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End the waste, says Parliament

The speeches of European Parliament members have never been so rapidly justified by events as during the debate of Thursday, April 10 on the Community's nuclear fuel supply policy. At its start, Pierre Giraud (Soc/F), for the Committee on Energy, Research and Technology, declared that "we must never again be subject to blackmail, as in the case of our oil supplies. We must ensure that the greater part of our nuclear fuel needs are met from within the framework of the Community." At the end, Commissioner Simonet announced that the United States Nuclear Regulatory Commission had suspended all exports to the Community of enriched uranium, despite firm supply contracts, and despite the fact that the Community was 100% dependent on US suppliers.

Thus Tom Normanton (Con/UK)'s warning during the debate to "beware of unpredictable sources: the US and the Soviet Union", had an especial sting. So did his belief that the Commission's policy to diversify suppliers was "a matter of the highest degree of urgency". Moreover, as several speakers including Professor Friederich Burgbacher (CD/Ger) pointed out, the only really secure supplies were those coming from the Community's own territory.

How is it, then, that the Community has got itself into such a position? Part of the answer was supplied, with depressing clarity, during the first debate of the session on the activities of the Community's Joint Research Centre.

Chaos and waste

The history of this organisation, Gerhard Flamig (Soc/Ger) noted when introducing two reports on the subject, was "a tragic drama of disappointed hopes, avoidable mistakes, and muddle . . . a history of breakdowns, clandestine waste of money, unrest among the personnel, and of conflict instead of cooperation between management, research staff and technicians . . . How did it come to this?"

The Community's nuclear research programme had started with high hopes in 1959, when work was started on developing a heavy-water, natural uranium reactor (Orgel). This would, it was hoped, make Europe independent of enriched uranium supplies (used in light-water reactors) from the United States. Huge sums of money were expended. "From 1967 to 1968, however," the Flamig report notes, "it became clear that the European electricity supply undertakings had opted for the American type of light-water, enriched uranium reactor." The Orgel project was ended.

What alternative was adopted? "From 1968 to 1972 the Council of Ministers contented itself with giving the JRC annual programmes to keep it going. The only aim of these was to prevent the closure of the JRC, which would have taken more courage than the Council had." The Centre lived from year to year with ever-diminishing budgets. "This solution . . . was without doubt the worst one. Either direct Community research, and with it the JRC should have been buried, or it should have been assigned a precise role to meet a clearly recognised Community need, and furnished with adequate funds." Instead, chaos and waste was the direct result of "the Council's vacillation and laxity".

Now the Commission has come up with a number of proposals designed to give some continuity to Community research. These include new programmes outside the nuclear field: for example, research into high-temperature materials and into organic products. It was clear during Parliament's debate, however, that past history had made Members wary.

Last chance for the cuckoo

Though approving the programme, Pierre Giraud was insistent that no more money should be wasted; and Michel Cointat (EPD/F) warned that this "was the JRC's last chance".

Tom Normanton, in a powerful speech, was even less compromising. It was the view of the Conservative Group that "the present institutional structures of the Community are not appropriate . . . to deal with the control of Community establishments such as the Joint Research Centre". The JRC was "a classical example of the way in which politicians of all parties spawn institutions and, like the cuckoo, leave them to fend for themselves or to feed upon that endless source of supply, public funds". The proper course was to "close down the institution immediately." and "bring to an end this nonsensical situation".

Gundelach sticks to his guns

"I stand by my figures . . ." In answering Lord Reay (Con/UK) at question time, Commissioner Gundelach firmly rejected criticisms of his earlier statement on Britain's trade figures (see EP Report (No. 10) from Trade Secretary Peter Shore. "Britain's trade deficits . . . are not caused by EEC membership."

Mr Shore had attacked the Commissioner for having included trade in oil in his figures. But to exclude them, Mr Gundelach insisted was "a hypothetical exercise".

"One very often attempts to correct statistics for disturbing or accidental factors in order to get a clearer picture of the underlying trend. For example this is done by eliminating seasonal factors, the influence of bad harvests, deliveries of ships and aircraft, etc. But the oil price increase is not this simple kind of phenomenon, which can

be merely eliminated by subtracting oil from the figures. . . . The oil price increases have dramatically influenced the general economic situation, not only in Britain but in the entire world. For example, they sparked off inflation and contributed to the economic slowdown. In order to adjust for these consequences, one would have to establish a completely new economic model — a model which, if not impossible, then at best would be extremely hazardous to establish."

More rights for workers

How should employees be protected in takeover or merger situations? On Tuesday Parliament adopted two resolutions which sought to strengthen the degree of protection which the Commission was including in proposals for a third directive on company law and directive on the social policy aspect of mergers. Approval for the third directive, which was designed to facilitate mergers between public limited companies by coordinating the legal guarantees to protect those affected, had been delayed by Parliament, said Paul de Keersmaker (CD/Bel) the Legal Affairs Committee rapporteur, because of the inadequacy of the provisions for consulting employees.

The Committee proposed that when a company contemplated a merger, a report on its likely effects should be sent to employee representatives and discussion would then take place. If no agreement was then reached on necessary action either party could refer the matter to a board of arbitration whose ruling would be binding. The resolution to this effect was carried together with an amendment, proposed by Christian Democrats but opposed by Socialists, Communists and European Conservatives, that there be a two month time limit on the discussions and a one month limit on the arbitration procedure.

"A radical approach" was needed in defending employees' rights, said Social Affairs and Employment Committee rapporteur Michael Yeats (EPD/Irl), because "in spite of the vital nature of their contribution, the position of the workers in the event of a merger or takeover is often very weak".



Garret Fitzgerald, President of the Council of Ministers (left); Gaston Thorn, Prime Minister of Luxembourg (centre); and Francois-Xavier Ortoli, President of the Commission (right) confer after Parliamentary Question Time.

REGIONAL FUND: PARLIAMENT VOTES FOR MORE

The European Parliament is insisting that it should have the final control over the European Community's new Regional Fund which, after a year's delay, was approved in principle by the nine heads of Government in Paris last December.

The Prime Ministers agreed on a figure of 1,300 million units of account (about £560m) for a three-year period, of which 300 million would be earmarked for 1975. However, the European Commission, which is responsible for tabling proposals for Community action, proposed that only 150m u.a. be appropriated immediately and that another 150m u.a. be held in reserve, to be activated only if the actual take-up of funds this year required it. Parliament's view is quite firm: the 300m u.a. should be voted now, as a matter of principle.

Parliament disagrees also with the Council of Ministers as to whether or not the European Regional Fund comes under the "obligatory" or the "non-obligatory" heading. The difference between these two classes is, briefly, that "obligatory" covers expenditure arising directly from the Community Treaties and the subsequent implementing legislation; while "non-obligatory", broadly speaking, covers expenditure arising from new fields of Community policy.

Parliament argues that regional policy is a new departure for the Community and that it should therefore have the last word on expenditure. The Council, on the other hand, says that the Regional

Fund must be considered as obligatory because of the solemn and binding nature of the Heads of Governments' agreement that, from now on, regional development is a key element of Community policy. But the MPs remind the Council that it has already accepted their view that the Regional Fund is non-obligatory and that one institution cannot unilaterally change the budgetary classification.

So, on April 8, Parliament duly voted an amendment to the 1975 budget, bringing in another 150m u.a., by 106 votes to nil, with four Communists abstaining, and subsequent votes of a technical nature confirmed its position in like proportions.

Perhaps the most important aspect of the situation is that it illustrates the evolving nature of Parliament's power. Little by little, Parliament is insisting on getting — and is getting — the control over funds which is the traditional role of parliaments. And on April 15 the Council recognised this when, at a "conciliation" meeting between representatives of the two institutions, the Council accepted Parliament's case although in the Council's view a compromise was necessary.

An ocean of wine

"The wine growers of Languedoc are angry. The barriers are up across the roads. Even a cathedral has been occupied. People are in despair." This was how Michel Cointat (EPD/Fr), one of many who had requested an emergency debate, described on Thursday the current wine crisis. In Italy and France, a glut of wine has led to violent demonstrations by wine growers and the banning by the French government of wine imports from Italy.

Whereas French and Italian wine growers and their governments are at odds over the situation, in Parliament members from both — and other — countries joined forces in demanding action, not words, from the Commission, who were drawing up new wine proposals, and the Council who were due to discuss the situation the next week on April 15. "The wine producers of France and Italy have common cause," said Mario Vetrone (CD/It) "leave aside the polemics!"

What had led to the present wine situation? Commissioner Lardinois said that the poor 1971-72 harvest had led to high wine prices in 1972-73. Because of high production in 1973-74 prices had again plummeted. It was, he said, a classical example of the problems that arise in agriculture when high and low prices alternate.

Five years of the common agricultural policy wine regulations had shown up many weaknesses, said Mr Vetrone; wine producers should be helped because they enjoyed only very little protection on the Community frontier. The solution, however, did not lie in unilateral action such as the French government's ban on wine imports from Italy. "My group," said Dutch Socialist Laban, "will always condemn in future any country that clashes with the Treaties or Community regulations." There were legitimate means of solving the problem such as spending more on distillation — after all, how much was now being spent on sugar subsidies? Other ideas were suggested including cheap exports or further distillation and mixing with petrol.

Outlining the Commission's proposed measures, Mr Lardinois said there was an urgent need to reduce "this threat to the whole Common Market edifice" to the scale of "an incident". There would need to be strict control of planting and replanting, strict control of subsidies and the removal immediately after the harvest of surpluses for distillation into spirits.

It was Nicola Cipolla (Com/It) who caught the mood of the house when he said "we want to have

a united Europe. When you have an office or a cathedral occupied it is because these problems exist . . . you will excuse me that instead of giving the customary thanks to the Commissioner I thank the wine growers instead — their cause is a just cause." And Mr Cointat had no time for arguments about the letter of the CAP: "when a home is burning down," he said, "it is no longer any use preaching doctrine — you call for the fire brigade".

Frogs' eggs

Hard on the heels of its debate on the Franco-Italian "wine war", the Parliament turned to the no less vexed subject of French egg imports into Britain. As Michel Cointat (EPD/F) pointed out, there was a parallel between the egg and wine questions — except that in the case of wine, France was being criticised for not importing enough, while in the case of eggs she was being criticised for exporting too much!

Lord St Oswald (Con/UK), however, maintained that the UK egg market was being undermined by imports from the EEC at prices below the cost of production. French egg producers were obtaining subsidies which were not available to the British.

Commissioner Lardinois, however, insisted that everything was "above board". It was to be expected that egg exports from Brittany to Britain would increase as restrictions were removed. Michel Cointat indignantly pointed out that French exports were only a twentieth of those from the Benelux: it was only a matter of some 17 million eggs, whereas UK production was over 14,000 million.

These subsidies, Lord St Oswald insisted: if they were "above board", could British egg producers get them? Certainly, replied Commissioner Lardinois. If the British Government wanted to introduce them

Those demonstrators who had earlier marched down Park Lane in London with banners demanding "Keep the Frogs' Eggs Out" should now, it appears, be attacking a different target.

Portugal

Friday morning is not usually the best day for debates in the European Parliament, any more than at Westminster. Yet April 11 produced one of the most lively of the week on an emergency resolution about the political situation in Portugal.

The House divided itself neatly into Left and

Right on whether to "note with concern certain negative features in the evolution of democracy in Portugal". Egon Alfred Klepsch (Ger), for the Christian Democrats, was concerned that "some of the phenomena we witness are not in accordance with our idea of democratic elections": and prominent among these was the banning of the Christian Democrat Party itself.

Ah! but there were Christian Democrats and Christian Democrats, a number of Socialist speakers objected. They had not been notable in the fight for democracy under Caetano: they had been "at best", said Karl-Heinz Walkhoff (Soc/Ger), silent. This enraged the Christian Democrats. "No Christian Democrats were with Caetano," retorted Mr Klepsch; "but some other parties were!" Beware, Kurt Harzschel (CD/Ger) told the Socialists, that you do not find yourselves in the same position one day.

Others from the Socialist and Communist Groups were concerned to point out that "democracy was not built in a day" — and above all, that Portugal should not become another Chile.

The issue was best summed up, however, in a carefully balanced speech from Lord Reay (Con/UK). Portugal was having to alter direction in a very difficult international economic climate; and no-one disputed the right of Portugal to, for example, nationalise its own banks. But this should have been done by a properly elected body. The main point was this: that the composition of the Government could not be altered by the elections. Whatever the position of the parties, democracy would not exist until the government was prepared to put itself at risk at the polls.

In the end, the motion was passed, with the Socialist Group abstaining.

Cambodia and Vietnam

A resolution, sponsored by several groups, was passed, during a debate on Thursday April 10, stating that the "Parliament, appalled by the scale of the human tragedy which has befallen the peoples of South Vietnam and Cambodia, moved by the plight of millions of men, women and children who are not responsible for the violence of a war so terribly reminiscent of the sufferings to which Europe was subjected 30 years ago, aware of the fact that international aid, and in particular that provided by the International Red Cross organisation, covers only a very small part of the desperate needs of these peoples . . . asks the Commission . . . to help relieve the distress of the refugees by providing substantial material aid as tangible evidence of the extent to which the people of the Community share the sufferings of the peoples of Indochina . . ."

Visitors

Twelve members of the all-party *Parliamentary and Scientific Committee* visited the European Parliament during the April session, and were the guests of Parliament Vice-President Lord Bessborough at a dinner on Tuesday 8. Also visiting the Parliament were a group from the *European Atlantic Movement*, and law students from *Edinburgh, London, Manchester and Southampton Universities*.

Missing out

Ralph Howell (Con/UK) gave a gentle nudge to the British government when he drew attention in Question Time to the situation where fuel subsidies to glasshouse growers, currently allowed by the Community, were not being given in Britain. British growers were thus competing at a disadvantage. So were the Danish growers who also were receiving no subsidy, said Commissioner Lardinois . . .

Overheard through the headphones

Irish voice (as Garret Fitzgerald, President of the Council of Ministers, rises to answer a second Supplementary Question on Portugal): "The answer's the same, but slower".