

ECONOMIC AND SOCIAL COMMITTEE
OF THE EUROPEAN COMMUNITIES

**CONFERENCE ON
THE ENLARGEMENT
OF THE
EUROPEAN COMMUNITY
— 26 and 27 June 1980**

EXTRACTS



Brussels 1980

On 26 and 27 June 1980 the Economic and Social Committee of the European Communities, under the chairmanship of Mr Raffaele VANNI, held a conference on the problems posed by the enlargement of the Community to include Greece, Spain and Portugal.

The idea of organizing such a conference was first put forward at the 169th Plenary Session of the Economic and Social Committee on 27 and 28 June 1979, during the discussion of the Opinion on enlargement, by the Chairman of the Sub-Committee set up to prepare the ESC's work on this subject.

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PREFACE

This brochure summarizes the proceedings at the conference on the enlargement of the Community organized by the Economic and Social Committee, which was held in the ESC building on 26 and 27 June 1980. This brochure has been compiled by the General Secretariat of the ESC, which assumes full responsibility for it.

This conference was an event without precedent both for the Community institutions and for the economic and social interest groups of the Nine and the applicant countries and the European-level organizations. It made it possible for the first time to bring together representatives of the various parties and provided a forum for a fruitful and wide-ranging debate on the problems currently posed by the enlargement of the Community



C O N T E N T S

	<u>Pages</u>
<u>PREFACE</u>	I
<u>CONTENTS</u>	III
<u>INTRODUCTION</u>	1
1. <u>PROGRAMME OF THE CONFERENCE</u>	4
2. <u>LIST OF PARTICIPANTS AND OBSERVERS</u>	6
A. <u>Participants</u>	6
B. <u>Observers</u>	21
3. <u>SPEECHES</u>	25
A. Opening address by the Chairman of the Economic and Social Committee, Mr R. VANNI	26
B. Introduction to the ESC's Opinion, by Mr A. PFEIFFER, Rapporteur.....	31
C. Introduction to the ESC's Opinion, by Mr U. EMO CAPODILISTA, Co-Rapporteur : Agricultural and Fishery Problems.....	39

	<u>Pages</u>
D. Address by Mr SPAAK, head of the Community delegation for the enlargement negotiations.....	44
E. Address by Mr G. ZAMBERLETTI, President-in-Office of the Council.....	54
F. Address by Mr TRYFON, Secretary-General of the Greek Economic and Social Policy Council (SKOP).....	59
G. Speeches by members of the Greek delegation	62
<u>Employers</u> : Mr KAZAZIS (Federation of Industry of Northern Greece).....	63
Mr PLATONIS (Federation of Industry of Northern Greece)	64
<u>Workers</u> : Mr KARAKITSOS (GSEE).....	64
<u>Various Interests</u> : Mr PAPAZOGLOU (PASEGES)..	66
Mr ANASTASSAKIS (GSEBE)..	67
H. Speeches by members of the Spanish delegation.....	69
<u>Employers</u> : Mr CERON (CEOE)	70
Mr GONZALES-ESTEFANI (CEPYME)	78

	<u>Pages</u>
<u>Workers</u>	
: Mr SIMON (UGT).....	79
Mr PASTOR (CC.OO).....	82
Mr LEUNDA (ELA/STV)....	84
Mr PICAZO (FTT).....	86
<u>Various Interests</u>	
: Mr SANZ PASTOR (CNJA- CNAG-UFADE).....	89
Mr ORTIZ DE LANDAZURI (COAG).....	91
Mr GARCIA PABLOS (OCU).	93
I. Speeches by members of the Portuguese delegation.....	96
<u>Employers</u>	
: Mr GONCALVES (CCP).....	97
Mr de CARVALHO (AIP)...	97
<u>Workers</u>	
: Mr BARRETO (CGTP-In)...	100
Mr COUTO (UGT-P).....	101
<u>Various Interests</u>	
: Mr CARDOSO (CAP).....	102
J. Speeches by representatives of European- level socio-economic organizations.....	105
<u>Employers</u>	
: Mr CARLI (Pr. UNICE)...	106
Mr CARBONEL (UNICE- CNPF).....	108
Mr DUPIN (Perm. Conf. Chamb. Comm.)	109
Mr ROGISSART (Pr. CEEP)	112
<u>Workers</u>	
: Mr KOK (Pr. ETUC).....	113
Mr LAMAGNI (ETUC-EFA)..	118

	<u>Pages</u>
<u>Various Interests</u> : Mr LUTEYN (Vice- Pres. of COPA).....	120
Mr MARGOT (Vice- Pres. UEAPME).....	124
Mr SCHONE (Sec. Gen. of EUROCOOP).....	125
Mr TINAYRE (Pres. of SEPLIS).....	126
 K. Speeches by members of the ESC delegation.....	 128
 <u>Group I - Employers</u>	
: Mr MASPRONE (Vice- Chairman Group I)....	129
Mr van CAMPEN.....	129
Mr ROMOLI.....	130
Mr DE BIEVRE.....	131
Mr EVAIN.....	132
Mr BLASIG.....	134
 <u>Group II - Workers</u>	
: Mr DEBUNNE (Chairman Group II).....	135
Mr CROESE.....	137
Mr MILITELLO.....	139
Mr ROUZIER.....	140
 <u>Group III - Various Interests</u>	
: Mr GERMOZZI (Chairman Group III).....	141
Mr JAKOBSEN.....	141
Mr ZOLI.....	142
Mr RAINERO.....	143
Mr JASCHICK.....	144
 4. <u>CLOSING ADDRESS BY THE CHAIRMAN OF THE ECONOMIC AND SOCIAL COMMITTEE</u>	 146

INTRODUCTION

At its 169th Plenary Session, held on 27 and 28 June 1979, the Economic and Social Committee adopted an Opinion on the applications of Greece, Portugal and Spain for membership of the European Community, in the presence of Mr Lorenzo NATALI, Vice-President of the Commission, responsible for matters relating to the enlargement of the Community.

During the debate, Mr SJOUKE JONKER, who had been chairman of the Sub-Committee set up to prepare the Opinion on enlargement, suggested, in agreement with the Rapporteur, Mr Alois PFEIFFER, and the Co-Rapporteur, Mr Umberto EMO CAPODILISTA, that the ESC take the initiative of organizing a conference on the enlargement of the Community.

The aim of this conference, which would bring together mainly the economic and social interest groups of the Community and the applicant countries, would be to review in general and specific terms the problems posed by enlargement and consider the conditions for the integration of Greece, Spain and Portugal in the Community in the short, medium and long term.

As the idea of such a conference was favourably received by the ESC members and endorsed by Mr NATALI, Mr Raffaele VANNI, the ESC Chairman, acting at the request of the ESC Bureau, approached the competent authorities of the applicant countries and the socio-economic organizations concerned so as to prepare the conference.

The conference was held on 26 and 27 June 1980 in the ESC building in Brussels. The fact that about 140 leading figures were present or represented indicates the interest aroused by this event in the circles concerned.

There was a wide-ranging debate after the welcoming address by the ESC Chairman, Mr VANNI.

The addresses by Mr F. SPAAK, Director-General at the Commission and head of the Community delegation for the enlargement negotiations, and Mr G. ZAMBERLETTI, President-in-Office of the Council, State Secretary at the Italian Ministry of Foreign Affairs, indicated the position of the Community on enlargement against the background of the present situation in the Nine and the applicant countries and made it possible to take stock of the enlargement negotiations.

The representatives of the European-level organizations, their Greek, Spanish and Portuguese counterparts and the members of the ESC delegation then put forward the views of their respective groups.

This debate enabled the problems of accession to be considered not only at general level but also from the sectoral angle (agriculture, industry, small and medium-sized enterprises, etc.) and facilitated the exchange of views.

This conference, the first of its kind, brought together in a Community economic and social forum the most representative socio-economic organizations of the future Member States, Greece, Portugal and Spain, and promoted a dialogue between them, their European-level counterparts, members of the ESC and the Community authorities.

The success of this conference allows one to feel optimistic about future relations and the two-way flow of information at all levels.

Roger LOUET
Secretary-General

1. PROGRAMME OF THE CONFERENCE

- 26 June 1980 : 10 a.m. Opening address by
Mr Raffaele VANNI, Chairman of
the Economic and Social
Committee
- 10.30 a.m. The enlargement of the
Community
- presentation of the ESC's
Opinion by Mr Alois
PFELFFER, Rapporteur, and
Mr Umberto EMO CAPODILISTA,
Co-Rapporteur
- 11 a.m. - Address by the Secretary-
General of the Greek
Economic and Social Policy
Council (SKOP)
- First speeches by members
of the Greek, Spanish and
Portuguese delegations
- 11.30 a.m. - Address by the Commission
representatives, Mr Fernand
SPAACK, head of the Com-
munity delegation for the
enlargement negotiations
- 12 noon - Speeches by representatives
of the European-level
organizations
- ADJOURNMENT 1 p.m.
- RESUMPTION 2.30 p.m.
- Address by the President-
in-Office of the Council,
Mr Giuseppe ZAMBERLETTI,
State Secretary at the
Italian Ministry of Foreign
Affairs

	3 p.m.	General debate (Speeches by representatives of Greek, Spanish and Portuguese socio-economic organizations, the European-level organizations and members of the ESC delegation)
ADJOURNMENT	5.45 p.m.	
	7 p.m.	Reception
27 June 1980	: 9 a.m.	Resumption of the debate, taking into account the views expressed during the previous day's discussions
	11.45 a.m.	Summing-up and conclusions by the Chairman, Mr R. VANNI
	12 noon	End of the conference

2. LIST OF PARTICIPANTS AND OBSERVERS

A. Participants

I. Economic and Social Committee and Community institutions

1. Economic and Social Committee

The Chairman : Mr Raffaele VANNI (I)

The Vice-Chairmen : Mr Edmond RENAUD (F)
Mr Tomas ROSEINGRAVE (EI)

The Secretary-General : Mr Roger LOUET

Representatives of the three Groups :

GROUP I - Employers

Alberto MASPRONE (I)	Vice-Chairman of Group I of the ESC General Confederation of Italian Industry (Confindustria)
Johannes AMMUNDSEN (DK)	Danish Employers' Federation's spokesman on International Affairs
Léon BERNAERT (B)	Chairman of the Committee for Social Questions of the Belgian Industrial Federation (FEB/VBO)

Reinhard BLASIG (D)	Member of the Board of the German Federal Institute for Labour. Chairman of the Supervisory Board of BAUKNECHT
J. Ph. M. Van CAMPEN (N)	Adviser to employers' organizations
Jacques du CLOSEL (F)	General representative of the National Federation of Department and Multiple Stores
Clément DE BIEVRE (B)	Former Director of the Department for Economic Affairs of the Belgian Industrial Federation (FEB/VBO)
Claude EVAIN (F)	Delegate for international relations of the President of the National Council of French Employers (CNPF)
Carlo HEMMER (L)	Honorary Director of the Luxembourg Chamber of Commerce
C. T. A. M. LEO (N)	Consultant to the Federation of Netherlands Industry (VNO)
W. G. N. MILLER (UK)	Executive Director of Save and Prosper Group Ltd.
Aldo ROMOLI (I)	In charge of relations with international bodies at MONTEDISON S.p.A.

GROUP II - WORKERS

Georges DEBUNNE (B)	Chairman of Group II of the ESC - Secretary-General of the Belgian General Federation of Labour (FGTB/ABVV)
Alois PFEIFFER (D) Rapporteur	Member of the Federal Governing Board of the German Trade Union Federation (DGB)
Gian Battista CAVUZZUTI (I)	Member of the international office of the Italian Confederation of Trade Unions (CISL)
Dieter CREMER (D)	Head of Section, Economic Policy Department of the Federal Governing Board of the German Trade Union Federation (DGB)
Georges CROESE (F)	Member of the Executive Committee of the French General Confederation of Labour (CGT)
Michel DE GRAVE (B)	Attached to the Research Department of the Belgian Confederation of Christian Trade Unions (CSC-ACV)
Giacinto MILITELLO (I)	National Secretary of the Italian General Confederation of Labour (CGIL)
P. J. G. M. van RENS (N)	Expert with the Netherlands Catholic Trade Union Federation (NKV)
Jean ROUZIER (F)	National Secretary of the French General Confederation of Labour - Force ouvrière (CGT-FO)
André SOULAT (F)	National Secretary of the French Democratic Confederation of Labour (CFDT)

GROUP III - Various Interests

Manlio GERMOZZI (I)	Chairman of Group III of the ESC. Member of the Bureau and Secretary-General of the Italian General Confederation of Craft Industries
Umberto EMO CAPODILISTA (I) Co-Rapporteur	Member of the Administrative Board of Federconsorzi (Federation of Agricultural Consortia)
Roderick L. DOBLE (UK)	Former Chief Executive and Town Clerk of the London Borough of Greenwich
Léon GIMBEMBRE (F)	Chairman of the General Confederation of Small and Medium-Sized Enterprises
G. H. E. HILKENS (N)	Secretary of the Dutch Council for Family Matters Vice-President of the Board for Contact with Consumers
Erik Hovgaard JAKOBSEN (DK)	Head of Department at the Danish Agricultural Council (Trade and Market Policy Department)
Johannes JASCHICK (D)	Executive member of the Board of the German Consumers Association
Patrick LANE (EI)	President of the Irish Farmers' Association
Louis LAUGA (F)	Assistant Secretary of the French National Farmers' Association (FNSEA)
Giovanni RAINERO (I)	Responsible for international agricultural relations and common agricultural policy at the National Confederation of self-employed

Raymond ROLLINGER (L) Honorary Director of and
Adviser to the Committee of
the Chamber of Trades of
Luxembourg

Giancarlo ZOLI (I) Lawyer and former Mayor of
Florence

2. Institutions of the European Communities

COUNCIL

Mr G. ZAMBERLETTI President-in-Office of the
Council, State Secretary at
the Italian Ministry of
Foreign Affairs

Mr P. FORESTI Chef de Cabinet

Permanent Representations at the European Communities

Belgium

Mr LEFEVRE Embassy Secretary

Denmark

Mr O. SAMSING First Secretary

GERMANY

Mr G. KROBEL Counsellor

Mr J. VON ARNIM First Secretary

Italy

Mr AVOCADERO Counsellor

United Kingdom

Mr J. HEALEY Counsellor

General Secretariat of the Council

Mr J. P. SENN Head of Division
Mrs HEIKEN Principal Administrator

COMMISSION

Mr F. SPAAK Director-General, head of the
Community delegation for the
enlargement negotiations
Mrs I. NIELSEN Director, Community delegation
for the enlargement negotia-
tions (Spain)
Mr. F. W. ALBRECHT Community delegation for the
enlargement negotiations
(Spain)
Mr C. A. F. d'ANSEMOURG Community delegation for the
enlargement negotiations
(Portugal)
Mr von SCHUMANN Directorate F II, D.G. I
Mr WATHELET D.G. V
Mr PIGNOT D.G. VI
Mr SCHANZ D.G. VII
Mr RENIER D.G. VIII
Mr DURAND D.G. XVI
Mrs RUBINLICHT D.G. XVII

ECSC Consultative Committee

Mr J. DANIS Secretary-General

II. Missions of the three applicant countries

GREECE

H.E. Mr M. ECONOMIDES Ambassador, Head of the
Greek Mission to the Euro-
pean Communities

Mr E. SARRIS Counsellor

Greek Ministry of Coordination

Mr A. KOUTRIS Director

SPAIN

H.E. Mr R. BASSOLS y JACAS Ambassador, Head of the
Spanish Mission to the
European Communities

Mr GARCIA-BARCIA Deputy Head of Mission

Mr A. PEDAUYE GONZALEZ Counsellor

Mr MESA-BASAN Social Affairs Attaché

Spanish Ministry for European Affairs

Mr PEREDO

PORTUGAL

H.E. Mr E. RODRIGUES LOPES Ambassador, Head of the
Portuguese Mission to the
European Communities

Mr L. AREIAS Counsellor

III. Representatives of the European-level socio-economic organizations

1. Employers' organizations

UNICE (Union of Industries of the European Community)

Mr G. CARLI	President of UNICE
Mr SASSEN	Secretary-General of UNICE
Mr D. PETROSCH	Federation of German Industry (BDI)
Mr V. CARBONEL	National Council of French Employers (CNPFF)
Mr A. SAUWENS	Belgian Industrial Federation (FEB/VBO)

PERMANENT CONFERENCE

Mr Y. DUPIN	Delegate of the Permanent Conference of Chambers of Commerce and Industry of the EEC
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CEEP (European Centre of Public Enterprises)

Mr G. ROGISSART	President of CEEP
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2. Workers' organizations

ETUC

Mr W. KOK	President of the ETUC
Mr M. HINTERSCHIED	Secretary-General of the ETUC

Mr J. I. NÅLSUND	Assistant Secretary-General of the ETUC
Mr D. MARIOLI	Secretary of the ETUC
Mr H. THIERRON	Secretary-General of the EMF
Mr O. STAADT	Secretary of the European Trade Union Committee of Food and Allied Workers in the Community (EG-NGG)
Mr U. LAMAGNI	Secretary of the EFA

3. Various interests organizations

COPA/COGECA (Committee of Agricultural Organizations
in the EEC/General Committee for Agri-
cultural Cooperation in the EEC)

Mr D. LUTEYN	Vice-President of COPA
Mr A. HERLITSKA	Secretary-General of COPA/ COGECA

UEAPME (European Union of Craft Industries and Trades
and Small and Medium-Sized Enterprises)

Mr F. MARGOT	Vice-President of UEAPME
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SEPLIS (European Secretariat for Liberal, Independent
and Social Professions)

Mr A. TINAYRE	President of SEPLIS
Mr J. BASTIN	Member of the Bureau of SEPLIS

BEUC (European Bureau of Consumers' Unions)

Mr T. VENABLES Director of BEUC

COFACE (Committee of Family Organizations in the
European Communities)

Mrs G. GUYS Director of COFACE

EUROCOOP (European Community of Consumers' Coopera-
tives)

Mr A. SCHONE Secretary-General of
EUROCOOP

IV. Representatives of socio-economic organizations in the
three applicant countries

GREECE

1. Greek organizations

Employers

Mr Ph. KAZAZIS President of the Federa-
tion of Industry of
Northern Greece

Mr G. ANDRIANOPOULOS Member of the Executive
Committee of the Associa-
tion of Greek Shipowners
(EEE)

Mr J. PLATONIS President of the Associa-
tion of Traders, Athens

Workers

Mr Ch. KARAKITSOS	Secretary-General of the Greek General Confederation of Labour (GSEE)
Mr DASSIS	Delegate of the GSEE
Mr E. SAITIS	Secretary-General of the Panhellenic Seamen's Federation

Various Interests

Mr P. PAPAIOGLOU	Director of the Panhellenic Confederation of Unions of Agricultural Cooperatives (PASEGES)
Mr M. ANASTASSAKIS	President of the Greek General Confederation of Crafts and Trades (GSEBE)
Mr C. VOYATZIS	President of the Athens Chamber of Crafts and Trades

2. Representatives of the Economic and Social Policy
Council

Mr A. TRYFON	Secretary-General of the Economic and Social Policy Council (SKOP)
Mr Th. GEORGIU	Assistant Secretary- General of the Economic and Social Policy Council (SKOP)

SPAIN

Employers

Mr J. L. CERON	Chairman of the Economic Affairs Committee of the Spanish Confederation of Employers' Organizations (CEOE)
Mr ESTEVE	Delegate of the CEOE
Mr GAFO	Representative of the Energy Committee (CEOE)
Mr A. ALONSO	Director of the Office for Relations with the European Communities of the CEOE
Mr M. GUASCH	Director-General of the Supreme Council of the Official Chambers of Commerce, Industry and Shipping
Mr X. GONZALES-ESTEFANI	President of the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME)

Workers

Mr M. SIMON	National Secretary of the General Union of Workers (UGT)
Mr M. MEDINA	National Secretary of the General Union of Workers (UGT)
Mr A. PASTOR	National Secretary of the Confederation of Workers' Committees (CCOO)

Mr A. GALLIFA	Head of the Economic Services of the Confederation of Workers' Committees (CCOO)
Mr J. M. LEUNDA	Vice-President of the Basque Workers' Front (Solidaridad de Trabajadores Vascos) (ELA/STV)
Mr A. PACAZO	President of the Federation of Agricultural Workers (FTT)

Various Interests

Liberal professions

Mr L. MARTI-MINGARRO	Delegate of the General College of the Spanish Bar
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Consumers

Mr A. GARCIA-PABLOS	President of the Consumers' and Users' Organization (OCU)
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Farmers

Mr A. SIMON	Secretary-General of the National Confederation of Arable Farmers and Stock-Raisers (CNAG)
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Mr M. GARCIA IGLESIAS	President of the Union of Spanish Farmers' Federations (UFADE)
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Mr F. SANZ PASTOR President of the National
Young Farmers' Centre
(CNJA)

Mr ORTIZ DE LANDAZURI Secretary-General of the
Coordinating Body for
Organizations of Arable
Farmers and Stock-Raisers
(COAG)

PORTUGAL

Employers

Mr A. de CARVALHO Vice-President of the
Association of Portuguese
Industry (AIP)

Mr GONCALVES Delegate of the Portuguese
Confederation of Commerce
(CCP)

Workers

Mr L. M. K. BARRETO Secretary-General of the
General Confederation of
Portuguese Workers - Inter-
sindicale (CGTP -In)

Mr V. CAL National Secretary of the
General Confederation of
Portuguese Workers -
Intersindicale (CGTP-In)

Mr J. M. TORRES COUTO Secretary-General of the
General Union of Workers
(UGT)

Mr C. BRITO

National Secretary of the
General Union of Workers
(UGT)

Various Interests

Mr R. M. M. CARDOSO

Member of the Bureau of the
Confederation of Portuguese
Farmers (CAP)

B. Observers

Persons proposed by Group I

UNICE (Union of Industries of the European Community)

Miss DUSSEL	UNICE
Mrs COLVIN	Confederation of British Industry (CBI), Brussels
Mr GELMI	Confindustria, Brussels
Mr NEOFYTOS	Federation of Greek Industry, Brussels
Mr DE RUEDA	Spanish Confederation of Employers' Organizations (CEOE), Brussels
Mr VASCONCELOS PORTO	Association of Portuguese Industry (AIP)
Mr MOUTON	Agricultural and Food Industries Committee (CIAA) of UNICE

CEEP (European Centre of Public Enterprises)

Mr G. FABRA	CEEP
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COMMERCE

Mr L. SCHILLINGS	Liaison Committee for European Retail Trade Associations (CLD)
Mr LHOR	FTA
Miss H. SPENCER	European Retail Trade Centre (CECD)
Mr S. FERRARETTO	Federation of European Wholesale and International Trade Associations (FEWITA) Confederazione Generale Italiano del Commercio e del Turismo
Mrs M. WOLFFERS	Liaison Committee for Trade in the Agri-Foodstuffs Sector (CELCAA)
Miss HERREMAN	CELCAA

CHAMBERS OF COMMERCE

Mr A. THANASSOULIAS	Director of the Office of the Greek Chambers of Commerce and Industry, Brussels
Mr F. PUERTO	Representative of the Spanish Chamber of Commerce with the EEC, Brussels

Persons proposed by Group II

Mr C. IDDON	Federation européenne de Transport (ITF)
Mr P. ADURNO	ETUC

Persons proposed by Group III or the members of
Group III

Mr A. GARCIA ARROGO	Vice-President of the Union of Spanish Farmers' Federations (UFADE)
Mr L. MONTER	Secretary-General of the Union of Spanish Farmers' Federations (UFADE)
Mr L. MERCADE LLORDACHS	Spanish farming
Maitre THYS	Delegate of the Advisory Committee of the Bars of the EEC
Maitre CROSSICK	Delegate of the Advisory Committee of the Bars of the EEC
Miss V. MALA	Advisory Committee of the Bars of the EEC
Mr BERGTHOLD	Association of Cooperatives Savings and Credit Institutions of the EEC
Mr H. PFISTERER	Savings Banks Group of the EEC
Mrs H. ZOGRAPHOS	Panhellenic Housewives' Union
Mr A. KORACAS	Bureau PASEGES, Brussels
Dott. G. PASQUALI	Head of the EEC Section of the Italian Farmers' Confederation
Dott. F. SERRA CARACCILO	Deputy Head of the EEC Section of the Italian Farmers' Confederation
Mr DUPRET	Public Relations, COFACE
Mr R. SCHMITZ	Assistant Secretary-General, EUROCOOP

Other observers

Mr CEREMBA	Information on Enlargement Division, Commission of the European Communities
Mr A. ALPTUNA	Turkish Delegation to the EEC
Mr C. G. CARTENS	European Union for the Wholesale Trade
Mr BEHR	IRELCO ESESA
Mr R. GOOSE	ILO Representative in Brussels
Mr G. KREMLIS	European Law Centre, Saloniki
Mr KASTRINOS	Greek General Confederation of Labour (GSEE)

Secretariat services for the conference were provided by the General Secretariat of the Economic and Social Committee (Studies and Research Division), in co-operation with the Chairman's Private Secretariat.

3. SPEECHES

- A. Opening address by Mr VANNI, Chairman of the Economic and Social Committee
- B. Introduction to the ESC's Opinion by Mr Alois PFEIFFER, Rapporteur (summary)
- C. Introduction to the ESC's Opinion by Mr Umberto EMO CAPODILISTA, Co-Rapporteur Agricultural and Fishery Problems
- D. Address by Mr SPAAK, Director-General at the Commission of the European Communities, head of the Community delegation for the enlargement negotiations
- E. Address by Mr G. ZAMBERLETTI, President-in-Office of the Council of the European Communities, State Secretary at the Italian Ministry of Foreign Affairs
- F. Address by Mr A. TRYFON, Secretary-General of the Greek Economic and Social Policy Council (SKOP)

A. Address by Mr R. VANNI, Chairman of the Economic and Social Committee

In opening this conference on the enlargement of the European Economic Community, I should like first to welcome on behalf of the Economic and Social Committee the representatives of economic and social groups from Greece, Spain and Portugal. I would also like to thank the Ambassadors from these three countries for attending our proceedings.

The presence of representatives of the European Institutions - Mr ZAMBERLETTI, who is here in his capacity as President-in-office of the Council and who will be addressing us this afternoon, Mr Fernand SPAAK, who is leading the European Community delegation responsible for the enlargement negotiations, and a delegation from the European Parliament - shows how much interest our conference has aroused. These representatives' contributions will certainly enrich our debate, and I would thank them most sincerely.

The permanent representatives of the Member States are also in attendance. I welcome them on behalf of the Economic and Social Committee.

The invitation which the ESC addressed to representatives of the social partners from the Nine and from Greece, Spain and Portugal to discuss together the complex problems connected with the enlargement of the Community testifies to the Committee's desire to play to the full its role as an

institutional vehicle for the democratic, pluralist participation of the economic and social interests and bodies which are active in the life of the Community.

Obviously, we exercise our role - and organized this conference - in accordance with the Treaty under which the Economic and Social Committee was established. The idea behind the Committee was that economic and social territorial imbalances should be resolved on the basis of the fullest possible social consensus.

This is why we attach particular importance, not only to relations between social partners from Community countries, but also to external relations.

Just a few weeks ago in Geneva a delegation from the Economic and Social Committee took part under the aegis of the European Parliament, in a wide-ranging exchange of views with spokesmen of economic and social groups from countries signatory to the Lomé Convention.

Whilst it is for the appropriate Community Institutions to take decisions which bind the Community and the Member States, it is for the Economic and Social Committee in its institutional role to put over the views of the spectrum of economic and social interests. This not only means issuing Opinions at the request of the Council and the Commission or on the Committee's own initiative on major economic

and social issues arising out of European integration; it also and above all signifies fostering dialogue and seeking participation even outside the boundaries of the Nine.

The energy crisis, inflation, severe unemployment and the need to restructure a considerable slice of our industry and to draw up a new agricultural policy threaten to create even more damaging conflicts than have occurred in the past, thus nullifying the efforts which have to be put into countering national and group selfishness. In order to stave off this menace, dialogue and negotiation - even between opposing interests - must be stepped up.

It is not the task of the Economic and Social Committee at this time to make new or more detailed political assessments of the present Community or the problems involved in its enlargement to 10 and then 12 Member States. Our present task is to identify the obstacles to enlargement in the short and medium term. The Economic and Social Committee has already given its broad political backing to enlargement and will continue to endorse it as a fundamental instrument in the unification of Europe.

When the Economic and Social Committee began last year to define its position on enlargement, the full scale of the problem and the difficulties involved became apparent. The results have nevertheless shown that it is possible to reach a broad consensus between employers and labour in the Nine. We were thus able to draft an Opinion in favour of enlargement that was endorsed by virtually all the Community's major economic and social interest groups.

Our position thus forms a synthesis of Community views. This will have to be balanced against the needs and interests of the peoples who are preparing to join the Community, but it constitutes a definite starting point.

We hope to have an open debate that reflects both common ground and differences of opinion, and stimulates further reflection which will enable us, if need be, to submit an updated Opinion to the Commission and the Council.

Naturally, it is also our hope to continue the dialogue between the various economic and social interest groups in the enlarged Community leaving behind the narrower nationalistic views and vested corporatist interests.

I should like to extend my warm appreciation to the Greek employers' and labour representatives present for the European spirit they have shown in participating in this conference. It will be a great pleasure to welcome the Greek delegation to the Committee in a few months' time.

The historical objective that we have set for ourselves must not prevent us from taking a realistic view of the path that lies ahead and the obstacles we face, namely, the diversity of economic structures and development levels in our societies and the variety of our cultures.

The Rapporteur, Mr PFEIFFER, and the Co-Rapporteur Mr EMO CAPODILISTA, will give a detailed presentation of these problems and our observations.

This will serve as the basis for the discussion and the exchange of views.

The debate between interest groups has been continuously pursued at the Committee for the past 22 years, albeit of course, with many moments of tension. The collaboration between Community organizations of employers, workers, farmers, small and medium-sized businesses and consumers has kept this ongoing dialogue alive, and I am sure they will play a very important part in this Conference. All the Community-wide organizations already have frequent contacts with their counterparts in the three applicant countries and have a special expertise in this area.

In conclusion, ladies and gentlemen, I should like to apologise for any organizational shortcomings. We are only just beginning to come to terms with the technical problems raised by Community enlargement. But as you have seen, we are able to provide interpretation into the various languages, and a number of the Conference documents are available in Greek, Spanish and Portuguese.

I emphasize this aspect in order to stress that the Community in which we believe must not be merely an amalgam of interests held together by a bureaucratic infrastructure. A genuine Europe of the people must respect the culture of every member of the Community, as a pre-requisite for the European ideal.

B. Introduction to the Opinion of the Economic and Social Committee by Mr Alois PFEIFFER, Rapporteur, (summary).

1. Introduction

Ladies and Gentlemen

Well before the accession negotiations proper, the Economic and Social Committee prepared studies in order to gain an insight into the economic, social and human situations in Greece, Portugal and Spain.

These studies and an initial Opinion on Greek membership constituted the basis of the final ESC Opinion on the enlargement of the Community which was delivered in June 1979.

That Opinion was drawn up by virtue of the Committee's right of initiative which the Committee uses to put across the views of the major social groups on all major Community issues, in this case a particularly important one.

The ESC adopted this Opinion by a large majority, thus coming out unequivocally in favour of enlargement.

The conference documentation includes a copy of the Opinion in the form of a brochure. The studies which I mentioned are also available.

II. The principles underlying the Opinion

Our starting point was the principle set out in the preamble to the Treaty establishing the EEC where "the other peoples of Europe who share their ideal" are called on "to join in their efforts". We consider that the accession of the

new Member States will stabilize and strengthen democracy in Southern Europe and thereby consolidate democracy throughout Europe.

But we did not view enlargement through rose-tinted spectacles.

We repeatedly stressed that enlargement would call for sacrifices and we pointed out that major efforts would have to be made if the already laborious slog towards genuine union is not to be slowed down even more.

Our aim for the years to come is to strengthen not to weaken the European Community. The enlargement of the Community has to be assessed from this angle.

Accordingly, we stressed that the burdens and teething troubles connected with the accession of new Member States should be borne by all the parties concerned on the basis of solidarity.

On the other hand, we drew attention to the revitalizing opportunities afforded by opening up of new markets as a result of the enlargement.

We hold that the essential condition for strengthening and not weakening the Community is self-evident - that the countries applying for membership accept what has been achieved by the Nine. The same thing goes for the procedures, objectives and Community policies which apply to all Member States. The European Community was created with the definite intention of laying the foundation for an ever-closer union of the European nations. For more than 20 years the Member States have been employed on a series of joint activities in the economic and social field which the acceding countries now have to take up as well.

The entry of Greece, Portugal and Spain raises much more difficult transitional problems than the accession of Denmark, Ireland and the UK.

Accordingly, the difficulties of adaptation, whether they be economic, social or, above all, financial, should be central to the accession negotiations.

III. Acceptance of what has been achieved - most important areas of the Opinion

In particular, this signifies above all agreement to abide by:

- the customs union and customs law;
- the common policies in the field of the common market and competition policy, industrial policy, social policy and regional sectoral and structural policy;
- the Common Agricultural Policy;
- the system for providing the Community with own resources, including the arrangements for collecting the same;
- the association and cooperation agreements with the Mediterranean countries.

1. Common Market - Competition Policy

The creation and development of the common market is the Community's most important economic task. Enlargement must not detract from the achievement of this goal.

In order to guarantee full participation in the common market, the acceding countries must be prepared to eliminate the existing trade barriers and distortions of competition, including subsidies which distort competition. The objective is to create equal terms of competition.

2. Social Policy - Free Movement

At the end of the transitional period, workers from the acceding Member States must be guaranteed complete free movement.

But, the structural and cyclical unemployment in the Community, may require a relatively long transitional period which should be agreed with each of the would-be Member States in the light of the adaptation measures necessary and the impact of such measures.

The Economic and Social Committee's view is that as a rule it is wiser to create jobs in areas of unemployment rather than to force the jobless to look for work elsewhere. It follows that a vigorous Community regional policy should be pursued.

3. Regional Policy

Regional policy must assist with the implementation of a dynamic employment policy in the Community. On it depends the improvement of overall living standards. The regional policy measures undertaken by the Community must be designed to create lasting jobs with satisfactory working conditions and pay.

Funds must be allocated to the Regional Fund in the light of results. The better the objectives of the Community's regional policy are achieved by the deployment of resources, the more likely it becomes that the Regional Fund will be enlarged and, possibly, that there will be a shift in the use of Community financial instruments towards the Regional Fund.

The efforts of the enlarged Community should be directed towards making sure that the regional and sectoral problems extant in the Nine and, in some respects, even more markedly in the would-be Member States do not deteriorate further after the enlargement. Structural policy - regional and sectoral - must take on particular importance vis-à-vis the Mediterranean area.

4. Agricultural Policy in the Mediterranean basin

In the countries bordering the Mediterranean, agriculture plays a central role in creating wealth and jobs.

However the countries share similar problems in point of climate and agricultural production structures. Very considerable efforts will have to be made if these problems are not to be exacerbated by the enlargement. My Co-Rapporteur, Mr EMO CAPODILISTA, will go into this matter in detail in his statement on the Common Agricultural Policy.

5. Industrial Policy

Major sectors of industry in the Community are hard hit by overcapacity on a world scale. The accessions of new Member States will significantly increase production capacity in industrial sectors of the Community which are particularly affected by overcapacity, whilst the disparities in production conditions in other sectors will continue to widen.

This situational analysis clearly shows that would-be Member States should accept the EC provisions and Mechanisms concerning structural adaptation, e.g. for steelmaking, shipbuilding, textiles and the leather industry. The would-be Member States must be aware of the obligation for them to behave in a "Community-minded" manner in line with Article 5 of the EEC Treaty from the onset of negotiations and not only after the end of the negotiations, and during and after the transitional period.

6. The Community's Development Aid Policy

The Economic and Social Committee considers it very important to make it clear that the accession of the three new Member States should not result in commercial policy vis-à-vis developing countries becoming more protectionist and that the financing of the enlargement via regional and sectoral structural measures should not be at the expense of Community development aid. As part of the policy of development of the system of generalized preferences (GPS), future Member States must

on membership accept the entire GPS as agreed by the Community. In certain areas the new Member States will as a result face increased competition from countries - including developing countries in respect of which they currently enjoy a high degree of protection.

7. Community Budget and Finances

Recent experience shows how serious crises can arise as a result of failure to resolve, during the transitional period, problems of adaptation in connection with the budgetary mechanisms and contributions to the Community budget. We therefore consider it vital that the would-be Member States accept the Community's budgetary provisions, including the rules on the Community's own resources. This holds good for the organizational rules on the adoption of the budget and for the decision on the introduction and transfer of the Community's "own resources" and for the relevant procedures for putting this into effect. As for the Community's revenue, the would-be member countries must also accept the provisions introducing value-added tax in all the Community States and the associated Directives which enable the preportion of national VAT revenue going to the Community to be calculated and levied.

8. The Community's Mediterranean Policy

We are conscious that the main impact of the enlargement will consist in the Community's having a very marked presence around the Mediterranean. The resultant increased responsibility for a Community of 12 as regards the continuing

peace and economic development of this region must culminate in an overall but practical Community policy. We shall be able to discuss these issues in depth after the statement by the Commission representative.

9. Cost of the enlargement

The Economic and Social Committee considers that the structural problems raised by the accession of new Member States should not be dealt with by a special ad hoc fund. This could raise unrealistic expectations which the Community could not in practice satisfy.

The problems created by enlargement in certain regions and sectors in the Community and in the acceding countries will have to be dealt under an "enlargement action plan". In this connection, the existing financial instruments should be deployed in a coordinated manner.

In this context, the Economic and Social Committee considers that it is very important to calculate the necessary finances more precisely so that public opinion in the Community of 12 is aware of the funding which will have to be laid out in connection with the enlargement in order to reap the political and economic advantages. Once such an inventory has been drawn up, it should be easier to gain acceptance on the political level for the need to alter the size of the Community's financial instruments accordingly. It should then be easier to gain political acceptance for the whole "enlargement action plan".

In conclusion, on behalf of the Economic and Social Committee, I would assure our guests that we very much hope that the acceding states' entry into the Community will be smooth and untroubled. In our Opinion, we have endeavoured to

enumerate the problems, to adumbrate possible solutions and to give a realistic picture. We trust that this realism will enable you to discuss these problems with us forthrightly. By this conference which we took the initiative of organizing, we wish to show that we look on enlargement as one of the Community's main objectives and that the European economic and social groups support this objective. In our view there is no point in hiding the difficult problems which both Member States and the acceding countries will have to resolve. We trust that this conference will make some small contribution to a frank and fair comparison of points of view and perhaps will narrow the gap between our respective positions on one or other of the issues.

C. Introduction to the Opinion of the Economic and Social Committee by Mr Umberto EMO CAPODILISTA, Co-Rapporteur

In agriculture, more than in other sectors, the accession of the new Member States will raise substantial problems, particularly as regards the Mediterranean regions of the Member States and the applicant countries.

Commission and ESC documents referred to in the Opinion indicate that enlargement will considerably increase the already high number of structurally inadequate farms. This increase will exacerbate regional disequilibria. This will take place against a background of economic backwardness in the Mediterranean regions which is far from being overcome by the Community's regional policy whilst the policy on farm structures is hardly - if at all - implemented.

As regards balance on the various markets, the Opinion urges the Commission to fill in the gaps in the existing data on self-sufficiency. However, in view of the lower yields per hectare, the lower level of mechanization and utilization of chemical fertilizers, the development of irrigation and the lower prices of most Mediterranean agricultural products in the applicant countries - which will increase on entry into the EEC whilst wages and social costs are, and will probably remain, lower for a long time, as is stated on page 17 of the Opinion - it is reasonable to assume that considerable surpluses of certain typical Mediterranean products will build up in the enlarged Community.

At the same time, the current structural surpluses of certain continental agricultural products are likely to decrease, without completely disappearing. All this is likely to have adverse economic and social effects for the farmers concerned and adverse economic effects for the Community.

It will also affect international trade. There will be changes in trade flows and possible adverse effects on the three applicant countries, which will be obliged to get their supplies of food and basic farm products from the Community rather than more cheaply from elsewhere (and hence lose valuable trading opportunities), and on the other Mediterranean

countries which will find it more difficult to export their farm products - these accounting in many cases for a fundamental share of their trade with the Community.

We must therefore develop an overall approach which takes account of the reciprocal requirements of the CAP, the EEC's commercial policy and the need to harmonize the various preferential agreements with one another and in accordance with the new situation which will result from the enlargement of the Community.

As a result, our priority must be to consult with our new partners about a strategy which will guide the growth potential of the applicant countries towards products other than those traditionally produced in the Mediterranean and, in particular, towards crops which are rich in vegetable protein.

As of now, the applicant countries must also prepare - as Article 5 of the Treaty provides - to apply from the beginning of the transitional period, the existing and future Community arrangements on, for instance :

- the organization of the markets, structural policy, rules on production checks and reconversion measures, competition (monopolies, etc.), quality standards - particularly as regards foodstuffs - environmental and consumer protection.

Moreover, ad hoc supervisory machinery should be set up to prevent commitments being evaded.

In order to obtain these results, radical, extensive and long-term measures will have to be taken. There will have to be a transitional period which will bring about a genuine convergence of economic conditions as between the Community and the applicant countries. It will have to include adequate safeguard clauses and during its term the socio-structural Directives will have to be up-dated to suit the Mediterranean regions by increasing the funds currently available and by introducing a better criterion for comparison of the income which can be attained per manpower unit. In addition, Community programmes will have to be implemented in certain areas and sectors in order to eliminate the structural disparities which exist between regions and the permanent imbalances on certain markets. There is also a need for global intergated programmes concerning the various economic sectors in the regions concerned;

- The aim must be to achieve balanced economic development whereby jobs are maintained and created. Recourse should be made to a variety of financial instruments in limited areas. Such action should be coordinated without upsetting the normal administration of the CAP.

In addition:

- several market organizations will have to be revamped in order to adapt them to suit the new production-consumption relationships and to achieve increased security of income for the producers concerned (fruit and vegetables, wine, olive oil, etc.);
- overall regulations should be drawn up for processed products and new market organizations designed for some Mediterranean products which are not yet covered by market organizations should the need arise;
- Mediterranean farm and food products should be promoted. The taxes in force in some Member States should be abolished and a system of marketing premiums introduced;
- action should be taken in the field of combined agriculture and tourism.

In the final analysis, the burden of the enlargement of the Community must not be shouldered by the Mediterranean producer alone. The Community as a whole must accept responsibility for its decisions.

As regards fisheries policy, the doubling of the fishing fleet and of the number of persons engaged in fishing as a result of the accession of the three new Member States will raise problems of adaptation and necessitate substantial changes.

The applicant countries must accept the Community rules which are in force. The fishing quotas proposed by the Commission in the Community fishing areas must be redistributed and the agreements between the applicant countries the Community and third countries will have to be re-examined.

An outline agreement with Spain has been signed but not yet ratified by the Community. Spain above all will have to tailor its considerable fishing capacity to suit the limited possibilities afforded by the Community pond and the fishing areas of third countries. From the onset of the transitional period, Spain must adopt the rules in force in the other Community countries concerning fishing methods, including those of mesh sizes and the protection of fish stocks.

D. Address by Mr F. SPAAK, Director-General at the Commission and head of the Community delegation for the enlargement negotiations

The current debate on the enlargement of the Community has assumed new dimensions for the general public.

The nature and scale of the problems involved are not new, either for the Economic and Social Committee, whose 1979 Opinion made a major contribution to the debate within the socio-professional organizations, or for the Commission which, for some time past has been making comments and proposals in response to the new challenge facing the Community.

I therefore do not wish to confine myself to a progress report on the negotiations with the applicant countries. I would above all like to review the discussion to date on enlargement.

Greece will become the tenth Member State on 1 January 1981; all the present Member States have now ratified the Accession Treaty signed in Athens on 28 May 1979.

Negotiations with Spain and Portugal have proceeded satisfactorily and both sides have tackled almost all the problems involved.

The Community has still to make preliminary declarations on fisheries and agriculture in Spain and Portugal. Euratom and Social Affairs have also to be discussed with Spain and Portugal respectively.

The Commission has already issued memoranda on agriculture Euratom (Spain) and social affairs (Portugal). A memorandum is shortly to be issued on the Spanish fishing industry.

The Commission is determined to get down to brass tacks in the autumn. It hopes to wind-up negotiations during 1981 so that Spain and Portugal can join the Community in 1983.

I would however like to dwell on some fundamental aspects of the enlargement debate. We are all aware that the current negotiations, which are designed to work out

transitional measures or temporary derogations, will not secure proper homogeneity in the Twelve, irrespective of the length of the transitional period.

While welcoming the accession of three new members, the Commission has repeatedly alerted the Member States, the Community institutions and the public at large to the consequences of enlargement.

In the interests of the Nine and the three applicants, it is imperative that enlargement be accompanied by a strengthening of internal cohesion. This will involve rounding off the Common Market and expanding the common policies.

I would like to clarify two points

What I have called for is not new. During the first enlargement, the Commission underscored the need to strengthen and cement the Community.

In current economic circumstances and in the light of experience, such measures have become essential.

The problems peculiar to the applicant countries, must be kept separate from the current problems facing the Nine.

This goes beyond the massive surpluses associated with the common agricultural policy and the problems of the Community's financial machinery.

It also involves the widening gap between certain Community regions, sectoral imbalances, the absence of a consistent industrial policy and its impact on the development of our trade policy, and employment problems.

Enlargement will exacerbate the already serious problems bedeviling the Community, increase existing pressures and strengthen the need for reform; to this extent, enlargement is a milestone on the way towards a fully-fledged Community.

This is why the Commission has always stressed that enlargement must not be seen in terms of conflict but from the angle of a Community of Twelve whose destinies are inexorably interlocked.

Without specific preparatory work, a Community of Twelve will be less closely-knit, insofar as the proportion of ailing regions and sectors will increase, and industrial, agricultural and social structures will come under pressure.

To offset the disruptive effects of this situation and to safeguard the fundamental goals of the Community, it is imperative to integrate all the new Member States without delay into the current development pattern of the Community.

Every effort must be made at Community level to secure the strongest possible growth in the Nine so that the spin-off effect on the economies of the applicant countries will enhance their growth potential.

At this point I would like to underline the importance of this scenario of a Community of Twelve.

In the years ahead, it is probable that the economic performance of the Member States will lag behind the levels achieved in the sixties.

Taking a fairly optimistic view, we can hope that if the economic restructuring measures prove successful, it will be possible to eradicate the major sources of tension within the Community.

Since, however, the distributable surplus will remain limited, it is clear that enlargement to Twelve will require a determined policy to meet the aspirations of Community citizens and to advance towards higher convergence between the Twelve.

More specifically this involves :

- promoting balanced, coherent industrial development in the new Member States;
- preserving and developing the Community's achievements, particularly as regards agriculture:

- reducing regional imbalances;

- securing employment, in particular for young people and those persons, in the new Member States in particular, who will be hit by structural changes and who will be unable to emigrate because of high unemployment, particularly in the Community;

- maintaining the Community's accessibility to the outside world and ensuring that the widening of our economic boundaries is accompanied by an increase in self-sufficiency in certain agricultural and industrial products.

The Commission has proposed a number of measures to meet this challenge.

In connection with the CAP, the Community must achieve greater control of certain products, encourage shifts towards others in which the Community has a shortfall, and facilitate the structural changes needed to secure greater competitiveness in the production and processing.

With this in mind, the Commission memorandum on Spanish agriculture proposed measures on vegetable oils and fats, fruits and vegetables and the wine sector. These proposals are additional to those already contained in the Mediterranean packet or submitted in the 1980 Budget on inter alia, dairy products.

Moreover, the Commission has opened talks with the Spanish authorities. Through appropriate contacts and dialogue, it hopes to forestall divergences which would exacerbate the difficulties facing the enlarged Community.

The Community has also opened discussions with the Spanish and Portuguese authorities on the adjustment of the Communities' industries and the application of common rules to the applicant countries.

This action is hampered by the absence, of a Community industrial policy, apart from certain palliative measures, and by the difficulties in financing common measures.

The idea of financial aids was originally mooted in the "Fresco".

It was proposed that Portugal, whose per capita income is much lower than the rest of the Twelve, should receive Community aid to boost its growth.

The Commission Opinion added that the Community had to be prepared to support the industrial and agricultural expansion of Portugal. Following this Portugal submitted specific applications.

Against this background, in early June the Commission adopted a communication on measures to assist Portugal. These comprised Community aid to the tune

of 350 Mio EUA. One third of this aid was in the form of reimbursable EIB loans. This aid chiefly earmarked for industry (smaller businesses), regional and agricultural sectors and vocational training.

Given the current constraints on the Community budget, it would probably be extremely difficult to do more in the field of aid prior to enlargement. On accession, the new Member States will qualify for transfer payments from the Community budget. This should give them a genuine advantage over the other Member States.

Following the publication of the "Fresco", the Commission took the view that it was by no means certain that the applicant countries could absorb larger transfers.

But this scenario of a Community of Twelve also concerns certain regions of the present Community and the Twelve's external relations.

The need to strengthen the Community's assistance to its more vulnerable regions has been raised consistently at political level since the beginning of the second enlargement round. In practical terms, there has been an initial response as regards the Mediterranean areas whose problems will be exacerbated by enlargement.

I have already referred to the 1973 Mediterranean package. In October 1979, the Commission proposed an initial series of Community measures, to be financed from the quota-free section of the ERDF, to assist the South-West of France and the Mezzogiorno.

Research is under way to see how these proposals could be followed up.

The Commission report on non-Member States and the memorandum on Spanish agriculture both proposed that the Mediterranean countries should be contacted in parallel with the accession negotiations. This would make it easier to analyze and assess the scope of their problems and to select the appropriate remedies.

While concrete measures are to be proposed later on, one thing is clear now; if the Community wishes to salvage its Mediterranean policy, it will have to make a number of concessions to the non-member Mediterranean countries in order to secure their access to its market and vice versa.

All concerned will therefore have to pull together in tackling the problems facing the enlarged Community.

The crucial importance of coherence within the Twelve warrants me dwelling on it.

I would however also like to examine the institutional problems, in order to stress the gamble which enlargement constitutes.

It does not merely involve the number of seats or the weighting of votes. It is well known that enlargement from six to nine created serious problems for the Community decision-making process. The Commission has emphasized that

enlargement to twelve will put a severe strain on the institutions and the decision-making machinery. If practical operational conditions are not improved, there is a risk of stalemate or compromise.

This assessment, which gibes with the views of the Economic and Social Committee, has just been confirmed by the Report of the Three Wise Men.

The Community requires flexible procedures if it is to adapt to its new dimension and to face the difficulties of the present situation with renewed vigour. This implies a higher degree of solidarity which should be reflected in wider use of majority voting on subjects which are not of vital importance and which do not require unanimity.

I would like to conclude on this word "solidarity" I have outlined the economic challenge facing Europe in the coming years. Enlargement adds a further dimension. I have also sketched the institutional challenge involved in safeguarding the mechanisms and progress towards a Community of Twelve.

These are the practical illustration of a Community of Twelve; the Nine have given their natural European allies an unequivocal assurance that they will support their efforts.

This is proof of vitality.

It implies the political determination to ensure this solidarity, and to advance towards more complete integration despite the difficulties involved.

The Commission will do its part to bring this about.

E. Address by Mr G ZAMBERLETTI, President-in-Office of the Council of the European Communities, State Secretary at the Italian Ministry of Foreign Affairs

The applications for membership of the Community made by Portugal and Spain and the forthcoming accession of Greece provide further evidence of the Community's importance, not only economically, but also and above all as a factor for political stability and democratic development. The three would-be Member States have, since their return to democracy, considered that membership of the Community would constitute the best guarantee of economic and political growth.

We responded positively to this political appeal by initiating the long negotiations which will culminate in the Community being increased to a total of twelve Member States, Greece entering first, Portugal and Spain later. The future integration of Europe will concern a further sixty million people directly plus 200 million people indirectly on the southern shore of the Mediterranean living in countries which have long had close and friendly relations with the Community.

Accordingly, enlargement will result - unless we give due thought to this in time - in the contraposition of some 250 million people in the industrialized north and some 200 million in the south. When considering the future of the Community, these new dimensions cannot be overlooked.

The Community's importance in world trade will be greater than that of any single country, but its economic structures will be less homogeneous than at present. Regional imbalances will increase considerably and the relative importance of agriculture within the Community will be much greater in terms of both output and employment. In addition, the problem of industrial restructuring will become more acute in view of the level of development of the three future Member States in some particularly sensitive sectors.

All this signifies a major change in the internal balance of the Community. The southern question will take on considerable dimensions and will probably become the central issue of European integration.

However, as was clearly brought out in the interesting Opinion on the enlargement drawn up by the Economic and Social Committee - a view held also by the Council - "enlargement will help to bring about political stability and strengthen democracy in Southern Europe, thus consolidating the democratic system throughout Europe. This overriding aim means that appropriate and just solutions must be found to the economic and social problems arising out of enlargement. This may possibly involve sacrifices and burdens, if so, these sacrifices and burdens will have to be shared out evenly among Member States, the acceding countries and the various economic and social sectors and groups".

The political aim of the enlargement obviously remains that of improving living standards in all the Community countries. Alongside this main objective there are other equally important aims, e.g. that of making a vigorous contribution to the development of the third world and the search for a new economic equilibrium, which also have to be pursued. Our capacity to tackle the challenges of our time hinges largely on strengthening the Community and on the Community's developing in a balanced manner.

If I may rapidly review progress made with the accession negotiations I am confident that we have now reached the final phase of the preliminary part, the "overall view" wherein we have endeavoured to identify the problems arising from the accession of Spain and Portugal. Work so far has given us a good idea of the magnitude of the impact on the Community of the accession of these two countries. The fact that we have been unable to stick to the timetable which was set at the beginning of the six months of the Italian presidency is due, not to foot-dragging, but to the concrete difficulties which have been encountered. These caused the Commission to be considerably delayed in making its proposals in some cases (e.g. the agricultural sector in the negotiations with Spain). The proposals concerning agriculture for Portugal and for fishing for both Portugal and Spain still have to be submitted.

Awareness of the problems of the enlargement have not eroded the political will to negotiate uninterruptedly. The recent statements by President GISCARD D'ESTAING, which

understandably alarmed Spain and Portugal, should not be interpreted - as has been confirmed from Paris - as signalling a pause in the work. The proof is afforded by the recent submission to the Spanish and Portuguese of the Community position on the delicate social policy sector and the establishment of an ad hoc group of directors-general responsible for agricultural affairs to deal, in parallel with the working party on accession, with the amendment of the present Community agricultural rules in light of the enlargement.

Enlargement will also have an impact on the Community budget. The accession of Spain and Portugal will entail considerable additional expenditure: in the case of Spain primarily in the agricultural sector, in the case of Portugal on vital aid for the development of its economic/industrial machinery so as to enable it to fit into the Community structures. The initial estimates of expenditure made by the Commission were around 3,000 MEUA for all three acceding States (i.e. including Spain). These estimates are now being revised. An indication is given by the fact that the original estimates for EAGGF - Guidance Section expenditure in Spain were 600 MEUA, whereas more recent calculations come up with more than twice this amount, 1,300 MEUA.

It is clear that these new and indispensable outgoings will come up against the limit in the availability of budget resources dictated by the 1% VAT ceiling.

Accordingly, the current own-resources system will have to be revamped.

Yet another issue which must be dealt with before the accession of the new Member States.

In conclusion, I consider that the Member States and the acceding countries must not only have the political will to push forward with the negotiations. They must also be prepared to find ways and means of enlarging the Community which are most likely to strengthen the Community.

With this in mind, this initiative of the Economic and Social Committee is, in my view, highly meritorious. Thank you for giving me the opportunity to take part in this conference which has given the social partners of the twelve countries a chance to express their views together for the first time. The suggestions, assessments and guidance which come out of the conference will be useful, I am sure, to the Commission and the Council in the further course of negotiations.

I would express to all of you my sincere wish at the opening of this conference that, in the face of the many threats of disintegration facing the Community, this new enlargement may, if approached properly, afford an opportunity for getting the Community moving again. Leaving aside facile optimism and pessimistic alarmism, I believe that we must all feel personally committed to finding solutions (which will certainly not be easy ones) to the problems in the interests of each and every one of us, bearing in mind that it is in a spirit of solidarity that the progress and peace desired by our peoples will be achieved.

F. Address by Mr A. TRYFON, Secretary-General of the Economic and Social Policy Council (SKOP Greece)

Mr Chairman,

Ladies and gentlemen,

Greetings on behalf of the presidents of the Greek organizations represented on the SKOP.

I wish to congratulate the Economic and Social Committee for having arranged this conference. What has been achieved today justified the difficulties and all the hard work put in by those who had faith in this conference.

The Greek representatives would also thank the Economic and Social Committee for the help and friendly interest it has given to the Greek socio-economic organizations over the last few years. The fact that we are here today is partly due to the Committee's contribution.

The Greek representatives of the Economic and Social groups are here to discuss issues in connection with the accession of Greece, Spain and Portugal, even though Greece is not directly concerned in that it is now the tenth Member State of the Community.

We are here today to get to know each other, and because we are conscious that membership will not be a panacea - there will always be problems to resolve in the Community.

Dialogue is the only, the indispensable, way of achieving solutions.

Our presence here today testifies to our willingness to help the representatives of two other would-be Member States benefit by our recent experience in the accession negotiations.

The successful conclusion of the negotiations for Greek entry is attributable to the Nine's determination to see Greece part of the Community. The fact that the parliaments almost unanimously ratified our act of accession is proof of this determination. The accession is also the outcome of the majority of the Greek people's wish to help consolidate democracy and further the idea of a united Europe.

The efforts which have been made with a view to our joining our European partners on 1 January 1981 could not have been successful without the cooperation of the social and economic groups which constitute our delegation at this conference.

We Greeks are aware that our entry does not coincide with a high point in the Community's history - the difficulties and problems are well known. Yet we believe that at the present juncture we will be useful for the Community and for the would-be Member States in that our realistic enthusiasm for the building of Europe will make people mindful that the idea of a united Europe must transcend temporary difficulties and that, in any event, this idea may be the sole solution for the whole world.

Mr Chairman, ladies and gentlemen, I wish the conference every possible success. I trust that its findings will be of great value for all of us.

Thank you.

G. Speeches by members of the Greek delegation

<u>Employers</u>	:	Mr KAZAZIS (Federation of Industry of northern Greece)
		Mr PLATONIS (Federation of Industry of northern Greece)
<u>Workers</u>	:	Mr KARAKITSOS (GSEE)
<u>Various interests</u>	:	Mr PAPAZOGLOU (PAGEGES) Mr ANASTASSAKIS (GSEBE)

Speech by Mr P. KAZAZIS, President of the Federation of
Industry of Northern Greece

Mr KAZAZIS thanked the Economic and Social Committee for inviting him, before going on to stress that Greek industry had unreservedly supported Community membership.

For the Greek people membership was the best solution. It could foster the development of the country and guarantee the development of free institutions whose extension in economic life afforded the possibility of progress, thanks to the creative initiative of the private sector.

Greek industry was aware of the consequences of accession. Each sector was conscious of its weak points and had therefore pinpointed the changes and restructuring which would have to be undertaken.

Mr KAZAZIS stressed that firms should be of optimum size, should specialize, develop their creativity, improve and adapt their technology and their marketing policy and perfect their administrative and operational rules.

But in order for these improvements to come about the public sector had to succeed in creating adequate institutional frameworks.

Speech by Mr J. PLATONIS, President of the Greek Association of Traders

Mr PLATONIS considered that 1 January 1981 would be a historic date for Greece since it would be then that she would accede to the Common Market. This would be not only a source of economic development but a factor for socio-cultural development.

The new Community of Twelve would be characterized by a climate in which democratic values were accepted. This was one of the most important advantages of the enlargement to the south.

However, some problems remained. The energy crisis which had hit the western economies had created new problems for Greece. The problems of adapting to the Community would have to be overcome in more difficult conditions than had existed before.

Accordingly he hoped that Community policy towards Greece would be characterized by the necessary flexibility so as to enable Greece to become a prosperous and strong member of the Community.

Speech by Mr C. KARAKITSOS, Secretary-General of the Greek General Confederation of Labour (GSEE)

Mr KARAKITSOS congratulated the organizers of the conference. It would make a positive contribution towards mutual understanding and this would help future work.

Greek workers had welcomed the accession. Primarily this would strengthen the stability of the democratic system and be the crowning of the Greek people's strivings towards democracy.

However, Mr KARAKITSOS was disappointed that transitional periods were to be maintained for free movement of workers and as regards the grant of family allowances. In his view, this was a question of principle. Greek workers needed to be considered as equal to workers from the other Member States. It was not because they needed jobs since there was no serious unemployment problem in Greece.

He also stressed the need for better information for Spanish and Portugese trade unions from their respective governments concerning the negotiations which would determine their rights and obligations as from the time of their countries' accession to the Community.

Finally, he pointed out that the GSEE had unanimously decided to do everything possible to support the speedy accession of Spain and Portugal in the hope that this would guarantee stability and democracy in these countries and with the aim of realizing a Europe comprising all workers.

Speech by Mr P. PAPAZOGLOU, Director of the Panhellenic Confederation of Unions of Agricultural Cooperatives

Mr PAPAZOGLOU thanked the Committee for organizing the conference. He went on to mention the anxieties of farmers in the Nine which were due to the accession of Spain and Portugal. These fears were also shared by Greek producers, even though they were in favour of Spain and Portugal rapidly becoming Member States. Accordingly certain measures had to be taken to prepare for the accession of Spain and Portugal.

Primarily these measures had to preserve intact what the Community had already achieved, even at the cost of temporary sacrifices. They also had to guarantee farm price uniformity and strengthen the principle of Community preference while allowing the potential productivity of the agricultural sector to develop. Lastly, particular attention had to be paid to the development of farming in underprivileged regions and more stress had to be put on the principle that the various types of production should be encouraged in regions having the necessary advantages.

Mr PAPAZOGLOU was aware that the achievement of the necessary measures would call for large financial resources and could even result in an increase in the Member States' contributions. However, he pointed out that the CAP

ultimately was advantageous to the industrial countries since they ended up by benefiting from the increased purchasing power of farmers in the countries and regions whose economic development would be boosted in this way.

Speech by Mr M. ANASTASSAKIS, President of the General Confederation of Crafts and Trade (GSEBE)

Mr ANASTASSAKIS thanked the Economic and Social Committee for inviting him. He pointed out that in a few months Greek membership of the Community would be effective.

In his view Greek membership was important. It signified closer cooperation in the economic field and wider and more stable relations between the Member States, which would be more closely united in their drive for peace and prosperity.

Greek small and medium-sized firms had much the same difficulties as their counterparts in the Nine, which would facilitate cooperation. These concerned finance, insurance, organization, understanding, adaptation to suit Community directives, etc.

Mr ANASTASSAKIS was conscious that leading figures representing small business in the EEC had already begun to make an effort to develop and further strengthen this branch

of economic activity. He stressed that his organization and the Greek small business sector would do everything they could, despite the major difficulties which persisted mainly as a result of the energy crisis and the resultant soaring raw material prices, to be ready to meet their obligations on 1 January 1981.

H. Speeches by members of the Spanish delegation

Employers

: Mr CERON (CEGE)
Mr GONZALES-ESTEFANI
(CEPYME)

Workers

: Mr SIMON (UGT)
Mr PASTOR (CC.OO)
Mr LEUNDA (ELA/STV)
Mr PICAZO (FTT)

Various interests

: Mr SANZ PASTOR (CNJA -
CNAG - UFADE)
Mr ORTIZ DE LANDAZURI
(COAG)
Mr GARCIA PABLOS (OCU)

Speech by Mr J.L. CERON, Chairman of the Economic Affairs
Committee of the Spanish Confederation of Employers' Organi-
zations (CEOE)

Mr CERON began by saying that he was also speaking on behalf of Spanish employers who were represented at the conference - apart from the CEOE - by the Supreme Council of the Official Chambers of Commerce, Industry and Shipping and by the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME).

He wanted first of all to thank the Economic and Social Committee for having given those attending the conference the opportunity of exchanging views with representatives of economic and social interests in other countries seeking to join the EEC and with representatives of the EEC Member States.

The presence at the conference of such highly important and qualified persons as representatives of the Community authorities, such as the Commission and the Council of Ministers, showed the importance attached to and the interest shown in the second enlargement of the Community.

However, he wished to point out that the circumstances under which the present meeting was being held were very different from those prevailing at the time when the idea of holding it was born. One could not be unaware of these circumstances, especially as they had a bearing on the discussions. Closing one's eyes to them would be closing one's eyes to reality.

It was for this reason that Mr CERON wished to dwell very briefly on this question.

It had been approximately three years since Spain had submitted a request to become a member of the European Economic Community. The unanimous support for her decision, which had come from both political groups and organizations representing economic and social interests, had been unprecedented.

There had been nothing rash about such an attitude. Spanish employers had been fully aware of the challenge involved, the sacrifices and efforts which would have to be made and the changes and adjustments which would have to come about; but they had been convinced that it would be worth the trouble.

The response received at that time from the Commission and the Council, from the Community and from representatives of the governments of the Member States at the highest level, had been totally warm and positive. The Economic and Social Committee had adopted the same attitude and had acknowledged, in one of its Opinions, that the second enlargement of the Community was in accordance with the preamble to the Treaty and would help strengthen democracy in southern Europe.

Thus, the beginning had been very promising.

During the first series of negotiations between Spain and the Community, the Spanish delegation had agreed, without any reservations, to abide fully by Community laws and other rules.

The main thing, indeed the only thing, which still remained for Spain to negotiate had been the transitional period and the procedures by which she could progressively comply with these laws.

For all those who had any knowledge of Community affairs it had been obvious that the negotiation of this period would be long, complex and difficult. But as the political will was there the negotiators were bound to succeed.

But now, Mr CERON emphasized, Spanish industry was somewhat at a loss, somewhat disorientated, not quite knowing what to think, and full of doubts and questions.

To speak quite frankly, as the Rapporteur, Mr PFEIFFER, had asked, Mr CERON wondered what the aim of conference was, and whether there was any point in it being held in the present circumstances.

However, he did think that the conference could have some meaning and could clearly be of some importance if the debates of the Economic and Social Committee and the positions adopted by the representatives of the different EEC Member States sitting on it enabled the citizens of the countries seeking Community membership to get a clearer idea of a situation which seemed extremely confused at present.

Mr CERON felt that if this condition were fulfilled and the debate took this direction, then the conference would be something useful and desirable; but if this were not the case, then the proceedings would become merely an academic discussion having nothing to do with the real situation at present.

He stated that Spanish industry would then try during a subsequent discussion to obtain some explanations about the feelings of the Economic and Social Committee and the groups making it up on the accession of Spain to the Community.

In his view, such explanations were essential, whichever way one looked at it.

He felt that there was still a strong feeling for Europe in Spain and a definite vocation to become an integral part of the European Community and part of a united Europe.

This intention and vocation had already manifested itself in various forms; in political, economic and social matters. The different decisions were taken on the assumption that Spain would become a member of the Community.

Spain's economic policy had been gradually changing into what it would have to be after enlargement and employers had begun to ask themselves how they would integrate their firms and sectors into a Community of Twelve, of which they already considered themselves members. They had accepted

the sacrifices and changes which membership would involve. However, expectations were a very good thing when they were rewarded but they could be tragic if they were disappointed, and waiting indefinitely was also disappointing.

For, in Mr CERON's view, the present cold shower approach could chill the pro-European spirit which was still alive today. And, what was more, as Spain was going through a period of great change made necessary by the economic and energy crises and such changes could not wait, it was necessary to take decisions with an eye on one or the other possibility. It was to be feared that an indefinite period of waiting would lead, at least temporarily, to certain directions and decisions being taken which were different from what they should be if the accession of Spain as a full member of the Community was imminent, despite all the difficulties that this might mean later.

The Spanish people were convinced that there were problems and difficulties on all sides. Accession would present serious problems for various sectors in Spain and the Community, but Mr CERON also felt that the very existence of negotiations which, whatever happened, could not be short, given the ramifications of the issues involved, and the existence of a transitional period, which was necessary, would provide the proper opportunity to resolve such problems for both sides.

Spanish employers also understood that because of its first enlargement the Community had to tackle a few problems of adjustment, alignment and restructuring, but he thought it would be logical for a Community which had already taken the decision to have twelve members to consider once again the question of modifying certain structures and policies to take into account the needs, not of nine members, but of twelve, since the principle of enlargement was already accepted. The negotiations should therefore continue with all urgency so that all those who would have to apply the new structures later on could be involved in working them out.

However, Mr CERON thought it would be wrong to claim that, instead of taking a step forward, the solution lay first of all in trying to settle current matters; these would soon be overtaken by events if, as there was reason to believe, the political will to have a Europe of Twelve still existed.

Mr CERON emphasized that his speech was quite different from what he would have had to have said, or what he would have said, in other circumstances, and he was certain that all those present at the conference would understand that his explanation was necessary and that, in a way, they would have done the same if they had found themselves in a situation comparable with that of Spain at present.

Finally, Mr CERON declared that the Spanish people had tried to be patient. They had seen almost five years pass since the political obstacles to their country becoming a member of the Community had disappeared, but after all this time they had the impression that they were back where they had started.

For a Spanish employer it was necessary to point out, very politely but very vigorously, that the time had come for the Community to face up to its responsibilities and say what type of relationship it intended to maintain with its old neighbour south of the Pyrenees. The Spanish people too needed to know what the future was to be so that they could bear it in mind when guiding the economic and industrial restructuring operations which they had to carry out in one case or the other.

Mr CERON concluded by saying, once again, that if the discussions with the Economic and Social Committee enabled the position of that body and its members on Spain's accession to the EEC to become clear, then the conference would have served a useful purpose, but if this were not the case, then it would have been purely an academic exercise.

Second speech by Mr J.L. CERON

In his second speech, Mr CERON emphasized that the Economic and Social Committee had acted well in convening the conference, because the enlightenment that he had sought had been given.

He referred in this connection to the statement by Mr SPAAK, who had said that the negotiations would continue in accordance with the timetable laid down and with an eye on the dates scheduled for the implementation of the respective accords.

Referring to the statement by Mr DE BIEVRE, who had spoken of uncertainty, Mr CERON pointed out that one should have a clear idea of integration; this was essential if decisions were to be taken in time and with a full knowledge of the facts.

Mr MILITELLO had spoken of errors which had to be avoided, which could, for instance, include the Community's attitude of settling its own problems first and only then concerning itself with the candidate countries. But in Mr CERON's view the Community should take decisions right now as if it had twelve - and not nine - members and let the candidate countries know in advance what obligations would be involved in accession, so that they could prepare for them.

Finally, Mr CERON felt that the transitional period should be the same for all sectors. The period should be calculated so as to produce the highest degree of balance between the advantages and inconveniences for the different sectors. A uniform transitional period might be too long for some and too short for others, but he thought that this partial dissatisfaction would be the best evidence that the period was completely suitable.

Speech by Mr X. GONZALES-ESTEFANI, Chairman of the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME)

Mr GONZALES-ESTEFANI reviewed the main problems facing smaller businesses in Spain which could have consequences when the Community was enlarged.

First of all, he mentioned the lack of management experience in smaller businesses and then the fact that the heads of such firms did not have a very clear idea of what Spain's entry into the EEC meant. This was because they were so preoccupied by their own daily problems, which were further complicated by the crisis which the country was currently passing through.

He stressed that his own organization was absolutely convinced that the way ahead lay with Europe, but it was important to state that difficulties did exist for smaller firms in Spain.

As far as competition was concerned, Mr GONZALES-ESTEFANI thought that Spanish firms should fear accession much more than firms in the present Member States. The climate for smaller businesses in Spain was quite unfavourable, and employers' social security charges were quite high.

Finally, Mr GONZALES-ESTEFANI said that he hoped that Spain would become a member of the EEC and that the timetable and deadlines for entry would be respected.

Speech by Mr M. SIMON, National Secretary of the General Union of Workers (UGT)

After thanking the Economic and Social Committee for its invitation, Mr SIMON pointed out that the UGT had for a long time been clearly in favour of Spain becoming a member of the EEC and had tried to orientate its actions in both economic and social matters with this end in view.

In his opinion, the integration process had so far shown that the main beneficiaries were definitely the big multinationals, economic pressure groups and, in general, interests other than those of the workers. For this reason, the UGT wanted to confirm that very day its firm decision to make Europe a place where the fruits of economic and social progress would serve the workers in a climate of public and private freedom characteristic of the evolution of the peoples of Europe. At the same time, the UGT confirmed its conviction that such a process had to be brought to its conclusion by all the countries of western Europe acting in concert with one another.

To clarify the UGT's position in certain areas of importance given prominence by Spain's entry into the EEC, Mr SIMON first talked about general policy. The UGT's aim, as it had been during the Franco dictatorship, was to participate in a free and democratic manner in the perfecting of a new economic and social structure for the countries of Western Europe.

The economic developments of the post-war years, and especially the commodity and energy crises in the 1970s, had shown how highly interdependent the western economies were at a time when the objectives to attain were full employment and labour stability. It was this same interdependence which obliged workers' representatives to act on an international scale to defend their interests, i.e. to improve employment and social security, the standard of living and other aspects such as cultural life.

For this reason, the UGT wanted an integrated Europe to assume fully the responsibility incumbent on it in the world economic context and help other countries to find the road to progress and better living and working conditions for workers.

But it was about labour matters that Mr SIMON wanted to speak more specifically, for the UGT had certain conditions to lay down concerning Spain's entry into the EEC. Certain EEC countries feared a massive emigration of Spanish labour, but in his view such a fear was unnecessary as it was doubtful that such a movement would occur. The UGT felt that such a matter should not have a determining influence on the negotiations and that freedom of movement for workers within the Community should come into immediate effect as soon as Spain joined, in accordance with the principles laid down by the Treaty of Rome. The negotiations should be concerned solely with the actual details of putting these general principles into practice.

The UGT was also concerned about certain aspects of Community social policy which had specifically been raised in the negotiations with Spain, particularly :

- Those concerning the European Social Fund; (the UGT hoped that the Fund would be used in an effective manner in the least-favoured regions and those sectors of the Spanish economy which were most in difficulty). Vocational training could particularly benefit, as it was the base for the industrial restructuring policies which would have to be applied to production plant in the years following accession;
- Community standards concerning labour legislation and working conditions, which the candidate countries would have to accept and apply in their entirety; and
- The necessary involvement of the trade unions in the integration process as a negotiating partner for the different problems posed by accession.

The UGT was currently concerned with the turn which the negotiations on Spanish accession had taken in recent months.

The UGT regretted that no trade union had been consulted in an overall manner on the different aspects of the negotiations, possible solutions for problems or on the possible consequences of certain solutions; it therefore demanded a say in the adoption of a position on the negotiations as a whole.

Next, Mr SIMON mentioned the position adopted by certain members of the Community on the speed of the negotiations. Without going into all the inconveniences created by such a situation, the UGT wanted to draw attention to the concern of its leaders that the negotiations were currently bogged down by new uncertainties in addition to those provoked by the positions taken by the French authorities.

Such uncertainties could interrupt the process of restructuring and adjustment in widely differing economic and social areas which was a necessary precondition for Common Market entry.

In conclusion, Mr SIMON stated that in voicing its concerns about Spain's accession to the EEC the UGT wanted to say that Spain's interests lay, and would continue to lie, with a united Europe in which her involvement was accepted by all and with all the consequences entailed.

Speech by Mr A. PASTOR, National Secretary of the Confederation of Workers Committees (CC.OO)

After thanking the Economic and Social Committee for organizing the conference, Mr PASTOR said that on several occasions the CC.OO had expressed its support for Spanish entry into the EEC, for political, economic and trade union reasons.

According to Mr PASTOR, Spain's entry into the Community would provide workers with an opportunity to cooperate with European trade unions and to pursue together various common objectives, including a regional development policy, a Community employment policy with the direct participation of the trade unions, the removal of discrimination against certain workers (women, migrants, etc.) and an improvement in living and working conditions.

The accession arrangements must be in the best interests of the workers, the country as a whole and all the Member States; at the same time confrontation must be avoided.

A transitional period must be agreed during the negotiations to allow time to tackle the social problems, especially the current discrimination against Spanish workers compared with workers from non-Member countries with which the Community had concluded agreements on social matters.

The CCOO was worried about the attitude adopted by the Spanish government, which should not only inform the economic and social groups of the negotiation terms but also ask them for their opinions and suggestions before meetings.

Nor must it be forgotten that the negotiations in the various economic and social sectors were a means of bringing about the changes needed to integrate the Spanish economy into that of the Community. Social integration would necessitate, among other things, an improvement in the employment situation and in the structure of enterprises.

These changes could be made only with the Community's help. Whether by means of existing instruments or by means of an enlargement action programme as proposed by the Economic and Social Committee, the Community had to start easing the way for changes in the Spanish economy and also helping those sectors (agriculture) or regions where the major adjustments were needed.

Mr PASTOR again emphasized the importance which he attached to the free movement of workers. This had to become a reality from the moment of accession.

If the negotiations resulted in a transitional period, the free movement of workers should not be an obstacle to whatever period was fixed.

Finally, Spanish workers, through their trade unions, should be able to participate (a) after accession, in all the Community tripartite bodies and (b) during the negotiations, in all those bodies where their participation was practicable.

Speech by Mr M.J. LEUNDA, Vice-President of the ELA/STV
(Solidaridad de Trabajadores Vascos - Basque Workers' Front)

Mr LEUNDA thanked the Economic and Social Committee for organizing the Conference.

He welcomed the pending accession of Greece to the Community and asked the Greek delegation to give its full support to the accession of Spain and Portugal.

During the Franco period the Basque trade union organization, the ELA/STV, had, along with other opposition groups, opposed Spain's entry into the Community because the then government of Spain was anti-democratic and acted in contravention of certain articles in the Treaty of Rome. But along with its old friends in Europe, in both the political and social spheres, the ELA/STV was now working for a united Europe.

It was imperative that Spain should be part of this Europe so as to consolidate the new democracy which it was in the process of establishing.

The general feeling of the people, of the workers, was currently in favour of integration.

It had to be borne in mind that enlargement of the EEC would contribute to stability, would reinforce democracy in southern Europe and thus consolidate the democratic system throughout the whole of Europe.

The accession of Greece, Spain and Portugal would increase the world trade of the Community and Spain's connections with the Latin American countries would enable new links to be forged between the EEC and Latin America.

In the Basque region there were some sectors which were going to be affected by Spain's accession, such as steel, shipbuilding, machine tools and fishing.

If a solution acceptable to all was to be found it was essential that the ELA/STV be involved in the negotiations between the Spanish government and the European Community. If such involvement, in appropriate form, was not forthcoming from the Spanish government, the ELA/STV could not accept any responsibility under these agreements and its support for Spain's entry would be reconsidered.

Mr LEUNDA took the opportunity to urge the Economic and Social Committee once again to ask the Spanish government to get together with the trade unions and to arrange meetings for the purpose of finding solutions to the various problems of the workers when Spain joined the EEC.

Finally, he expressed the hope that Spain and Portugal would be members of the EEC in 1983.

Speech by Mr. A. PICAZO, Secretary-General of the Federation of Agricultural Workers (FTT)

After having thanked the Economic and Social Committee for the invitation to attend the Conference, Mr PICAZO expressed the wish that the FTT would in future be more closely involved in the negotiations.

His organization realized that the process of adjustment would be long, given the magnitude and extent of the problems of Spanish agriculture. It also knew how important Spanish agriculture would be for the EEC.

It had often been said that on the whole accession would be favourable to Spanish agriculture, but not all the regions of Spain were in a position to develop their agriculture and survive in a European Community of 12.

Farm prices and customs tariffs would have to be adjusted gradually during the integration process, with special attention being paid to sensitive products.

The most difficult problem would be the restructuring of Spanish agriculture. The 1978 report of the Council of Ministers had already shown that Spanish agriculture was less efficient than that of the Community; this situation was due primarily to climatic conditions and the co-existence of small and large farms which were not exploited to the full for lack of mechanization and vocational training.

Mr PICAZO then outlined the main problems of the various agricultural zones in Spain (milk production in Galicia and Asturia to be converted to meat production, regions characterized by an excessively large agricultural labour force and by small farms; similar problems for the beet producers in the Ebro and Duevo zones whose income was totally inadequate; use of large zones in Extremadura and Andalusia - with good climate and yields - for farming on a

large scale, but with results far below the potential; this frequently represented an affront to unemployed farm-workers in these regions and was socially unjust).

Financial resources would therefore be needed for the process of integrating Spanish agriculture. The State had done little, yet it bore political and financial responsibility for this restructuring since the Community budget was not sufficient.

According to Mr PICAZO the Spanish ministry of agriculture had recognized that in 1975 the Community's agri-foodstuffs policy had received financing from the Guarantee Section of the EAGGF to the tune of 14% of final agricultural production. During the same year State aid to Spanish farmers had not been more than 3%.

He realized that the problems of enlargement were not new to the Community and that these problems would tend to get worse; on the other hand, the Community might benefit structurally from its new members, who for their part would provide further guarantees of social and political development and a strengthening of democracy.

Speech by Mr F. SANZ PASTOR, President of the National Young Farmers' Centre, who spoke on behalf of the three Spanish agricultural organizations (CNJA - UFADE - CNAG) represented at the conference

Mr SANZ PASTOR said that he was disappointed by the biased way in which the agricultural problems raised by enlargement had been presented to the public in Europe during the enlargement negotiations.

The difficulties involving Mediterranean products in the present Common Market were not the responsibility of Spanish agriculture, but were due to deficiencies in the organization of the market in this type of product. The current discrimination against Mediterranean agricultural products in favour of those grown in northern Europe must be removed as quickly as possible; any attempt to change the Common Agricultural Policy without taking Spanish agriculture into account would be absurd; the negotiations timetable and changes in this policy must be coordinated. If this requirement was not met any future problems arising from accession would only be made worse.

There were problems in agriculture, but they had to be studied and solved together. Less efficient farms had to be able to adapt by modernizing their production techniques; this could lead to an improvement in productivity and therefore be of direct benefit to the European consumer.

It was inadmissible that a country such as Spain, which for all kinds of historical, political, economic and social reasons had the right and duty to be integrated with the rest of Europe, should have to wait longer than other Mediterranean countries for the entry of its products into the Common Market. The treaties with these other countries, the legacy of earlier colonial compromises, were exacerbating, and would continue to exacerbate, the problems of accession unless the present discrimination was stopped immediately.

It was incomprehensible to Spanish farmers that the approach of elections in France could delay the negotiations. Electoral opportunism, which encouraged negative attitudes inimical to the search for solutions, could not be accepted in the development of community policy.

Spanish farmers called for the participation of the agricultural organizations in the negotiations so as to prevent the politicians from imposing solutions divorced from the realities of the situation in agriculture.

They believed in a strong and united Europe, built with the collaboration and participation of all, in a climate of liberty, fraternity and equality between all the countries. Unfortunately this was lacking at present.

Mr SANZ PASTOR concluded with an appeal to all European farmers : by talking together they would see that their problems were the same and that they would gain strength from solidarity.

Comments by Mr ORTIZ DE LANDAZURI, National Secretary of the
Coordinating Body for Organizations of Arable Farmers and
Stockraisers (COAG)

Mr ORTIZ DE LANDAZURI thanked the Economic and Social Committee for the invitation to take part in the conference and compared it with the attitude of the Spanish Government, which did not admit his organization to discussions on agricultural policy. This year in particular it had not been allowed to take part in the discussions on prices, despite the fact that COAG was an organization representing family farms. Nor had the Spanish authorities consulted the agricultural organizations on Spain's membership of the Common Market.

The Spanish Government had not made adequate plans to deal with the problems raised by Spain's accession to the EEC. The Community's inability to find solutions to the problem of Mediterranean agricultural products was matched by the failings of the Spanish Government in this and other sectors.

COAG realized that Spain's entry into the Common Market was going to create problems in certain regions and for certain products, Mediterranean products in particular. In Spain there would be problems mainly with dairy products, certain cereals, such as common wheat, etc.

The Community did not attach sufficient importance to these problems; responsibility rested with the governments of the Member States.

Another major European problem was the economic backwardness of certain regions, especially the Mediterranean regions. The problems were mainly of a structural nature.

Prices policy had gone off course and most aids and supports benefited central European rather than Mediterranean products. The Community's agriculture budget thus exacerbated the problems and encouraged these support arrangements. The result was a breakdown of the Community's agricultural policy.

The objectives of agricultural policy must be properly worked out and defined so that Spain could (a) safeguard its balance of trade and development policy, (b) try to reduce the disparity between the living standards of farmers and those of other workers and (c) rationalize its production machinery so as to become more efficient.

It was also essential to pursue a regional development policy which encouraged agricultural production, including stock-rearing. The representatives of the agricultural organizations had to participate in the accession negotiations so that a plan could be drawn up for restructuring Spanish agriculture.

COAG supported Spain's entry into the Community and the aim of a united Europe.

A solution to the problems raised by Spanish membership of the EEC could be found only through discussion, solidarity and consultation, and with clear proposals from the governments.

After having called on the small farmers of Spain to work together to obtain the best entry terms possible, Mr ORTIZ DE LADAZURI suggested that the European agricultural trade unions, especially the Italian, French and Spanish, hold frank discussions to try to find solutions and present them to their respective governments.

Speech by Mr A. GARCIA-PABLOS, President of the Consumers' and Users' Organization (OCU)

Mr GARCIA-PABLOS thanked the Economic and Social Committee for inviting him to attend.

He too wanted to see an improvement in the information service provided by the Spanish government, and by the Ministry for Relations with the EEC in particular, and to see his organization consulted more by the government on the problems arising during the enlargement negotiations.

Consumers wanted a new Europe in which they played the role of economic and social agent instead of being an object in marketing campaigns; the buyer should be on an equal footing with the manufacturer and trader.

Mr GARCIA-PABLOS noted that it had taken his organization 6 years to establish unofficial and informal contacts with the European Bureau of Consumers' Unions; the link had now been forged, as it had with the EEC's environment and consumer protection departments.

Despite the April 1975 consumer protection and information programme and the second programme scheduled for 1984, much still had to be done in this field.

In the new Europe the consumer must cease to be an object and become an individual; he must assume a less passive, more active role; services must be tailored to the consumer, not the consumer to the services.

Up until now consumers had been victims : the victims of mass production and distribution. A stop must now be put to this.

For the Spanish consumer the Community represented not only a hope of protection, but also a goal. Spain was the EEC's no. 1 customer and also its no. 1 supplier and the Spanish people demanded to be treated as such.

In conclusion Mr GARCIA-PABLO called on those representatives of the Nine who were present to help ensure that neither Spain's desire to be part of Europe nor its faith in democracy were diminished; for its part Spain would not be a burden, a brake, on Europe.

I. Speeches by members of the Portuguese
delegation

Employers : Mr GONÇALVES (CCP)
Mr de CARVALHO (AIP)

Workers : Mr BARRETO (CGTP-In)
Mr COUTO (UGT-P)

Various Interests : Mr CARDOSO (CAP)

Speech by Mr GONCALVES (Portuguese Confederation of Commerce - CCP)

Mr GONCALVES thanked the Economic and Social Committee for his invitation.

He stated that the Portuguese Confederation of Commerce was resolved to cooperate with the Community organizations in building a European Community which was as large and efficient as possible.

Because of its geographical location Portugal had very liberal trading traditions. The Portuguese Confederation of Commerce, which had always been a supporter of liberalism, wanted to maintain these traditions; in this respect it was willing to accept the Community as it was.

Speech by Mr A. DE CARVALHO, Vice-President of the Association of Portuguese Industry (AIP)

Mr DE CARVALHO congratulated the Economic and Social Committee on having organized this conference where, for the very first time, the representatives of both sides of industry and other socio-economic interests from the applicant countries had been able to meet their colleagues from the Nine.

Mr DE CARVALHO recalled the origin of Portugal's application for membership of the Community. It was the natural and logical sequel to the process which had started in 1974 with the move towards the Western European way of life.

In his opinion, enlargement had to be regarded first and foremost as guaranteeing the strengthening of democracy in Portugal.

The events of 1975 had showed just how precariously balanced the country had been in 1974. It was only with the support and help of other European nations that Portugal would be able to find its way back to peaceful labour relations and avoid fresh difficulties.

As far as Portuguese industry was concerned, EEC membership also signified the adoption of a form of economy in which competitive forces moulded the decisions taken by businessmen.

In Mr DE CARVALHO's opinion, this meant recognition of not only the leading role reserved for private initiative but also the principle that public enterprises in the manufacturing sector should be subject to the same rules and conditions as private enterprises.

The Portuguese economy, which was already in difficulties in 1973, plunged into still deeper trouble in the following years under the joint impact of the international crisis and domestic upheavals. Portugal had become the economically most backward country in Europe.

Portuguese firms' level of gross fixed capital formation was very low, suitably qualified managers were lacking and vocational training was also full of deficiencies.

Accordingly, the organizations representing business circles attached special importance to the requests being made by Portugal in preparation for its membership of the

EEC. The purpose of these requests was to ensure Community funds for projects in the agricultural, small business, transport infrastructure and vocational training sectors. This aid would enable the country's productive apparatus to be reorganized and restructured and would make accession easier by reducing the gaps between Portuguese and Community structures.

More could also be done to foster cooperation between firms in preparation for EEC membership. Apart from the traditional forms of cooperation (joint ventures, sub-contracting, etc.), use should also be made of other schemes on the markets of third countries and, in particular, the countries of the developing world.

Owing to its special links with some areas of Africa and Latin America, Portugal also had considerable experience in sectors such as light engineering, heavy industry, ship-building and construction. Mr DE CARVALHO thought that mutual interests in these sectors could be strengthened.

Mr DE CARVALHO also thought that EEC membership would only go to confirm, on a political and legal plane, the situation as it really was. There was already some measure of integration between both sides as borne out by EEC countries' investments in Portugal, the flow of migrant workers and trade relations.

Portuguese industry was quite poorly protected in comparison with the EEC's. Unfortunately, this fact was not sufficiently known. Matters were made even worse by Portugal's economy being one of the most backward in Europe and there

were therefore very good grounds in theory for Portuguese industry being protected.

Mr DE CARVALHO thought that Portugal's special position in the field of international trade had to be taken into account when it joined the EEC. Portuguese exports totalled only 1-1.5% of all its imports from both inside and outside the Community. The fears occasionally voiced regarding the effect of Portuguese membership on the Community's economy were therefore without foundation.

In conclusion, Mr DE CARVALHO underlined the need, justification and urgency, from both the Portuguese and Community point of view, of Portugal's rapid accession in keeping with a jointly agreed timetable.

Speech by Mr L.M.K. BARRETO - Secretary-General of the General Confederation of Portuguese Workers - Intersindicale (CGTP-In)

After having thanked the Economic and Social Committee for his invitation, Mr BARRETO pointed out that, although Portugal's application for EEC membership had been submitted in 1977, a serious study of the possible economic and social consequences had still not been prepared in Portugal.

The CGTP-In thought that before a discussion could be taken on this matter, some serious thinking had to be done and all the background information had to be collected. Portugal's workers would then be in a position to hold detailed and wide-ranging discussions with the government. For this reason the CGTP-In had asked successive governments and

the EEC's representatives to keep it informed about how negotiations were progressing. This request, however, had always been shelved.

Portugal's workers wanted to know all the facts relating to enlargement. They wanted the economy to be run along lines which ensured better living conditions and met their demands. They called for workers' active participation in the running of the economy. This alone was how they could picture relations with the EEC.

Speech by Mr J.M.T. COUTO, Secretary-General of the General Union of Workers (UGT)

Mr COUTO was pleased that the conference had been organized, and thanked the Economic and Social Committee for having given the participants the chance to meet the authorities responsible for the Community's enlargement and thus to become acquainted with the problems posed by accession, for his country's government had not supplied any information.

All the same, the UGT had organized worker information campaigns, for it had been in favour of Portuguese membership right from the very start. EEC membership would give Portugal easier access to investments, which were absolutely vital for the country's economic progress. At the same time, the country would benefit from the large European market at a time when the worldwide crisis was triggering off the re-emergence of protectionism at international level, to the benefit of the EEC's members and the detriment of non-members.

The UGT was very much in favour of EEC membership and considered that this was the key to an improvement in living conditions for Portuguese at home and abroad, and also to greater social justice and the establishment of civic and trade union rights once and for all. It was vital for the strengthening of Portugal's newly won democracy that there was no delay in accession proceedings.

Therefore, the UGT did not accept a review of the timetable that had already been established. Instead it considered that the time had come to think about working out how progress towards accession could be achieved given all the existing difficulties and obstacles.

In this respect it was necessary for Portuguese industry to receive money from the various Community funds so that it could adapt; in particular, this aid would make it possible to prepare vocational training programmes and get to grips with the problems of unemployment and, at a more general level, to improve working conditions in Portugal.

Speech by Mr R.M.M. CARDOSO, member of the Bureau of the Confederation of Portuguese Farmers (CAP)

Mr CARDOSO thanked the Economic and Social Committee for his invitation.

Portugal was the applicant with the most backward farming sector; nevertheless, since the country was so small, its problems in this sector would become relatively simple in a European context.

However, there were already a number of problems to be solved. If Portugal succeeded in solving these problems, it would be economically and socially on a par with the countries with which it was wanting to unite for both historical and practical reasons. If Portugal did not join the EEC, its farming would be plunged into an even deeper crisis.

Mr CARDOSO therefore felt that he should give a summary of the farming situation in Portugal. Portugal covered an area of some nine million hectares, but no more than five million of these were suitable for farming. There was a total of some 800,000 farms, but 300,000 of these covered an area of less than one hectare.

There were far more small farms in the north of the country, where one half of the farmers were engaged in subsistence farming (with 82% of the farms covering between one and four hectares). Well run farms were so few and far between that they were of hardly any importance at all. These figures showed that farming in Portugal differed greatly from farming in the Community which Portugal was wanting to join.

It was only in the fruit sector that Portugal would undoubtedly be able to compete within the Common Market.

Trading and marketing channels were in dire need of improvement.

The agrarian reform set in motion after the 1974 revolution had not always been a help and had still not been

terminated. Central to this reform was the creation of large State-run production units, the expropriation of land without compensation and the abolition of individually owned farms. The current government was still trying to solve a number of problems, and in particular to stabilize prices and make credit more readily obtainable. It was also striving to lend its technical assistance to farming. The aim of all this was to bring down inflation and thus give a greater feeling of security to farmers who, as a result, were in the process of investing more.

Mr CARDOSO then stressed the measures which he thought would have to be taken to improve the situation in farming and bring Portugal a step nearer the Community; in particular, it was necessary to revise the agrarian reform and extend it to the whole of the country at the same time as giving the private sector the same chances as nationalized farming; it was also necessary to modernize production techniques in order to reduce the country's trade deficit. Such a modernization programme would enable imports to be cut and exports to be maintained at a sound level, especially in the medium and long term. An increase in the rate of investment and the restructuring of the commercial sector were also necessary.

In conclusion, Mr CARDOSO stated that in his view Portugal would need a long transitional period in order to be able to modernize its farming and thus put itself in a position to fulfil the obligations of EEC membership. At the same time, Portugal should already be able to count on the regional and social assistance which the EEC granted to its members.

J. Speeches by representatives of European-level
socio-economic organizations

Employers : Mr CARLI (Pr. UNICE)
Mr CARBONEL (UNICE - CNPF)
Mr DUPIN (Perm. Conf.
Chamb. of Com.)
Mr ROGISSART (Pr. CEEP)

Workers : Mr KOK (Pr. ETUC)
Mr LAMAGNI (ETUC - EFA)

Various Interests : Mr LUTEYN (Vice-Pr. COPA)
Mr MARGOT (Vice-Pr. UEAPME)
Mr SCHONE (S.G. EUROCCOP)
Mr TINAYRE (Pr. SEPLIS)

Speech by Mr G. CARLI, President of the Union of industries of the European Community (UNICE)

Mr CARLI, speaking on behalf of UNICE, declared that his organization understood how the Community's favourable response to the three applicant countries' request for membership was dictated by political considerations and also by the prospect of benefits. He wanted all the same to draw attention to the repercussions which these countries' membership would have at an industrial level.

The Community should not be weakened or transformed into a simple customs union by enlargement. It had to retain its unity and indeed strengthen its cohesion.

Nor should enlargement jeopardize the assistance given by the Community to third countries, especially through preferential agreements. Protectionism should not be allowed to grow. The Community's relations with other industrialized countries, with countries in Eastern Europe and with developing countries - as well as its negotiating platform - should not be undermined at any event.

UNICE was aware that enlargement would produce serious difficulties, especially on an economic and institutional plane. The chief reason for some of the economic difficulties was that the three applicant countries' levels of development and economic and social structures lagged

behind the Community. The gaps varied from sector to sector in each applicant country and not simply between the countries themselves.

The economic problems of enlargement would be compounded by the difficulties facing the Member States themselves, which were made worse by the recession, inflation and the disarray on the international monetary front.

At our institutional level it was necessary to improve the decision-making machinery in a true Community spirit and in keeping with the Treaty of Rome in order to guarantee that the enlarged Community would operate smoothly. These improvements should be discussed straightaway and be made at the very latest when the time came for the applicant countries to join.

Mr CARLI underlined the importance and urgency of the adjustments to be made by the applicant countries, in preparation for membership, so as to ensure their step-by-step compliance with the Treaties and Community rules and practices.

UNICE was adamant that the applicant countries would have to abandon their protectionist policies in the industrial field, such as then tariff surcharges, quotas, import deposits and licensing and export support measures.

On the other hand, UNICE accepted that the Community might agree not to apply the safeguard clause to applicant

countries which pledged wholeheartedly to respect the Community's commercial policy rules.

In conclusion, Mr CARLI pointed out that he understood the political reasons behind the three applicant countries' applications and the benefits to be gained therefrom. Industry, however, would not be in favour of enlargement if this was to weaken the Community's economic and monetary integration and its external relations : the three applicant countries' accession should not transform the Community into a simple customs union. To stop this from happening, the three candidates should accept their Treaty commitments and pledge to adapt. The Community's present members, in turn, should aim at a greater convergence of their policies in order to overcome the present economic and social difficulties.

Speech by Mr V. CARBONEL representing the National Council of French Employers (CNPF)

Mr CARBONEL, speaking on behalf of the CNPF, analyzed the problems which might be caused by Spanish membership.

French industry had come out clearly in favour of Spanish membership and had even expressed the hope that membership might be able to correct some of the disequilibria sparked off by the 1970 EEC-Spain agreement. The CNPF thought that Spain should make every effort to remedy the distortions

caused by this agreement and above all should put an end to some of its current practices which were difficult to accept. Otherwise, the agreement would have to be abrogated. A large slice of French industry was in favour of Spain's rapid accession without a transitional period or with the transitional period being kept as **short as possible** because they thought that, logically speaking, preparation for Spanish membership had in fact commenced back in 1970 when the agreement came into force.

Consequently, the maximum transitional period of 10 years called for by the European Commission certainly could not be applied to all trade, especially as it seemed that a number of adjustments would have to be made by Spain before this transitional period could even commence. In particular, Spain would have to introduce VAT, abolish some of the tax penalties on imports and put an end to the tax subsidies granted to exports.

Speech by Mr Y. DUPIN, delegate of the Permanent-Conference of Chambers of Commerce and Industry of the EEC and Secretary-General of the Chambers of Commerce and Shipping of South-West France and North-East Spain

After having thanked the Economic and Social Committee for his invitation, Mr DUPIN went on to say that for many years now the Permanent Conference of Chambers of Commerce and Industry of the EEC had opened its doors to

representatives of the new applicant countries and for several years now had had frequent exchanges of views and information with Greek, Portuguese and Spanish delegates.

The Permanent Conference had delivered favourable Opinions on the accession of Greece and Spain in 1977 and 1978 respectively, although it had pointed out that considerable problems would still remain after accession. In the first part of its Opinion the Permanent Conference had dwelt on the main problems concerning Spain's entry - geographical aspects, population problems, economic development and economic interdependence.

In connection with this last point the Permanent Conference had pointed out that the intensity of trade relations created a number of problems in the present situation and such problems would have to be tackled immediately through phased measures to avoid more serious conflicts.

In the second part of the Opinion the Permanent Conference had dealt with the mechanisms proposed by the European Commission to deal with the transitional period and find ways of closing the gap between economic development levels. The Permanent Conference had by and large agreed with the general analysis of the European Commission.

The Opinion had stated that adjustment policies should take into consideration both the applicant countries

and the sectors and regions of the Community of Nine which would bear the brunt of enlargement.

Because of this the Chambers of Commerce and Industry of the EEC were demanding a special enlargement fund. The proposal to use part of the quota-free section of the ERDF for certain French and Italian regions met this demand.

Finally, the Permanent Conference of Chambers of Commerce and Industry had pointed out in the final part of its Opinion that many of the resolutions it had put forward earlier had been in favour of strengthening economic and political cohesion and there was no contradiction between the enlargement of Europe and the strengthening of Europe.

In the view of Mr DUPIN the problems posed by enlargement were technical rather than political.

Finally, in his capacity as Secretary-General of the Chambers of Commerce and Shipping of South-West France and the North-East Spain, Mr DUPIN said that since April 1978 the Chambers of Commerce and Industry of the South of France had been in favour of Spain's accession to the EEC. Their view was based on an analysis of economic relations between the South-West of France and the Spanish economy. 107 sectors representing more than three-quarters of industries in the South-West of France had been analyzed and 600 enterprises had been consulted. A new survey carried out in November 1979 and involving these same enterprises reaffirmed the stand adopted.

Speech by Mr G. ROGISSART, Chairman of the European Centre of Public Enterprises (CEEP)

Mr ROGISSART congratulated the Economic and Social Committee on the manner in which it had tackled enlargement and on its clear-minded examination of the conditions that would have to be met if the three Mediterranean countries were to be able to join the EEC.

Some of the conditions had already been met, most notably those relating to maritime transport, energy, regional policy and financial aid, because these were areas of Community achievement not fundamentally called into question by any of the Member States. Such conditions had virtually no bearing either on the length of the transitional period or on the very principle of accession.

Other conditions listed in the Committee's Opinion, however, were likely to be somewhat academic even if they were the object of legitimate aspirations. Experience and economic contingency had taught this even though the conditions might be consonant with the general principles and thrust of the Treaty and the existing body of Community regulations.

For example, was it not purely academic to implicitly encourage applicant countries to create new jobs rather than encourage emigration when under-employment in the industrialized countries was corrected by budgetary means unmatchable in less-developed countries? Whatever the pros and cons, this raised two questions, namely the transfer of financial burdens and the free movement of persons.

If the Community's achievements were to be fully respected by all Member States, however, there would have to be a certain measure of stability in agricultural, customs and budgetary policies. But could this be done, and was this not speculating about the future in view of the fact that some Member States already wanted to free themselves from the constraints of these policies in the same way that some Member States had already opted out of the monetary system?

In the view of Mr ROGISSART, falling in line with Community practices singularly complicated matters and might have an adverse effect on the duration of negotiations concerning the transitional period. It was, after all, not only the three applicant countries but also the nine or - shortly - ten Member States that had obstacles to surmount.

If applicant countries were expected to commit themselves to implementation of Community policies before accession proper, then the least one could expect from the Community was that it had policies and supported them. In other words there would have to be a stable model and such a model would have to be accepted unanimously and unreservedly by those countries which were already full members of the EEC.

Speech by Mr W. KOK, President of the European Trade Union Confederation (ETUC)

Having thanked the Economic and Social Committee for its invitation, Mr KOK said that the European Trade Union Confederation had first given its agreement in principle to enlargement back in 1976. In September 1978 the Bureau of the ETUC had given its final approval to the accession of Greece, Spain and Portugal. The ETUC had not yet taken a

stand on all the technicalities of enlargement but had nevertheless actively cooperated with the Economic and Social Committee when the latter drew up its Opinion on the matter. The ETUC's feelings on the matter were reflected in the Study carried out in August 1979 by the European Trade Union Institute. This Study contained conclusions acceptable to the ETUC, conclusions which should also be acceptable to the Community and the countries concerned. Mr KOK said that he would like to underline, and shed light on, a number of points made in the Study.

First of all the ETUC considered that enlargement was a political decision resulting from the need to open the EEC up to European countries with democratic forms of government. Enlargement was also a vital step towards a higher level of European integration.

It went without saying, however, that even if enlargement posed no new problems, it would aggravate existing problems. Regional and sectoral imbalances would, in particular, get worse and the fabric of economic and social life, which was not very sound at the moment, would be put to the test. There would therefore have to be a major transfer of financial resources from rich EEC countries to poor EEC countries.

The Commission would therefore have to carefully work out a plan of action and provide the necessary aid since existing financial instruments were insufficient to create an economic base for subsequent integration.

With regard to economic policy and its effects on employment in general, Mr KOK said that a plan to help Southern Europe and the developing countries could help revive the Community's economy. This was highly desirable.

The ETUC had recently prepared a number of proposals for the European Council meeting in Venice. The Council had not sufficiently taken into consideration these proposals and this had certainly not increased the credibility of the Community.

The growing interdependence of Member States and the enormous challenges that lay ahead made it vitally necessary to have greater cohesion and greater internal convergence. An effective socio-economic policy should be increasingly selective and part and parcel of more rigorous medium-term planning.

As far as sectoral and regional instruments were concerned, Mr KOK said that the Community's aim should not be the "complimentarity" of the new Member States' production. Existing or foreseeable problems could only be resolved jointly with the new Member States. The restructuring that would have to go hand in hand with the liberalization of trade needed to be carried out within a Community framework. This would ensure that existing surplus capacity was not increased.

The consequences of enlargement varied from sector to sector but would be considerable in the case of agricultural products. The CAP would have to come up with solutions in this respect and would therefore have to be changed

itself. In the view of the ETUC there were also a number of other reasons why the CAP should be adjusted.

An EEC sectoral policy had not even got off the ground; there was no planning of production capacities and no forecasts of the investments needed to achieve socio-economic objectives. In this context Mr KOK referred to the Opinion of the ESC which said that it was vitally necessary to notify and monitor future investments.

Sectoral policy should be closely linked to regional policy so as to avoid surplus capacities and prevent too much competition between aid. Over-competition did not, in the last resort, lead to a creation of jobs; it also reduced aid to poorer regions.

As far as the free movement of workers was concerned, Mr KOK said that in the present economic recession the nine Member States were unable to receive a large number of migrant workers. This was not only because of the poor employment situation but also because of the lack of finances for social and community work. The free movement of workers was an important achievement and a forerunner of the right to European citizenship; in other words it was the cornerstone of integration. Hence any limitation on this right was unacceptable. Nevertheless, free movement should remain a right and not an obligation since structural unemployment in the economically weak regions of Europe was the major reason for such emigration. It was this structural unemployment that had to be eliminated and this obviously required a considerable effort. The move towards free

movement of labour would have to be spread over a period of time. During the first stage restricting provisions would have to be promulgated and later on EEC safeguard clauses would have to be introduced.

The free movement of labour could be relatively painless, and the transitional periods shorter, if the enlarged Community were to take measures to launch an effective assault on unemployment.

As far as institutions and Community decision-making were concerned, Mr KOK said that given its persistent economic and social difficulties the Community should be more active and more dynamic. The Council of Ministers should no longer be resigned to playing a passive role. The Report of the Three Wise Men on ways of strengthening the institutions of the Community contained a number of proposals which ought to be implemented within a short period of time. Since the ETUC had already made a written declaration to this effect, Mr KOK said that he did not wish to go more deeply into the subject. He nevertheless hoped that the Report would not be consigned to oblivion.

In the view of the ETUC, the Community's decision-making process should become more flexible. The Council of Ministers would have to take majority decisions. The Commission's decision-making and supervisory powers would have to be enlarged and its political role strengthened. The European Parliament would have to use the powers at its

disposal much more than in the past. Such powers should be increased insofar as the budget was concerned and new legislation should be brought in in all fields of Community policy. National powers should be transferred to the Community in areas where national policies were impossible or hardly feasible.

In conclusion Mr KOK said that the applicant countries should become fully-fledged members of the Community as from the time of accession. Transitional periods could vary according to the types of problems in question but should be fixed in advance with a precise timetable. Trade union freedoms should be guaranteed in accordance with the conventions of the ILO. Enlargement should in no way be allowed to pose a threat to the cohesion of the Community; on the contrary, it should be seen as a challenge, as a way of overcoming economic and social difficulties. The achievements of the Community could not be brought into question. The accession of Greece, Spain and Portugal was going to be a trial of strength for the Community and the ETUC was not afraid of such a challenge. The ETUC welcomed enlargement wholeheartedly in spite of current economic and social problems.

Speech by Mr U. LAMAGNI, Secretary of the European Federation of Agricultural Workers' Unions within the Community (EFA)

Having thanked the Economic and Social Committee for its invitation, Mr LAMAGNI said, on behalf of farm workers and small farmers affiliated to the EFA that :

- it was necessary to decide on the length of the transitional period immediately and unequivocally;

- the average transitional period for Spain and Portugal should be 5 years, just as it was for Greece;

Given all the implications of this, the EFA considered that this transitional period should be an opportunity :

- for the EEC to review the CAP and look at all those aspects which failed to conform to the principles of the Treaty of Rome;
- for the applicant countries to carry out all the reforms that were needed in order to bring their agriculture into line with the new reality of the European market.

This official stand affected several million agricultural workers and had not been easy for the EFA to adopt. It had not been easy at the particular time it was taken and it was not easy in view of the likely consequences.

The EFA was fully convinced that this second enlargement was of historic importance not only for the Nine and the three applicant countries but above all for the workers.

Enlargement undoubtedly involved risks but had positive features too. It committed the future of the people living in the twelve Member States and would have major repercussions outside the Community. It was precisely for this reason that enlargement could not be regarded as a

mere application of existing rules or as an object of short-term bargaining between interested parties. In the view of the EFA enlargement also had an "ethical dimension" whose implications were welcome. The ethical aspect of the enlargement process involved the production of values that were fundamental to human life. As far as the EFA was concerned, these values were also part and parcel of the goal of a "Europe of workers" with full democratic legitimacy.

In a Community of Twelve the real political power of 13 million workers in agriculture would be a guarantee that regional and sectoral injustices could be counteracted. It would also be a guarantee that that part of the western world which identified with our model of a future Europe would remain autonomous and independent.

Speech by Mr D. LUTEYN, Vice-President of the Committee of Agricultural Organizations of the EEC (COPA)

Having thanked the Economic and Social Committee for its invitation, Mr LUTEYN said that COPA had been engaging in a wide-ranging discussion on enlargement for a number of years now.

Farmers coming under the umbrella of COPA and COGECA subscribed to that principle of the Treaty of Rome which stipulated that the Community was open to all European countries sharing the same democratic ideal. COPA and COGECA therefore had absolutely no intention of opposing any further enlargement of the Community.

Nevertheless a number of conditions had to be satisfied if enlargement were to lead to a strengthening rather than a weakening of the Community. Farmers could not accept that enlargement of the Community would lead to a phasing out of the Common Agricultural Policy and they would never be able to accept the transformation of the Community into a free-trade area.

According to Mr LUTEYN, the first condition for the acceptance of enlargement was as follows : Member States and the Community authorities should decide in advance what finances were available to cover the inevitable costs of accession. Farmers could not accept accession if Community finances were limited. It was therefore important to increase the Community's financial resources in order to help Mediterranean products.

It was equally necessary (a) to bring about a better balance between the various regions of the Community through specific aids to regions directly affected by accession, (b) to make sure that the backwardness of farming in underprivileged areas of the applicant countries was tackled successfully, and (c) to press on with European integration and consolidate the process through the creation of new financing policies.

COPA urged that before accession negotiations were concluded, market support mechanisms and safeguard measures - at least in affected sectors - should be improved so that all agricultural production in the Community would enjoy the same guarantees.

That was why European farmers' organizations were opposed to any change in Community rules which would reduce the guarantees obtained by farmers, more particularly for Mediterranean products.

The principle of Community preferences had to be retained. Mediterranean products were most strongly affected by the preferential agreements with non-Community Mediterranean countries. This raised the problem of revision of these agreements. There was also the problem of the limitation of the extension of such agreements to "sensitive" products, and the problem of preferential agreements concluded by applicant countries with a number of third countries.

Mr LUTEYN pointed out that Community farmers had also stressed that the problem of development of agriculture and the food industry in the Community's Mediterranean regions could only be resolved through CAP.

The Community's regional and structural financial instruments should be strengthened in order to improve the balance between Community regions.

COPA had always set great store by pursuit of an effective socio-structural policy securing rationalization and

development of production, reform of marketing networks and development of the economic infrastructure of underprivileged regions.

An adequate transition period was needed to attain these objectives, for they involved radical reforms in both the Member States and the applicant countries.

A transition period of five years, like that for Greece, would not be enough for Spain or Portugal. COPA had three stages - each lasting roughly 5 years - in mind. The transition from one stage to the next should be decided by the Council, after it had been found that the changeover could be made without adverse effects on the operation of the Community or on CAP.

In the transition period, effective steps should be taken to prevent any serious disturbance of the market.

The success of accession to the Community would depend in large measure on the transfer of resources to the Mediterranean regions of the Community and of the applicant countries. That would require a political will and greater solidarity between sectors, between socio-economic groups and between the various regions of the Community.

Community farmers were ready to support a fair proportion of the financial burden imposed by enlargement, but they could not agree to foot all the bill for something that was, after all, politically motivated.

In conclusion, Mr LUTEYN stressed the importance of an efficient management of a 12-member Community, to ensure that the right decisions were taken at the right moment.

Speech by Mr F. MARGOT, Vice-President of the European Union of Craft Industries and Trades and Small and Medium-Sized Enterprises (UEAPME)

Mr MARGOT congratulated the Economic and Social Committee on holding the conference. The Committee was again functioning as a meeting place where economic and social groups exchanged ideas, where organizations could speak, and where friendly contacts could be established with colleagues from the applicant countries. Recently, at a meeting with ACP industry and workers, stress had been laid on the importance of the small business sector for the Community and the developing countries.

The UEAPME felt that the small business sector had a major role to play in the current period of economic recession, above all because it could create jobs. The unemployment situation was disquieting, and the countries joining the Community would bring their unemployed with them.

That was why the small business sector would have to be stimulated even more. Mr MARGOT, referring to a recent ESC Opinion endorsing support for improving small-business infrastructure in Portugal, trusted that similar policies would be pursued in Spain.

Small businesses did not just play a role in creating jobs, they also helped to increase purchasing power, development of the market, exports and trade. The experience of the six countries which had founded the Community had shown that the abolition of internal frontiers had "Europeanized" consumption.

Mr MARGOT did not attempt to sketch the problems which would be caused by the accession of three new Member States. He merely stressed that in the enlarged Community the small-business sector would be ready to make a real and hopefully fruitful contribution.

Speech by Mr A. SCHÖNE, Secretary-General of the European Community of Consumers' Cooperatives (EUROCOOP)

Mr SCHÖNE said that EUROCOOP wholeheartedly endorsed enlargement. Referring to the small number of consumer representatives at the Conference, Mr SCHÖNE asked all the governments, and especially those of the applicant countries, to ensure that the ESC gave more place to consumers' representatives.

Mr SCHÖNE warned the Conference against the danger of protectionism being increased in the Community, on the pretext that the new Member States had to accept the Community, and thus CAP, as it stood. Greater protectionism would harm everybody, especially the consumers of the new Member States, if purchasing power was constrained by the adverse repercussions of current economic trends.

According to Mr SCHÖNE, the consumer should be the primary preoccupation of the Community, for one of the fundamental objectives of the EEC Treaty was a rapid improvement in living standards, and thus of the purchasing power of all Community citizens, and not just a number of social groups.

Consumers should not be forgotten in the requisite reform of the agricultural policy. They should be able to participate from the outset in the preparation and reform of all Community policies, and be considered as full partners when it came to filling seats in consultative committees attached to the Commission.

Speech by Mr A. TINAYRE, President of the European Secretariat for Liberal, Independent and Social Professions (SEPLIS)

Mr TINAYRE thanked the ESC for inviting him to the Conference. He referred to the small number of representatives of professions in the applicant countries, and trusted that in future the professions would be more strongly represented on the Committee.

After reviewing the role and importance of the professions in the Community - there were 5-6 million professional people, with their working colleagues and families 12-15 million - he stressed that the professions were very much in favour of enlargement. There were already links with the various professions in the applicant countries, and their accession would not pose any new problems. However, two sets of questions should be mentioned.

Firstly, there were the specific tax, social security and free-movement problems of the professions. Secondly, there were problems pertaining to exercise of the professions. The professions had slightly different codes of ethics, and they would have to be aligned to enable mobility.

SEPLIS therefore trusted that there would be a transition period, to enable alignment to be effected or at least for the relevant problems to be considered in detail.

K. Speeches by Members of the ESC delegation

Group I
Employers

: Mr MASPRONE (Vice-Ch. Group I)
Mr van CAMPEN
Mr ROMOLI
Mr DE BIEVRE
Mr EVAIN
Mr BLASIG

Group II
Workers

: Mr DEBUNNE (Ch. Group II)
Mr CROESE
Mr MILITELLO
Mr ROUZIER

Group III
Various Interests

: Mr GERMOZZI (Ch. Group III)
Mr JAKOBSEN
Mr ZOLI
Mr RAINERO
Mr JASCHICK

Speech by Mr A. MASPRONE, delegate from the General Confederation of Italian Industry (Confindustria) for Community issues, Vice-Chairman of ESC Group I (employers)

Mr MASPRONE said that his Group's wholehearted endorsement of the Committee's Opinion, the previous year, bore witness to the readiness of employers to act at all levels to enable enlargement, and to help resolve the difficulties.

Employers wanted a Community which sought a constant improvement in the living and working conditions of all citizens without exception. A Community based on freedom of thought, of expression, of initiative; a Community based on business and economic freedom. The representatives of business could not sacrifice those values, for they were the prerequisite for the political liberty to which they were inalienably attached, in which they all believed, and on which they cooperated.

Speech by Mr J.Ph.M. VAN CAMPEN, Chairman of the ESC Section for Industry, adviser to Dutch employers' organizations, member of ESC Group I (employers)

Mr VAN CAMPEN, speaking in his own name, agreed with those who looked on enlargement as a challenge.

He recalled the start of Community integration and the current problems. Right from the start, the Community had

overcome apparently unsurmountable problems, thanks to the imagination of certain persons, the development of competitiveness and the maintenance of freedom within enterprises.

The economic atmosphere had differed from the current one, but if the nine closed their ranks, it would be possible to face the problems on enlargement.

Mr VAN CAMPEN considered that there should be a single transition period, within which all the problems should be resolved. The terms of enlargement should be the same as those which had obtained before, and be based on the spirit of imagination and invention of all who worked in the Community - large and small businesses, traders and workers. The applicant countries, who were directly concerned, would also participate in the solution of problems.

As to the free movement of workers and migration problems, it was essential to eliminate the need to migrate, i.e. the nine should invest in the three applicant countries in order to reduce migration to a level no higher than necessary.

Speech by Mr A. ROMOLI (I), in charge of relations with international bodies at MONTEDISON, Member of ESC Group I (employers)

Mr ROMOLI said that enlargement should be seen in a wider context, that of the whole Mediterranean policy of the Community, for it was essential to construct a long-term Community.

There were 250 million Community citizens to the north of the Mediterranean, and 250 million to the south of the Mediterranean in the associated countries. The basic problem was to find a way for the two to live together.

Mr ROMOLI then raised the question of the views on Mediterranean policy, of Spanish and Portuguese social and economic groups and how they envisaged cooperation with countries to the south of the Mediterranean, the ACP countries, the countries of Africa. He also wanted to know the views of Spain and Portugal on Community policy with respect to Latin America.

An answer to those questions was a prerequisite for the solution of certain problems, and the long-term construction of the Community.

Speech by Mr C. DE BIEVRE, former Director of the Department for Economic Affairs of the Belgian Industrial Federation (FEB/VBO), Member of ESC Group I (employers)

Mr DE BIEVRE stressed the need for the corporate sector, both within and outside the Community, to know when the new relations with the applicant countries would be established. For the corporate sector, it was essential to have a clear timetable since certain provisions, such as cuts in customs duties, could have major repercussions (investment, for instance, had to be planned several years in advance). That was why Mr DE BIEVRE was opposed to any changes in the dates put forward.

It would be very dangerous for the transition periods to differ, because of the need to ensure a balance between the advantages and disadvantages of the individual parties. They should coincide, since certain countries would have agricultural advantages and others industrial advantages.

If they wanted to benefit from the Common Market, the applicant countries should create, within their frontiers, a climate favourable to business (including political and social stability).

Referring to the speakers who had said that the Community should serve workers, Mr DE BIEVRE said that the applicant countries did not want to just enter a Community of workers, but also a Community of peoples, of citizens, where workers and other socio-economic groups had their place.

Speech by Mr Cl. EVAIN, delegate for international relations of the President of the National Council of French Employers, Member of ESC Group I (employers)

Mr EVAIN said that two general points had emerged from the ESC review of relations with Spain.

Firstly, adhesion of Spain and enlargement in general were desirable. Secondly, it was essential not to underestimate the difficulties.

The past year had fully confirmed those findings. Enlargement remained the objective, but the past year had shown that the difficulties posed, by Spanish adhesion in particular, had been seriously underestimated.

On the Spanish side, introduction of VAT raised more serious and intractable problems than had been expected, and the proposed deadlines had had to be postponed. And complete opening of frontiers raised more problems for Spanish industry than had been expected.

On the Community side, a number of basic problems had emerged recently. Firstly the CAP, which was one of the foundation stones of the Community. For the first time, it was being said publicly in France that CAP would have to be radically reformed, without touching the principles. Then there was the budget aspect. According to the forecasts made by the Community, if the Community's "own resources" were not increased, payments might stop, according to some in 1981 and according to others in 1982. Own resources could not be increased without the agreement of the national parliaments; that would mean a very wide-ranging discussion in the Member States whose outcome was difficult to predict, since it would raise fundamental issues.

The Community was in a situation where it had to decide what it wanted its future shape to be. If you make a leap forward you must know where you are going.

A number of other problems had to be resolved. How were Community decisions to be taken? Again, what steps were

to be taken to resolve the key problem of the Community's high-technology industries, faced with competition from Japan and other countries.

Mr EVAIN therefore considered that the discussions with the applicant countries should deal not only with the problems posed by the negotiations which had to be resolved in the next few years, but also with the abovementioned issues.

Speech by Mr R. BLASIG (D), Chairman of the Supervisory Board of BAUKNECHT GmbH and Member of the Board of the Federal Institute for Labour, Member of ESC Group I (employers)

Mr BLASIG said that German industry supported enlargement and trusted that negotiations would be brought to a successful conclusion as soon as possible.

Mr BLASIG then made a number of comments on the social aspects of enlargement, which needed political stability and presupposed prosperity, economic growth and social peace. As regards the relations between management and unions, he felt that there should be free collective bargaining, i.e. the two sides of industry should be equally strong from the point of view of organization and the instruments put at their disposal, so as to enable them to decide freely and independently on conditions of work and the incomes policy.

German industry was prepared to accept the free movement of workers provided, of course, that there was a transitional period. Mr BLASIG nonetheless wanted to draw attention to the view of a large number of people in Germany that the country could hardly accept a further influx of migrant workers. The 4 million migrant workers who were already living there, together with the members of their families, could stay. One had, however, to remember that the second generation of those migrant workers would shortly be seeking employment. Furthermore, population changes would also be felt and that would mean still greater pressure on the available jobs. In a few years the number of unemployed workers was likely to double if the growth in GNP remained at the same level.

Finally, the speaker drew attention to the need to work together to bring about stability and he urged the Community to help to ensure the survival of the self-employed, who represented one of the essential pillars of society and constituted the decisive factor in guaranteeing political stability.

Speech by Mr G. DUBUNNE, Secretary-General of the Belgian General Federation of Labour (FGTB/ABVV), Chairman of Group II (Workers) of the ESC

Mr DEBUNNE spoke on behalf of Group II. He wished to point out first of all that his Group was in favour of bringing the three prospective member states into the Community. Enlargement had to take place in line with the principles of political, economic and social democracy.

It was precisely in order to safeguard all the rules of democracy and all trade union freedoms that the workers' organizations considered it absolutely essential that representatives of social and economic interest groups be informed

and subsequently involved in the preliminary negotiations and consequently considered as full negotiating partners in their countries.

Group II wanted the initiative which had been taken by the Committee to be pursued in order to prepare the ground for the ultimate arrival at the Committee of the members representing the new member states in such a way that their role as discussion partners was already secure before they arrived.

There was no hiding the fact that enlargement posed considerable problems and there were few industries which did not have real difficulties which would require our fullest attention. That was particularly the case for the iron and steel industry, textiles, shipbuilding, the leather industry and, perhaps, in the near future the car industry. We must not also neglect the high-technology industries and other growing and expanding industries, as they could perhaps have significant effects on levels of employment.

For that reason the Workers' Group at the Committee felt that things could not be allowed to go on as they were doing at present. The workers did not believe in the principle of liberal laissez-faire under which free enterprise could solve all our problems. We had to find the happy medium between that principle and sectoral planning.

Turning to another point, Mr DEBUNNE understood those who wished to draw attention to the need to strengthen and intensify the role of the EC. In his view it was right that the enlargement process must not have a retrograde effect nor promote the disintegration of the Community. He held it to be obvious that if we wanted to bring about an enlarged and democratic Community the Community had to continue to make progress.

When one talked about essential growth, however, the type of growth had to be specified. As far as the representatives of the workers were concerned the aim of growth had to be to bring about more equality, particularly by removing blatant inequalities. Growth also had to promote employment, enhance people's purchasing power and promote progress in the social field. Those were the aims which would be in the back of the minds of the workers in playing their role in bringing about a democratisation of the Community as a whole.

Finally, Mr DEBUNNE said that it would be ridiculous in today's world for each country to try to find its own national solutions to problems. Solidarity was becoming more and more necessary. Furthermore, decisions in the Community had to be taken in accordance with democratic rules. If that happened, the Community would be serving the interests of peace and would enable all the people in the Community, of whom the workers formed the major part, to live in genuine security.

Speech by Mr G. CROESE, member of the Executive Committee of the French General Confederation of Labour (CGT) and a member of Group II (Workers) of the ESC

Mr CROESE thought that it would be useful to hear the voice of members who had not voted in favour of the Committee's Opinion on enlargement. In its Opinion the Committee came out in favour of the enlargement of the Community and considered that it would provide a means of economic revival and a possibility of achieving growth. In reality such prospects were far from being true. Even the Commission did not fail to recognize that reality as, in the May edition of the Bulletin of its Directorate for Economic and Financial Questions, it did not express optimism over the prospects for development, growth and the economic revival, not only in the short term but also in the long term.

It would therefore be wrong to give people the impression that enlargement would serve the interests of workers and other social groups, particularly farmers. It would benefit mainly the multi-national companies which had unfettered domination of the economy of each of the Member States. Enlargement would also not make it possible to find solutions to the economic imbalances between existing Member States and the prospective Member States, just as the earlier enlargement had not solved the serious regional imbalances in the Community of 6 or the Community of 9.

In Mr CROESE's view the crisis affecting the Member States could not be solved either by enlarging the Community or by taking decisions at supra-national level. Contrary to the view which had been promoted by the ruling groups in the Community, the pattern of government based on individual nations, with their own sovereignty and independence was not yet outdated, indeed it would gain ground. Nations were still living entities with their own traditions, culture, economy, dynamism and decision-making powers. Decisions should be taken at Madrid, Lisbon, Athens, Paris, or elsewhere, not at a supra-national level.

The concept of the Community should therefore be based on the existence of sovereign states and on the vital need for economic cooperation in the interest of workers, not of multi-national companies. Solidarity only had value and meaning in an independent Community acting in the interests of the workers who comprised it and prepared to find solutions to a major problems raised by the new world economic order. That was the Community which had to be built.

Speech by Mr G. MILITELLO, National Secretary of the Italian General Confederation of Labour (CGIL), member of Group II (Workers) of the ESC.

Mr MILITELLO started off by welcoming the prospect of enlargement on behalf of the CGIL. In his view, it was, however, necessary to take account of the fact that enlargement brought a number of problems which were, moreover, sometimes used as arguments against such a development.

Firstly, there was the fact that several industries were facing crises in the existing Member States of the Community. The same could be said of the prospective member countries.

In the field of agriculture the prospective member countries were still treated less favourably by the Community than other non-member countries in the Mediterranean area. That was a contradiction but there were reasons for it; the Community had to have an eye open to the opposite shore of the Mediterranean.

Those were real problems. In order to solve them more money was needed in order to extend investments. There was also a need to improve structural policies bearing in mind the recession.

The prospective member countries were also, however, facing difficulties. They had high levels of unemployment which could be made worse by joining the Community.

When we tried to find solutions to those problems we had to avoid two pitfalls. First of all, there was the danger of saying: "Let's try to solve our internal problems first and then deal with the question of enlargement". Secondly, and that was the easy way out we should avoid saying

to the prospective member countries: "You make changes first and then we will make a move in your direction".

In the speaker's view, enlargement represented an historic opportunity to make profound economic reforms in the Community and the prospective member countries for the first time.

The Community had to decide at all events whether it wished to be merely a free-trade area, which it was at the present time with the exception of the agricultural market, or if it wanted to move to a stage in which it genuinely adopted common policies. Enlargement provided the opportunity to amend, where necessary, the CAP, to bring about a common industrial policy and, on a more general plane, to try to bring about a fair Community from a social point of view and a more democratic Community.

Speech by Mr ROUZIER (F) National Secretary of the French General Confederation of Labour - Force Ouvrière (CGT-FO), member of Group II (Workers) of the ESC.

Mr ROUZIER pointed out that the large majority of French workers were in favour of the accession of the prospective member states. They gave their support openly and they regarded this as a gesture of solidarity with workers and the whole of the population of those countries. They thus remained faithful to the spirit of the Treaty of Rome which made it possible to open the doors of the Community to any democratic country in Europe. When the Community had been enlarged for the first time the problems which arose were not of the same nature or the same dimension. At the present time

enlargement towards the south was of a more political nature. It was more fundamental and more urgent. Over and above the difficulties which would inevitably occur and looking beyond hidebound nationalism and shows of nationalism, what was really important was to strengthen democracy against the risk of totalitarianism, either of the right or of the left.

In the speaker's view it would undoubtedly be difficult to build a united Europe, a sort of United States of Europe, but that was essential if we were to have social progress and, in particular, if we were to safeguard democracy, liberty and peace.

Speech by Mr M. GERMOZZI, representative of the President and Secretary-General of the Italian General Confederation of Craft Industries, Chairman of Group III (Various Interests) of the ESC.

Mr GERMOZZI greeted the representatives of socio-occupational organizations in the three prospective member countries on behalf of Group III.

He pointed out that his Group represented a broad range of interests as it brought together representatives of craftsmen, small and medium-sized businesses, farmers, co-operatives, consumers, families and the liberal professions. The Group's voice therefore carried weight at the Committee.

Speech by Mr E. JAKOBSEN, Head of Department at the Danish Agricultural Council (Trade and Market Policy), member of Group III (Various Interests) of the ESC.

Speaking as a representative of Denmark, Mr JAKOBSEN pointed out that the organizations in his country had had to make changes eight years ago when Denmark joined the EC. They had gained experience which they could pass on to the new prospective member countries.

As regards to CAP he pointed out that Danish farmers felt that there should be no changes, at least in the basic principles, even in a Community of 12. The Community's "own resources" would have to be increased at a particular time otherwise the common market could collapse. Furthermore, we would have to envisage bringing in a common organization of the market for a whole series of new products, for example vegetable protein.

The speaker went on to say that the decision-making process in the Community would have to be improved when the Community was enlarged. The various organizations representing the prospective Member States would have to take this into account and make structural changes as a number of decisions taken in the past in the various national capitals would henceforth be taken in Brussels. Bearing that in mind, the organizations representing the three prospective member countries should seek information from their counterparts in the countries which joined the Community eight years ago. This could well enable them to gain useful and valuable information.

Speech by Mr G. ZOLI (I), lawyer, former mayor of Florence, and a member of Group III (Various Interests) of the ESC.

Drawing on his experience as a member of the Committee, Mr ZOLI wished to inject a spirit of optimism into the conference. He started off by thanking his colleague from Group II, Mr ROUZIER, who had replied to those who gave precedence to the individual sovereign states by restating the final objective of the Community, namely the formation of a United States of Europe.

If we were to put off the decision to move towards integration we should not forget that it would also have a

direct effect on the economic and social situation of men and women in Spain and Portugal.

It would therefore be both fair and normal to hold discussions with them when we were considering making changes in the Community as that concerned them directly. In the speaker's view the crisis facing the Community should not hold back the accession of further countries to the Community; on the contrary it should speed up the process and cause preliminary steps to be taken in advance of their accession.

Mr ZOLI then recalled various draft documents from the Commission on which the Committee had given Opinions recently. Those documents demonstrated that the Community continued to believe in its own value.

He also recalled the Opinion which had been adopted unanimously by the Committee in which a call was made for increases in the funds available for regional policy.

Finally, he thanked the delegations representing the prospective member countries for attending the meeting and hoped that the accession of their countries would not simply mean that the Community would grow in size but that it would also become a more attractive and better body.

Speech by Mr G. RAINERO (I), responsible for International Agricultural Relations and the Common Agricultural Policy at the National Confederation of Self-Employed Farmers, Member of Group III (Various Interests) of the ESC

Mr RAINERO observed that on several occasions it had been pointed out at the Committee that agriculture was one of the most important industries and, indeed, it was the only industry for which the Community had a common policy. That policy

had been brought about thanks to the efforts of those employed in agriculture. The great majority of these people had living conditions and levels of income which were in no way comparable to those enjoyed by other social groups.

That was an important factor, but, nonetheless, Mr RAINERO felt that enlargement could be accepted, provided that we avoided a number of illusions. The current economic situation was indeed different from that facing the Community in the 1960's. As a result we had to work together to overcome the overall sectoral difficulties and to ensure the survival of agriculture by taking account of social aspirations and levels of employment and income so that farmers would be on a par with other workers.

If we were to achieve these objectives we would have to avoid ridiculous polemics about the EC budget as the all important thing was to safeguard the jobs of farmers and people working in allied industries.

There was also a need to make the CAP and the Community's external policy more consistent. The main requirement was to safeguard the effectiveness of the CAP, by observing the principles of the single market, Community preference and financial solidarity.

Speech by Mr J.M. JASCHICK, executive member of the Board of the German Consumers' Association (AGV), member of Group III (Various Interests) of the ESC.

Addressing his remarks in particular to the representatives of the prospective member countries, Mr JASCHICK

welcomed the enlargement of the Community, not just for general political reasons but also because the enlargement would benefit consumers, particularly as it would bring about a bigger and more varied supply of agricultural products.

In the speaker's view consumers were very keen to see improvements in agricultural structures. They were in favour not simply of guaranteed incomes for farmers in the Community but also of increasing the income and prosperity of the low-income groups in the Community at the present time. Improvements in levels of income must not be made merely by price adjustments as that was of particular benefit to well-structured undertakings, rather than small and medium-sized businesses which did not receive sufficient aid and support.

That was a vital issue which the European Bureau of Consumers' Unions (BEUC) had considered most carefully. The Bureau had requested that the matter be given particular attention as a matter of urgency.

Subsidies should normally be granted with a view to improving economic and social standards. Unfortunately, under the current system subsidies had brought about a deterioration in the quality of products. Fish was being processed into low-grade fish meal, wine was being made into alcohol, beef and veal were being tinned and therefore reduced in quality, and all this with the help of public money.

Mr JASCHICK considered that that situation should be changed and that the enlargement of the Community would provide the ideal opportunity for doing it.

CLOSING ADDRESS

BY THE CHAIRMAN OF THE ECONOMIC AND SOCIAL COMMITTEE

Closing address by Mr VANNI, Chairman of the Committee

Ladies and Gentlemen, as this conference is now nearing its close I should like to take this opportunity to tell you how pleased I have been with the work which has been done by everyone, with the large number of people who have attended and with the very valuable information which has been provided.

The aim of the conference was to consider in depth the various issues involved in the enlargement of the Community and to enable the participants to join together in seeing ways and means of ensuring progress in Community policies, thereby helping to remove regional, economic and social imbalances.

There have been more than forty speakers and the information which they have provided has enabled us to get to the heart of the fundamental issues involved in enlargement. Special attention has been paid to strengthening the Community institutions, to agriculture, social policy, the free movement of workers, industrial policy and regional policy.

The effects of enlargement on the Community's external policy have also been considered, in particular the effects which enlargement might have on the non-EC countries bordering on the Mediterranean.

As I pointed out at the beginning of the conference, our aim was not to make new political judgements on the matter of enlargement but rather to draw attention to the obstacles

and traps we might encounter in the short and medium term and to suggest ways of overcoming these difficulties.

The Committee has taken the opportunity to reiterate its full support for the enlargement of the Community, which it regards as a fundamental feature of further progress towards the construction of the Community. The broad consensus which has been achieved at this meeting can only be regarded as a source of considerable satisfaction. Everyone at the conference has said this. We have also welcomed the statements made by representatives of the Council and the Commission to the effect that the current negotiations will be continued and that the procedures and stages which have been laid down will be observed.

One point in particular was stressed, namely the need for the socio-economic groups to be involved to a greater extent in the negotiations by being provided with specific information throughout the duration of the talks by the appropriate authorities, that is to say the Council, the Commission and the national governments.

In the light of the results of this conference the Committee considers that it is important to continue with such initiatives in order to inform the Community bodies of the views of the economic and social groups. To this end, the groups in all the twelve countries concerned should be contacted in order to ensure that the conference is followed up.

Before closing the conference it is my privilege to thank you all sincerely for the contributions which you have made, for the high level of the debates and for the spirit in which the conference has proceeded. This has also helped to forge links on a personal level between representatives of the socio-economic interest groups in the twelve countries.

European Community - Economic and Social Committee
Conference on the Enlargement of the European Community
- 26 and 27 June - Extracts

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The ESC's aim in organizing a conference on the enlargement of the Community was to facilitate a meeting of representatives of all the circles concerned : Greek, Spanish and Portuguese socio-economic organizations, European-level socio-economic organizations and Community institutions.

This meeting made it possible to take stock of the problems connected with enlargement in a wide-ranging debate in which the representatives of the circles concerned expressed their respective views, thus bringing about an exchange of information.

The present document summarizes the proceedings at the conference.



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