

# European Communities

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## EUROPEAN PARLIAMENT

# Working Documents

1974-1975

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13 November 1974

DOCUMENT 354/74

## Report

drawn up on behalf of the Committee on Economic and Monetary Affairs

following the urgent procedure, pursuant to Rule 14 (1) of the Rules of Procedure

on the crisis of the economic Community

Rapporteur: Sir Brandon RHYS-WILLIAMS

PE 38.545/fin.



At its meeting on 6 November 1974 the Committee on Economic and Monetary Affairs discussed the present situation in the Community. In the light of the impending meeting of the Heads of State and Government in Paris, the committee considered it necessary that the European Parliament should express its views on economic cooperation within the Community according to the urgent procedure, Article 14(1) in the Rules of Procedure.

The committee asked Sir Brandon Rhys-Williams, whose appointment as rapporteur was confirmed on 12 March 1974, to draft the resolution.

At the meeting on 7 November 1974, the committee adopted the motion for a resolution unanimously. The explanatory statement will be given orally.

The following were present: Mr Lange, Chairman; Sir Brandon Rhys-Williams, Vice-chairman and Rapporteur; Mr Artzinger, Mr Bousch, Mr Carpentier, Mr Delmotte, Mr Flämig (deputizing for Mr Kater), Mr Krall, Mr Leenhardt, Mr Mitterdorfer, Mr Brøndlund Nielsen, Mr Normanton, Lord Reay, Mr Scholten, Mr Schwörer and Mr Starke.



The Committee on Economic and Monetary Affairs hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

on the crisis of the Economic Community

The European Parliament,

- greatly concerned about the present state and the further development of the European Communities;
  - having regard to
    - the previous resolutions of Parliament on the subject of economic and monetary union;
    - the failure of the Community to adhere to the programme of advance towards economic and monetary union;
    - the loss of purchasing power of Community currencies now taking place at widely differing rates;
    - the acute strain placed on the economies of Member States by the high prices of many essential imports, particularly oil;
    - the grave balance of payments problems of the Community as a whole and particularly of certain Member States;
    - the rising level of unemployment in the Community, the decline of investment and the widespread fears of depression;
  - noting the intention of the Heads of State and Government to consider the economic and monetary situation at their forthcoming meeting in Paris;
1. Insists that progress towards economic and monetary union must remain a firm commitment for all Member States;
  2. Judges that national governments should make the conquest of inflationary tendencies a primary objective and appeals to the sense of responsibility of all social groups in the fight against inflation in the interests of full employment and economic health;
  3. Believes that the strengthening of the central institutions of the Community is urgently necessary, particularly in the monetary field, and that they should be endowed with greater authority and powers of decision in the spirit of the Rome Treaty;
  4. Urges the importance of maintaining a high rate of economic activity within the Community notwithstanding adverse world economic trends;

deplores the continued failure of Member Governments and central banks to develop the European Fund for Monetary Cooperation into an effective institution of the Community, endowed with the necessary powers and resources to support international trade and to participate in the correction of economic weaknesses;

5. Considers that measures by national governments to reduce their deficits on current account with oil and commodity exporting countries should have the particular aim of correcting their imbalances with those countries and should not take the form of general limitations of imports which tend to damage the interests of all their economic partners without contributing significantly to curing the problem;
6. Urges the need for a more vigorous Community policy to assist workers to transfer their labour and adapt their skills to the demands of rapidly changing economic conditions;
7. Points to the need for an effective Community regional policy;
8. Considers it a political responsibility of the Communities to safeguard the energy supplies of Member States;
9. Stresses that unrestricted exchange of goods and services and the freedom of movement of labour and capital for investment throughout all parts of the Community remain the essential objectives of economic policy;
10. Instructs its President to forward this resolution to the Council and Commission of the European Communities, to the Governments and Parliaments of the Member States and to the Heads of State and Government meeting in Paris.

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Luxembourg  
P.O.B. 1601