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the sittings

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THE SITTINGS

STRASBOURG, 13th – 17th JUNE 1977

THE WEEK

Temperatures were up in the eighties when EMPs assembled in Strasbourg on Monday afternoon for what promised to be a week of heated debates, but a cloudburst on Monday evening changed all that and by the time the House came to discuss solar energy last thing on Thursday the idea of power from the sun looked like rather a joke.

If it was a week of mainly routine business for Parliament – including such unglamorous items as export subsidies, railway accounts and an inventory of subsidies – there were a number of debates which inspired eloquence and even passion. One such concerned the Commission's proposals to cut down on the slaughter of wild birds by hunters and, in a sense more ominously, by pollution of the natural environment. Another was an emergency debate on the British refusal in Council to 'release' funds for scientific research until differences over JET (the Community's nuclear fusion project) had been resolved (Britain wants JET to be built at Culham, other EC countries prefer Garching in Germany). At least one speaker spoke of 'blackmail' here, a charge Council President John Tomlinson flatly rejected.

Wednesday saw the week's key political debate – on direct elections to the European Parliament. The Political Committee was calling for arrangements to enable Community citizens resident in a Member State other than their own to vote in the first European elections – often impossible in national elections. The House agreed – but felt that introducing special rules should not be used as an excuse to delay the 1978 deadline for the elections.

This was Parliament's last session before Britain relinquishes the 'presidency' of the Council, and in a farewell statement John Tomlinson MP, who has deputized

for the late Richard Crosland and current Foreign Secretary Dr David Owen in relations with the EP, spoke of the 'spirit of cooperation' which had marked his term of office.

MONDAY

Geoffrey Rippon elected Chairman of the European Conservative Group.

Making work more human

There was unanimity in the House this afternoon on the need to make working conditions – and work itself – more human. Up for debate was a report by Luxembourg Liberal Carlo Meintz on a Commission communication 'on reform of the organization of work (humanization of work)'.

Although Members shared the Commission's aims, there were considerable misgivings that the proposals were in the form of a 'communication', rather than a directive which would oblige Member Governments to act. Commissioner Henk Vredeling replied to this charge by saying that Member States were free to introduce a national legislation.

But it was Tom Ellis (Br,S) who summed it up. A majority of all working people, he believed, disliked their work – because they were doing jobs which could be better done by machines.

No panacea for unemployment says Henk Vredeling but the June 27th Tripartite Conference must lead somewhere

The European Parliament then turned its attention to the conference between representatives of governments, unions and management due to be held in Luxembourg on June 27th. It is the third in the series.

Luxembourg Christian Democrat Jacques Santer said his group welcomed the talks. He only wanted them to make a greater impact. He tabled a motion calling on all parties 'to invest the discussions with a more binding character'.

British Socialist Gwyneth Dunwoody took a similar view. The talks must lead somewhere : to a Commission plan or at least a commitment. How else is Europe to be brought home to people except by Community action directly related to their everyday lives?

Luxembourg Liberal Carlo Meintz said it was not merely desirable to keep Europe's economic heart ticking. It was vital.

EPD spokesman Pierre-Bernard Cousté took the point about the conference's standing but warned that it should not be regarded as a decision-taking body. Its value lay in the consensus it produced.

The two key points, as he saw it, were gearing schooling to jobs more successfully and promoting manpower and job mobility.

EC spokesman Sir Brandon Rhys Williams (Br) was another speaker who looked to the Tripartite Conference for specific proposals. Exhortation was not enough. Sir Brandon said he found the expression 'both sides of industry' unhelpful. 'We are all on the same side', he said. As for the status of the conference, it was not a law-making body but governments especially should note the consensus reached there.

Communist spokesman Andrea Mascagni (It) stressed the value of the trade union contribution to the Tripartite Conferences.

In reply Henk Vredeling said there was no panacea for unemployment. The Commission, for its part, was doing all it could to provide the know-how to solve problems and it would produce an action programme as a follow-up to the June conference.

As to criticisms about preparations, he pointed out that there had been far more time to get ready for the earlier conferences than for this one.

Denis Healey, incidentally, would be in the Chair.

The motion, regretting the Conference's lack of impact on unemployment and urging joint action to solve a common problem, was agreed to.

Home industry

Mrs Vera Squarcialupi (It,CA), in an oral question to the Commission, wanted details about the scale of 'home industries' in the Community. Much of such

work, she said, was clandestine and enabled unscrupulous employers to exploit the weakest sectors of the population, particularly women and young people.

Marcel Vandewiele (Be,CD) pointed out that there was a good deal of legitimate work done at home – he cited handicraft workers in the South Tyrol.

In reply, Henk Vredeling said that there were few reliable statistics, but such as there were showed that Italy had the highest quota – 4.2 percent of all Italians worked at home.

Dangers of vinyl chloride monomer (VCM)

The House agreed unanimously to a motion welcoming a Commission proposal to protect workers exposed to VCM, but urging stricter minimum standards for the permissible amounts of the substance in the atmosphere in factories producing it.

Cutting down accidents at work

Mr Henk Vredeling told Aldo Masullo (It,CA) that the Commission would be submitting an action programme on safety and health at work in the autumn of this year which would cover most of the aspects raised in Mr Masullo's question.

TUESDAY

Qualified approval for European Cooperation Grouping proposal

Parliament supports plan for European Cooperation Grouping but argues over legal details – particularly the size of firms to enjoy this new option and the way it will affect workers

Summary

Jan Broeks (Du,S), for the Legal Affairs Committee, asks Parliament to approve a Commission proposal designed to make life easier for small and medium-sized companies. The idea is to provide a legal umbrella for companies wanting to

cooperate with firms in other Member States. Unlike a group the 'grouping' proposed by the Commission will not be a body giving orders to other companies. It will simply be 'a vehicle for the business of its members' (e.g. by providing common transport, processing or packaging machines, etc.). Groupings will also be non-profit-making. Jan Broeks, rapporteur, while welcoming the proposal, asks for one or two amendments to it.

The debate

Dutch Socialist Jan Broeks, opening the debate, drew attention to some of the details needing tightening up in the Commission's bill (Doc. 340/73) : the definition of size with business firms; the location of registered offices (they should be in the same place as the grouping, he says).

Luxembourg Christian Democrat Jacques Santer, the next speaker, was concerned about the lack of any provision for trade union participation – the point being that groupings are intended to come under national law; and these can be more detailed regarding participations in some Member States than others.

Liberal and Democrat spokesman Michele Cifarelli (It) welcomed the grouping which he saw as likely to help businesses. Profit, he commented, is no crime. But he was concerned about the actual size of the groupings envisaged. They should not be too small.

EPD spokesman Hector Rivierez (Fr) said it was a tricky text because of the grouping's legal novelty. It was the corollary to the European company but distinct from it – if only because European companies would be, by law and definition, much larger entities. He too feared the bid to limit the size of the new groupings. All firms should enjoy this option – as they did in France where the idea originated.

Communist spokesman Aldo Masullo (It) was also concerned about how the bill would affect workers, especially if decisions affecting them were taken in other Member States.

Sir Brandon Rhys Williams (Br,EC) welcomed the provisions for cooperation between small and medium-sized firms and for trans-frontier cooperation. This could be a means of securing jobs, he said.

He urged that the ECG formula be kept as simple and flexible as possible. He was unhappy about Amendment No. 2, which made provision for 'social plan' negotiations with employees, as he felt this could lead to unnecessary disputes.

Sir Derek Walker-Smith (Br,EC), Chairman of the Legal Affairs Committee was anxious for clarification with regard to Amendment No. 1, tabled by the Social Affairs Committee. He could not endorse, he said, the obligatory employer-worker negotiations prior to the forming of a grouping called for by the committee.

Mr Erwin Lange (Ge,S), speaking personally, felt the ECG would be a retrograde step. Indeed the EC's draft legislation on the European Company could be delayed and irrevocably undermined.

Rudolf Adams (Ge,S) agreed with Mr Lange. He could only support the report if the highly contested Amendment No. 1/rev., providing for worker consultation were carried.

Jacques Santer (Lu,CD) intervened to point out that this amendment was carried unanimously in committee on 17th May 1977.

Replying, Henk Vredeling, for Viscount Etienne Davignon, said the Commission's aim was to help firms adjust to the European dimension. The present bill, he said, was complementary and not in conflict with the European company idea. It would meet a real need.

He then commented, as Jan Broeks had done, on the amendments tabled (a) to the eleven-point motion tabled (Doc. 519/76) and (b) to the actual Commission proposal (Doc. 340/73).

The vote

Of the 8 amendments tabled to the Commission proposal, numbers 1, 2, 3, 6, 7 and 8 were accepted and numbers 4 and 5 were rejected.

The main point of these amendments is (a) to improve arrangements for consulting workers (additions to Articles 5 and 16 of the Commission proposal) when groupings are formed or wound up, (b) to make sure the head office of a grouping is in the same Member State as the grouping itself and (c) increasing the maximum number of employees from a proposed 250 to 500.

Amendments supported by the Socialists and Communists (a) seeking to limit the capital of groupings to 500,000 u.a. and (b) seeking to prevent founders from setting up more than three groupings, were defeated by the joint vote of the European Conservatives, Christian Democrats and Liberals.

The European Conservatives and European Progressive Democrats voted against Amendment No. 2 (new Article 16a).

Both Sir Brandon Rhys Williams (Br,EC) and Hector Rivierez (Fr,EPD), for their groups, made clear that they were not opposed to the principle of consultations. They simply wanted to approach the issue more pragmatically.

The motion as a whole was then agreed to.

Doing away with double taxation : a useful first step

Summary

To do away with double taxation the Commission is proposing to set up a new arbitration procedure. This will mean that firms affected will be able to appeal first to the tax authorities in the two Member States concerned and then to a commission including independent members as well as representatives of the tax authorities. Parliament approves the proposal while finding its scope rather limited.

The debate

The first example at international level of a measure laying down a concrete and well-defined procedure for eliminating double taxation was welcomed as 'a modest step in the right direction' by Parliament just before lunch. Mr Jean-François Pintat (Fr,L), standing in for Pierre-Bernard Cousté (Fr,EPD) as rapporteur, noted that the major feature of the proposal was a new arbitration procedure. It would help to eliminate double taxation in the event of transfers of profits between associated companies in different countries. 'This is a laudable aim', he declared, 'since distortions of competition will be removed and the unity of the Community increased'.

Parliament's resolution, however, noted a number of short-comings in the proposal:

1. The scope of the arbitration procedure was limited in countries where tax authorities could not vary judicial findings. Commissioner Burke, replying to the debate, however, warned Parliament that there was very little hope of any changes in this area.
2. The two-year deadline for submission of cases was too long : here, too, however, Commissioner Burke could not promise any change.
3. The variation between different countries in the method of calculating tax adjustments was not satisfactory. Most countries did it by recalculating the taxable profits; but the U.K. and Ireland recalculated the tax. These methods did not always produce similar results; and Parliament wanted harmonization on the profits calculation basis.

But again, Commission Burke pointed out, this was not at present necessary, since the difference between the systems was only important where tax rates varied considerably; and this was not the case.

Mr Hermann Schwörer (Ge), for the Christian Democrats, and also rapporteur for the Legal Committee's opinion, also welcomed the proposal as an improvement on the various bilateral arrangements which were growing up. He urged the Commission to go further, however, 'in the end there must be harmonization of tax systems'.

Here he was echoed by Mr Masullo (It) for the Communists, who could not conceal his misgivings about the Commission proposal. 'Associated companies, by various dodges, can switch profits from high-tax to low-tax countries. Obviously, we must avoid double taxation. But the proposal would be better if it were linked to a general strategy for tax harmonization'.

Commissioner Burke, however, pointed out that the present proposals would still be necessary, even if tax were harmonized. There was, at present, a danger that double tax would actually increase as a result of the exchange of information between tax authorities already provided for. However, the Commission would continue its work in the tax field.

QUESTION TIME

QUESTIONS TO THE COMMISSION

1. *Help for Rumania (Michele Cifarelli)*

Commissioner Wilhelm Haferkamp told Michele Cifarelli (It,L) that 100,000 u.a. (41,667 pounds) in emergency aid had been granted to Rumania under Article 951 of the budget in the wake of the earthquake disaster there. Since emergency funds were always available under this Article there was no 'need for any special 'Disaster Fund'.

2. *Equal pay for men and women (Willie Hamilton)*

Under the Council's directive on equal pay of February 1975 Member States were required to submit progress reports on their implementation of the directive at the beginning of 1978, Commissioner Henk Vredeling told Mr Hamilton (Br,S). A general assessment would have to wait until then. But where Members knew of specific violations of the directive, he added in answer to a supplementary from Ronald Brown (Br,S), they should lodge a complaint with the Commission, otherwise no action could be taken.

3. *Steel consultation between EEC and USA (Pierre-Bernard Cousté)*

Commissioner Haferkamp said that the Americans had agreed to hold periodic consultations on problems in the steel sector.

4. *Uranium (Tam Dalyell)*

Tam Dalyell (Br,S) wanted to know how the Commission intended to go about providing the EP with 'confidential information' in the event of future 'situations' similar to the 1968 disappearance of 200 tonnes of uranium. Commissioner Haferkamp said Guido Brunner was at present discussing the matter with the chairman of the Energy and Research Committee. He added that simply taking an entire committee into one's confidence was not on — Agence Europe would report all the details the next day.

5. *Need for more oil-rigs (John Corrie)*

There was a dearth of orders for new oil-rigs, Commissioner Haferkamp told John Corrie, but there was no slow-down in oil exploration as a result. In fact existing oil-rig capacity was underused throughout the world, so it would be pointless placing new orders now.

6. *Unemployment among young people (Luigi Noè)*

Commissioner Henk Vredeling agreed that young people should be helped in getting their first jobs, but not at the expense of their social rights as employees. Admitting that there was a strong structural element to youth unemployment, he was sympathetic to Christopher Price's (Br,S) suggestion that all school-leavers should be guaranteed further education if no jobs were available, but said this was an initiative that would have to come from the Member States. He agreed that the Social Fund was limited in its means to help, and that the prime consideration was the creation of new jobs.

7. *New sources of coal (Tom Ellis)*

Finn Gundelach said that the Community's policy is to stabilise hard coal output and promote hard coal imports into the Nine. The Paris Treaty, he added limits the Community's scope. Article 54 allows for loans for investment but that is all. Mr Ellis (Br,S) then raised the point about coal being imported from the cheapest sources. Mr Gundelach said coal was being imported at prices which undermine the EC market. The fault lay with the Council not agreeing a common commercial policy. In reply to a supplementary from John Osborn (Br,EC), Mr Gundelach added that he deplored the effect this was having.

Mr Ronald Brown (Br,S) asked whether there was not a contradiction between cheap coal imports being accepted and cheap food imports being frowned on. Mr Gundelach said the point here was that the imported coal price was artificially low. Mr Erik Blumenfeld (Ge,CD) asked where such cheap supplies could be had. Mr Gundelach said that in the long term cheap supplies would run out. One East European State was dumping coal on the EC market but this was a temporary phenomenon.

Tam Dalyell (Br,S) asked 'what is overdue?'. Mr Gundelach replied by asking why coal should come under a different dispensation: this was why a common policy was overdue.

8. *Bringing professionals in on to farm management committees (Ralph Howell)*

The rules for the main sectors do not lend themselves to management by the professional organisations, said Mr Gundelach, though he did appreciate the valuable contribution they could make. They were frequently consulted. Mr Howell (Br,EC) suggested it would help counter criticisms of the CAP if management were entrusted to those most closely involved. Mr James Scott-Hopkins (Br,EC) added it would be a darned sight better than the present system.

Mr Gundelach said he agreed about involving interested parties. But when it came to a point it was the Commission's job to take decisions. The importance of the role of the present committees should not be exaggerated.

Mrs Gwyneth Dunwoody (Br,S) suggested firing all the civil servants and giving the jobs to housewives. Mr Gundelach wondered whether any agreement would result. Mr John Corrie (Br,EC) suggested priorities were wrong. Incentives for switching over from one crop to another ought to be given to larger farmers. Mr Gundelach said CAP's real failure was that it did not place enough emphasis on efficiency. Lord Bruce (Br,S) raised the question of links between the Commission and the COPA. Could there be the same links with consumers? Mr Gundelach said 'yes'. Mr Ludwig Fellermaier (Ge,S) asked if the Commission could give a written comment on how consensus is arrived at on the CAP, with particular reference to lobbying. Mr Gundelach said he would; but it would have to be a fairly broad and balanced memorandum.

9. *Sex discrimination (Elaine Kellett-Bowman)*

Henk Vredeling said this was dealt with at national level. Germany had ended the practice recently and Britain was moving the same way. Elaine Kellett-Bowman (Br,EC) reminded him of the recent fundamental rights declaration and contrasted this with harsh discrimination in Britain and Denmark. The nationality laws there meant that the child of, say, a Turkish father and a British mother could not enjoy the advantages of having a Community nationality. Mr Vredeling said that the problem there was the marriage laws.

Sir Derek Walker-Smith (Br,EC) suggested article 48,2's definition of nationality deserved close scrutiny. Mr Vredeling agreed. Mrs Edele Kruchow (Da,L) asked if

the Commission would consider a directive on equal treatment. Mr Vredeling said it would.

President Colombo declared Question Time closed.

Mrs Dunwoody (Br,S) then protested: only nine questions had been taken in one hour and a half. It had not been possible to take her question on EC payments to an illegal organisation, for example. President Colombo said he intended to keep a tighter rein on Question Time in future. Mrs Dunwoody then commented that if Members and Commissioners could not ask and answer questions quickly they should look for another career.

“Shooting birds? They are even shooting mosquitos! ”

Strong EP support for bird protection proposals.

Summary

The Commission is calling on Member States to do all they can to protect wild bird population from decimation and, in some cases, extinction. It is calling for measures to ensure a suitable habitat for the survival of all species, a ban on the slaughter of birds, destruction of nests and egg-collecting, the establishment of protected areas. The Commission also lays down which species of game birds may continue to be hunted.

The debate

Fifteen species of wild bird are extinct and less than one-third of species have a natural rate of reproduction.

These are facts rapporteur Hans-Edgar Jahn (Ge,CD) disclosed as he introduced his report. His post-bag had revealed that millions of EC citizens were concerned about the decimation of the bird population. However Man was still its greatest enemy. It is imperative, he said, to restrict several practices used by hunters, particularly the trapping of small song-birds. Pollution of birds' natural habitat, for instance, through excessive use of pesticides should also be stringently controlled. This is an area where the European Parliament should make full use

of its supervisory powers, he claimed, though he hoped the Council of Ministers of the Environment meeting of 15 June 1977 would help by implementing the 1973 environment programme.

Aldo Ajello (It,S) saw the Community's initiative as an important step. Indeed, he warned, our snake population would increase if the birds who prey on them decrease in numbers.

Mrs Edele Kruchow (Da,L) urged the proposed measures to be introduced as soon as possible. Placing limitations on hunting is not enough, she claimed. All must be done to safeguard the environment as a whole.

Kai Nyborg (Da,EPD) called for account to be taken of opinions, all experts in the field, including those of hunters. He was sceptical, however, about the value of an EC directive aimed at protecting wild birds. He felt that bureaucratic control from Brussels would impede the implementation of more appropriate local measures.

James Spicer (Br,EC) welcomed the proposals and pointed to the need to go further: the otter in the United Kingdom was in danger, he said. The hunter, he claimed, was not such a villain and had in fact preserved some species from extinction through his interest in conservation.

Vera Squarcialupi (It), on behalf of the Communist Group expressed support for the motion. She did not approve of the netting of birds but pointed out that while many Italian folk customs involved the cruel capture of birds it was difficult to educate people to give up part of their heritage.

Marcel Vandewiele (Be,CD) praised Mr Jahn's report but asked that due interests of recognised ornithological associations be taken into account in the proposed legislation.

French Liberal Roger Houdet called for the provision of bird sanctuaries. The proposals should also have dealt with the practice of bird-culling. He also felt that the hunter is a lover of nature and claimed it is poachers who are destructive.

In reply, Commissioner Richard Burke complimented the rapporteur on his detailed work. He assured the House that the Commission had taken pains to consult experts in all fields – hunting, agriculture, land utilization.

In a belated intervention Michele Cifarelli (It,L) called for urgent action. This was a fight against time as well as against the hunter. 'Talk about shooting birds, in some parts of the Community they are even shooting mosquitos', he said. The motion was carried with two amendments.

Recruitment policy : we must continue to put quality before nationality, says Tugendhat

Why, Mark Hughes (Br,S) asked the Commission and Council this afternoon, was there a disproportionately small number of British, Irish and Danish staff working for the Community institutions? While the United Kingdom accounted for 22 percent of Community population only 7.17 percent of all EC staff held British nationality. In contrast Belgium, which accounted for 3.79 percent of Community population, provided 21.75 percent of the staff of the Commission, Council, Court of Justice, Economic and Social Committee and the European Parliament.

Particularly affected were the B, C and D grades, said Mr Hughes. He was not implying that there were any irregularities in recruiting methods, but he did find it astonishing that there were only 300 typists of English mother tongue in all the institutions compared with 1,300 Belgians.

Council President John Tomlinson and Commissioner Christopher Tugendhat gave a variety of explanations for what they admitted to be significant discrepancies. In the case of the Council, Mr Tomlinson said, a fair geographical balance had virtually been achieved in respect of A grade officials, but there were simply not enough applicants for B and C grade posts. Moreover, a disproportionately high percentage of staff from Britain, Ireland and Denmark tended to leave soon after joining. And he pointed out that Article 27 of the Staff Regulations strictly prohibits preference being given on the basis of their nationality. Mr Tugendhat advanced a series of specific points to explain the paucity of applications from new Member States. In Britain, he thought many applicants had been put off applying because of the referendum. For the British and Irish, moreover, moving to the Continent involved many psychological difficulties including language and distance from friends and family.

It was true that the Commission and the other institutions set high linguistic standards which even some of the Commissioners, Mr Tugendhat thought, might have difficulty in meeting. But the Community's competition system was

exemplary and now served as a model for many international organizations. A reason for the imbalance in the lower grades was that no incentives had been offered to those grades to retire voluntarily when the new Member States joined in 1973 as had been done in the case of A grade officials. Emphasising that the Commission would never countenance the principle of reserving jobs for specific nationalities, Mr Tugendhat said that quality would always come before nationality.

Other points : Siegbert Alber (Ge,CD), referring to the recent elections to the European Parliament Staff Committee, insisted on the need for political neutrality amongst officials. Kai Nyborg (Da,EPD) pointed out that there were plenty of Italians working in the Community but no Eskimos. And Sir Brandon Rhys Williams (Br,EC) wondered whether the Commission ought not to review its recruitment advertising policy.

Hotel fires : Commission will take fire risk into account in its various proposals but Henk Vredeling reluctant to promise immediate action on hotel safety

The hotel fires in Amsterdam and Brussels last month cost the lives of 37 people and showed up once again the glaring need for enforceable fire regulations. Will the Commission introduce draft legislation, James Spicer (Br,EC) asked, so that minimum safety standards can be guaranteed? The legislation could be brought in in two stages (1) posting 'what-to-do-in-the-case-of-fire' notices in all rooms and making sure all fire exits are marked and (2) fitting fire doors, which should be kept closed but not locked, smoke detectors and second exits. There could be regular inspections and a European Fire Certificate prominently displayed. Mr Spicer said that despite his reservations about harmonisation between the Nine on other points, here was one matter where the case for harmonisation was unanswerable.

In reply, Mr Vredeling drew attention to the number and range of laws and regulations involved. These included laws on public safety, electrical installations, harmful substances, fire insurance. And this complexity did not help. But the Commission would plod ahead. Fire extinguishers, e.g. would be covered in a forthcoming proposal. The fire angle would also be covered in laws on hotels as a place of work and in training schemes for young hoteliers. The Commission, he concluded, would do what it could. He personally shared the general sense of shock at the Brussels and Amsterdam tragedies.

The two other speakers, Kai Nyborg (Da,EPD) and Michael Shaw (Br,EC), drew attention to the competition angle. It was unfair that some should invest heavily in safety and then find themselves at a disadvantage in comparison with those who invested in other – more showy – facilities.

WEDNESDAY

QUESTION TIME

QUESTIONS TO THE COUNCIL

1. Permanent seat for European Parliament (Willie Hamilton)

The question of a permanent seat for the European Parliament, Council President John Tomlinson told Willie Hamilton (Br,S), was a matter for Member Governments, not for the Council. Mr Hamilton said he was aware of that, but the Council sometimes met as national government representatives. After all, the Parliament's mobility had cost around 2.5.m pounds in 1975, and cost alone would justify some action. But though he expressed personal sympathy for the EP's plight, Mr Tomlinson committed himself no further.

2. Protection of nuclear installations and materials (Tam Dalyell)

Mr Tomlinson told Tam Dalyell (Br,S) that unanimous agreement in the Council had not been reached because one delegation felt it would be impossible to harmonise the exercise of the powers needed for protecting materials at Community level and that this problem could be dealt with in the normal work of inter-governmental cooperation. The Council would next consider the matter after the Commission had submitted new proposals.

3. Safeguarding of nuclear fissile materials in transport (Bob Edwards)

Despite Bob Edwards's (Br,S) assertion that the Commission had made proposals on the improved safeguarding of nuclear fissile materials in transport – and here the questioner quoted at length from a speech made by Mr Guido Brunner to the European Parliament – Council President John Tomlinson said he was not aware of any such Commission proposals and there was therefore no action that the Council could take.

4. Use of coal (Lord Bessborough)

The Commission's proposal on promoting the use of coal in electricity generation had run into considerable differences of opinion in Council, Mr Tomlinson told Lord Bessborough (Br,EC). When would the Energy Council ever agree on anything, Lord Bessborough wanted to know? Although the Energy Council had not yet reached agreement on these proposals Mr Tomlinson said there was agreement on the need to reduce dependence on imported oil for electricity generation and the Commission's proposal would be further examined with a view to reaching agreement on the proposals themselves.

5. Criticism of Commissioner Tugendhat (Michael Shaw)

Mr Tomlinson told the House that Mr Tugendhat had explained to the Agriculture Council meeting on 16-17 May 1977 that his remarks on the budgetary implications of the farm prices review had been made in the context of his overall responsibility for the budget and committed no one but himself. In several supplementary questions British Members expressed satisfaction at what Mr Tugendhat had said, which had illustrated the need for reviewing and improving the CAP. Mr Tomlinson agreed.

6. Conservation of herrings (Mrs Winifred Ewing)

Herring fishing was prohibited until 30 June in the North Sea and the West of Scotland area and until the end of 1977 in the Celtic Sea and the Bristol Channel, Mr Tomlinson told Mrs Winifred Ewing (Br,Ind). The need to extend such bans would certainly be discussed at the Council's special meeting on fishing to be held on 27 June, when a Commission proposal on herring fishing arrangements would be adopted.

7. JRC appropriations frozen (Hanna Walz)

Mr Tomlinson said : 'Out of 98.4 mua(41m pounds) in appropriations for payment which were requested by the Commission for the Joint Research Centre in the 1977 budget, 25.3 mua(10.5m pounds) were blocked by the budgetary authority because the new programme had not yet been decided by the Council. That is still the situation, because one Member State, which

approved the new programme at the Council on 29 March only ad referendum, has maintained its reserve until now. We can only hope that it will be possible for this reserve soon to be lifted.'

Mrs Walz (Ge,CD) suggested that if every 'ad referendum' agreement took so long to get confirmation, the EC could quickly be paralysed. Mr Tomlinson refused to accept this. There were other instances. In reply to further questions he said the Council appreciated the urgency of a decision on the joint research programme but was careful to say there was no threat to JRC jobs at present.

(*) This whole subject is causing such unrest that the Christian Democrat Group called for an emergency debate (see page 20).

8. The Duisenberg Plan (Sir Brandon Rhys Williams)

Mr Tomlinson replied : 'After examining the proposals by Mr Duisenberg to which the Honorable Member refers, the Council invited the Monetary Committee to carry out periodical examinations of the national monetary objectives decided upon by the individual Member States. In this connection, the Monetary Committee has been asked to compare actual developments with the objectives decided upon, to examine and explain the divergences and to discuss possible ways of remedying them.

On the subject of currency policies, the Council, on 14 March 1977, having taken note of the reports by the Monetary Committee and the Committee of the Governors of the Banks, expressed satisfaction at the fact that the two Committees intend to hold regular consultations on developments in exchange rates in the Community and on the economic, monetary and budget policy measures affecting such developments.

In reply to a supplementary question, he said that the EC was in regular contact with the IMF.

QUESTIONS TO THE FOREIGN MINISTERS OF THE NINE MEMBER STATES OF THE EUROPEAN COMMUNITY MEETING IN POLITICAL COOPERATION

1. Status of Mozambique Government in Exile (Lord St. Oswald)

Mr Tomlinson made it clear that in replying to a question on this subject at an earlier session he had been speaking as a UK minister. Lord St. Oswald (Br, EC) wanted to know if the present régime in Mozambique was regarded by the Foreign Ministers as adequately representative of the people of that country.

2. Status of resistance movements (John Corrie)

Mr Tomlinson said that the Foreign Ministers considered it unlikely that compiling a written list of African organisations operating in exile would serve any useful purpose.

3. Societ Jews (Winifred Ewing)

The Foreign Ministers are not in a position to answer this question at the moment. This reply provoked protests from Winnie Ewing (Br, Ind), Lord Bethell (Br, EC), Nobert Hougardy (Be, L) and Egon Klepsch (Ge, CD). John Prescott (Br, S) backed Michele Cifarelli's (It, L) suggestion that where an answer could not be given the President should stand up and say so, thus would allow EMPs to make their points in supplementary questions.

Mr Tomlinson pointed out that whereas the Council undertakes to reply to parliamentary questions within a specific time, the Foreign Ministers are under no such obligation.

4. North-South dialogue (Jean Durieux)

Mr Tomlinson said the CIEC was one stage only in an ongoing dialogue. If he had expected the North-South dialogue to produce a final answer, he would have said so. In reply to Mr Christopher Price (Br, S), he said the problem of indebtedness was a difficult one.

There were further protests when Mr Tomlinson said he stood up to say he could not give any reply to a question about the Leeds Conference. Lord Bethell (Br, EC) wondered why all the questions on this point had 'mysteriously disappeared' from the order paper. He wondered too why Dr David Owen had not come to Straasbourg to give an account of Britain's stewardship over the last six months.

QUESTIONS TO THE COMMISSION

1. Fund for laying up inland waterway craft (Willem Albers)

Mr Burke told Mr Albers (Du, S) that the Commission would try to bring its original proposals into line with a recent Court of Justice ruling as soon as possible. The point here is that this concerns the rules for the management of such a fund rather than the principle of the fund itself.

2. Parliamentary Association for Euro-Arab Cooperation (Gwyneth Dunwoody)

Mr Haferkamp said that the EC would not be making any grant to this association in 1977. He would welcome guidance from the House on this point, he said. Gwyneth Dunwoody (Br, S) said that the association was a vehicle for Arab propaganda but Bob Mitchell (Br, S) said the association constituted a very genuine attempt to promote understanding between Europe and Arab States.

Emergency debate on blocked JRC funds

Mrs Hanna Walz (Ge, CD) told the House that if there was one thing that everyone believed to be safe, it was the multi-annual research programme for the JRC at Ispra. But now one Member State was refusing to release 25.3m u.a. because it had still not lifted its reserve expressed in the Council meeting on 29th March. Failure to release these funds, Mrs Walz said, would jeopardize the jobs of the scientific workers at the JRC. After the failure to reach agreement on Culham as the site for the Joint European Taurus (JET), 'The Guardian' quoted Energy Minister Tony Benn as saying that cooperation with the USA in fusion research would be preferable to European cooperation.

Mr Gerhard Flämig (Ge, S) stressed the point that the jobs of 1,705 JRC workers were at stake. The suggestion had been made that there was a link between the siting of JET and continuing with the multi-annual research programme: this smacked of barter more akin to an oriental bazaar than the European Community.

Mr Luigi Noè (It, CD), who outlined some of the Community's energy options over the next eight years, emphasized the importance of the contribution that the JRC could make to secure energy supplies in Europe.

Mr Norbert Hougardy (Be, L) said it had long been widely assumed that the site of JET depended solely on technical aspects – but it had now become apparent that this was a political issue.

In an impassioned intervention, Lord Bessborough (Br, EC) said that JET would have to be abandoned unless a final decision is taken within the next few weeks. Unsure of their futures, scientists and research workers would emigrate to America. 'JET must go ahead', he concluded.

Mr Protogene Veronesi (It, CA) said there should be no link between JET and JRC. Commissioner Guido Brunner agreed with him, adding that any government which attempted to play for short-term electoral advantage would later find it had lost the game.

Council President John Tomlinson then repeated what he had said during Question Time: 25.3m u.a. out of the total of 98.4m u.a. had been blocked by the budgetary authority (Council and European Parliament), and had not yet been unfrozen because of the reserve of one Member State in Council. The Council was fully aware of the need for secure energy supplies and the role the JRC had to play in this. The multi-annual research programme did include several items related to nuclear fusion and that was why one Member State felt that the whole issue was connected with JET. If the differences on JET could be resolved, then the appropriations could be released, he said. In the meantime, there was enough money for the JRC to continue work and for salaries to be paid until autumn.

He was not unduly pessimistic: the differences on JET had been substantially narrowed, but he did not know when final agreement would be reached.

Mr Ronald Brown (Br, S) said that scientific feeling seemed to favour Culham as a site for JET, while the political view was to install it at Garching. And he expressed some sympathy for the British Government's decision.

Mr Marcel Vandewiele (Be, CD) said he was not satisfied with the Council's reply. There was real cause for concern about the JRC staff, and he disliked the aspect of blackmail which the British Government's position implied.

Mr Pierre Giraud (Fr, S), who wondered what exactly 'ad referendum' meant to the various members of the Council, said that a decision by the end of June was vital. The site for JET was not important, but JET itself was.

Mr Karl Fuchs (Ge, CD) also rejected the notion of a link between JET and the JRC.

Mr Tomlinson then reiterated his view that the fusion programme could not be dealt with piecemeal — research at Ispra and JET were by definition closely linked. And he emphatically deprecated terms like 'blackmail' in referring to this issue.

Making a statement to mark the end of his period as President of the Council, Mr John Tomlinson spoke of the spirit of cooperation which had been the keynote of relations between the Council and Parliament during his term of office.

The right to vote in European elections

Though anxious that direct elections take place by the target date of May/June 1978, the Parliament's Political Affairs Committee feels that the success of the first directly-elected Parliament will be enhanced if as many Community citizens as possible are allowed to vote. For the first elections the electoral system will be decided on individually by each Member State. The Committee feels, however, that Community citizens resident in a Member State other than their own and who are normally disenfranchised in national elections should vote in European elections.

Introducing his report, Mr Schelto Patijn (Du, S) expressed his optimism that the target date would be met. He pointed to Article 7 of the draft convention which called for voting rights for all Community citizens irrespective of place of residence, and Article 8 which precludes double voting.

Millions of people, migrant workers, professionals and EC officials are involved, he said. They are all entitled to this basic civic right. He called for the Council to coordinate measures taken.

Hesitation could delay direct elections

Mr Mario Zagari (It, S) spoke of the Community's migrant workers as being the first really European citizens. It was particularly appropriate that they should be enabled to vote in direct elections. The 1,400,000 Italian voters living elsewhere in the Community often had difficulty in returning to Italy to vote and a separate ballot-box set aside for migrant workers in the host Country would be helpful.

Mr Egon Klepsch (Ge, CD) urged haste in achieving direct elections. One must get through to the 'European man in the European streets', he said.

On behalf of the Liberals, Cornelis Berkhouwer (Du) also expressed his hope for the widest possible enfranchisement. He warned, however, that the ratification of the Act should be given priority over technicalities.

Making his maiden speech in Parliament, the leader of the European Conservatives, Geoffrey Rippon (Br), expressed his hope that all citizens should be enabled to exercise their right to democratic control over Community policy. He raised two aspects in which European elections were unique and justified giving nationals resident abroad the right to vote in European elections: Community actions affected citizens' lives no matter where they live, and as is often not the case with national elections, dates of European elections would be known a long time in advance and would be more or less the same for each Member State. He felt that the question of voting rights was much more than a technicality. He saw the issue as a means of developing European patriotism.

Intervening on behalf of the Council, Mr John Tomlinson suggested that Member States might draw up reciprocal arrangements concerning voting rights. To make coordination compulsory would be a fatal step, however.

Communist spokesman Michele Pistillo (It) stressed the particular problem of migrant workers — a problem which affected Italy more than any other Community country. He agreed with Mr Zagari that 1.4 million Italian workers could not be expected to return home to vote every time there were European elections.

As far as Britain was concerned, Mrs Gwyneth Dunwoody (Br, S) assumed that the franchise would have to be extended to British citizens living in all four corners of the globe. Expressing horror at the prospect of the closure of all

restaurants and hotels in Britain while their Italian staff went home to vote, she suggested that foreigners might be able to vote through their embassies. In short, we had to be sensible if we were to have direct elections at all. The biggest problem, however, was that whoever was entitled to vote, they would only do so if they thought they had something to vote for – and she was sceptical that the European Parliament fitted the bill.

All Community citizens must have the right to vote, Mr Luigi Granelli (It, CD) insisted. It would be grotesque if Community citizens had to move to another Community country before they could vote for the Community's Parliament, or were unable to vote at all because they were a citizen of a Community country other than the one they were resident in.

National solution and territorial solution

Two solutions, Mr Charles Fletcher-Cooke (Br, EC) told the House, were envisaged to extend the franchise to non-residents. The first – which France and Germany intended to adopt – was the 'national solution' by which citizens of those countries living abroad would be able to vote by post or proxy in their own country.

The second, favoured by Ireland and Belgium, was the 'territorial solution', under which all Community citizens resident in those countries would be entitled to vote for Irish or Belgian candidates. He had been interested to know which solution Her Majesty's Government intended to adopt, and was astonished to hear Mr Tomlinson say 'neither'.

He disagreed with Mrs Dunwoody that the franchise should necessarily be extended to Britons throughout the world – this was a European election and residence in Europe should be qualification enough. And, like other speakers, Mr Fletcher-Cooke hoped that the 'quest for perfection' would not be allowed to undermine the 1978 target date.

This point was echoed by Mr Michele Cifarelli (It, L), who also pointed out that Italy would get 81 seats in a directly elected European Parliament regardless of how many Italians actually voted in the election.

Lord Reay (Br, EC) said it was a matter of vital Community concern that all citizens should have the vote and whatever Mrs Dunwoody might say, he was

certain that Britons resident in other Community countries were extremely concerned at being entitled to vote.

Mr Willie Hamilton (Br, S) expressed doubts that the Member States would – or indeed should – ever have identical voting procedures. Nor was he optimistic about the prospects for direct elections in Britain by 1978. ‘I believe that it will be impossible to get legislation on direct elections through the United Kingdom Parliament before the end of 1980’, he said. There were many committed anti-marketeters still active in the British Parliament, and it had to be recognized that there was no great enthusiasm amongst the British public for direct elections.

‘How can anyone be against it?’

Admitting that she was not herself a ‘committed European’, Winifred Ewing (Br, Ind) said that she nevertheless fully supported direct elections and had managed to persuade her party to do so too. ‘I cannot understand how anyone could be against direct elections’, she said, adding that EMPs needed the legitimate backing of the electorate if they were to be effective. At present, Mrs Ewing admitted, she was ‘Jim Callaghan’s nominee’.

For the Commission, Mr Richard Burke pointed out to Mr Hamilton that the UK had held a referendum on the issue of Community membership and the British people had overwhelmingly endorsed it. And membership entailed the obligation under the Treaty to hold direct elections. The Commission regarded these elections as vital – they would, among other things, be an effective barometer of public interest in the Community. Specifically, Mr Burke said, the Commission had a responsibility for migrant workers in the Community – it had long pleaded for their political rights, and in this connection eligibility to vote was central.

Reacting to the debate, rapporteur Mr Schelto Patijn (Du, S) said he was grateful for the broad consensus that had emerged, and agreed that the key factor was that the elections were held on time. ‘They do not need to win a beauty award’, he said. To applause, he asked Mrs Dunwoody and Mr Hamilton what was so special about Britain. Plenty of other Community countries had problems, but if they could manage to adopt legislation on direct elections, why should not the UK be able to do so too? The House then agreed to the motion.

The small print of EP's budgetary powers

1978 is going to be a new beginning in many ways, not least the budget. And it is vital for Parliament that the rules be satisfactorily established beforehand. This was the point of a highly technical but, politically, highly important debate on budgetary matters this afternoon. (See Doc. 119/77 – a 66 page report by Michel Cointat explaining Parliament's position).

The four speakers in the debate: Michel Cointat (Fr, EPD), rapporteur Michael Shaw (Br, EC), Lord Bruce of Donington (Br, S) and Erwin Lange (Ge, S) (all members of Parliament's ad hoc committee) outlined the budgetary problems the Parliament and the Community will face next year.

In reply, Commissioner Christopher Tugendhat's main point was that 'commitment appropriations' as opposed to 'payment appropriations' should be used as the base for calculating the 'maximum rate' i.e. the amount by which Parliament may ask for expenditure to be increased.

Mr Tugendhat took advantage of the opportunity to tell Parliament of plans for EC loans, particularly for (a) energy (b) industrial innovation and (c) infrastructure projects at regional level, being announced simultaneously by Mr Ortoli at a press conference in Brussels.

The debate concluded with Parliament endorsing Mr Cointat's report unanimously. The next stage is two-way talks (EP and Commission) and three-way talks (EP, Commission and Council) later this month to hammer out the details.

182 pounds in help for Greece

Parliament agreed to a motion welcoming the signing of the second Financial Protocol between the EC and Greece. This will, over the next four years, provide aid worth 280m EUA (182m pounds) to help Greece restructure its economy.

Speakers in the debate stressed the importance of this protocol in helping Greece to meet the economic demands of Community membership.

How well is the Council's gentlemen's agreement on export subsidies working out?

Mr Nyborg (Da, EPD), for Mr Cousté (Fr, EPD) said that the Nine have made little progress towards common rules for export subsidies. The Community has its common customs tariff for imports but exports are subject only to a gentleman's agreement (Council Decision of 14 March 1977) even though Rome Treaty Article 113 does give the EC jurisdiction in this field. He called for a list of subsidies being given and asked that the granting of new ones be subject to consultation within the Community. A motion to this effect was agreed to.

THURSDAY

The Commission's watchful eye on state subsidies

In an oral question, Tom Normanton (Br, EC) and Franz van der Mei (Du, CD) called on the Commission to draw up an inventory of Community and national subsidies in order to avoid the wasteful lack of coordination found at present.

Commissioner Raymond Vouel assured the House that the Commission certainly maintains such an inventory but pointed out that it is up to the Member States to supply the information for updating. He stressed that it is futile to keep a region or an industrial sector artificially alive; this is no way to solve employment problems. The Commission must ensure that measures taken are proportionate to the seriousness of the situation, he said.

Mr Franz van der Mei took the Commissioner up on this point. The Commission would in such circumstances have to make a political assessment of a given situation. He felt, too, that it is sometimes useful to keep an unprofitable sector going by means of subsidies.

Mr Niels Anker Kofoed (Da, L) asked the Commission what possibilities the Community had of controlling Member States' policies with regard to state-owned companies. He wondered how much public money goes into the British car industry.

Mr Albert Liogier (Fr, EPD) urged the Community to take action to coordinate the provision of state aids which would make for new jobs, particularly in the

key industries. Policies must meet real needs, he said. He cited textiles, shoes and iron and steel as sectors in particular need of help.

Mr Tom Normanton declared that state aids do not create wealth but merely a growth in bureaucracy. Economic progress can only be produced by efficiency, inventiveness and freedom, he said, and we must halt this 'inexorable dance of economic death'. Following this Tom Ellis (Br, S) intervened. We must find, he said, a compromise between the idea of a pure market economy at one extreme and that of state-trading at the other.

Closing the debate, Commissioner Vouel replied that this was not the occasion to discuss economic systems. He assured the House that before passing judgement in a case, the Commission holds discussions with the sector and government involved.

A bad time up the Brenner

'In two weeks' time the last customs barriers in the Community will be dismantled', Parliament was reminded by Kai Nyborg (Da, EPD) this morning. 'But unfortunately', he went on, 'there will still be free movement of goods'. He was introducing his interim report on what Michele Cifarelli (It, L) later described as 'an indecent lack of will in creating a common transport policy'.

Mr Nyborg drew specific attention to what happened at the Brenner pass last year, an extreme example of what was wrong. Lorries had been obliged to wait for up to three days in order to clear customs into Italy. The weather had been partly to blame, but the administrative arrangements had 'added insult to injury'. The root cause was reliance on a system of bilateral agreements between States (in this case Italy and Germany) rather than on the common policy provided for in the Treaties.

These sentiments were echoed in the debate. Mr Luigi Noè (It, CD) also drew attention to the possibility of a tunnel under the Brenner – after all, Regional and Transport Committee chairman John Evans (Br, S) was even at that moment holding discussions on Community aid for a Channel Tunnel. Mr Cifarelli called for a committee of enquiry and also referred disturbingly to the vested interests who are in control.

A certain defence of the Italian Government, however, came from Mr Andrea Mascagni (It, CA) who happens to be a member from the Alto Adige, where the

Brenner is situated. He drew attention to the fact that many German hauliers had apparently set off for the Brenner without first getting the necessary documents, on the off-chance of getting through. Since June a 24-hour system existed to clear perishable goods, and this would probably be extended. There should be 'a brighter picture in the future'.

The central point about the need for a Community initiative, however, seemed generally acceptable, even to Commissioner Vouel, 'the bilateral reciprocity principle is inadequate'. There should, as a first step, be greater use of the Community Transit Scheme, and the Commission would soon be contacting customs authorities on this. The compatibility of certain bilateral arrangements with the Treaties was being examined. The Community had even offered to finance a tunnel. And the Commission would consider setting up Mr Cifarelli's committee of enquiry.

Non-automatic carry-overs being phased out so EP approves first of two lists for 1976 – 1977

Last thing before lunch Parliament agreed to a motion put down by Mr Michel Cointat (Fr, EPD) approving the non-automatic carry-over of some 27m u.a. from 1976 to 1977. Parliament has constantly objected to the practice because it could lend itself to abuse. As a consequence it is being discontinued.

House agrees to Parliament's draft budget for 1978

Parliament's draft estimates for 1978 are up by about 4.4 per cent compared to the current year, but this does not take account of the considerable extra work which a 410-member directly-elected Parliament will involve – additional expenditure for this will have to come in the form of a supplementary budget nearer the time.

Expenditure on staff, rapporteur Michel Cointat (Fr, EPD) told the House, accounted for over 60 per cent of total expenditure. And 60 per cent of Parliament's staff, in turn, were directly or indirectly concerned with the linguistic aspects of its work. A further 10 per cent, moreover, were needed to cope with the EP's mobile existence. 'We are nomads' Mr Cointat said. This fact, together with the likelihood of new languages soon, meant that Parliament's whole organisation needed some rethinking, otherwise costs would become insupportable.

Specifically, the 1978 draft budget was calling for the creation of 76 new posts – 18 of these for new translation staff.

Socialist spokesman Lord Bruce (Br) said he was struck by EMPs apparent lack of interest in their own budget. He himself was somewhat critical of staff costs – while acknowledging that some officials worked extremely hard, he wondered whether an evaluation of relative staff workloads might not make for a rationalisation of working methods. And, likening parliamentary control of the budget to the Greek statute of the charioteer of Delphi, much of which is missing, he hoped that in due course Parliament would find ‘not only its horse and chariot, but also the reins and its right arm.’

Harry Notenboom (Du), for the Christian Democrats, and Conservative spokesman Michael Shaw (Br), gave their groups’ approval for the draft estimates. Mr Notenboom agreed that Parliament’s multilingualism was expensive, and stressed that the sooner Parliament found a single seat the better it would be. The House then agreed to the motion unanimously.

Supplementary budget agreed

The House then agreed to ‘draft amending and supplementary estimates No 1’. This additional expenditure (2.42m u.a. – 1m pounds) relates to salaries but, as rapporteur Michel Cointat (Fr, EPD) pointed out, the bulk of it results from a Council decision to include cost-of-living weightings in the basic salary scale. These increased nominal salaries are balanced out; however, by increased taxes, so this item involves no actual additional expenses.

VAT

Mr Harry Notenboom (Du, CD), for Parliament’s Budgets Committee, introduced his report on the Commission’s proposals for VAT. As of January 1st next year the Community will be financed entirely from its own resources, the VAT element amounting to 0.77 of national revenues from this source. Parliament agreed to the motion.

ACP processed farm products

The House approved a Commission proposal to cut levies on imports from the ACP countries. The main product involved is rice and the countries which stand to gain are Surinam and Madagascar.

Energy from the sun

Parliament concluded its business this evening with a brief debate on solar energy. Luigi Noè told the House that the sun could provide the EC with between 3 and 5 per cent of its energy needs by the year 2000 if this potential is properly exploited. It could also be a very valuable source of energy in the developing countries.

A motion calling for a Community policy on solar energy was agreed to.

FRIDAY

Making better use of sewage sludge

The Commission feels that sewage sludge has useful properties and could effectively be processed for use in agriculture. Introducing his report Jan Baas (Du, L) of the Environment Committee welcomed the proposal, particularly as too often waste is discharged into the sea causing aquatic pollution. Commissioner Vouel replied that coordination should be the keynote of Community work in this field and told the House that 6 million units of account was to be allocated to a concerted research programme into the treatment and use of sewage sludge.

Licence to Fish

The Commission is proposing to establish a licensing system to control the fishing activities of third countries in Community waters. The Parliament's Committee on Agriculture approves the proposal but is recommending that a licensing fee be charged to cover administrative costs.

Introducing his report Mark Hughes (Br, S) said that such a system was essential in combating the legal problems involved in the surveillance of the 200-mile EEC fishing zone. Quotas alone had failed. He explained that it would be up to the master and crew of a third country vessel to enter details of its position and activities while in EC waters. Thus the Community would have no need to "sweep the Atlantic looking for an odd trawler".

Kai Nyborg went further. He wanted full registration details of a vessel to be given to the Commission 30 days before entering Community waters.

Leader of the European Conservatives Geoffrey Rippon agreed that quotas alone did not protect against the already serious depletion of fish stocks. The establishment of national limits was not enough, he said. Winnie Ewing (Br, Ind), however, found herself unable to support the Hughes report. 'I agree with licences in principle', she told the House, 'but I want to know how many and to whom'. Declaring her intention of voting for Mr Nyborg's amendments, she said that there should at least be a total ban on industrial fishing. 'There must be no privileges for third countries while our own men suffer.'

John Prescott (Br, S) pointed out that the heart of the matter was conservation. 'We have all been involved in plundering the resources of the sea', he maintained; indeed, 'we have been the nearest thing there is today to pirates'. There had to be a system of licensing ships, 'because you can always get rid of captains'; and the lesson from other international experience was that only nation states could act effectively.

Commissioner Vouel began by declaring that 'we can support Parliament's amendments'. He went on, however, to find difficulties in the idea of a change for licences, which would create problems when it came to negotiating reciprocal arrangements with third countries. Earmarking any payments for fishing purposes would also create budgetary problems; but he hoped that Parliament would support the strengthening of the fishing directorate-general of the Commission.

When the House came to vote on the large number of amendments, Mr Hughes guided the spirit of his report through with some skill. The hard-line Nyborg amendments were overwhelmingly rejected; while those tabled by Egon Klepsch (Ge, CD) were – at the suggestion of James Scott-Hopkins (Br, EC) – referred back to the Agriculture Committee. Mr Hughes had already pointed out that they raised certain legal difficulties. For example, the suggestion that third country ships boarded by fishery protection vessels should be 'conducted to the nearest port even if it is outside the national fishing zone of the Member State whose officers have boarded them' could have surprising consequences. Mr Hughes suspected that under international law the fishery protection vessel would be arrested for piracy, and the fishing boat allowed to sail away free! In the end the report was adopted with virtual unanimity.

SUMMARY OF THE WEEK
Monday 13th June – Friday 17th June 1977
(Document numbers in brackets)

Monday, 13th June 1977

- Geoffrey Rippon elected Chairman of the European Conservative Group
- Parliament welcomes Commission memo on making life at work more livable but regrets lack of practical proposals. (doc. 116/77)
- No panacea for unemployment says Henk Vredeling but the June 27th Tripartite Conference must lead somewhere. (doc. 143/77/rev.)
- Vera Squarzialupi unhappy about Commission reply regarding black labour. (doc. 140/77)
- EP approves proposal to tighten controls over PVC. (doc. 122/77; doc. 459/76)
- In reply to a Community question, the Commission promises action on accidents at work. Proposals this autumn. (doc. 137/77)

Tuesday, 14th June 1977

- EP approval for scheme to help small firms (up to 500 employees) compete with multinationals – through a legal umbrella to be known as a European Cooperation Grouping. (doc. 519/76; 340/73)
- EP welcomes useful first step on avoiding double taxation. (doc. 126/77; 490/76)
- Question Time: 9 questions to the Commission. (doc. 148/77)
- Birds: strong support for Commission's conservation proposals. (doc. 113/77; 512/76)
- Community staff: John Tomlinson, for the Council, and Christopher Tugendhat, for the Commission, explain. (doc. 135/77)

- EP supports Commission bid to make Nine's railway accounts more comparable. No debate. (doc. 144/77; 33/77)
- Hotel fires: Commission will take fire risk into account in its various proposals but Henk Vredeling reluctant to promise immediate action on hotel safety. (doc. 136/77)

Wednesday, 15th June 1977

- Question Time: 9 questions to the Council; 4 questions to the Foreign Ministers of the Nine Member States of the European Community meeting in political cooperation; 2 questions to the Commission.
- Emergency debate on blocked research funds: JRC and JET inextricably linked Tomlinson tells the House.
- Parliament calls for all European citizens to be able to vote in 1978. (doc. 43/77)
- EP and Commission disagree over method for compiling maximum rate for budget. (doc. 119/77)
- 182m pounds in help for Greece approved. (doc. 130/77; 8/77)
- EP debates export subsidies. (doc. 129/77)

Thursday, 16th June 1977

- EP calls for inventory of Community and national subsidies. (doc. 138/77)
- EP deplores delays in frontier crossings. (doc. 132/77)
- Non-automatic carry-overs being phased out so EP approves first of two lists for 1976-1977. (doc. 127/77)
- Parliament's draft budget for 1978 and supplementary budget for 1977 both approved in joint debate. (doc. 155/77; 115/77)

- Motion on VAT agreed, (doc. 159/77; 100/77)
- House agrees to cut levies on rice from Surinam and Madagascar. (doc. 131/77; 38/77)
- Solar energy: EP calls for Community policy. (doc. 120/77)

Friday, 17th June 1977

- EP reluctantly accepts hops subsidy.
- EP approves Commission proposals on making better use of sewage sludge.
- EP approval for Commission proposal to limit the sulphur dioxide content in wines.
- EP approval for Commission proposal, the French overseas departments benefit of the common market in cereals.
- EP approval for Commission proposal for survey of cattle population in May or June 1978.
- EP approval for CCT waivers on goods in short supply in the Community.
- EP approves Commission proposal on licensing system to control fishing by 3rd country vessels but calls for a licence fee to be charged to cover administrative costs.
- EP approval with reservations for Commission proposal concerning the wine market (oenological process and acidification).

Abbreviations: Br British, Ir Irish, Be Belgian, Da Danish, Du Dutch, Fr French, Ge German, It Italian, Lu Luxembourg, S Socialist, CD Christian Democrat, L Liberal and Democrat, EC European Conservative, EPD European Progressive Democrat, CA Communist and Allies, EC European Community.

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