

REPORT

Parliament puts Council on the spot

At 12.15 p.m. on Thursday 14 December, European Parliament President Emilio Colombo declared the 1979 Community Budget finally adopted. In so doing, he threw down a challenge to the Community's Council of Ministers, which had earlier attempted, through German



Parliament takes the crucial vote and rejects budget amendments

Finance Minister Manfred Lahnstein, to have the adoption postponed.

At the centre of this constitutional clash is the Community's Regional Fund. In the draft budget, Council had proposed a Fund of only £391 million in 1979 (with payments in the year of £202 million). Parliament, in October, voted to increase this to £693 million (with £349 for payment).

Council met to consider Parliament's amendments in November; and on the Regional Fund increases, two governments voted in favour; Britain and Italy. This was enough, under Article 203 of the Rome Treaty, to ensure that Parliament's amendments stood.

Unfortunately, this increase in the Fund, together with other increases accepted by Council, took the total rise in spending above the 11.4% "maximum rate": a figure calculated in terms of gross national product and other factors, which normally limits the amount by which the Budget can be increased. In past years, when this has occurred, Parliament and Council have agreed to raise the "maximum rate" itself. On this occasion, Council did not explicitly do so.

Rippon block

Nevertheless, the Budget which came back to Parliament for its final reading contained the regional increases, as voted by Council. Parliament then had several alternative courses of action.

The first was to proceed to a normal "second reading", voting back into the budget those items — social fund spending, money for research, etc. — which Council had *not* accepted. This, it seemed during the budget debate on Tuesday 12 December, was what was going to happen.

There was also the possibility, advocated during the debate by Mr Lahnstein, of continuing consultations with the Council. It was clearly the hope of Council that this would result in Parliament reversing its own (and Council's) vote on the Regional Fund, thus bringing spending down below the "maximum rate".

As voting began on the Thursday morning, however, it soon became clear that a third, more ingenious possibility existed: in effect, to do nothing at all! This alternative was put to the House by the leader of the Conservative Group, Geoffrey Rippon; and it soon became

apparent that, without the 15 Conservatives present, (with most of the EPD abstaining) no amendment at all could get the 100 votes required for adoption. Parliament's rapporteur Martin Bangemann (Lib/Ger) announced that all amendments had been withdrawn.

"Take yourself to Court"

The reasoning behind this course of action lies in Article 203 of the Rome Treaty. If Parliament "has not acted" within a given period of time, it states, "the budget shall be deemed to be finally adopted". Thus, by voting no changes to the draft, Parliament ensured that the budget "finally adopted" was the one *voted by Council in November*. All that remained was for Parliament's President, without any further vote, to declare the budget adopted.

What of the "maximum rate"? "If Council think there's anything wrong", Geoffrey Rippon pointed out, "they can take themselves to Court". And Parliament left it to Council to sort out, too, what notice should be taken of the December "summit" — a body that is not mentioned in the Treaties at all.

Budget figures

So the Community Budget for 1979, as declared adopted, stands at a total of £9,182 million, with £8,501 million for payment during the year 1979 itself. The main items for payment are:

	£m
Common Agricultural Policy	6,339
Social Policy	352
Regional Fund	349
Research, energy, industry and transport	184
Cooperation and development	313
Staff and administration (Commission)	333
Other institutions	157
Costs of collection*	436
Other	38
	£8,501

*Refunded to national Exchequers.

What next?

As this EPR goes to press, it is still not entirely clear what will happen when the new financial year begins.

The body in the greatest difficulty, if no solution were to be reached, would be the Commission. It is conceivable that Council could take Roy Jenkins and his colleagues to Court if it spends the extra Regional Fund money. On the other hand, Parliament could refuse to give the Commission a discharge on the Budget if it *fails* to spend the money.

EMS: Ins and outs

The transfer of resources required by poorer Community countries as the quid pro quo for going into EMS was fairly modest in scope, Commission President Roy Jenkins told the House on Wednesday 13 December.

The debate on EMS and the outgoing German presidency was given particular immediacy by the news that Italy had decided to go in. Both President Jenkins and Council President Hans-Dietrich Genscher joined in praising this "courageous" move.

The question of resource transfer was taken up by most speakers. Christian Democrat leader Egon Klepsch, called for more generosity in this area, so that all countries would be able to join the new system.

Geoffrey Rippon (Con/UK) felt that the Council's unwillingness to budge on this had been clearly illustrated by the budgetary row with Parliament over the Regional Fund. Nevertheless, he said, a British Conservative government would have joined EMS from the start. Britain's leaders were displaying "many of the worst characteristics of self-destructive nationalism".

George Cunningham (Soc/UK) said Tory commitment to EMS was no more than a fortnight old.

The old familiar snake?

Socialist EMS expert, Lord Arwick, also regretted that "the hope we had of the generous intentions of transferring substantial resources to the less prosperous communities had not after all proved feasible".

And he had doubts about the scheme. "Is the system really sound? Is it really durable? Is it not just the old familiar snake with extra reserves?"

Generally, however, while recognising certain shortcomings and the dangers of a two-tier Europe, members were optimistic about EMS and there was also general support for the achievements of the German presidency.

There was much less enthusiasm for the French plan for three wise men to look into enlargement.

As Ron Brown (Soc/UK) put it: "We shall want three wise men to make the decisions, and a further three wise men to look at the three wise men, and another three to look at the three who looked at the three — in short, it is no solution to find your three wise men."

What about the CAP?

When EMS comes into operation on 1st January the ECU will replace the

unit of account for agricultural purposes, Commissioner Gundelach told the House on Thursday 14 December. If not, "there would be nothing but a big hole" he explained. He agreed with rapporteur Isidor Früh (CD/Ger) that technical adaptations would be necessary to prevent an inevitable decrease in prices of 21%. Otherwise most people would go bankrupt, he said.

Both Commission and Council felt that the monetary compensatory system was costly and burdensome and favoured its abolition. The new system, he admitted would not change the discrepancy of some 40% between the higher and lower prices. However currency trends would in future run at the same speed.

"Now we are 56"

The accession of the Solomon Islands, Dominica and Tuvalu to the Lomé Convention brings the number of African, Pacific and Caribbean signatories to 56. In Brussels, the negotiations to decide the form of the Convention's successor to run from 1980 have now reached a crucial stage.

An opportune time, therefore, for Parliament to debate (on Thursday, 13 December) a report drawn up at the Development Committee's own initiative on the renewal of this trade and aid agreement.



Michael Manley, Jamaican P.M. welcomes Colette Flesch, Chairman of E.P. Development Committee.

The new Convention, said Jan Broeks (Soc/NL) the rapporteur, should be far more ambitious and last two or three times as long. More countries should be encouraged to join and the Community should stay clear of protectionism, giving ACP states free access for their products. "The Community cannot do everything; it cannot cater for all developing countries" stressed Commissioner Claude Cheysson in reply. For the Council German Minister of State Klaus von Dohnanyi saw the Convention as a framework in which Africa could develop as an independent entity, outside the sphere of influence of the superpowers.

As at the recent ACP-EP meeting (see EPR No. 51) there was agree-

ment between Commission, Council and Parliament over the need to bring — albeit carefully — human rights into the negotiations. As Lord Reay put it: "We cannot justify to our own public opinion aid-giving to any developing country whose government is indulging in a flagrant abuse of basic human rights." But he, like other speakers, was against using sanctions.

One man's rubbish...

Europe's ingrained diversities, and sometimes obstinate resistance to attempts at harmonisation, extends even to the rubbish tip.

According to a report by the Energy and Research Committee, debated by the House on Monday 11 December, the composition of household waste varies not only from country to country but from one area of a country to another.

This is one of the complications in developing, on a Community basis, advanced separation and treatment techniques, allowing waste to be reprocessed and recycled, thus benefiting the environment and making the best use of ever scarcer resources.

It was estimated that in 1976 the Community produced 1,500 tons of waste, or 4.2m tons a day, and that one person produces about 250 kg of domestic waste alone, and almost 300 kg of combined domestic, garden and bulky waste a year.

Plastic foam

Making better use of and disposing sensibly of this waste mountain is the subject of a proposed £8.8m four-year research project, which received all-party backing in the House.

But Ron Brown (Soc/UK) wanted more research effort to be put into disposing of those two highly undisposable commodities — plastic and polyurethane foam. This should be done along with plans to look into the recovery of rubber waste.

The House also backed another research project, costing nearly £8m over five years, involving the Community Reference Bureau. This unit works on the coordinated use of reference materials — a wide range of substances with properties which are used for calibration and as a means of measurement.

Getting heated

There are two highly emotional words in the Community vocabulary — 'nuclear' and 'butter', Tom Ellis (Soc/UK) told the House on Monday 11 December.

As far as the first was concerned, he had the impression that it had been generating less heat in recent months and he hoped that emotions and myths were giving way to a growing acceptance of the realities of the practical use of nuclear power.

This trend would be reinforced by moves to improve safety factors in the nuclear industry — the subject of two reports on proposed research projects voted through unamended by the House.

The first provides for research and the pooling of information on taking outdated nuclear power plants out of service. The second aims to achieve common codes and standards for nuclear components.

People's choice

For the Conservatives, Charles Fletcher-Cooke said: "Electricity undertakings in the Community should benefit considerably from the collaboration work prepared by the Commission on the decommissioning of power-stations. Unilateral action would indeed be costly, and, for this reason alone, British electricity undertakings welcome the Commission's proposal".

On the popular view of nuclear power, he had no doubt that if Europe's voters had to choose between increased "electricity supplies as the motor of economic and social life for Europe" and "supplies based on national, or hoped-for, conservation and other untested energy-generating techniques" Community citizens would go for the former.

Butter not guns

"I have the feeling I have been here before, and that I didn't much like it". This was Lord St Oswald's (Con/UK) reaction when the House came to debate the recent sale of cut-price butter to the USSR on Thursday 14 December. It was the privileged of the Soviet Union who benefitted and not the starving inmates of labour camps, he went on. If the CAP resulted in such anomalies which had a damaging effect on public opinion, then the Community must adjust its export policy. Ludwig Fellermeier (Soc/Ger) agreed. The man-in-the-street would take the view put forward in Brussels by John Silkin that the consumer was paying to supply butter to the Russian army.

Brønlund Nielsen (Lib/DK) felt, on the other hand, that the House should welcome the situation. In Czarist times Russia had been an exporter of foods; now she was turning to us as we had a surplus. For the Commission Finn Olav Gundelach said that the deal had been

fully in accordance with the Treaty rulings on the prefixation of export refunds. The Commission was not a trading agent actively looking for markets.

Weather-watching

It is not just the British, it seems, who are interested in the weather. All Community member states are to participate in a proposed £5.4m research programme into climatology.

The aim is to find out more about the effects of climate on man, and vice versa, and to see if those notoriously inaccurate long-range weather forecasts can be improved — and, the short range ones, for that matter.

As Ron Brown (Soc/UK) told the House on Monday 11 December: "As I was informed that it was going to be cold in Luxembourg this week, I, of course, came in my greatcoat. And, of course, when I arrived the temperatures were sweltering. We cannot get it right just for three days, let alone for the 30 days in advance."

The project, which received all-round support in the House, will also address itself to that talking-point that surfaces every time there is a burst of very hot or very cold weather: 'Is the climate of the world changing?'

Colder in Moscow

As the energy and research committee report put it: "The summers of 1975 and 1976 were extremely warm and dry in most of Europe whereas, at the same time, Moscow was experiencing uncommonly cold summers with considerable precipitation. Is this an indication of a climatic change and how should it be interpreted? Similarly, the decade 1937-47 was the warmest in several centuries but also included four extremely severe winters, namely 1940-42 and 1947."

One theory is that climatic changes have been brought about by increased burning of fossil fuels since industrialisation. An example of the effect of such factors on particularly weather-sensitive spheres like agriculture was given by rapporteur Erik Holst (Soc/Dk), concerning Greenland.

A general increase in temperature (over 2°C) in the period 1910-30 made it possible to change from seal and whale fishing to 'industrialised' fishing with the accent on cod (the increased temperature encouraged cod spawning). A subsequent cooling of these waters drove the cod away from their spawning grounds again and thus made it necessary for Greenlanders to radically reorientate their industrial activities".

QUESTION TIME

Better by bus?

Dr Klaus von Dohnanyi told John Osborn (Con/UK) that the Council was anxious to encourage the use of public transport; he did not feel that this would jeopardise the interests of the motor industry. He told John Prescott (Soc/UK) that at the present time the Community could not make funds available for studies concerning the Channel Tunnel. The project was first and foremost a question for the UK and France.

Cyprus

Klaus von Dohnanyi told Lord Bethell (Con/UK) that the Nine were adopting a common position in attempting to find a solution to the Cyprus problem. He went on to say he was hopeful that progress was being made despite split votes in the United Nations.

Pioneers

Commissioner Richard Burke told Lord St Oswald (Con/UK) that the Commission had discussed the possibility of financing the South Yorkshire canal improvement scheme but that the UK government had not yet given the necessary notification of the project.

Legislation in November

The November sitting of Parliament was a particularly busy one, as far as Community legislation was concerned. It considered 31 "Bills", adopting 24 of them without amendment.

Of the others, the Commission told Parliament in a written report on Monday 11 December, Parliament's decisions were not being accepted in only one case. This was the recommendation in the report of Ralph Howell (Con/UK) that the Commission drop its plans for a subsidy on the degermination of maize.

In the six other cases, Parliament's amendments were being incorporated into the "Bills", which now go to the Council of Ministers. These concern:

- The protection of water from pollution.
- The distribution of food-aid.
- The security of light water reactors.
- Medical research.
- Environmental protection.
- Temporary importation arrangements.

Christmas Conundrum

As the European Parliament's staff in Luxembourg were breaking up for the Christmas hols, corridors and offices were still buzzing with the Mystery of the Unknown Nudes.

The week before, the German magazine *Neue Illustrierte Revue* — which might best be described as “serious girlie” — had published an article about a married couple, allegedly working for the Parliament, under the title “Adam and Eve International”. Accompanying the article was a full-page, full-frontal nude pic of the couple eating an apple.

Who were they? *Neue Illustrierte* gave the names Charlotte and Emile; but those who pounced on their staff lists could find no married couple of those names working for the Parliament. According to the text, the magazine's reporter had visited the Parliament's headquarters in Luxembourg, looking up an old colleague in the Information Directorate (and no doubt resting from, as the text puts it, “roaming the countries and continents of the world” in search of the “foreign and exotic”). He rounded a corner and... “Hoopla! . . . Sorry!” . . . bumped into a couple kissing in a corner. “Don't worry”, they replied, “It's always happening”; and agreed on the spot to be the magazine's Luxembourg Adam and Eve.

When *Neue Illustrierte* appeared on the bookstalls, some attempt was made to keep the matter dark, pending investigations. It was reported that photocopiers were being carefully monitored for those wishing to run off copies of the article. By the end of the week, however, Parliament's own bookstand downstairs had a vast pile on sale, which was quickly snapped up by Parliament Members seeking diversion from the Community Budget (see P.1).

Is it all a spoof? There is one strong argument for authenticity. If it were not all true, who on earth would deliberately go the European Parliament's offices in Luxembourg in search of the “exotic”?

Non-story

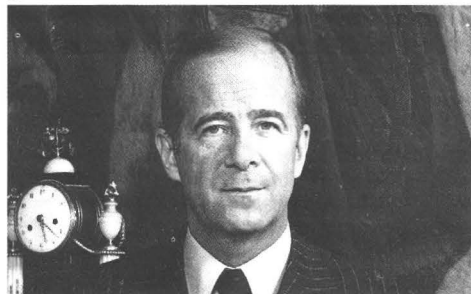
The ‘Guardian’ of Monday 18 December contained an interesting little exclusive about the problems said to be facing the Conservative Party in selecting Euro-candidates. The 200 on the list had all been sent a form, requiring them to tick those of the 78 Euro-constituencies for which they wanted to apply. According to the ‘Guardian’, carpet-bagging was so rife that party vice-chairman in charge of candidates Marcus Fox had been obliged to start the whole process again, this time setting an

upper limit of 15 constituencies each (though this would still give a ceiling of 3,000 applications).

Unfortunately, the story is untrue. Never mind. It could have been ‘The Times’.

Late night protest

When the French Foreign Secretary, M. Jean Francois-Poncet, comes to Strasbourg in January as the new President-in-Office of the Council of Ministers, he could well find himself “blacked”. Nothing he has done himself — except that Wednesday 14 January, when he first appears before the European Parliament, has seemed to one of the Parliament staff trade unions an ideal day to call a strike.



Jean Francois-Poncet

The source of the grievance is the length of time that staff who cover the sittings often have to stay at work in the evening — sometimes until 1 o'clock in the morning. Members, of course, are not daft enough to stay up making speeches that late. In fact, most of them sensibly adjourn for dinner at eightish. But, after they have gone, staff have to stay up working on the minutes and the verbatim report, with the Palace of Europe otherwise dead (i.e. no bars or canteens).

Fashion note

Three months ago it was Mickey Mouse pyjamas (see *Unofficial Journal* for October 1978). Now it's tights. According to MEP Paul Granet, there is now a terrible surplus of these in Europe, the result of falling sales and dumping from overseas.

European producers have been taking what M Granet euphemistically calls “certain measures to stabilize the market”; but points out that this will only work “if all producers . . . observe the same discipline, which is not always the case”. So he's asking the Commission, in a written question, to set up “a common market in tights”.

But is this somewhat (for a French Liberal) dirigiste answer the right one? Research seems to show that falling tight sales are closely related to the falling hemline. Now, a Commission directive to bring back the mini-skirt next summer, that would really be talking!

Europe, Ladies?

The EP already has its ‘Madame L'Ecosse’ (Winnie Ewing). But might we also be seeing a ‘Madame L. France’ in the newly elected Parliament? It's a role that could fall to Giscard's highly regarded Public Health Minister, Simone Weil, according to current Paris Euro-gossip. But far from being a lone voice, like SNP Winnie, the talk is that Simone Weil might find herself heading the massed ranks of the French majority — or, at least, its pro-European element, if Giscard gets his way and there is a joint RPR-UDF list, of sorts. Her good links with Jacques Chirac could help here.

The appointment could also be one answer to the French Socialists' bid to win over the female Euro-voter by promising to field six women in their top twenty. (By contrast, Socialists across the border in Germany seem less eager to make space for the ladies. The SPD's handful of women candidates seem to be concentrated near the distinctly vulnerable middle of their list). And, as the names of potential Euro-ladies emerge, it has not gone unremarked by Luxembourg's corridor mathematicians that there would probably be enough women in the elected Parliament to form an all-female political group — if they decided to desert their party flags, that is.



Simone Weil

Thanks

K.P.G. would like to take this opportunity, at the start of the New Year, to single out one British Member of the present European Parliament for especial mention. Gwyneth Dunwoody has not exactly been the most fanatical supporter of British Common Market membership, nor has she been outstanding in saying nice things about the Commission. But she was the only one, during debate on the 1979 Budget on Tuesday 12 December, to stand up for those former members of the Community staff who stand to lose up to 40% of their pensions when the new European Unit of Account is introduced.

K.P.G.