, people who are trained for only one profession, of necessity now having to be retrained and whole families who have to be rescued from calamities due mainly to the evolution of our industrial life'.

There was, he said, no denying the anxiety felt by Members from Ireland and Italy that the Commission might have to spread Community aid too widely.

'How', he asked, 'can Community aid help stop migration from the West of Ireland? How can the Community try to give jobs to people in villages in Sicily who are losing hope of ever having a secure job for themselves or ever having a future at all?'

Speaking for the European Progressive Democrats, Mr Brian Lenihan (Irish), suggested that 3 °/o loans from the European Investment Bank should not be subject to population or percentage criteria.

Looking ahead he said what mattered was that as from 1 January 1974 the fund should be administered in a flexible way and that the unique character of special regions would be recognized. He hoped a two-tiered attitude would be adopted regarding these regions.

Speaking for the Communists and Allies, Mr Luigi Marras (Italian), recalled the disappointment of his Group at the way the regional policy suggested by the Paris Summit had come into being. His Group was sceptical about the measures proposed. A comprehensive approach was needed because there were pockets of under-development and poverty. The gap between the Mezzogiorno and Northern Italy, for example, had widened over the last twenty years. A new development policy was needed. Otherwise, in twenty years' time, the results would be the same. This would hinge on full employment to stop emigration. In other words regional policy must be dovetailed with social policy. Nevertheless his Group would not oppose the motion. They would abstain.

Replying to the debate, Mr George Thomson, the Commissioner responsible for regional policy, agreed that the funds proposed for the first three years (2,250m u.a.) were a minimum appropriation. Parliament had a vital part to play in creating the climate that would ensure these sums were agreed by the Council of Ministers.

The size of the fund proposed was big enough to make an impact and modest enough to be politically realistic in terms of a breakthrough, which naturally took some time to bring about in terms of public opinion in the Member States.

It was, he said, important to net donors that the funds were well-managed and produced results.

The regional development fund would have a fixed annual budget and criteria had been worked out for determining priorities should claims exceed resources.

He did not agree the Commission's approach was purely economic. He did, however, regard infrastructure as one of the most important ways in which the fund could be administered. Turning to the main issue, as to how far or how little the resources of the fund should be concentrated, he said this was a matter of judgment. He reminded the House that the populations in the areas included provided a weighting in favour of distributing resources according to relative need. Similarly, the Commission had the right to vary the rate of grants to take account of different priorities.

Referring to Mr Lenihan's point, he said the Member State claiming ,id from the European Investment Bank would have a subsidized rate of interest without having to make a national contribution of its own to the project.

Finally, flexibility as to rate of grant would enable the Commission and the Community to ensure the distribution of the fund genuinely reflecting the intensity of need.

The resolution agreed to

- 1. urged the Council to adopt the proposals by December 1973
- 2. insisted that for 1974, 1975 and 1976 a minimum appropriation of 2,250m u.a. be included in the budget for the regional development fund
- 3. insisted on the need for a deeper regional analysis to enable the Comission to identify the most pressing regional problems
- 4. stressed educational, occupational and social infrastructures
- 5. stressed the problems of countries with no industrially developed regions to draw on for a transfer of resources
- 6. asked the Commission to institute fund use controls as soon as possible.

Sitting of Thursday, 15 November 1973

QUESTION TIME

Questions to the Council

Community production of aero-engines No. 119/73 by Mr Luigi Noè (Italian, Christian-Democrat)

What measures does the Council intend to take to help put Community manufacturers of aero-engines in a position to compete with rivals in third countries in the design of models that in respect of noise and air pollution are less of a threat to the environment and which alone will be acceptable in the future?

Mr Ivar Norgaard, President of the Council, replied as follows:

'I would remind you first of all that, on 19 July 1972, the Council received a communication from the Commission on Community policy on industrial and

technological development in the aeronautical sector. This programme provides for a number of long-term objectives and measures and also for measures of immediate benefit to the aeronautical industries of the Community. This communication is at present being examined by the Council.

In addition, on 1 August 1973, the Commission submitted a scientific and technological policy action programme aimed at developing a common policy in this field, as provided for in the October 1972 Summit Conference communiqué. Within the framework of the latter programme, the Commission has submitted a proposal for a research and development programme in the aero-engine construction industry, one of the aims of which is to reduce noise and exhaust pollution.

The Council authorities are examining this text at the present time and the Council expects to come to a decision on these proposals before 1 January 1974, as envisaged by the Heads of State or of Government of the Member States at the Paris Summit Conference.'

Social Policy of the Community No. 135/73 by Lord O'Hagan (British, non-attached)

'What steps are the Council taking to ensure that the EEC soon has a genuine social policy?'

Mr Ivar Norgaard replied:

'The Conference of Heads of State or of Government on 19 and 20 October 1972 invited the Institutions of the Community to adopt, before 1 January 1974, a social programme laying down action to be taken and providing for funds to cover it.

The Commission submitted its proposals on this programme to the Council on 25 October 1973.

The Council immediately consulted the European Parliament and the Economic and Social Committee on those proposals and will discuss the matter in the light of their opinions.'

Release of political prisoners in South Africa No. 144/73 by Mr Férard Bordu (French, Communist)

'In view of the apartheid system established by South Africa's racist regime, does the Council not feel it should join in the world-wide campaign for the immediate release of political prisoners held under racist laws and does it not feel it should support the call made on 11 October 1973 by more than thirty democratic organizations in France for the establishment of international commissions of inquiry?'

Mr Ivar Norgaard stated:

'The Question raised by the Honourable Member is not within the Council's competence and it cannot therefore take a position on the matter.'

Global development aid policy No. 145/73 by Mr Maurice Dewulf (Belgian, Christian-Democrat)

'In the light of the Summit undertaking to produce surveys and decisions in 1973, and having regard to the initial findings of the working party on 'Development Cooperation' and the association policies now being formulated, how does the Council propose to bring into force the agreements already reached and to continue its consideration of outstanding questions, and according to what priorities will it do this?'

Mr Ivar Norgaard replied:

'The Council devoted a special meeting to the problem of development cooperation on 5 November 1973.

I consider it can be said that a general consensus was reached in the Council on six Resolutions regarding:

- the harmonization and coordination of cooperation policies in the Member states;
- the agreements on commodities;
- generalized preferences;

- the promotion of exports to developing countries;
- technical assistance for regional integration between developing countries;
- problems raised by debts incurred by developing countries;

considering that it would not be possible to reach a definite agreement on the problems raised by global development aid policy as a whole until the end of the discussions.

The Council, which intends to hold its next meetings on problems od development cooperation shortly, and if possible before the end of 1973, will then examine in greater detail the financial problems and in particular those concerning the amount of public aid to development and the possibility of supplying non-associated states with financial aid from Community Funds.'

Questions to the Commission

Reply procedure for Written Questions
No. 123/73 by Mr Russel Johnston (British, Liberal and Allies)

'When does the Commission expect to have completed its current study of the possibility of improving the existing procedure for replying to Written Questions?'

Mr Scarascia Mugnozza, Vice-President, replied that the Commission's new procedure would apply to all questions received after 1 October 1973. The aim was to answer all questions within one month.

1974 International Conference on the Law of the Sea No. 126/73 by Mr John Brewis (British, European Conservative)

'What progress is being made in the development of a Community policy to be followed at the International Conference on the Law of the Sea in 1974, and when will their proposals in that connection be forwarded by the Commission to the Council and to the Parliament?'

Mr Scarascia Mugnozza replied that in the preparatory work at Community level, fishing was the main point under discussion. It was not unlikely that the Commission would submit fresh proposals. If it did so, Parliament would be consulted.

Concerted control of the activities of multinational companies No. 132/73 by Mr Augusto Premoli (Italian, Liberal and Allies)

'Can the Commission specify what policy it intends to propose to prevent multinational companies becoming a source of fiscal and monetary disruption, whether in particular it intends to accord favourable treatment to multinationals of Community origin and whether a common position has been worked out for the Geneva meeting of the group of twenty prominent figures chosen by the United Nations Economic and Social Council?'

Commissioner Altiero Spinelli replied that a memorandum on this subject had been submitted to the Council and Parliament the previous week. The guidelines and measures proposed were designed to protect the Community against multinationals having any damaging effect without at the same time thus prejudicing the economic and social benefits to be claimed from them.

The measures concerned taxation, security of supplies, the balance of payments, monetary stability, worker protection, maintaining competition, the engagement of workers, protecting the developing countries and improving information.

As for protecting enterprises of Community origin, there was no intention to propose discriminatory measures. Efforts to remove obstacles to transnational mergers would continue.

The Commission would repeat the Geneva experiment as regards guidelines for multinationals, particularly with reference to fiscal problems and competition.

Belgian decree on languages to be used in labour relations in Flanders No. 133/73 by Mr Ludwig Fellermaier (German, Socialist)

'Is the Commission aware that under a Belgian Government regulation only the Dutch language is to be used for communications within undertakings in the Flemish-speaking parts of the country and that the use of another language is a punishable offence, and does it not take the view that this government regulation constitutes a violation of Article 49 of the EEC Treaty, which guarantees freedom of movement for all workers in the Community?

Dr Patrick Hillery, Vice-President, replied that the Commission would ensure Community regulations were properly applied. It was however waiting to see how the relevant Belgian decree of 19 July was interpreted by the national authorities.

EEC levies on exports of Irish cattle No. 146/73 by Mr James Gibbons (Irish, European Progressive Democrat)

'Is the Commission aware that the imposition of 16 % levies by the EEC on exports of Irish cattle to the continent results in a distortion of trade while at the same time Third Countries (e.g. Yugoslavia) are permitted to export without the payment of duties, and is corrective action contemplated?'

Mr Scarascia Mugnozza replied that the relevant levies were not more than 12.8 % o/o. The levy on imports from Yugoslavia, on the other hand, amounted to 16 % o/o. There was therefore an appreciable difference.

Review of the Common Agricultural Policy No. 147 by Mr James Scott-Hopkins (British, European Conservative)

'When will the Commission be in a position to announce the results of the review of the Common Agricultural Policy which it has undertaken?'

Mr Scarascia Mugnozza, Vice-President of the Commission, replied that his colleague Mr Petrus Lardinois would be making a statement on this subject.

Protective measures for Europe's textile industry
No. 150/73 by Mr Alain Terrenoire (French, European Progressive Democrat)

'What measures does the Commission intend proposing, in the form of safeguard clauses for instance, to protect Europe's textile sector against goods imported at dumping prices from Asia and Eastern Europe in particular?'

Sir Christopher Soames, Vice-President of the Commission, said there were a number of ways in which the Community could deal with such cases. There was the anti-dumping regulation enabling the Community to impose countervailing duties. Quantitative restrictions were also possible. As regards cotton textiles, the 1962 GATT agreement allowed for adequate safeguard measures. This expired at the end of the year and a new multi-fibre textile agreement covering cotton, wool and artificial and synthetic fibres was now under negotiation in Geneva. The end in view was a balanced expansion of world trade in textiles by progressive liberalization of imports in such a way as to avoid any threat to the markets of importing countries.

Common commercial policy and economic and technical cooperation No. 151/73 by Mr Hans Edgar Jahn (German, Christian-Democrat)

'In the view of the Commission, where does the boundary lie between common commercial policy and economic and technical cooperation?'

Sir Christopher Soames replied that neither nature nor politics ever drew such a line without smudging it. He thought the best hope for progress lay in a pragmatic approach.

Sitting of Tuesday, 13 November 1973

Oil crisis, energy policy

Debate on the report (Doc. 220/73) drawn up for the Committee on Energy, Research and Technology

by Mr Tom Normanton (British, European Conservative) on guidelines and priorities for a Community energy policy and on the report (Doc. 213/73) drawn up for this committee by Mr Jean-Eric Bousch (French, European Progressive Democrat) on the supply and use of gas

Mr Normanton's report welcomed the Commission's proposals but expressed concern at the lack of an overall plan for a common energy policy. It referred to a report (Doc. 36/73) drawn up by Mr Pierre Giraud (French Socialist) outlining how a common policy could be introduced in stages.

The report noted the Community's dependence on oil for the bulk of its energy needs. Even in 1980, when North Sea yields could be between 100-150 million metric tons, 85 °/o of the oil consumed in the Community would still have to be imported. It noted that 56 °/o of 'secure' oil supplies were to be found in the Middle East which would become increasingly dominant in the next 10 or 15 years. None of the main consumers, USA, EEC or Japan, on the other hand, would be self-supporting in future. Hence the need for the three to coordinate their oil supply policy.

Introducing this report Mr Normanton said only a total policy for energy was appropriate. Those making it had to take in the whole field of policy, economic, monetary, regional, fiscal, industrial or foreign affairs, to name but a few. If Europe was to survive it must be as indivisible in energy as in every field of political decision-taking.

'Unless we act now, together, the life-blood of Europe will drain away, drop by drop. Oil is that life-blood'.

Mr Bousch's report found fault with the Commission's proposals for stating aims but not how to attain them. It drew attention to nine earlier reports drawn up by the committee and repeated the need to improve gas supplies and rationalize their use. It noted that Community natural gas resources stood, in 1972, at 4,820,000m cubic metres. There were between 335,000 and 435,000 million cubic metres of possible reserves. These represented less than 10 % of the world total of 50,000,000 million cubic metres.

The report suggested that domestic consumers and small industries should be given priority in natural gas supplies.

The report concluded that the Commission's attitude lacked realism.

Introducing his report, Mr Bousch said it was not enough to say research must be stepped up. A full-scale common commercial policy was needed here as in many other sectors. One had to go further than simply informing the Commission of hydrocarbon imports.

The proportion of gas used in power stations had to be reduced and the whole problem of stocks had to be looked into more closely with a view to using gas more efficiently.

Oral question No. 149/74 by
Mr Gerhard Flämig (German, Socialist)
Mr Gernand Delmotte (Belgian, Socialist)
Mr Arie van der Hek (Dutch, Socialist)
Mr Erhard Jakobsen (Danish, Socialist)
on petroleum supplies in the European Community
was taken at the same time.

The Question read:

- 1. What steps has the Commission already taken or does it intend to take in the near future in order to safeguard petroleum supplied to the Community, particularly in view of the restrictions imposed by certain Arab countries?
- 2. How does the Commission propose to achieve a lifting at the earliest possible date of the restrictions imposed by certain Member States on the export of petroleum and petroleum products, in so far as they affect exports to other Member States?
- 3. What action is the Commission prepared to take to ensure that if a shortage of petroleum and petroleum products develops in the Community, measures can be introduced at Community level to achieve an equitable distribution of available petroleum and petroleum products and to guarantee that the restrictions on consumption are as limited and selective as possible?

Speaking to this question, Mr Flämig said no one could dispute the immediacy of the questions raised. The people of the Netherlands were already affected and almost all the Member States would soon feel the effects of the oil boycott. But it was not only energy policy that was involved. Attempts to achieve Economic and Monetary Union would also be affected.

The circumstances justified the question which concerned the Council too.

Mr Flämig called for European solidarity. Any claim to unity in Europe would lack credibility as long as there were people in one part of the Community who could not use their cars or who were left out in the cold. He looked to the Commission and the Council for a plain statement.

He agreed the oil companies had a part to play, especially in prospecting. But Socialists believed it was wrong for the key to a flourishing economy to be in the hands of private monopolies. This was the challenge confronting the public authorities.

Mr Henri Simonet, Vice-President of the Commission, then made a statement on energy problems. The main lesson to be learned, he said was a political one: the problem of reliable supply and the diversification of energy sources had now unquestionably become a problem for the public authorities.

The Commission was carrying out an area-to-area survey of the desirable level of coal production. It would also be presenting proposals on the creation of a European uranium enrichment capacity with a view to replacing petroleum by nuclear energy wherever possible. The Commission's proposals for a petroleum policy, he added, were geared to joint action with the consumer countries and the producing countries and to an organization of the market.

The Commission's proposals as a whole were designed to achieve credibility in energy policy and to make the Communities more independent through long-term measures.

There was, he concluded, no point in tackling Community problems at national level.

Sir Brandon Rhys Williams (British, European Conservative) said the Summit Conference had drawn up an elaborate plan for economic and monetary advance and asked, 'Has the Commission risen to the task it was set?' He had his reservations on this subject. The Council on the other hand seemed to have followed a policy of 'dolce far niente'. An action programme requiring successive poolings of resources was published in July. The Council had not considered these until 9 November even though the plans were due to take effect at the end of 1973. The Community was not prepared for the test ahead and the Council of Ministers by their dilatoriness must bear the blame for that.

Mr Luigi Noè (Italian, Christian-Democrat) pointed out that in 1950 Europe and Japan had imported 1.6m barrels of petrol per day. In 1972 the figure was 20m. Energy consumption in 1972 was three and a half times greater than in 1950. The whole increase had been in petrol consumption. This meant that by 1985 we should need 30m barrels a day more than at present. This figure was twice the production of the Middle East in 1972.

Mr Noè reviewed alternative sources. Oil shale and tar sands had so far proved too costly to exploit. But the increase in oil costs would make a difference. The

United States and Canada would be working on this field and the Community could exploit the bituminous schists and sands in Venezuela and Brazil.

The United States were spending billions of dollars on research to improve coal utilization. Mr Noè pointed out that German coal production could perhaps be increased from 97 to 100 and perhaps to 110 million tons a year. Another source of energy was lignite, of which there were large deposits.

Mr Noè noted with concern that the Community was spending only 2 million dollars a year on hydrogen research compared with the 200m dollars the United States were spending on similar work. It was, he said, the Ispra Centre that had discovered a process whereby hydrogen could be obtained from water at a temperature of 850 degrees instead of 2,500 degrees. This was the work of Dr Marchetti. Attempts were being made to obtain the same result at 500 degrees with a breeder reactor while at Oak Ridge an American scientist was trying to achieve temperatures of 2,500 degrees with nuclear reactors to obtain hydrogren directly from water.

The Community had to step up its research otherwise the lack of energy could act as a brake on its development.

Mr Pierre Giraud (French, Socialist) said his Group wanted a Community energy policy without delay. Referring to coal, he said the rising cost of energy could now make some pits profitable. The question of uranium enrichment and all new forms of energy had to be tackled now. Energy dominated the modern world and courage was needed in standing up to unfair pressure. At the same time Europe had to help the countries of the Middle East, especially those involved in the present conflict. He concluded by saying that energy was too vital a problem to be entrusted to the care of capitalist monopolies.

Speaking for the Liberal and Allies Group, Mr Norbert Hougardy (Belgian) said Europe and the world had to realize that Europe's hydrocarbons bill would rise by 5,000m dollars in 1974 and the corresponding figures for the United States and Japan would be 2,800m and 2,400m dollars. To recover these sums Europe would have to increase its exports and if it were unable to do so, it would have to brutally curtail its economic and social expansion.

Speaking for the European Conservative Group, Sir Tufton Beamish (British) came out strongly against the threat of 'politico-economic counter-measures' and stressed the importance of UN Resolution 242. His plea was for moderation, a plea against over-reaction in haste and annoyance.

Speaking for the European Progressive Democrats, Mr Jean-Eric Bousch (French) thought it essential for the oil companies to cooperate with the public authorities and for them to put Europe's interests first. He supported the Commission proposal that it should be informed regularly and in detail about imports and exports of refined products as well as crude oil (at present covered by Regulation 1055/72).

Speaking for the Communists and Allies, Mr Silvio Leonardi (Italian) said his Group had always pressed for a common policy. Its disagreement with the rest of the House had been over the form it should take. He said the major international companies had always pursued interests that were different from those of the Community. Today they would not even guarantee a certain level of supplies.

The Community had failed to pursue a policy of direct cooperation with the producing countries. The worst mistake now would be to line up against the exporting countries as proposed in the new draft Altantic Charter. It was no solution to ask that the Community be given more powers. It had not made the most of its powers under the ECSC and Euratom treaties. His Group would oppose the motion tabled by Mr Normanton.

Mr Schelto Patijn (Dutch, Socialist) asked what European solidarity meant. It had been the basis of CAP but had led to no Commission proposals for dealing with the oil crisis.

Mr Eric Blumenfeld (German, Christian-Democrat) took issue with the Middle East statement. It smacked of submission to Arab pressure.

Mr Helveg Petersen (Danish, Liberal) expressed concern about the developing countries.

Mr Pieter van der Sanden (Dutch, Christian-Democrat) said it had become clearer than ever that it was impossible to pursue national energy policies. He criticized Mr Simonet for referring to the Arab States as developing countries.

Mr Dick Taverne (British, Socialist) said it should have been made absolutely clear that the Community stood together and shared available supplies because it could not consider any other choice. If western nations acted individually they would find themselves as small clients at the end of a queue for oil supplies because the United States and Japan would certainly be there first.

Mr Hans Edgar Jahn (German, Christian-Democrat) said that throughout the recent war and up to 6 November 1973 there had been no Community. Each State acted in its own interest. The Middle East Declaration had been an agreement on the basis of the lowest common denominator.

Mr Klaus-Peter Schulz (German, Christian-Democrat) found the Declaration unacceptable.

Mr Erwin Lange (German, Socialist) warned against a policy of countermeasures. What mattered was for the Community to act together.

In the motion tabled, Parliament

- 1. repeated its demand for a common energy policy;
- 2. was concerned that oil would be the mainstay of the world's energy supplies for the next 10 to 20 years;
- 3. pointed out the world's growing needs could only be met by the Middle East;
- 4. considered the Community's dependence on supplies from present sources was a threat to its economy and future expansion;
- 5. called for special attention for Member States whose energy supplies were insecure and not to rule out politico-economic counter-measures against third countries;
- 6. called for cooperation with other consumer countries and with producers and supplier countries;
- 7. welcomed the United States' offer to include energy policy in a new Atlantic Declaration;
- 8. called on the Commission to organize the petroleum market in such a way that the European market did not become less interesting to oil suppliers than those of the USA and Japan.

The resolution was agreed to.

Sitting of Tuesday, 13 November 1973

Economic and Monetary Union

Mr Wilhelm Haferkamp, Vice-President of the Commission, made a statement on the transition to the second stage of economic and monetary union. The Commission had made proposals to this end with regard to

- implementation of the second stage of economic and monetary union, to last three years;
- stability, growth and full employment in the Community;
- achievement of a high degree of convergence of economic policies;
- organization and resources of the European Monetary Cooperation Fund;
- establishment of an Economic Policy Committee.

This choice of priorities was partly based on the conclusions drawn by the Commission from the record of progress in the first stage. The further measures suggested were interrelated. Although political and legal requirements had made it necessary to present separate proposals, these had been devised and should be appraised as a whole.

The Commission had proposed the second stage should begin on 1 January 1974 and end on 31 December 1976. For the present there would be standing consultations to bring policies more closely into line with each other.

Mr Haferkamp said the Commission would be proposing that only 10 % of Member States' reserves should be pooled on 1 January 1974. The Commission would be studying the implications of the decision to end the two-tier gold market for its reserve pooling scheme. An agreement of the proportion of gold in pooled reserves was a prerequisite for the agreement itself.

Mr Haferkamp was hoping for agreement on a 'considerable increase' in short-term currency support so that 7,200m u.a. could be made available at any one time. Such credits would be available after Member States had submitted economic policies to Community scrutiny. Credit would be subject to accepting Community guidelines.

Sitting of Thursday, 15 November 1973

Overhauling CAP

Mr Petrus Lardinois, the Commissioner responsible for agriculture, made a statement to the House on overhauling the common agricultural policy. The main aims of the Commission's proposals were

- 1. to simplify the administration of CAP by reducing the present 200 or so basic regulations to 35;
- 2. to save 1,000m u.a. in the EAGGF by bringing production more into line with market conditions;
- 3. to bring mutton, lamb and potatoes within the scope of the market policy.

Mr Lardinois hoped Parliament and the Council would debate the Commission's memorandum before the end of the year so that their opinions could be taken into account in the 1974/75 price proposals.

The Commission hoped for a return to the single market system by 1978.

Sitting of Wednesday, 14 November 1973

Joint Meeting with the Council of Europe

The Twentieth Joint Meeting of Members of the Consultative Assembly of the Council of Europe and Members of the European Parliament was held on Wednesday, 14 November 1974. Two reports were considered, one by Mr Dequae, rapporteur of the Committee on Economic Affairs and Development of the Consultative Assembly (Doc. 3359) and the other (Doc. 3361) by Mr Christian de la Malène (French, European Progressive Democrat). Mr Giuseppe Vedovato, President of the Consultative Assembly, took the chair for the first part of the debate and Mr Cornelis Berkhouwer, President of the European Parliament, for the second part.

Mr Dequae's report was on the prospects for trade liberalization at the GATT negotiations. He argued that GATT should be overhauled to enable communist countries to be more active in international trade and economic cooperation. Changes designed to bring about a new economic order should be linked with monetary reforms to ensure that exchange rate fluctuations do not cancel out

gains made elsewhere. The developing countries deserved special attention, including limited special drawing rights. Generalized preferences should be extended to them.

Mr de la Malène's report was on problems associated with the GATT tariff negotiations. He noted the Nine's 25 % of share in world trade (27.6 % of exports and 24.3 % of imports in 1971) and argued that any slowing down of trade liberalization would be harmful to the Community. He trusted that by 1975 there would be a series of agreements to secure a constant growth and liberalization of world trade, improving the standard of living and wellbeing of the peoples of the world.

At the close of the debate a Joint Communiqué was issued. This stressed the need to overhaul international monetary and trade institutions and machinery in the interests of a much more open and fair approach to all the countries of the world. Efforts to liberalize world trade could not be successful without efforts to establish a sufficiently stable international monetary system. The reforms undertaken should aim to raise the export revenues of the developing countries, particularly through generalized preferences and special drawing rights to finance their development projects.

Sitting of Wednesday, 14 November 1973

Oral Questions with debate on the new Social Fund

Oral Questions Nos. 115/73 and 116/73 with debate:

Operation of the new European Social Fund.

Both questions put down by the Committee on Social Affairs and Employment, No. 115 to the Commission and No. 116 to the Council

On 5 June 1973 the Commission informed Parliament of its intention to amend its proposal concerning the new Social Fund. It was asked:

- 1. whether its reasons had to do with budgetary considerations;
- 2. how it intended to amend its proposal;
- 3. whether the amendment would be submitted this year or next year.

The Council was asked why it reduced the sum of 120m u.a. to 45m u.a. and whether it intended to exert pressure on the Member States to withdraw or reduce their applications for assistance from the Social Fund. The Council was also asked why it reduced the 410m u.a. requested by the Commission for 1974 to 267m u.a. Was it prepared to grant a supplementary budget if necessary?

Speaking to the questions, Miss Astrid Lulling (Luxembourg, Socialist) said her committee's reason for asking was the Council's decision to reduce the requests for credit for 1974 from 410m to 267m u.a.

The Council had granted 45m u.a. instead of the further 120m u.a. requested for 1973. Miss Lulling referred to help from the French national institute for promoting the interests of women which had been declared unacceptable under circumstances which gave rise to concern, The Social Fund had to be able to operate.

Mr Ivar Norgaard, President of the Council, said that grants from the Fund had to remain within budget limits. Applications for 1974 totalled 327m u.a. compared with 282m u.a. or an increase of over 15 %. He concluded by saying the Council of Ministers did not intend to reduce its efforts in the sphere of social policy.

Dr Patrick Hillery, the Commissioner responsible, said the Council had already proposed to reduce the 1974 estimate by 98.8m u.a. It was to be hoped that following the advice of the European Parliament the original Commission figure would be restored.

The drive to deal with unemployment had to be dovetailed with industrial policy. The Commission's programme envisaged income support for workers undergoing retraining geared to Community employment objectives.

Miss Lulling was very disappointed with the answers given.

Sitting of Tuesday, 13 November 1973

European Parliament's budget for 1974

Debate on the report (Doc. 230/73) drawn up for the Committee on Budgets by Mr Horst Gerlach (German, Socialist)

on modifications to the European Parliament's estimates of revenue and expenditure for 1974.

The main points agreed were that each member should receive a secretarial allowance of 300 u.a. per month and that the Communist and Allies Group should have its own secretariat.

Mr Alfredo Covelli (Italian, Non-attached) and Lord O'Hagan (British, Non-attached) expressed dissatisfaction at the position of Members not sitting with Political Groups.

Mr Georges Spénale (French, Socialist) suggested that if the non-attached Members were to submit a joint amendment, the Committee on Budgets would consider it with the greatest understanding.

The resolution was agreed to.

Sittings of Tuesday, 13 November and Thursday, 15 November 1973

Community's long-term financial forecasts

Mr Claude Cheysson, the Commissioner responsible, presented the Commission's forecasts for 1974, 1975 and 1976.

The main assumptions were a 4-5 °/o annual increase in the Gross National Product. The increase in prices would go down to 5 °/o for 1976. The effect for the Gross National Product would be an increase of 11-12 °/o in 1974, 10-11 °/o in 1975 and 9-10 °/o in 1976. Mr Cheysson said the Commission was not satisfied with the forecasts.

Those for the Social Fund reflected the Commission's hopes but others, such as those for food and/or the European Development Fund were strictly limited.

There would be an average annual increase in expenditure of 12 °/o. The budget would exceed 5,500m u.a. (including 500m u.a. for the regional fund).

Agricultural expenditures would fall from $70 \, \text{O/o}$ to $60 \, \text{O/o}$ and social expenditures would go up from $6 \, \text{O/o}$ to $12 \, \text{O/o}$. The increase in regional expenditures would be from $9 \, \text{O/o}$ to $11 \, \text{O/o}$ or $12 \, \text{O/o}$.

The Commission planned an increase in the Social Fund up to 500m u.a., rising to 600m or 700m u.a. by 1976.

The regional development fund would involve 500m u.a. in 1974 rising to 1,000m u.a. in 1976.

Six of the fifteen sectors under the EAGGF 'guarantee' section represented 80 °/o of the expenditure. Dairy produce alone accounted for 46 °/o.

Expenditure under the 'guidance' section would use from 75m u.a. in 1974 to over 300m u.a. in 1976.

A programme for food aid would be laid before the House at the beginning of 1974. In the meantime, these forecasts were of limited value.

The Commission awaited with interest Parliament's opinion on harmonizing the basis of assessment. Meanwhile the VAT was expected to yield 675,000m u.a. in 1975 and 740,000m u.a. in 1976 for the Nine Member States. This would mean a VAT rate of the order of $0.4~\rm ^{\circ}/o$.

Sitting of Tuesday, 13 November 1973

Resolution on Summit Conference

In a resolution on the Summit Conference of Heads of State or Government to be held in Copenhagen on 15 and 16 December 1973, the European Parliament

- 1. welcomes the French President's initiative in calling the conference;
- 2. called on the Member States to recognize the Community had to have its own policy in every sphere, including foreign affairs;
- 3. stressed that full use must be made of the Community in efforts to achieve European Union.

Sitting of Tuesday, 13 November 1973

Time-limits for EAGGF aid

Debate on the report (Doc. 199/73) drawn up for the Committee on Agriculture

by Mr James Scott-Hopkins (British, European Conservative) on extending time-limits for aid from the EAGGF (Guidance Section)

Mr Scott-Hopkins' report approved the Commission's proposals extending time-limits for 1972, 1973 and 1974 for granting aid, bearing in mind the reasons for delays in dealing with aid requests. The motion called on the Commission to recruit adequate staff and improve the procedure for dealing with applications.

The resolution to this effect was moved and agreed to.

Sitting of Wednesday, 14 November 1973

Olive oil prices

Debate on the report (Doc. 200/73) drawn up for the Committee on Agriculture

by Mr Jan de Koning (Dutch, Christian-Democrat) on the target and intervention prices for olive oil for the 1973/74 marketing year.

Mr de Koning's report approved the Commission's price proposals. The report took issue with the lack of proposals for a better system of producer subsidies and urged the Commission to fill this gap.

A resolution to this effect was moved and agreed to.

Sitting of Wednesday, 14 November 1973

Tree seeds

Debate on the report (Doc. 215/73) drawn up for the Committee on Agriculture

by Mr Peter Brugger (Italian, Christian-Democrat) on forest reproductive material

Mr Brugger's report approved the Commission's proposals subject to three amendments which were designed to make them more specific.

At the present there was a lack of good seed in the Community and the purpose of the directives under discussion was to lay down standards to improve the quality of our forests and woodlands.

A resolution approving the proposals was moved and agreed to.

Sitting of Wednesday, 14 November 1973

Preservatives

Debate on the report (Doc. 201/73) drawn up for the Committee on Public Health and the Environment

by Mr Lucien Martens (Belgian, Christian-Democrat) on preservatives that may be used in foodstuffs

Mr Martens' report approved the Commission's proposals to authorize the use of formic acid and its salts, boric acid and its salts and hexamethylene-tetramine in foodstuffs as from 1 January 1974. The use of these preservatives was to have been banned. It is now made subject to stringent conditions.

Formic acid is mainly used in fishery products, hexamethylene-tetramine in preserving 'Provolone' and 'Grana padano' cheese and boric acid in caviar.

The use of formic acid in fruit jiuces, hexamethylene-tetramine in fish products and boric acid in egg products is to be authorized for a further transitional period up to 30 June 1976.

A resolution approving the Commission proposals was agreed to.

Sitting of Wednesday, 14 November 1973

Limiting the lead content in petrol

Oral Question No. 148/73 with debate by Mr Libero Della Briotta (Italian, Socialist) for the Committee on Public Health and the Environment

The question read:

'For what reasons was submission of the Commission's proposal to the Council for a directive on the limitation of the lead content in petrol blocked by certain members of the Commission, although this proposal had been adopted at the end of September according to the normal written procedure of the Commission, and when is the proposal likely to be released?'

In reply, Mr Finn Olav Gundelach, Commissioner, expressed approval for all measures for combating atmospheric pollution. He said he would like the matter debated in Parliament. He agreed the matter was urgent but the Commission had not yet taken any decision.

Sitting of Wednesday, 14 November 1973

Common policy on science and technology

Debate on the interim report (Doc. 219/73) drawn up for the Committee on Energy, Research and Technology by Mr Gerhard Flämig (German, Socialist) on the progress necessary in Community research and Report (Doc. 211/73) drawn up for this Committee by Lord Bessborough (British, European Conservative) on the requirements and prospects of a common policy on technology

The report called for the definition of objectives and priorities by the Community in the fields of science, research and technology. Mr Flämig's report welcomed the Commission's proposals to the Council for a scientific and technological policy programme, and particularly the setting up of a Scientific and Technical Research Committee.

The motion before Parliament requested the allocation of 1m u.a. in the 1974 Budget for the implementation of the first stage of the proposed action programme in the scientific field.

The resolution was agreed to.

Sitting of Thursday, 15 November 1973

Customs territory of the Community

Debate on the report (Doc. 212/73) drawn up for the Committee on External Economic Relations by Mr Egon Klepsch (German, Christian-Democrat) on the definition of the customs territory of the Community

Mr Klepsch's report approved the Commission's proposals. Their purpose is to keep imports from third countries on the same footing as intra-Community trade until internal Community tariffs are phased out in 30 June 1977.

A resolution to this effect was agreed to.

Sitting of Friday, 16 November 1973

Turkey

Debate on two reports (Doc. 210/73 and Doc. 218/73) drawn up for the Committee on External Economic Relations by Sir Tufton Beamish (British, European Conservative) on Turkey

Sir Tufton Beamish's first report dealt with the recommendations adopted in Istanbul on 10 September by the EEC-Turkey Joint Parliamentary Committee and the second dealt with adapting the Association Agreement itself to the three new Members States of the Community.

The first report noted that Turkey's exports to the EEC rose from 496m dollars in 1968 to 885m in 1972, an increase of from 32 % to 39 % of the total. EEC exports rose from 764m dollars in 1968 to 1563m dollars in 1972, an increase of from 37 % to 42 %. This was an impressive increase but Turkey was disappointed at its worsening balance of trade with the Community.

The report stressed the long-term aim of Turkey's accession to the EEC. To achieve this, industrialization must be stepped up. At present only 15 °O/0 of the labour force worked in industry compared with 70 °O/0 engaged in agriculture (which still accounted for two-thirds of Turkey's exports).

The report discussed the problems of the 605,738 Turkish workers in the Community.

Resolutions summing up these various points were agreed to.

Sitting of Friday, 16 November 1973

Hazelnuts from Turkey

Parliament agreed to a resolution on a Community tariff quota for fresh or dried hazelnuts originating in Turkey. The quota would be 21,700 metric tons for 1974. The CCT rate would be 2.5 °/o, a reduction of 37.5 °/o on the normal rate of 40 °/o.

Sitting of Friday, 16 November 1973

Transport infrastructures

Debate on the report (Doc. 195/73) drawn up for the Committee on Regional Policy and Transport by Mr Nicolas Kollwelter (Luxembourg, Christian-Democrat) on common rates for the use of infrastructures.

Mr Kollwelter's report noted that the Commission's proposals would call for major reorganization in most Member States but the result would be an economically correct distribution of infrastructure costs. The proposals covered road, rail and inland waterways. The report suggested other forms of transport should be includable at a later date. Ultimately the user would pay in proportion to the extent to which he used the roads and inland waterways just as he now did for the use of railways.

A resolution approving the Commission's proposals as a well-thought out and coherent basis for a common transport policy was agreed to.

Sitting of Friday, 16 November 1973

Road transport regulations

Debate on the report (Doc. 197/73) drawn up for the Committee on Regional Policy and Transport by Mr Horst Seefeld (German, Socialist)

The report generally favoured the Commission's proposals for a Regulation governing the working conditions of international road transport drivers. These were supplementary to regulations in force since 1969, and covered such matters as length of shifts, work breaks, annual leave and the prohibition of bonuses for distance driven and tonnage carried. On the last point, such bonuses were considered to be an incitement to drivers to act carelessly and to disobey the provisions governing driving time and speed limits, with consequent effects on road safety.

The Commission's proposal to exempt self-employed road transport operators from the new regulations was rejected by the committee. The Commission argued that it would be practically impossible to prevent self-employed persons from carrying out work during periods intended for rest, but both trade unions and employers in the industry objected to the proposed derogation.

In the motion for Parliament, the committee called for the submission of reports on developments in the road transport field, and on the implementation of the regulation by Member States, every two years; and called for the harmonization of legislation on rail and inland waterway transport.

The resolution was agreed to.

Sitting of Friday, 16 November 1973

Motor vehicle seats

Debate on the report (Doc. 194/73) drawn up for the Committee on Public Health and the Environment by Mr Willi Müller (German, Socialist) on the strength of seats and their anchorages

Mr Müller's report considered the Commission's efforts to approximate laws were needed for road safety. The report found it illogical that seats with built-in seat-belt anchorages were not included. The directive proposed, it argued, would only be meaningful if the wearing of seat-belts were made compulsory.

A resolution to this effect was agreed to.

Sitting of Friday, 16 November 1973

Cooperation between the Commission and Parliament

Mr François-Xavier Ortoli, President of the Commission, emphasized the Commission's respect for Parliament and its concern to keep Parliament fully informed. But, he added, it was impossible for the Commission to live at a rate of once a month. It could not let two or three weeks go by without carrying out its task, which was to make proposals and to keep Parliament, press and governments informed. The Commission had informed Parliament through its Committee on Agriculture, of the CAP reform memorandum and it had, in the case of Economic and Monetary Union, submitted its conclusions to Parliament before informing the press and the governments of the Member States.

Sitting of Thursday, 15 November 1973

(a) Belgium

(b) France (c) Germany

State of the Political Groups in the European Parliament

(f) Italy

(g) Luxembourg

(h) Netherlands

• •	Denmark Ireland		(j) United Kingdom(k) Total							
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(j)	(k)
Christian									,	
Democrats '	6	2	16	-	3	16	3	6	-	52
Socialists	4	8	17	4	2	7	2	6	1	51
Liberals	2	10	3	3	-	1	1	2	2	24
European Conservatives	-		-	2	-	-	-	-	18	20
Communists & Allies	-	3	-	1		9	-		-	13
European Progress Democrats	ive -	12	-	-	5	-		-	-	17
Independent Left	2	1	-	-	-	-	-	-	1	5
Independent Right	t -	-	-	-	-	3	-	-	_	3

OTHER EVENTS

President Berkhouwer visited Denmark from 28 to 30 October. On Monday, 19 October, the President was received by Queen Margrethe, who gave a luncheon in his honour. He later had talks with Mr Anker Jorgensen, Prime Minister, and Mr K. B. Andersen, Minister for Foreign Affairs. On Tuesday, 30 October, the President had discussions with members of the Folketing and talks with Mr Andersen and Mr Ivar Norgaard, President of the Council of Ministers.

On Friday, 9 November President Berkhouwer was received in audience by Pope Paul VI.

A delegation from the European Parliament visited Washington from 29 to 31 October for talks with a delegation from the United States Congress.

A joint statement underlined the interest shown in the Community's study programme for Americans, an idea promoted by Mr Willem Schuijt (Dutch, Christian-Democrat). The programme provides grants to enable young Americans, of leadership potential, to become better acquainted with the Community.

It was agreed that agricultural trade policy must be dealt with at the GATT negotiations in Geneva. It was suggested that the United States and Europe should cooperate in organizing relief of hunger throughout the world and that the United States and European governments should study ways of financing such stocks.

The United States and the Community should work together with energy producers and importers to develop a worldwide energy policy.

Finally the delegates of Congress and the European Parliament agreed that all appropriate efforts should be made to ensure maintenance or restoration of parliamentary democracies throughout the world.

On 1 November a delegation from the European Parliament had talks in Ottawa with members of the Canadian Senate Committee on Foreign Affairs and Canada's House of Commons Committee on External Affairs and Defence. It was agreed there should be regular meetings between Parliament and the Parliament of Canada.

The Community is Canada's biggest market (35 °/o) for agricultural products and Britain's entry has heightened the impact of CAP. Parliament's delegates stressed the importance of trade liberalization. They expressed great interest in what they learned of the possibilities of exploiting Canada's energy resources.

It was emphasized that a distinction must be made between the interests of Canada and those of the United States.

The Joint Committee of the Parliamentary Conference of the EEC/AASM Association met in Lomé from 26 to 31 October 1973.

The committee was glad that 41 developing countries wanted either to renew the Association or establish a relationship with the Community. The negotiations to this end should be completed as soon as possible so that the new association could come into force by 1 February 1975, the deadline set by the Yaoundé and Arusha Conventions.

The committee considered that the association should have a contractual character and that third parties should not be able to call them into question, particularly in the GATT context.

The committee trusted that associates and associables should have permanent access to the Community for substantial quantities of their key products at remunerative prices. Special measures should be taken to help the sugar-exporting States. The Community should consult the associated States before making any change in the generalized preference system.

Finally the committee urged the Community to step up its efforts to help the Sahel countries and called for a disaster fund to enable the Community to respond more swiftly and efficiently to emergencies arising.