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## **The Sittings**

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## **PART ONE**

### **Session of the European Parliament**

**1975-1976**

#### **Sittings held in Luxembourg**

**Monday 28 to Wednesday 30 April 1975**

### **Introduction**

On Tuesday, 29 April the European Parliament acted in defiance of the Council in adopting the Community's first supplementary budget for 1975, the purpose of which is to finance the European Regional Development Fund. Parliament was not in disagreement with the Council over the amount to be spent. After pressing initially for 300 m.u.a. to be disbursed in the twelve months up to 31 December 1975, Parliament eventually conceded this particular point on receiving an assurance from the Council that if more than 150 m.u.a. were actually needed in 1975 the whole question of the actual amount would be reviewed. So Parliament settled for 150 m.u.a. even though the Heads of State or Government meeting in Paris on 9 – 10 December 1974 had specifically called for expenditure of 300 m.u.a. for this purpose in 1975. But Parliament was quite unable to concede the other point the Council was pressing for: that expenditure under the European Regional Development Fund should be classified as 'necessarily resulting from the Treaty' within the meaning of Rome Treaty Article 203. The Council indicated that this classification could be reviewed after three years. But Parliament was quite unable to grasp the logic of describing the expenditure as resulting from the Treaty in 1975, 1976 and 1977 but not in 1978. Parliament was both adamant and unanimous on this point. The expenditure, in Parliament's view, must be described as 'discretionary'. Its

reasons for holding this view are completely uncontroversial: when the European Commission first included 650 m.u.a. for regional development in the preliminary draft budget for 1975 it indicated that this was to be discretionary expenditure. The point was not disputed. At that time the Council deleted the 650 m.u.a. and replaced it by a token entry. Parliament then moved an amendment to the effect that 300 m.u.a. be included under this head, an amendment incidentally that was only withdrawn – after the Paris Summit – on the understanding that the regional fund would be covered by a supplementary budget early this year. This is in fact what happened. But a point worth emphasizing, perhaps, is that there was never, at any stage, any clear indication that the actual classification of this expenditure as ‘discretionary’ was going to be challenged.

The classification, of course, is important to Parliament because it has the power to amend the budget with respect to ‘discretionary’ expenditure. It may increase it or cut it back subject to limitations set out in Rome Treaty Article 203. But it can only ‘modify’ the budget with respect to expenditure ‘necessarily resulting from the Treaty or acts adopted in accordance therewith.’ The Council in turn has the power to reject ‘modifications’ but has no such power over ‘amendments.’

Turning now to the limitations on Parliament’s power to amend the budget, the point to note is that any increase in actual expenditure resulting from Parliament’s amendments must not exceed a certain amount. This is known as the ‘maximum rate’ and is a figure arrived at objectively by the European Commission before the whole six-month long procedure of establishing the budget begins. Now any change in this rate i.e. to increase expenditure above the limit must be the subject of an agreement between Parliament and Council.

The effect of Parliament’s decision of 29 April is to accept the new maximum rate implicit in increasing the existing 1975 budget by a further 150 million units of account i.e. 40.88 o/o. In view of the implications of this decision (and particularly for future budgets) Parliament was anxious that its position on this point should have the support of as many Members as possible. In the event 127 Members voted for it with four against and six abstentions.

Announcing the result President Georges Spénale turned to Dr Garret FitzGerald, President of the Council, to stress the full significance of this particular vote: ‘although we work under very difficult conditions and although we have no way, whether electronic or other of recording our votes more easily,

our Assembly is always well up to strength when it has to take a stand on matters which are fundamental. I would ask you, Mr President, to convey to your colleagues the firmness of our resolve.'

It will be remembered that this is the Community's first year as a completely self-financing organization and hence, the Community's first year of operation under the new budgetary procedure of Article 203.

## **Supplementary Budget No. 1:**

### **Regional Fund**

#### *The debate*

Opening the debate Mr Heinrich Aigner (Ge, CD) informed the House of the events that had taken place since Parliament's sittings in Luxembourg earlier in the month. On Tuesday, 22 April, Dr Garret FitzGerald, President of the Council, had informed a delegation from the European Parliament of the Council's response to the resolution agreed to in the House on 8 April concerning the European Regional Development Fund. It will be remembered that Parliament voted to increase the amount actually spent this year from 150 million u.a. to 300 million u.a. and served notice on the Council that it regarded the expenditure that would ensue as 'discretionary' i.e. as not 'necessarily resulting from the Treaty of Rome'. Dr FitzGerald had told the delegation that Council was not in complete agreement with Parliament on this matter. It wished regional fund expenditure to be kept to 150 million u.a. although it was prepared to review the matter should this prove insufficient. But the Council could not regard the relevant expenditure as 'discretionary'. It was prepared to think in terms of describing it in this way as from 1978 when the fund had been in operation for three years. This, Mr Aigner told the House, was the substance of the Council's position. He added that Dr FitzGerald had urged acceptance of this compromise, arguing that it could be regarded as a great victory for Parliament. Mr Aigner commented that such a victory would be a Pyrrhic one. 'Is there, he asked, any logic in the Council proposal that the regional fund should be described as necessarily resulting from the Treaty in 1975, 1976 and 1977 and not necessarily resulting from the Treaty in 1978?' If the Council had any sense of logic he said it seemed at great pains to conceal the fact.

Mr Aigner outlined the delegation's reasons for not accepting the Council's compromise proposal. Firstly, there was the question of the amount. Mr Aigner



wished to make it clear that there was no intention of challenging the Paris Summit on this point although Mr Aigner did add that Parliament's rights could not be over-ruled by the mere convening of a summit meeting. Next there was the question of expenditure incurred under Article 235 of the Treaty. Mr Aigner argued that this could only be described as 'discretionary' within the meaning of the Luxembourg Agreement of April 1970. The third point was that the Council seemed first to be inclining to one classification and then to another. This was unacceptable. Mr Aigner also argued that the Council in 1975 could not bind the Council in 1978. What if there were changes of government and the Council then thought differently? Lastly, he pointed out that the Council's reasons for describing this expenditure as compulsory were simply not clear. The Council seemed to suggest that because the actual amount to be spent was spelled out in the regional fund regulation this automatically made the spending obligatory. But, he warned, if Parliament were to accept this it would be tantamount to abdicating all its powers. And these powers were needed if the Community was to develop democratically.

Mr Aigner then explained why the delegation had stepped back from an all-out confrontation. He suggested first that the Council had to have time to become familiar with the new budgetary arrangements and he added that what Parliament wanted was still a genuine partnership. It was also true that 150 million might not be actually spent on the regional fund in 1975.

Mr Aigner said he had repeatedly asked the Council why it was unable to accept Parliament's position. It could not be financial because the two were in virtual agreement on this point and, he told the House, the only inference he could draw was that Council and national officials seemed to be attempting to curtail the powers conferred on Parliament under the Luxembourg Agreement.

The summit meeting had called for the direct election of the European Parliament in 1978. But it was hard to appreciate what this meant or what the Council meant by saying Parliament should have greater legislative powers if it was going to be so disturbed by the thought of giving the House power of disposal over 10 million u.a. more in 1976 – for this was all the financial effect that accepting Parliament's position would have. Mr Aigner concluded by saying that the Council had to learn and that meanwhile Parliament must stand firm. The European institutions could only work if the Community's balance were tilted a bit more in favour of democracy.

Mr Peter Kirk (Br, EC) speaking for the Political Affairs Committee, said he was in complete agreement with Mr Aigner, spokesman for the Committee on

Budgets but this was a political as well as a budgetary matter and, Mr Aigner would concede, probably even more of a political one. Mr Kirk was at a loss to understand the Council. Its interpretation of the Treaty could not possibly be right. If it were, it would mean that the Luxembourg Agreement of April 1970 could be changed from year to year and even from day to day. 'We were told that the regulation on the regional fund had been drawn up in such a way as to make the expenditure obligatory. But this is not decided by any regulation. It is the Treaty that decides.' Mr Kirk also took the Council to task for failing in its obligation to reach agreement with Parliament under the procedure laid down. There had been an affrontation of points of view but there had been no discussion and therefore the Council had not given effect to the Treaty. On the other hand, he added, it would be quite wrong to speak of victory or defeat in Parliament's clash with the Council. These were the wrong words to use. There was a great deal of good will on all sides. And here Mr Kirk paid particular tribute to Dr Garret FitzGerald who had gone out of his way to bring about an agreement. Parliament, he felt, should be deeply grateful to him. But, he concluded, the motion before the House was the only answer.

Mr Helmut Artzinger (Ge, CD) the Christian Democrat spokesman, pledged his Group's support for the motion before the House. Mr Erwin Lange (Ge, S) the Socialist spokesman, did so too. Mr Lange made the point that it was important for Parliament to exercise control over regional fund expenditure because it might, under other circumstances, wish to reduce it. 'After all, the right to increase expenditure is not the epitome of democracy'. Speaking for the European Conservative Group, Mr Michael Shaw said the Council's compromise proposal seemed to have been arrived at more for its own convenience than anyone else's. His Group endorsed the motion. Mr Russell Johnston (Br, LA) likewise pledged the support of the Liberal and Allies Group as did Mr Michel Cointat for the European Progressive Democrats. The only dissenting voice was that of Mr Fazio Fabbrine (It) who spoke for the Communist and Allies Group. He agreed with the spirit of the motion but could not accept the text as a whole. He said his Group would abstain. There were, however, two Danish speakers, Mr Kristian Abertsen (Socialist) and Mr Jens Maigaard (Communist), whose sympathies were on the side of the Council. Mr Abertsen argued that it had not been all that easy for the Council to reach agreement and he doubted, furthermore, whether the text before the House would be legally binding. Mr Maigaard supported the Council's compromise proposal and said he favoured reducing non-obligatory expenditure to a minimum.

Speaking for the Commission, Mr Claude Cheysson said he had been concerned about the clash between Parliament and Council. The Commission would be



*'Members always attend in strength when it comes to a vote on anything fundamental': the vote on the Regional Fund budget.*

giving effect to the budget before the House. And he stressed that for the sake of a democratic Community the European Parliament should have greater powers. Meanwhile, he appreciated the point made by Mr Lange that if Parliament were to be directly elected in 1978 it must have more powers than at present. He welcomed Mr Lange's suggestion for three-way talks between Parliament, Council and Commission on expenditure under Article 235. He made it quite clear that the Commission would draw the logical inferences for Parliament from the version of the budget before the House.

Dr Garret FitzGerald, President of the Council, said that he had followed the debate with great interest. He had noted the various points made and would, in due course, be reporting to his colleagues.

The House then adjourned until 3 p.m.

At 3 p.m. a motion summing up Parliament's position was placed before the House. Its main points set out in detail below were agreed to by an overwhelming majority. On point 7 of the motion, however, a request for a vote by roll call had been received and accepted by the Chair. Members were, therefore, required to say 'yes' or 'no' as to whether they endorsed the following sentence: '(the European Parliament) finds that this results in a total of 152,129,416 u.a. for supplementary and rectifying budget No. 1, so that the rate of increase for non-compulsory expenditure is thus fixed at 40.88 o/o.'

Of the 138 Members present, 127 voted in favour of this point in the motion with 4 against and 7 abstentions.

The announcement of the result was greeted with tremendous applause.

Addressing Dr FitzGerald, Mr Spénale said that he hoped the point of this vote would not be lost on the Council.

The motion as a whole was then put to the vote and agreed to with the same overwhelming majority.

### THE RESOLUTION

on the draft amendments and supplementary budget No. 1 of the European Communities for the financial year 1975, considered by the Council on 21 April 1975

#### *The European Parliament,*

1. Emphatically and formally reiterates its belief that the budgetary powers at present vested in the European Parliament are indispensable to the further growth of democracy in the European Communities and therefore resolutely opposes the Council's attempt to revoke, by a unilateral decision, these powers of the Parliament which are laid down in the Treaties
2. Notes that, in its letter of 22 April 1975, the Council
  - (a) stated that it was prepared to regard the expenditure for the Regional Fund after 1978 as non-compulsory expenditure;
  - (b) undertook to review the position in regard to the 150 m u.a. included in the budget for payment authorizations, 'should these appropriations be insufficient';
  - (c) expressed the view that the question of the transfer of 50 m u.a. proposed by Parliament in its draft amendment No. 2 'should be dealt with within the context of the procedure usually adopted for the transfer of appropriations.'

3. Finds that it cannot agree with the Council's classification of Regional Fund expenditure, and reiterates its view that this expenditure is of a non-compulsory nature;
4. Points out furthermore that, in complete agreement with the Commission, it has always held this view and recalls that the regulation on the setting up of a European Regional Development Fund is based on Article 235 of the EEC Treaty;
5. States that it is resolutely determined that the Regional Fund should be activated at the earliest possible date and therefore 'European Regional Development Fund – Payments'; 'European Regional Development Fund – Paymenten';
6. Stresses once again that it does not intend to change the Fund's overall financial endowment of 1.3 thousand million u.a. for 1975, 1976 and 1977;
7. Finds that this results in a total of 152,129,416 u.a. for amending and supplementary budget No. 1, so that the rate of increase for non-compulsory expenditure is thus fixed at 40.88 %;
8. Accordingly adopts amending and supplementary budget No. 1;
9. Requests its President to declare that the procedure has been completed and the budget finally adopted pursuant to Article 203(7) EEC, and instructs him to publish it in the Legislation series of the Official Journal;
10. Instructs its President to forward this resolution to the Governments and Parliaments of the Member States

### **Supplementary Budget No. 2:**

#### **Cheysson Fund**

As rapporteur for the Committee on Budgets, Mr Heinrich Aigner (Ge, CD) reported to the House on the European Communities' second supplementary budget for 1975. He told the House that there was no dispute about the expenditure involved which represented the second 'slice' of the Community's contribution to the United Nations Emergency Scheme to help those developing countries most adversely affected by world price increases. The amount was 100 million dollars or 83 million u.a. out of a total of 500 million dollars which the Community would ultimately contribute in all.

Mr Aigner emphasised that this expenditure did not 'necessarily result from the Treaty' within the meaning of Article 203 but added that in view of the overriding humanitarian importance of the aid his committee did not wish to make an issue of this point. He warned, however, that Council and Commission should not take advantage of Parliament's better nature. This was definitely expenditure over which the European Parliament should have the last word.

Speaking for the Christian Democrat Group, Mr Pierre Deschamps (B, CD) heartily agreed with Mr Aigner. With direct elections coming within a few years the European Parliament could not waive its rights over the classification of expenditure with impunity. But, he added, this was no matter on which Parliament could take issue with the Council and it would do Parliament no good to hold up the Cheysson Fund. Humanitarian considerations were overriding. It was Parliament's overwhelming duty to vote in support of this budget.

Speaking for the Socialist Group, Mr Erwin Lange (Ge, S) was in complete agreement with his colleagues. His Group approved both the aim and the amount of the supplementary budget. But the question of its classification remained in suspense. Mr Lange pointed out that the European Parliament should be consulted when such international commitments were entered into. Subject to which, he said, his Group would vote in favour of the budget.

Lord Reay (Br, EC) who spoke for the European Conservative Group, agreed with Mr Aigner that the humanitarian aspect came first even though there had been no conciliation over the classification of the Cheysson Fund expenditure. He asked whether any further supplementary budget would be needed under this heading. Lord Reay also made the point that a great deal of money given under this UN Scheme had gone to the developing countries in the Commonwealth that were not associated with the Community.

Speaking for the Group of European Progressive Democrats, Mr Hervé Laudrin (French, EPD) agreed with Mr Lange as regards the classification of this expenditure. Mr Laudrin made two other points. The first was to express regret that other industrialised nations did not appear as willing as the Community to help the developing countries and the second was that the Cheysson Fund had to be regarded as an exceptional measure and not as a development policy in itself. The ultimate aim was to make the developing countries self-supporting.

Giving the floor to Commissioner Altiero Spinelli to reply, President Georges Spénale drew his attention particularly to the point raised by Mr Lange that the European Parliament should be involved in the drafting of international agreements. He referred to the report by Mr Giovanni Giraudò (It, CD) on this subject.

Replying to the various speakers, Mr Spinelli began by telling Lord Reay that no further supplementary budgets were planned for this purpose. The Community's contribution would, when added to that of Member States, now reach the total envisaged of 500 million dollars. He said he would be very happy to reply to the point raised by Mr Lange but would first like time to think about it. He was gratified to note the motion approving the budget now before the House.

Mr Aigner then added one or two details regarding the distribution of aid under the Cheysson Fund. Under the first instalment paid by the Community, 22 million u.a. had gone to Bangladesh and 13 million under the second. Similarly, 15 million u.a. had gone to India under the first instalment and 25 million under the second.

The debate concluded by a request from Mr Lange addressed to Mr Spinelli that he should not take too long to reply.

The second supplementary budget was adopted on the day following. The final figure was 84,178,277 units of account.

A resolution summing up Parliament's opinion was agreed to.

### **The Community's Development Policy**

The Community development cooperation policy should assume a global dimension and, in view of the gravity of the problems at issue, the measures taken should reflect our responsibility to mankind. This observation came out of the debate on the policy of aid to developing countries, covering both food aid and aid of an economic and financial nature. A report on the subject was presented by Mr Giovanni Bersani (It, CD).

The resolution, which was approved by all the political groups, stressed the need to supply aid where it was most needed, and on the basis of the following criteria: possession of the means to make use of increased aid, the efforts of

recipient states to ensure that it benefited all sectors of the population, and the extent of aid received by these countries from other sources. In addition, Parliament requested that there should be no interference in the internal affairs of developing countries, and called for constant consultation with the social partners (trade unions and employers). Finally, the global policy of cooperation should not affect the development of privileged relations with the African, Caribbean and Pacific Ocean countries which recently signed the Lomé Convention.

Presenting his report, Mr Bersani summarized the different stages of Community policy in this sector, pointing out that the 'global dimension' of cooperation had begun with the commitments made at the 1972 Paris 'summit'. Considerable progress had been made since then, in particular with the system of generalized preferences, of which the Community had for a long time been the only advocate. Another significant event was the Community's contribution of 500,000,000 dollars to the United Nations fund to assist the developing countries worst affected by the increased price of raw materials.

The rapporteur then expressed his desire to see an extension of aid allocated at a Community level, which today represents only 20 per cent of the total. Mr Bersani added that overall world aid should not be decreased, but more efficient measures should be taken at regional level. The seriousness of the problems meant that the Community would have to draw up new proposals, create new systems, and allocate increased funds.

Mr Pierre Deschamps (Be, CD) drew particular attention to the paragraph in the motion excluding interference in the internal affairs of countries receiving aid, and stated that the best guarantee of this would be to respect the essential criteria of supplying aid where it was most needed, without assessing the political implications. The Community cooperation policy, while respecting the commitments made to associated countries, should be open to all.

Mr Jan Broeksz (Du, S) felt that one of the principal objectives of the common cooperation policy was to aid developing countries to attain greater economic and political independence. New systems were needed to reach world agreements on primary commodities. The Commission's proposals on financial cooperation were totally inadequate.

Mme Colette Flesch (Lu, LA) emphasised the need for better ways of informing European public opinion of the aims and advantages of the development



cooperation policy. The principle of non-interference in countries' internal affairs should not, however, prevent the Community from ascertaining how recipient countries made use of the aid.

Lord Reay (Br, EC) welcomed the constant increase in Community food aid over the last few years. The figure for 1974 was 212,000,000 u.a., compared with 20,000,000 u.a. for 1969. He drew attention to the special agreements signed with certain Asian countries such as India, Pakistan and Bangla Desh; he criticised the recent declaration by six British ministers of Mr Wilson's government that the countries of Asia would have everything to gain from the United Kingdom's leaving the Common Market. The opposite was true, especially in view of the size of the market that could be offered to Asian producers.

Mr Gabriel Kaspereit (Fr, EPD) stressed Europe's key role in the sector of cooperation, where it would also be an example and a stimulus to other industrialized countries. The gap between rich and poor countries should be closed, for it was damaging to our own economic expansion.

Mr Renato Sandri (It, CA) announced that the Communists would vote in favour, and particularly stressed the importance of non-interference in other countries' internal affairs. He alluded to the case of Vietnam, where the non-observance of this principle by the United States had had catastrophic consequences. He pointed out that we needed the Third World, and that a cooperation policy had advantages to both sides.

The debate was closed by Commissioner Claude Cheysson, who welcomed the agreement of the political groups on the need for the European cooperation policy to take on a global dimension. The Commission fully shared the Assembly's point of view, and was ready to submit an annual report on achievements in this sector.

## **Food aid**

The European Parliament approved a proposal to supply 43,600 tonnes of skimmed milk powder as food aid under the programme for 1975. The resolution, drawn up by Mr Brondlund Nielsen (Da, LA) deplored the Council's rejection of the proposal from the Commission and the European Parliament to increase to 72,000 tons, in the budget estimates, the volume of milk powder to

be supplied to developing countries; this decision was especially regrettable as the requests that had been made could only be partly satisfied.

The rapporteur, Mr Nielsen, emphasised the need to supply aid rapidly, with the first priority being the Asian countries. Mr Cornelis Laban (Du, S) considered it a disgrace that the Council had reduced the volume of aid by 43,600 tons, and pointed out that available Community stocks of milk powder amounted to 550,000 tons. Lord Reay made the same criticism, and hoped that supplies would be increased.

Commissioner Cheysson confirmed that the Community possessed considerable reserve stocks of milk powder. As for the system of supplying aid, the Community applied rigorous criteria to ensure that it only went to countries genuinely in need. This was proved by the refusal of requests for aid from several countries such as Lebanon, Tunisia, Uruguay, and Morocco, because the state of their balance of payments meant that they were able to make direct purchase of the products. The EC had, however, given priority to the African region of the Sahel, Indochina, India, the Cape Verde Islands, and Guinea Bissau.

### **Humanitarian aid to Cyprus**

On behalf of the Political Affairs Committee, Mr James, Scott-Hopkins (Br, EC) put an oral question to the Commission on the subject of humanitarian aid by the Community to the people of Cyprus. He wished to know whether the Commission could be certain that food aid had in fact been received by those in need on the islands, whatever their ethnic origin (Greek or Turkish).

Commissioner Cheysson pointed out that even before the recent events, Cyprus had received considerable food aid. The annual programme for 1974 provided for the distribution by the legal government of 5,000 tons of cereals and 250 tons of butteroil (with a total value of 945,000 u.a.). In September 1974, following the crisis in Cyprus, the Council decided, on a proposal from the Commission to supply emergency aid for all the peoples of Cyprus. A part of this (50 tons of milk powder) was distributed through the International Red Cross to 14,000 people in 20 different refugee camps. The remainder (200 tons of milk powder, 200 tons of butteroil and 3,000 tons of cereals) was distributed by the Office of the High Commissioner of the United Nations for refugees, under the aegis of the world food programme. In March 1975 the Council decided to send further emergency aid: 5,000 tons of cereals and 300 tons of

butteroil were to be distributed rapidly by the Office of the High Commissioner of the United Nations for aid to refugees.

The total value of emergency aid allocated to Cyprus, over and above ordinary aid, thus amounts to 1,786,000 u.a.

Mr Ludwig Fellermaier (Ge) speaking for the Socialist Group, stated that information from Cyprus on the distribution of food aid was often contradictory. In particular, there seemed to be certain administrative obstacles. Since Cyprus was a country associated with EC, Mr Fellermaier went on, the Community should make a special effort. Aid to Cyprus should be an exemplary reflection of the Community's active policy in the Mediterranean basin.

Lord Bethell (Br), speaking for the European Conservative Group, gave an account of his visit to Cypriot refugee camps. He stated that European aid had put an end to malnutrition. The Turkish authorities were, however, obstructing the distribution of aid in the regions under their control. To be fully effective, the distribution of aid in the north and south of the island must therefore be coordinated.

Mr Cheysson stated that the International Red Cross and the

United Nations offered adequate guarantees for the distribution of food aid. It would be too slow, too complex, and too expensive for the Community to set up an additional distribution network of its own. Nevertheless, he would ask the Commission officials to present him with a detailed report on the use of Community aid.

He added that first priority should be given to aid to the people of Cyprus. He therefore welcomed Parliament's support for a further increase of that aid.

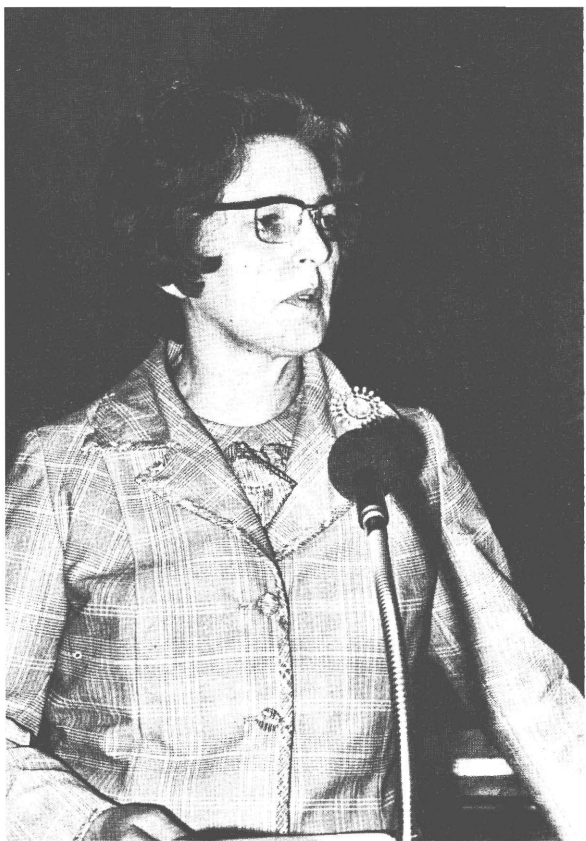
### **Equal opportunities for men and women**

As rapporteur for the Committee on Social Affairs and Employment Lady Elles (Br, EC) reported to the House on a Commission proposal for a directive on equal opportunities. Equal pay having already been dealt with, this particular proposal concerned job opportunities, training and working conditions. Lady Elles welcomed the proposal but commented rather sharply on the ineffectiveness of existing laws and conventions. The equal pay acts in force in

certain Member States proved this. She therefore moved an amendment to one Commission text calling on each of the Member States to 'set up control procedures to ensure implementation of the aims of the directive.'

Moving her motion, Lady Elles said:

'... we draw attention to the urgent necessity for the directive. Women comprise over 50 0/0 of the Community's population and over one-third of the labour force, varying from 25 0/0 in the Netherlands to over 40 0/0 in France and Germany. The economic prosperity of the Community depends, therefore very considerably, if numbers of the labour force are the criterion, on the contribution made by women. Yet despite universal and free education available in all our Member States to both sexes, women are not given the jobs commensurate with their ability. They are guided into a narrow range of careers, and many professions in which they would undoubtedly succeed are virtually close to them. If we take United Kingdom figures for 1972 we find that of over 52 000 chartered accountants, only 1.6 0/0 are women; of 26 000 members of the Royal Institute of Chemists, only 3.8 0/0 are women; and of nearly 3 000 barristers, only 6.4 0/0 are women. The great majority of female workers are concentrated into a limited number of occupations. Taking United Kingdom figures again, we find that 60 0/0 of all female workers are connected with occupations where more than 75 0/0 of all employees are female. But discrimination can also operate in other ways: restrictions imposed by parents, by educational authorities who offer more places to boys than to girls; careers guidance which directs girls into stereotyped or restricted types of work; no release opportunities for apprenticeship schemes or further training during employment; the impossibility of attending training courses because the hours or the age-limit for entry are incompatible with family responsibilities; segregation into work classified as low-earning in cases where the criterion chosen is physical strength. On the other hand, there are impediments to promotion to jobs where the criterion is no longer physical strength but frequently that of being 'on the old-boy network'. Demographic and social changes have occurred which have not been reflected in improvements in the field of employment. Earlier marriages, fewer children and longer expectation of life result in more years as a natural or potential member of the labour force. Married women are now entering employment in increasing numbers, for both economic and social reasons; and a heavy increase in the number of families where women are the breadwinners is evident throughout the community. This is shown by the figures for one-parent families. Of course these figures include cases where the parent happens to be a father as opposed to a mother, but they constitute about 9 0/0 of all families,



*Lady Elles: 'The economic prosperity of the Community depends on the contribution made by women'.*

and that women work for nothing in the home is no reason for their not being adequately paid when they work outside.

There is not only discrimination but also prejudice on the part both of employers and of the public, which must be removed by adequate and relevant information and by a new awareness of the problems involved. Very little information about the position of women is readily available at present throughout Member States, and a centre to collate and provide such information will be necessary.

Three prejudices in particular persist and need to be dispelled. The first is that the girls do not stay in one job but change more frequently than boys. On analysis it can be shown quite clearly that any employee, male or female, will move from one job to another more readily if it is badly paid, with poor working conditions and no prospect of upgrading or promotion. The second is that

women are more frequently absent than men, using the family as the main excuse. In the most recent figures published in the United Kingdom, yesterday, by the Office of Health Economics, we see that of days lost per person, on average in 1972, men lost 9.3 days whereas women lost 7. The third prejudice against the employment of women is that women will leave to have a family. Of course, a woman must be free to have and to raise a family; but this does not detract from her ability as a woman member of the labour force – quite the contrary. Men now change jobs with far greater frequency than before; or they are sent on long-term courses to improve their abilities and knowledge; and many take sabbatical years. The fact is that a woman who has raised a family and then returns to work has gained greater human experience, greater tolerance, patience, comprehension and judgment. – And I am sure all married members of this Assembly will agree that these are all invaluable qualities in positions of responsibility which cannot be learnt merely by remaining as a typist in an office. And, of course, we are only too well aware that whether in private or in public life, if a man makes a mistake he, as an individual, is blamed, but if a woman makes a mistake, women collectively are condemned.’

Speaking for the Christian Democratic Group, Mr Kurt Härzschel agreed with Lady Elles. The status of women at work needed re-assessing. He also thought that in bringing up children women were rendering a service to society which was going unrecognized when in fact it ought to entitle them to the full benefits of the social security schemes. Mr Harzschel said that women ought to be granted leave of absence from work for their first two years in bringing up a child, during which time they should be entitled to job retraining.

Speaking for the Communist and Allies Group, Mrs Tullia Caretoni Romagnoli protested that women were still regarded simply as adjuncts to men. In times of crisis and unemployment it was hardly surprising that women should be the first to suffer. But women had a right to work which should not be regarded as something incidental to their other activities. Mrs Caretoni Romagnoli also argued that the Commission would sooner or later have to state its position on family planning within the scope of a directive covering family policy.

Speaking for the European Conservative Group, Mr, Hugh Dykes welcomed the Commission proposal and pointed out that improving the status of women would be beneficial for society at large.

Speaking for the Socialist Group, Mr Ernest Glinne (Be,S) said the proposal was a major step in dealing with discrimination against women at work. Referring to statistics published by the Belgian Government, he said that female absenteeism was no higher than male absenteeism, and actually less if maternity leave were taken into account.

Mrs. Elizabeth Orth (Ge,S) thought it vital to overcome prejudices against women at work, but reminded the House that these prejudices were held by women themselves. She drew attention to the differences in laws as between Member States concerning women at work and suggested that these laws be aligned at the most favourable level.

Replying to the debate, Dr Patrick Hillery, Vice-President of the Commission, expressed his appreciation of the report by Lady Elles and of the comments made from the floor. The report, he said, recognized the difficulty of legislating effectively in a field in which legislation could provide only the foundation upon which major shifts of attitude could be built.

Dr Hillery added: 'In the annual statements on the social situation which I made to Parliament on 18 February, I set out the circumstances which led the Commission to propose this directive. It is one of the activities given priority in the resolution on the Social Action Programme adopted by the Council of Ministers in January 1974, and it complements the directive on equal pay for men and women which was adopted by the Council in December 1974.

The measures proposed in this directive deal only with certain essential aspects of discrimination which are the direct responsibility of public authorities. In order to be fully effective, they need to be reinforced by more extensive measures oriented towards the implementations of the principle of equality, and these are referred to in the Communication on the achievement of equality between men and women at work, on which I understand your Committee on Social Affairs and Employment may wish to submit a further report.'

The resolution, incorporating the amendments referred to, was then agreed to.

### **Crisis in the fishing industry**

In an oral question, Mr John Corrie (Br, LA) asked the Commission, on behalf of the European Conservative Group, 'what has been done to restore market

equilibrium in the fishing sector, and what progress has been made at the International Conference on the Law of the Sea? Mr Corrie pointed to the rapidly rising costs in the fishing industry (particularly the high cost of fuel-oil) and the fall in the price of fish, and suggested that the Commission should support the market with a series of measures on the lines of the earlier measures for beef. Mr James Spicer (Br,EC) feared that the Conference on the Law of the Sea might end in failure with, as a result, unilateral action by Iceland and Norway. He noted that any such action would contravene the trade agreements that these countries have with the EEC.

In reply Commissioner Petrus Lardinois admitted that Europe was facing a crisis in the fishing industry. He explained that the difficulties had arisen as a result of a convergence of factors, i.e. the landing of large catches and, at the same time, depressed economic conditions, which had reduced demand. Then there were also the rising oil prices. The Commission had now decided to extend by six months – until 1 January 1976 – the special support arrangements to counter increasing oil costs ( up to 50 % of the rise since 1973). Moreover a decision had been taken in principle to support temporary storage by the private sector, and to extend the system of minimum import prices.

There was little to report from the Conference on the Law of the Sea, Mr Lardinois stated. Informal discussions were continuing. He confirmed that the Commission would react to unilateral measures by Norway or Iceland, but hoped that this situation would not materialize and that retaliatory action would not be necessary.

## **Environment**

### *Clean Water*

On the basis of a report drawn up by Mr Augusto Premoli (It,LA), Parliament approved the Commission's proposal on the reduction of water pollution caused by pulp mills. These mills are a major source of pollution and it is estimated that 20 % of all water pollution comes from the paper industry. The Commission's proposal lays down norms for the discharge of waste depending on the manufacturing processes used. Existing mills have ten years in which to adapt to these standards, whereas new mills will have to comply with them within twelve months of starting operations.



Parliament recommended that in applying the 'polluter pays' principle allowance should be made for the economic and social repercussions, particularly on small or older enterprises.

In submitting his report Mr Premoli complained that the proposal was over a year and a half behind deadlines laid down in the EEC Programme of Environmental Action. He also pointed out that apart from being a considerable source of water pollution, the paper industry also caused soil and air pollution.

Speaking for the Commission, Mr Carlo Scarascia Mugnozza declared that the delay was due to technical reasons. A technical proposal of this kind required prior consultation with experts in the various Member States. He promised to present a complete up-to-date schedule for the Environment Programme before the end of the year. Replying to a question by Lord Bethell (Br,EC), Mr Scarascia Mugnozza confirmed that there was indeed a mistake in the English translation of the proposal, which was intended to cover all kinds of paper manufacturing and not only paper manufactured from wood. He considered that it would be a grave error to follow Parliament's suggestion of special support for anti-pollution measures in this sector. Commenting briefly, on this point, Mr Premoli emphasised that any such arrangements would be general, but as a major source of pollution this sector would be entitled to a particularly large share of the support provided.

### **The Paris Energy Conference**

At the request of the Socialist Group, an emergency debate was held to enable Parliament to take a closer look at the issues involved in the Paris Energy Conference and, more particularly, the reasons for its adjournment. Mr Arie van der Hek (Du, S) referred to a statement attributed to the head of the United States delegation that he saw the Conference as an opportunity to break the oil producers' cartel. Mr van der Hek asked Sir Christopher Soames whether the Commission took the same view. He also wanted to know what its answer was to the Algerian proposal that the Conference should deal with all raw materials. He asked whether the Community could make a declaration of intent on this subject. Mr Tom Normanton (Br,EC) questioned the status of the International Energy Agency, and he suggested that these were matters that could only properly be discussed in the Community. Sir Christopher Soames, Vice-President of the Commission, began by reminding the House that the Conference had been mooted two years ago when the Community was first coming to grips with the

energy crisis; ‘ to put it in the crudest terms, the choice was between confrontation and dialogue and we opted of course for dialogue. But it wasn’t enough just for the Community to talk to various oil-producers, because this is a world problem. Neither, indeed, did we think it was just right for the industrialized world to talk to the oil-producers. We saw this as a dialogue between the oil consumers both in the industrialized world and in the developing world, and the oil-producers.’

Sir Christopher stressed that the great lesson learnt from the last 18 months: ‘is the extent to which we are living in an interdependent world.’ As for what the Community hoped to get out of the Conference, it was quite simply dialogue. ‘We hope to get an understanding. We think that it is wrong that producers and consumers should be standing back and shouting at each other.’ Sir Christopher added that there were a lot of points to which the oil-producers attached importance, such as indexation, and it was not unnatural that they should want to discuss raw materials as well; ‘But, Sir, during the course of the week when they were sitting night and day – indeed, many collapsed of physical exhaustion during the Conference – they were not really able to put thoughts together enough’.

Mr Ole Espersen (Da, S) then urged a new initiative for an international energy conference in the near future. It was impossible to formulate a national policy for energy without reference to the international oil supply situation.

Mr Sivio Leonardi (It,CA) took advantage of the debate to express his group’s concern at the Community’s failure to devise common policies to solve these problems. Europe was the largest consumer of imported oil, but the failure of such international conferences as the one in Paris and the Community’s inability to stand up to the United States whose interests were completely different from ours proved that the Community was incapable of discharging its responsibilities.

Mr Gerd Springorum (Ge,CD) said he was glad to know that the Commission had to some extent taken the lead at the Conference, and he asked for further details. Dr Garret FitzGerald, President of the Council, told the House of the difficulties of organizing a conference of this kind. It had not originally been planned as one of oil and raw materials. The countries represented there would have been different had raw materials originally been on the agenda. As for the Conference itself, he thought it worthwhile stressing that although it ended in disagreement, there was no hostility, bitterness or confrontation. ‘ The note on which it ended was one perhaps of puzzlement, because not everybody was clear as to why it was impossible to achieve agreement.’

Taking up Mr Springorum's point, he said that the Council had worked closely with the Commission at the Conference in doing everything it could to minimize and limit its failure and leave open the option of returning to the subject in a free and constructive atmosphere. It could have ended badly, and the fact that it had not was, he thought, due to the work of the Community delegation.

Mr Ludwig Fellermaier, Chairman of the Socialist Group, welcomed Dr FitzGerald's intervention in the debate.

Concluding the debate, Sir Christopher Soames said the Community had indeed taken the lead. In reply to Mr Espersen, he said that the failure of the Conference should not stop all progress on the Community's own energy policy. He conceded that there were differences of emphasis between the United States and the Community, but he said, 'It is absolutely essential that we do not allow these differences of emphasis to undermine the solidarity, the understanding and the cooperation between the oil-consuming countries. This cooperation was manifest, I think in the conference, and long may it remain, and indeed I do not think it would be possible to have such a conference unless there was a very wide measure of understanding and agreement about where we as consuming countries wanted to go.'

## **Parliament's accounts for 1974**

On the basis of an interim report drawn up for the Committee on Budgets by Mr Horst Gerlach (Ge,S) Socialist, the House agreed, without debate, to a resolution on the European Parliament's draft accounts for 1974. Final approval of these accounts will be given when the full audit has taken place. The expenditure of the European Parliament in 1974 amounted to 32,210,293.40 u.a.

## **Agriculture**

### **Easing Beef Import Controls**

In reply to a question by the European Progressive Democrats, Commissioner Petrus Lardinois gave an account of the beef market situation. He said that since July 1974 the EEC had maintained a ban on beef imports. Now the Commission had decided to ease the situation, with the approval of the Council. A total of

50,000 metric tons of beef was to be allowed into the Community up to 1 October as part of an export/import arrangement. Under this arrangement firms exporting beef from the EEC to Third Countries without receiving export refunds would be allowed to import a corresponding amount of beef subject to customs duties and levies. The ban had also been raised for the importation of 67,000 calves, mainly to Italy (65,000). According to Mr Lardinois, this would not result in any extra beef on the EC markets in 1975, but the traditional exporters would be in a better position. The export/import arrangement meant exchanging one category of beef for another. The calves would not be ready for consumption until 1976 or, at the earliest, December 1975.

### **The Standing Veterinary Committee**

After a short debate Parliament adopted a report drawn up by Mr Camille Ney (Lu, CD) on the Commission's proposals for the final establishment of the procedures of the Standing Veterinary Committee. Parliament recorded its firm opposition to any continuation of the present arrangements laid down by the Council when the matter had last been debated one year previously. The Standing Veterinary Committee is a committee of experts from the Member States which gives an opinion on Commission proposals for implementing provisions, as part of the day-to-day administration of veterinary and health directives relating to trade in live animals and fresh meat. If the Committee's opinion on the Commission's proposal is negative, the measures contained in the proposal cannot be applied immediately and have to be submitted to the Council. Parliament's view has always been that the application of Commission proposals should not be blocked or delayed by national experts or by the Council. It therefore urged that the procedure of the Veterinary Committee should be changed, as proposed by the Commission, so that the Council could not reject the Commission's proposals by a simple majority.

In addition, Parliament also wished the final procedure to be established in such a way that the Commission could pass the requisite implementing provisions for immediate application. If consultation of the Standing Veterinary Committee were to produce a negative opinion, the Council should have the opportunity to take a different decision – but only after consulting the European Parliament.

## **Olive oil**

### *Prices for 1975 – 1976*

On the basis of a report by Mr Albert Liogier (Fr,EPD) Parliament approved the Commission's proposal on the market target price and the intervention price for olive oil for 1975/1976. The Communist and Allies Group voted against. The proposal is directly related to the production target price and the subsidy granted to olive oil producers, which had been fixed in the negotiations on the common agricultural prices for the coming year. In his report Mr Liogier pointed to a number of shortcomings in the present olive oil market organization. In the resolution Parliament consequently urged the Commission to submit further proposals on the system for fixing a common price for oil producers as soon as possible. Parliament also complained that the Commission had not provided an analysis of the state of the olive oil market, since market target prices should in principle be close to the actual market prices.

In the debate both Mr Heinz Frehsee (G ,S) and Mr James Scott-Hopkins (Br,EC) expressed severe misgivings about the present system. Mr Scott-Hopkins pointed out that there was up to two years' delay in payments of aid to producers (almost all of which go to Italy). Mr Nicola Cipolla (It,CA) was unable to accept the proposed prices, and looked for a thorough review not only of the olive oil system, but of the whole Common Agricultural Policy. As things are at present he said, the poor Italian farmers were subsidizing the rich Dutch ones.

Commissioner Petrus Lardinois admitted that the olive oil arrangements were not operating as intended. But the Commission had submitted a proposal for new arrangements a year ago which neither Parliament nor the Council had accepted. Now they intended to wait and submit new proposals in good time for the 1976 harvest. One reason for the late payment of aid to producers, he explained, was the introduction of a new control system in Italy. About 500 million dollars had not yet been paid out. Mr Lardinois concluded by saying that he had no objections to the motion for a resolution.

## **Trade in certain agricultural products**

On the basis of a report drawn up by Mr Heinz Frehsee (Ge,S) Parliament agreed in principle to the Commission's proposal to increase a minimum amount for the

variable component of the import charge for certain goods produced from basic agricultural products (cereals, milk, butter, sugar and molasses). This variable component has the same function as the levies imposed on the importation of the basic products and had hitherto been fixed at zero if it amounted to less than 0.25 units of account per 100 kg. The Commission proposed that this minimum amount should be raised to 0.50, but for practical administrative reasons Parliament wanted it raised to 1.0 units of account per 100 kg. Commissioner Lardinois informed Parliament that he would accept the latter proposal.

### **Suspension of duty on some products**

On the basis of a report by Mr Frankie Leopold Hansen (Lu ,S) Parliament approved the aim of the Commission's proposal on the temporary total or partial suspension of customs duties on a number of agricultural products whose production within the EEC was insufficient to meet demand. Parliament considered that it would be advisable in due course to make the suspension permanent. For many of the products concerned this proposal represented a prolongation of tariffs now in force and due to expire on 30 June 1975.

### **Pesticides**

The European Parliament adopted a report by Mr Della Briotta (It,S) on a proposal on a directive on the approximation of the laws of Member States relating to the classification, packaging and labelling of pesticides.

On 27 June 1967, the Council had adopted an outline directive in the matter which, following extensive amendments, came into force on 1 January 1972. Taking this as a starting point, the Commission now proposes a directive governing the marketing of preparations containing one or more substances dangerous to human life, i.e. pesticides. Parliament approved the proposal but tabled a number of technical amendments which the Commission, represented at the sitting by Mr Hillery, basically approved.

Mr James Scott-Hopkins and Mr James W. Spicer (Br,EC) requested further details from the Commission, Mr Spicer stressing the need for clear and simple wording on the packaging.

## QUESTION TIME

### Question to the Council

#### *1. Expediting the EC's decision-taking procedures* Mr Jan Broeks (Du, S)

'What actual measures has the Council taken since its note of 7 February 1974 on 'practical measures concerning the Council's work' – drawn up partly in response to the fourth subparagraph of paragraph 15 of the Declaration of the Summit Conference held on 19-21 October 1972 in Paris – 'to expedite the decision-taking procedures in the Community' and thus give effect to paragraph 6 of the above note?'

Dr Garret FitzGerald, President of the Council, replied: 'Since the measures taken by the Council, on 23 July 1973 and 4-5 February 1974 – about which the European Parliament has been informed – steady progress has been made in improving the decision-making procedures and the coherence of Community action, thanks firstly to implementation of the measures adopted and, secondly, to the steps taken in this matter following the last Paris Summit Conference. In this connection, I should like to refer to the Honourable Member to the statement which I made to the European Parliament on 19 February last, and in which I outlined the steps which the President in office of the Council proposed to take in this matter.'

#### *2. Amalgamation of embassies of Member States* by Lord Reay (Br, EC)

'Has the Council considered the possibility of amalgamating the embassies of Member States into a single Community embassy in any third country?'

Dr Garret FitzGerald replied: 'The Council has not envisaged the possibility of reorganizing Member States' embassies in third countries into a single Community embassy, since this matter is outside its jurisdiction.'

Lord Reay then asked: 'Would the Council be in a position to set up a working group which could study the matter of the amalgamation of Member States' diplomatic missions, estimate the possible cost savings that could be made by doing so and study the question as to whether political cooperation has proceeded far enough for this to be feasible at this time or not? In the meantime, is there a possibility that the embassies of the Member States which at any one time had the presidency of the Council could be made responsible in Community matters for the Community's representation in third countries?'

Dr Garret FitzGerald replied: 'As far as the Council is concerned, the matter which the honourable Member has raised is one which does not come within the Council's competence. The question of diplomatic representation is in fact an inter-governmental matter and the Council has no function in the matter. On the question of the way in which the embassies of Community countries in third countries perform their functions in relation to Community matters, there is, of course, close coordination and the practice of regular meetings under the presidency of the ambassador of the country that holds the presidency at that time. These coordination arrangements have, I think, worked very satisfactorily and are an important new practical element in the diplomatic arrangements, but of course each country is still individually represented.'

### 3. *Regional Fund* by Mr Michael Herbert (Ir, EPD)

'Does the Council consider that the recent statement by the President – of the Council of Ministers 'that a majority of Member States will opt to use fund assistance in part repayment to their exchequers of expenditure on states aids rather than apply it to increase the level of aid granted to some individual projects' is contrary to the spirit and the intention of the Regional Fund which is to supplement national aids and not to be a substitute for them?'

Dr Garret FitzGerald replied: 'Article 4 paragraph 2 a) of the regulation (EEC) No. 724/75 establishing a European regional development fund provides as follows: 'The contribution from the Fund thus defined may, pursuant to a prior decision of the Member State concerned communicate at the same time as the request for this contribution, either supplement aid granted to the relevant investment by public authorities or remain credited to those authorities and considered as a partial repayment of such aid'. It will be clear, therefore, that a decision by Member States to opt to use Fund assistance in part repayment to their exchequers of expenditure on State aids rather than apply it to increase the level of aid granted to some individual projects is not contrary to the spirit and the intention of the Regional Fund. I should, like, Mr President, if I may, to add a short remark in my capacity as an Irish Minister. In the statement referred to in the question, my colleague Mr Ryan also indicated that, as far as Ireland was concerned, he favoured the option of the repayment system under which monies received from the Fund by his country would be used to finance an increased volume of industrial and infrastructural investment as distinct from increasing the aid given to individual projects. The idea of using the receipts from the Fund under the repayment system to finance an increased volume of regional



investment rather than increasing the aid to individual projects is shared by a number of other delegations.'

Mr Brian Lenihan then asked: 'Would the Council President not agree that there is a very grave danger in the situation where Member States may use Regional Fund payments not as supplementary payments to regional aid projects but as supplanting particular Member State projects? Is there not a risk that in that type of situation regional aid may just be used to finance national budgetary deficits? Would this not be totally counter to the whole principle behind the establishment of a Regional Fund?'

Dr Garret FitzGerald replied: 'The question of which way the aid is likely to be most effective depends upon the circumstances of the country. Where in a country particular forms of aid are already at a rate, in terms of the percentage of the total cost, which seems adequate to induce investment, it would seem much more in accordance with the spirit and purpose of the Fund to increase the total volume of investment rather than to give more aid to projects which are already receiving enough aid to generate the necessary activity.'

## Questions to the Commission

### 1. *Regional Fund* by Mr Brian Lenihan (Ir, S)

'Does the Commission consider that the recent statement by the President of the Council of Ministers 'that a majority of Member States will opt to use fund assistance in part repayment to their exchequers of expenditure on state aids rather than apply it to increase the level of aid granted to some individual projects' is contrary to the spirit and the intention of the Regional Fund which is to supplement national aids and not to be a substitute for them?'

Commissioner George Thomson replied: 'Mr President, in such cases it is not the Commission's practice to comment.'

Mr Brian Lenihan then said: 'I appreciate the position in which the Commission finds itself, Mr President, because what we have here quite clearly on the record is a situation where the Council of Ministers have departed from the spirit and the principle and the intention behind the establishment of the Regional Fund as presented to us in the initial documentation from the Commission. It was clearly stated by Commissioner Thomson and indeed stated by all speakers in this Parliament who supported the establishment of a Regional Fund, that the Fund would be used to supplement national aids rather than used by national states to

supplant existing national schemes and thereby act as a simple aid or handout to get them out of their budgetary difficulties. I must say I appreciate the Commissioner's deference on this occasion; but if I cannot press him to answer to any greater degree, I take it that that in itself is a tacit admission that what I am suggesting is a fact.'

Mr Thomson replied: 'No Sir, the honourable Member must not make that assumption. I was brought up in the parliamentary tradition where there was a convention that one branch of Parliament did not comment on the other, and I think there is an equally good tradition in the Community that the Council and the Commission do not comment on each others' comments. That is all that can be inferred from my opening remarks. On the honourable Member's remark, I think there is a misunderstanding here. There are two distinct problems. There is the question as to whether the Regional Development Fund's contribution to an individual project should be added to what the Member State already gives or not. The regulation explicitly stated that that is at the discretion of the Member State. Then there is the quite separate question – the very important one – as to whether the contributions from the Community's Regional Development Fund should be additional to the total resources made available for regional policies by Member States. In the preamble of the regulation it is made clear that the Member States commit themselves to the general proposition that the totality of the resources should be additional; certainly this has always been the Commission's view, and I have stated many times from this rostrum that there really is no case for a Community Regional Development Fund unless, in the end, it means that additional resources are made available to help with the regional problems. But that is quite distinct from the question of whether the contributions from the fund should be added to what a Member State gives to an individual project.'

Mr Lenihan said: 'I want to thank the Commissioner for his statement that the fund in its totality should be additional, and I hope that Member States follow that in practice.'

Mr Russell Johnston then asked: 'Would Mr Thomson agree that the question of whether or not regional aid provided by the Community would be applied directly and would not result in any reduction on regional projects by a Member State has discussed at length with him by the Committee on Regional Policy and Transport – of this Parliament during 1973 and that the committee was unanimous in its opposition to the view that nations should use money from regional funds as a substitute for their own national expenditure?'

Mr Thomson replied: 'Yes, Sir, I confirm that and I can perhaps remind my honourable friend that I said then that in ensuring that this aim was achieved we would rely a great deal on the vigilance of the European Parliament.'

2. *Creation of a European Regional Development Fund* by Mr Jean Durieux (Fr, L)

'Did the Commission, when setting up the European Regional Development Fund, make a detailed appraisal of the future relationship between this fund and the European Investment Bank?'

Mr George Thomson replied: 'Yes, Sir, this matter was gone into very fully by all concerned during the discussions which led up to the Council adopting on 18 March the regulation establishing the Fund. As a result, the regulation makes explicit provision for coordination between the Fund and the Bank, and the Commission sees no danger of either duplication or of inconsistency. Article 5 of the regulation requires the Commission, when we decide on applications to the Fund, to take special account of EIB and other Community financial contributions to the same investments or others in the same region. The purpose of this is to coordinate any Regional Development Fund contribution with the others. I would also draw the attention of the honourable Member to Article 4 of the regulation which contains a special provision for infrastructure projects to which the Bank and the Fund are both contributing. In such cases all or part of the Fund's assistance may take the form of a rebate of interest on the Bank's loan. Under the Council's decision – also of the 18 March – setting up the Regional Policy Committee, the Bank is to appoint an observer to that committee. The Bank and the Commission will thus be able to continue their close collaboration in any discussion of this matter in the committee as well as bilaterally between themselves.'

3. *Preparatory conference on energy* by Mr Arie van der Hek (Du, S)

'What were the respective positions of the Community and the Commission on the main questions raised at the preparatory conference on energy, in particular: oil, primary commodities, development cooperation (industrialization, the transfer of technology etc.), international finance and the number of countries represented at the Conference?'

Sir Christopher Soames replied: 'Sir, I will take the points raised by the honourable Member in order. First, on the procedural point raised by the

honourable Member, the Community was represented as such by a single delegation headed by the representative, who both acted as spokesmen for the Community. There was never any question of the Commission's position being opposed to that of the Member States – so that was good. Second, on the specific subjects to which Mr van der Hek's question refers, let me stress that this was a preparatory conference which dealt with questions of procedure rather than with issues of substance. In the discussion of the agenda, the Community, as well as the United States and Japan, found it impossible and impracticable to accept the idea of a conference in which attention would not be concentrated on the problems of energy and the many questions which are directly related to energy. These problems are important and urgent and no all-embracing international framework exists at present to deal specifically with them. We could accept that other raw material problems relevant to development policy should be dealt with in the conference, but we felt that this discussion should not duplicate similar discussions undertaken elsewhere in UNCTAD and in GATT, etc. So we asked that in dealing with the matters which were already being dealt with elsewhere, the conference should limit itself to conveying ideas and suggestions to those other fora. Thirdly, this distinction in the way energy problems on the one hand, and raw material problems on the other, should be handled proved unacceptable to our partners who insisted on strict parity in the agenda as between energy and other matters. They also wanted to include the reform of the international monetary system in the discussion and insisted on wording in their draft agenda, which, in our view, would have prejudged such issues as indexation and the guarantee of real returns from financial investment. Because of the difficulties in agreeing upon an agenda, no final conclusion was reached on the question of the number of countries which should participate in the main conference. But in the end we were close to agreement on this point. To sum up, the Community's machinery at the conference worked very well. For much of the time the Community conducted discussions with the oil-producing and oil-consuming developing countries on behalf of the consuming countries, and represented new drafts and ideas in an effort to reach agreement. Further, the participants at the Paris meeting agreed that the meeting had been useful. It was the first dialogue of this kind and the Community certainly wishes to see it as the beginning of a process and by no means the end of it.'

Mr van der Hek then asked what in the Commission's judgment had been the reasons for the adjournment of the Paris Energy Conference.

Sir Christopher Soames replied: 'Well Sir, I touched upon, I think, the most important ones in the main answer to my question, and it was as much the

balance of the agenda as anything else. I think, to sum it up, that the balance of how the agenda should be drawn up and what weight should be attached to one or another point was really the major cause of difference between us. And I hope that many of us will be taking up in various bilateral talks the question of where we should go from here and how we should get this matter off the ground.'

#### 4. *Recycling of waste products* by Mr Tom Normanton (Br, EC)

'What measures do the Commission propose to adopt for promoting the recovery and re-cycling of waste products, both domestic and industrial, and whether they are satisfied that trade in waste materials is flowing freely within the Community and in accordance with the Treaty of Rome?'

Commissioner Claude Cheysson replied that waste products were freely treated within the Community in line with the Treaty provisions. Secondly, in its proposal for a directive on used oils and waste products the Commission had stressed it needed to promote the recovery, re-use and recycling of waste. The second of the two proposals had already been adopted by the Council on 7 November 1974; this concerned used oils. Both called for a formal commitment on this point by the Member States. At the same time the CREST had set up a working party on raw materials, research and development. This in turn had set up a sub-committee on secondary raw materials whose main task would be to direct research and development towards the recycling of waste products for use as secondary raw materials. There would be some emphasis on this whole question in the Second Action Programme for the Environment which was at present in preparation.

#### 5. *Annual Commission report on structures for the fishing industry* by Mrs Elisabeth Orth (Ge, S)

'Article 7(1) of Regulation No. 2141/70 of the Council of 20 October 1970 on a common structural policy for the fishing industry provides that the Commission shall submit an annual report to Parliament and the Council on structures for the fishing industry in the Community. Why has no report yet been produced, and when does the Commission intend to comply with this regulation?'

Mr George Thomson replied: 'Mr President, the Commission regrets the delay in producing this report, a delay which has been due to staff shortage and other difficulties. But an official report on fishery structure in the Community is now

in an advanced state of preparation in the Commission. It will be presented to Parliament and the Council before the autumn of this year.'

6. *Conciliation procedure relating to transport infrastructure* by Mr Liam Kavanagh (Ir, S)

'Does the Commission consider that the conciliation procedure relating to transport infrastructure, introduced by the Council decision of 28th February 1966 can be appropriately applied to the situation where British Rail has announced their intention of closing Holyhead port for shipment of Irish cattle?'

Mr Claude Cheysson replied that the case raised by the honourable Member did not come within the framework of the consultation procedure regarding investment into transport infrastructure set up by the Council decision of 28 February 1966. This procedure only applied to new projects of Community interest which was not the case here. Nonetheless, the matter would be looked into by the Commission which would not fail to inform the honourable Member.

7. *Representation of the Commission at the 19th meeting of the EEC/Turkey Joint Parliamentary Committee held in Copenhagen from 21-25 April 1975*

Three questions on this subject were put down respectively by Mr Ludwig Fellermaier (Ge, S), Mr Egon Klepsch (Ge,CD) and Luigi Girardin (It,CD).

Sir Christopher Soames replied: 'I hope that the House will accept my apologies on behalf of the Commission for the fact that their member of the Commission was unable to be present at the meeting of the Joint Parliamentary Committee at Copenhagen, which the honourable Member rightly describes as being of special political importance. As the representative of the Commission explained to the Members at Copenhagen, Mr Spinelli had agreed to attend the meeting of the Joint Committee, but at the last minute he was unable to go because of illness and it proved impossible in the time available to find another member of the Commission to replace him at such short notice. I can assure the House that very energetic efforts were made to find a member of the Commission to attend the meeting of the Joint Committee, for it is our view that it is only Commissioners who are competent to take up positions on behalf of the Commission in discussions of an essentially political character, such as those which take place at the Joint Committees.' When further questioned on this matter Sir Christopher assured the House that it would not happen again.

## **Commission statement on action taken on Parliament's advice**

The European Parliament began its three days of sittings in Luxembourg at 6.05 p.m. on Monday 28 April with a statement by Commissioner Altiero Spinelli on action taken on Parliament's advice. He referred first to Parliament's resolution of 10 April which called on the Commission to help relieve the distress of the refugees in Indo-China. The Community had now acted to help these refugees in a variety of ways. Acting through the International Committee of the Red Cross and the UNICEF, a large quantity of food aid had either already been dispatched or was now being sent. This included 100 tons of powdered milk and 1000 tons of rice to the Red Cross and 590 tons of powdered milk and 100 tons of sugar to the UNICEF. For the latter, an amount of 300,000 u.a. was being appropriated under Article 400 of the Community's budget. The Commission realised that 1,126,000 units of account was probably not going to be enough but it would be making further proposals when further details of real needs came to hand. Referring next to the report by Mr Willy Dondelinger (Luxembourg Socialist) on the Commission's proposals for dealing with poverty, Mr Spinelli noted that Parliament had expressed disappointment that the Commission was proposing a 'note' rather than a 'decision'. On 16 April it had amended its proposal and now was calling on the Council to adopt a resolution. Mr Spinelli spoke next of the amendments to Commission proposals contained in the reports by Mr Karl-Heinz Walkhoff (German Socialist) and Mr Harry Notenboom (Dutch, Christian Democrat) which the Commission had accepted. It will be remembered that these reports concerned dangerous substances and imports of small packages for non-commercial purposes. Mr Spinelli said that the Commission had also acted on the advice given in the report by Mr Karl Mitterdorfer (Italian, Christian Democrat). Mr Spinelli concluded by referring to the report by Mr Horst Seefeld (German, Socialist) of June 1974 concerning the European Youth Forum. Nearly all Parliament's amendments had been accepted except the stipulation that the Forum should be financed by the Community from a source other than the Kreyssig Fund and the recommendation that it should be possible rather than obligatory to divide the Forum into sections.

## **Notes**

### **Appointment of members of the Audit Board**

The President announced that the President of the Council of the European Communities had informed him by letter of 16 April 1975 that the Council had

appointed Mr Freddi as President and Mr Bernard, Mr Burgert, Mr French, Mr Gaudy, Mr Hartig, Mr Johansen, Mr O'Maolchathaigh and Mr Molitor as members of the Audit Board.

These appointments would be valid until 10 November 1979, subject to the provisions which would apply with the coming into force of the treaty amending the Treaties establishing the European Communities and the Treaty establishing a single Council and a single Commission of the European Communities.

Parliament took note of this communication.

### **Membership of committees**

At the request of the Socialist Group, Parliament appointed Mr Gerhard Flämig (Ge, S) as member of the Committee on Development and Cooperation to replace Mr Ludwig Fellermaier (Ge, S).

### **Summing up**

At its sittings of 28, 29 and 30 April, Members put down no question for debate with the Council and 1 question for debate with the Commission. At Question Time 3 questions were addressed to the Council and 7 to the Commission. 10 reports were considered and the European Parliament delivered 10 Opinions.





## **PART TWO**

### **Session of the European Parliament 1975-1976**

#### **Sittings held in Strasbourg**

##### **Monday 12 to Thursday 15 May 1975**

#### **Introduction**

The most important feature of Parliament's week in Strasbourg from 12 to 15 May was a ceremonial sitting to mark the 25th anniversary of the Schuman Declaration. Speeches were delivered by Mr Georges Spénale, President of the European Parliament, Dr Garret FitzGerald, President of the Council and Mr François-Xavier Ortoli, President of the European Commission. The full text of these speeches and of the Declaration made by Robert Schuman on 9 May 1950 are being published separately.

#### **External relations**

##### **The Lomé Convention**

Dr Garret FitzGerald, President of the Council, came before the House to make a statement about the Lomé Convention. The Community had entered into a commitment to bring forward the implementation of its trade provisions and Dr FitzGerald set out the practical implications this would have. His statement was well received. Miss Colette Flesch (Lu, LA) Chairman of the Committee on Development and Cooperation, said that the procedural compromise which Dr FitzGerald had proposed would allow the business to be despatched with the necessary expedition to the satisfaction of all concerned. Her statement was applauded. Dr FitzGerald expressed his appreciation of Parliament's response.

## **Agreement with Israel**

The economic agreement signed between the Community and Israel on 12 May, confirming the European countries' desire to strengthen existing ties with the countries of the Mediterranean basin, was approved by the European Parliament at its sitting of 14 May.

This was the first agreement to be concluded within the framework of the new policy of a 'global approach' to relations with the Mediterranean countries. Agreements with Algeria, Tunisia, Morocco, Spain and Malta are to follow. The agreement between the EEC and Israel provides for the setting up of a free trade area with the gradual abolition of customs duties. Customs duties on Israeli exports to the Community will be removed by 1 July 1977. As regards Community exports, however, two different stages are stipulated: a reduction of customs duties by 60 % before 1 January 1980, and their total abolition by 1 January 1985. These are the provisions for the industrial sector. In the agricultural sector, Israeli exports (the most important being citrus fruits and fruit juices) will benefit from 85 % tariff cuts. Israel is in direct competition with Italian producers in this sector, and Italy has expressed considerable reservation about the agreement.

### *Contacts with the Knesset*

Parliament's resolution, which was explained by Mr Schelto Patijn (Du, S), welcomed the signing of the agreement, and considered that regular contacts could be established in due course between the European and Israeli Parliaments. He recalled that in 1965 the European Parliament declared itself in favour of closer relations between the Community and Israel, and indeed of its association with the EEC. One of the most important features of this agreement was the evolutionary clause, which could provide a dynamic basis for relations between the Community and Israel. Mr Patijn also criticised the Arab countries' position on the agreement, mentioning that it was even possible that the Euro-Arab talks due to take place in the forthcoming months might be postponed.

The next speaker was Dr Garret FitzGerald, President of the Council, who stressed that the agreement signed with Israel was the first positive result of a balanced policy on relations with the Mediterranean countries. There was a close parallel between the negotiations just concluded and those still being conducted with the Maghreb countries (Algeria, Tunisia and Morocco) which should shortly result in similar agreements.

### *Technical and financial cooperation*

Mr Eric Blumenfeld (Ge, CD), announced that his group would vote in favour, and hoped that the trade agreement might be widened to include financial and technical cooperation. As for Arab criticism, he stated that the Community must not be influenced by pressures and conditions in its policy on relations with third countries.

Mr Pierre Giraud (Fr, S), felt that the agreement which had just been signed and those soon to be concluded were an important contribution by the Community to the cause of peace and reconciliation in the Mediterranean. The proposed contacts between the European Parliament and the Knesset could significantly improve mutual understanding between our countries.

Lord Reay (Br, EC) said that he could understand the irritation felt by the Arab countries, who feared that the agreement with Israel would have much wider implications than its content suggested. The signing of agreements with the other Mediterranean countries would end this confusion.

Mr Alain Terrenoire (Fr, EPD) emphasized the importance his group attached to the new policy of an overall approach to relations with the Mediterranean countries. It would have been preferable, in the interests of political expediency, to have delayed the signing of the agreement with Israel until the negotiations with the Maghreb countries had been concluded.

### *Difficulties concerning agricultural products*

The debate was brought to a close by Commissioner Cheysson, who pointed out that the part of the agreement concerning agricultural products was subject to one condition: a series of measures on agriculture had first to be taken by the Community. The same problems existed in the negotiations with the Maghreb countries; they involved in particular wine, potatoes, and processed agricultural products. But the Community has not given privileged treatment to Israel: the situation should be considered in the general context of the negotiations. It was true that the Arab countries had reacted against the signing of the agreement, but there had been no question of a protest. They had merely asked the Community to explain why it had given priority to the agreement with Israel.

## **Situation in the Middle East**

At the initiative of the European Conservative Group, a debate was held on the general situation in the Mediterranean and the Middle East, with particular reference to the security of the Member States and their relations with the associated countries in that area. The chairman of the Group, Mr Peter Kirk, had submitted an oral question to the Conference of Foreign Ministers seeking the President of the Council's opinion on the present situation and information on the steps taken by the national Governments to coordinate their policies in this sector.

Mr Kirk raised three different aspects of the Mediterranean situation: Israel, Cyprus and Portugal. With regard to Israel, he pointed out that the recent signature of the trade agreement might make the Euro-Arab dialogue more difficult and he wondered what role Europe could play in any new meeting of the Geneva Conference. On the Cyprus crisis, Mr Kirk expressed his satisfaction at the development of relations with the new democratic Greek regime and the hope that the Vienna talks between Greece, Turkey and Cyprus would produce positive results. Regarding Portugal, Mr Kirk noted with approval the results of the Portuguese elections for the Constituent Assembly and asked for clarification concerning the aid the Community intended to give Portugal.

Before inviting the President of the Council to speak, the President of the European Parliament, Mr Spénale, welcomed the Greek parliamentarians of the Joint EEC-Greece Committee present in the Distinguished Visitors' Gallery who in the past few days had resumed their work within the Community organization after the long period of dictatorship. President FitzGerald noted the considerable efforts made by the Community to help in finding a solution to the Cyprus crisis. The parties concerned, however, had preferred the mediation of the UN Secretary-General, Dr Waldheim, under whose auspices the Vienna talks were being held. The Community Member States hoped that these talks would be successful.

President FitzGerald also announced that in the next few weeks he would be visiting several Arab League countries starting with Jordan.

Mr Eric Blumenfeld (Ge, CD) declared that we could not leave the United States and the Soviet Union the prerogative of playing a mediatory role in the Cyprus problem. Europe too had to take an active part in the next Geneva Conference.

Mr Ludwig Fellermaier (Ge, S) expressed his satisfaction at the Socialist victory in the Portuguese elections, observing that Portugal had demonstrated its political maturity. The country now needed our help to make up for the time lost during the long period of dictatorship. Mr Christian de la Malène (Fr, EPD) also hoped that the Community would play a mediatory role in the Cyprus question but without hindering the work of the UN Secretary-General. It was also necessary to speed up the time-table for Greece's accession to full membership of the Community.

Mrs Marie Thérèse Goutmann (Fr, CA) criticized the attitude of the EC Member States towards the Portuguese question, asserting that they were more concerned about an alleged threat of a left-wing dictatorship than with granting Portugal effective aid. The action taken by the Community vis-à-vis Portugal, she said, reflected pressures exerted by American imperialism.

Mr Erwin Lange (Ge, S) called for an immediate decision to aid Portugal without waiting for the full establishment of democracy, failing which we ran the risk of 'losing Portugal'.

Mr Claude Cheysson spoke on behalf of the EEC Commission. Decisions had not yet been taken in connection with relations between the Community and Portugal due to the fact that the Lisbon government had not made a clear request to this effect. As soon as the Portuguese leaders submitted proposals, the Commission would consider them with special sympathy. As to relations with the Arab countries, Commissioner Cheysson denied that the reaction of Arab Ambassadors in Brussels to the signature of the trade agreement with Israel could be described as a protest. They had merely requested more information.

### **Discrimination by Arab League countries**

Mr Ludwig Fellermaier (Ge), Mr Kristian Albertsen (Da), Mr Jan Broeksz (Du), Mr Willy Dondelinger (Lu), and Mr Pierre Giraud (Fr) submitted to the Commission, on behalf of the Socialist Group, an oral question on the economic discrimination practised by the Arab League countries and the companies established there against EC citizens and companies.

The authors of the question feel concern at the discrimination practised by these countries against citizens and companies of the Community which have links with Israel. They request an assurance from the Commission that, during the

negotiations with the countries of the Mediterranean Basin it will abide by the terms of the agreements prohibiting any discrimination against the Member States, their nationals and their companies.

Mr Broeksz took this question further in plenary sitting and recalled that the Member States had reacted differently to the boycott against Jewish banks. France and the UK had sometimes, he said, yielded to this blackmail, while other countries, particularly Germany and the Netherlands, had put a stop to it by taking a harder line. Mr Broeksz felt that it was the role of the Community, as a powerful economic force, to oppose such discrimination.

Mr Cheysson, Member of the Commission, traced the development of the boycott introduced by the Arab countries. Its origins went back to a decision of the Arab League, on 11 September 1954, arranging to draw up and keep under review a 'blacklist' of all companies accused of having ties with Israel. He recalled that this boycott was applied with varying severity from one country to another. Furthermore, where economic or political interests so dictated, the Arab countries showed a good deal of flexibility. It was impossible, the spokesman for the Commission added, to assess the economic impact of this boycott, which did not mean that certain business sectors were abandoned, but simply that some companies were replaced by others. The policy had therefore nothing in common with the oil boycott, which covered the whole of production and was directed against most countries. Mr Cheysson also commented on the different trade agreements now in force or being negotiated with the countries of the Mediterranean Basin. The agreements signed by the Community with Morocco and Tunisia, for example, did not include specific non-discrimination clauses, but as far as those two countries, and Algeria, were concerned, the Commission had never heard of any difficulties arising from discriminatory measures. In the case of Egypt, the trade agreement did in fact contain a non-discrimination clause, which was spelt out in an exchange of letters. Here again, there had been no reports of discrimination against goods flowing to or from the EEC. An agreement with Lebanon was also being prepared, with a similar clause.

However, all these commercial agreements covered trade but not banking or transport facilities. Within the limits of the agreements concluded, the non-discrimination clause had worked satisfactorily. Mr Cheysson reaffirmed that, as a matter of principle, the Commission considered discriminatory measures to be unacceptable. The negotiations now being conducted with four Arab countries extended to certain non-commercial sectors, all of which would have to be covered by non-discrimination clauses.

On behalf of the Christian-Democratic Group, Mr Hans Edgar Jahn (Ge) thanked the Commission for its stand on this basic issue. He felt that all European political forces should combat this boycott: 'nazism and fascism, he pointed out, began with such a boycott.'

Mr Willem Scholten (Du, CD) agreed with Mr Jahn but said he was disappointed that the Commission was not more active in seeking information on the matter and in proposing appropriate measures.

Winding up the debate, Mr Claude Cheysson stressed the limits to which the Commission had to keep in negotiating agreements with third countries: the Commission could not, he said, ask for guarantees which lay outside its terms of reference and the framework of negotiated agreements. The banking sector did not lie within the province of the Community but was a matter for the individual Member States. In conclusion, Mr Cheysson stressed that the Community should combat all forms of discrimination, including the use by the United States of a 'blacklist' against companies trading with Cuba.

## **Social affairs**

### **Safety in the coal and steel industries**

The Mines Safety and Health Commission and the Steel Industry Safety and Health Commission should investigate the extent to which thorough training and information of miners and iron and steel workers could reduce the constantly rising number of industrial accidents. Financial considerations ought always to take second place to the requirements of effective health protection. This was the Opinion expressed by Parliament on the basis of a report by Mrs Elisabeth Orth (Ge, S) on the Eleventh Report of the Mines Safety and Health Commission and the Fifth Report of the Steel Industry Safety and Health Commission, which are entrusted with the surveillance and improvement of work safety and health protection in the coal and steel sectors. It accuses them of having done nothing towards improving health protection during the period covered by the report.

For future action in coalmining, Parliament set the priorities as the prevention of dust formation, the training and instruction of all workers, and the consequences of mechanization and automation. For the steel industry, it urges the setting up of a working party on psychological and sociological factors at work.



The Mines Safety Commission has existed since 1957. Since 1965 it has also dealt with questions of health protection. It is made up of two government representatives and one workers' and one employers' representative from each Member State. The Steel Industry Commission was set up in 1970. Representatives of management, workers and safety officials work on it on a voluntary basis. At the request of the European Parliament, its terms of reference were extended to include health protection. Both bodies are responsible for studying the problems of working conditions in the coal and steel industries at Community level and working out specific proposals.

### **Better safety and health protection in the coal and steel industries**

Speaking to her report, Mrs Orth, said that the differing composition of the two Commissions, particularly unsatisfactory in the case of the Steel Industry Safety and Health Commission, was one of the reasons for their unsatisfactory work. While the Mines Commission's work was directly reflected in legislation as a result of the involvement of government representatives, the Steel Commission could only make recommendations. Referring to impressions formed during an underground information visit, the rapporteur described the difficult working conditions in this sector, and emphasized that faceworkers ought to feel that everything was being done for their safety. The increased importance of coal extraction for future energy supplies also lent a new dimension to the safety aspect.

The observations of Commissioner Hillery, rejecting Parliament's criticism on various points, were dismissed by Mrs Orth with the remark that all she had to go on were the written reports of the two Commissions, which in her opinion certainly gave grounds for sharp criticism. Vice-President Hillery defended the value of the Steel Commission's work on health protection in the iron and steel industry, involving the planning of various expert reports on exhaust gas removal and various projects in rolling mills. Neither Commission was responsible for safety training of workers, as called for by Parliament. In conclusion, however, Mr Hillery admitted that better cooperation with the trade unions was desirable.

Mr Gustave Ansart (Fr, CA) cited impressive figures on the frequency of industrial accidents, and argued Parliament was right to demand a thorough investigation into all accident factors. In 1973 France alone had over one million industrial accidents, involving a loss of 29 million working days; more than 12,000 of these had been fatal. Mr Wolfgang Schwabe (Ge, S) stressed that it was

precisely the practical work of the Community, such as providing people with steadily improving safety standards, that helped to further the idea of European unity.

### **Tackling unemployment**

The possibilities of the European Social Fund playing a part in restructuring measures made necessary by rising unemployment should be extended. A Commission proposal to this effect was approved by Parliament on the basis of a report by Mr Alfred Bertrand (Be, CD)

According to the Commission proposal, the Social Fund should where necessary encourage measures to facilitate the relocation of workers – especially the more underprivileged groups such as women and young people – from those sectors of industry which have suffered most as a result of the economic crisis to others better able to withstand its effects. In the Commission's view, these are the branches of industry connected with the restructuring of the energy sector and the meeting of priority collective needs. In 1975 the Fund is to cover up to 50 % of the cost of such measures, using 52 u.a. carried forward from the 1974 financial year. For 1976, the Commission has asked for 200 million u.a. to be earmarked.

### *Parliament calls for comprehensive employment policy*

As Mr Bertrand stressed, Parliament considers the Commission proposal inadequate, especially as regards the financial underpinning of the measures. Far-reaching measures would not be feasible. In contrast to the Commission, Parliament is therefore calling for greater manpower mobility to all sectors of the economy in which the unemployed can find jobs, and also for income support to the unemployed during the retraining period over and above unemployment benefit. A point made by all the political group spokesmen who took part in the debate was to call for the introduction of a comprehensive Community employment policy.

As rapporteur of the Committee on Social Affairs and Employment, Mr Alfred Bertrand (Be, CD) mentioned the disquieting figure of four million workers unemployed or on short time in the Community. This unemployment was no longer cyclical but structural. The present financial measures in the form of a 'good will proposal' could therefore be regarded as no more than a first step.

*'Retraining is not enough; it is more important to create jobs'*

Mr Kurt Härzchel (Ge, CD) stressed that this was a pilot scheme which stood in close connection with the launching of the European Regional Development Fund. Retraining was not enough, he told the Council. The creation of new jobs was more important.

Mr Rudolf Adams (Ge, S) emphasized the need for priority measures in favour of unemployed women and young people. The inclusion of all branches of the economy in the measures to promote mobility, as called for by the European Parliament, would allow workers a choice. The call for the creation of new jobs was also taken up by Mr Hervé Laudrin (Fr, EPD) and by Mr Albert Liogier (Fr, EPD) who singled out the difficulties in the textile industry.

The sharpest criticism came from Mr Luigi Marras (It, CA). He claimed that Parliament's position was contradictory and urged it to abandon the policy of 'better a bird in the hand than two in the bush' and put forward firm demands, so that it would be heard by the working masses. Mr Luigi Girardin (It, CD) agreed that Parliament could no longer content itself with unsatisfactory small-scale measures.

On behalf of the Commission, Vice-President Patrick Hillery stressed that this proposal was not the only measure to combat structural unemployment. Three further working documents were ready, and only technical reasons had prevented their publication so far. Moreover, it was not the function of the European Social Fund to finance long-term projects to alleviate unemployment.

### *Dealing with poverty*

Further to the Commission statement to the Council in January on a programme of pilot schemes to combat poverty, discussed and approved by Parliament on 10 April, the House endorsed the Commission proposal for the detailed implementing provisions on the basis of which the Council is to make its decision. These provide for grants from Community funds of up to 50 per cent (in exceptional cases 100 per cent of the actual costs of a pilot scheme or study.

Those eligible for the grants are all bodies in public or private law with the necessary qualifications. Applications are to be submitted to the Commission by the Member State on whose territory the project is to be carried out.

The rapporteur for the Committee on Social Affairs and Employment, Mr Willy Dondelinger (Lu, S) who had acted in the same capacity on the initial Commission proposal, expressed satisfaction that the Commission had followed the recommendations made by Parliament in April and given its programme a more legally binding form. He further welcomed the fact that a report on the implementation of the programme was to be submitted to the House.

Speaking for the Communist and Allies Group, Mr Luigi Marras (It) castigated the Community, which was exposing itself to ridicule by financing a few groups working on theoretical concepts at a time when millions of European citizens were practically on the breadline.

### **Budget appropriations carried forward**

As rapporteur for the Committee on Budgets, Mr Michael Shaw (Br, EC) asked the House to approve a Commission proposal to bring forward appropriations from 1974 to 1975. The total amount involved is 227,953,256 u.a. Mr Shaw advised the House that carrying forward these appropriations is justified. A resolution to this effect was agreed to. Mr Shaw did, however, warn the House that the practice of carrying forward appropriations was open to abuse and could be used as a way of undermining Parliament's powers of budgetary control. It was a point to be watched with some care.

### **Industrial affairs**

#### **Aid for the car industry**

Two oral questions on the car industry were put down for debate with the Commission; one from Mr Pierre-Bernard Cousté (Fr, EPD) and one from Mr Giorgio Amendola (It, CA) and his Communist colleagues. Mr Cousté wanted to know what policy the Commission was shaping for the car industry and what it thought of various aid measures being taken by the Member States. Mr Amendola, on the other hand, asked whether the Commission agreed that certain steps should be taken at once to deal with the crisis and that ultimately success depended on democratic public control and management.

Speaking to the questions Mr Cousté and Mr Marcel Lemoine (Fr, CA) stressed the scale and the urgency of the problem. Over a million workers were directly

dependent on car production for a living or, if those indirectly dependent on car production were included, one in seven of all workers in the Community were affected.

The economic crisis had hit demand and production had been cut back by an average of ten per cent. Mr Lemoine said that even April, which was normally a good month, had brought no upturn in new car sales.

In reply Commissioner Altiero Spinelli said the Commission had been looking into the Community or national policies that could be launched to resolve the crisis. The problem was structural as well as cyclical and efforts to deal with the cyclical aspect must not clash with efforts to solve the structural problem. Mr Spinelli said that as the car industry had become more largely mechanized so too it had gradually absorbed workers with a lower quotient of skill. The jobs tended to go to workers from other countries. He suggested it would be more profitable to transplant car-producing factories than uproot potential car-producing labour. This was one of the structural changes that suggested itself. Mr Spinelli referred too to the environmental aspect: cars had to be made less-polluting.

Referring to the aid envisaged, he said that Volkswagen was to get 210 million DM, half from the Länder and half from the Federal Government; Citroën, 1000 million francs; Renault, 500 million francs; British Leyland was to have a 200 million pound guarantee and a loan of 200 million pounds. It was possible that a further 200 million pounds would be lent to British Leyland later. 'As regards nationalization, he added, the Community has nothing to say because this is a matter within the sole authority of the member governments'. The Commission was, however, in close touch with the national authorities and was drawing up a directive. It would not make its final position known until its enquiries were completed but would remain in contact with trade unions and management.

Mr Spinelli told the House it would be organizing a symposium on 12 – 16 October but he left no doubt in anyone's mind that he considered some fundamental re-thinking was needed, even if some progress had been made in social terms with worker participation.

Of the speakers from the floor Mr Hans Edgar Jahn (Ge, for the Christian Democrats) expressed concern about the likely effect of state aids on real competition but felt that action must be taken soon. Mr Walter Suck (Ge, for the Socialists) agreed. Mr Tom Normanton (Br, for the European Conservatives)

had doubts about the sense of responsibility of some of those involved in, for example, the Chrysler factories in the United Kingdom but felt a Community social policy was indicated to help those in distress through no fault of their own. He was also disturbed by the Community's trade policy.

Two other European Conservative speakers, Lady Elles and Sir Brandon Rhys Williams drew attention to the problems of overmanning and of access to the finance markets. Both were emphatic that nationalization was no way out of the car industry's difficulties.

### **Nuclear safety**

If the public and the environment were to be adequately protected against the risks inherent in the generation of nuclear energy, action was needed and not just declarations of intent. This was the criticism levelled by the European Parliament at the communication of the Commission on technological problems of nuclear safety, which it approved in principle but felt was too vague. It urged the Commission to submit concrete proposals on the harmonization of Member States' safety provisions, particularly as regards the transport of radioactive substances, the distribution and storage of radioactive waste and the decommissioning of nuclear power stations. It advocated the negotiation with the USA of a protocol on this matter and contacts with third countries bordering on the Community in order to prevent the public on one side of a frontier being endangered by deficiencies in nuclear safety on the other. It considered that the Member States should cooperate more closely in the matter of research and back-up studies under the guidance of the Commission and with the Committee for Scientific and Technical Research (CREST) involved.

In its communication the Commission called for an increased use of nuclear energy and said that the safety measures hitherto in operation had been a model of their kind. It recommended that measures along the same lines should be intensified, since the next decade was likely to see the introduction in the Community of large numbers of high-temperature reactors and fast breeders. General recommendations should be drawn up by 1978 and initial directives in the first half of the 80's.

### **The European Parliament calls for practical measures**

In its report the Committee on Public Health and the Environment pointed out that as the use of fast breeders, which produced not only energy but also large

quantities of radioactive plutonium, increased, the environmental problems connected with transport and storage of radioactive material would become more acute.

Mrs Elisabeth Orth (Ge, S) deputizing for the rapporteur, Mr Willi Müller (Ge, S) urged the Commission to draw up a plan of action and set itself binding time-limits.

Mrs Hanna Walz (Ge, CD), Mr Luigi Noè (It, CD) and Lord Bessborough (Br, EPD) warned against exaggerating the dangers of nuclear energy production. In the course of history innovations had always been looked upon with suspicion, and it was only a matter of assessing the risk factors correctly and keeping them in check.

Mr Marcel Lemoine (Fr) summed up the viewpoint of the Communist and Allies Group by saying that his Group approved in principle of scientific and technological progress but was anxious that in the development of nuclear energy production the potential of all the other sources of energy, including coal, should not be lost sight of. He advocated the nationalization of the entire nuclear energy sector.

### **Broadbased public discussion desirable**

Mr Mario Scelba (It, CD) called for intensified efforts to study the various safety questions that as yet remained unsolved. Mr Ole Espersen (Da, S) stressed the dangers of the fast breeder type of reactor, which is to come increasingly into use in Europe, and said that he understood the apprehensions of the public.

Speaking for the Commission, Mr Altiero Spinelli said that it was the task of his institution to take matters further than had been done in the present proposal and that he would do his best to meet Parliament's wishes. The proposal was part of the European Community's 1973 general programme. He favoured a broadbased public debate on the safety problems connected with the generation of nuclear energy before any further final decisions were taken.

### **Eurocontrol**

#### *Warning against cutbacks*

Concern for Eurocontrol's future prompted Parliament, after a short debate, unanimously to support a motion calling on the governments of the Member

States of Eurocontrol to ensure that it will continue to be able to perform its important task.

Eurocontrol looks after air traffic control in the upper airspace (i.e. at heights above 20,000 feet), and is not in fact a Community institution; nevertheless, all the Community countries except Denmark and Italy take part in the work.

The item had been put on the agenda as an urgent matter on the initiative of the Socialist Group, in reaction to rumours that Eurocontrol's Standing Committee would be dealing next day with a report likely to contain proposals for a considerable cutback in Eurocontrol's activities. In view of the very pressing nature of the matter, the Council and the Member States were informed of the European Parliament's resolution by telegram.

### *Renationalization an anachronism*

Presenting the motion, Mr Horst Seefeld (Ge, S) stressed that, through it, Parliament was merely expressing its concern and giving a warning against measures prejudicial to Eurocontrol. The matter would be pursued in the Committee on Regional Policy and Transport. Mr Harry Notenboom (Du, CD) supported the proposal, but wanted, like the next speaker, Mr John Osborne (Br, EC) to have the wording altered. Mr Seefeld accepted this. Mr Noè (It, CD) said that to close down and 'renationalize' Eurocontrol would be anachronistic. But he also drew attention to the fact that the doubts that had arisen about Eurocontrol's activities up till then should be examined in committee.

### **Information programme**

On the basis of a report submitted by Mr Kristen Petersen (Da, LA) Parliament considered the Commission's information programme for 1975 and its supplementary information programme for the same year, which the Commission drew up following an amendment to the budget resulting from a European Parliament initiative last August (1,050,000 units of account).

In this programme, the Commission first indicates the principles underlying its information policy and the major topics dealt with and then broadly outlines the action it intends to take in respect of the different public opinion media and the methods it intends to use. It then states its intentions with regard to information activities in third countries.



There will certainly be no revolution in the Commission's information policy; it consists essentially of gaining for the Commission the favour of a rather disillusioned public and of advancing with the support of public opinion. However, the Commission, which in the past has dealt mainly with specialist bodies in the press, radio and television, wishes to enlarge its audience and reach the general public, while continuing to develop its relations with the large information organizations.

In introducing his report, Mr Petersen qualified as worthwhile the initiative taken by the Commission to widen the impact of its information. It is important to show the public that the Community is not something abstract: to do so, the Commission must constantly find new ways to keep in constant touch with the European citizen. The introduction of mobile exhibitions is therefore an important step. There is still a need, however, to develop information in a number of sectors; for example, an effort must be made to exert its influence on the material used in school text books and to increase the number of international exchanges of young people. In addition, the European Youth Forum, due to be created this year, ought to make possible a more effective dissemination of information among young people. Mr Petersen regretted, however, that the Commission did not take up the idea put forward by the European Parliament of making the Forum responsible for the management of a European Youth Fund. The rapporteur further approved the Commission's initiative for improving information aimed at trade unions and political circles; he pointed out, however, that such information ought not to be sent exclusively to the national headquarters of these organizations but also to local groups. Referring to audio-visual information, Mr Petersen stressed the need for its development, particularly by arranging for Community programmes and co-production with the national television services. However, the essential point to which the rapporteur and the spokesmen of the political groups gave greatest emphasis was the need to supply information that did not bear the taint of propaganda.

Speaking for the Christian Democrat Group, Mr Egon Klepsch (Ge) congratulated the Commission on its ideas on information policy. It was necessary, however, for the ad hoc on certain decisions. Finally, in order to be able to prepare subsequent information programmes more effectively, the Commission should make a closer study of the impact of its information on public opinion.

Speaking for the Socialist Group, Mr Jan Broeksz (Du) chairman of the Committee on Cultural Affairs and Youth, was not so optimistic. Information,

he explained, depended on the success or failure of political decisions taken by the Community. The success of information depended on the success of the Community as such.

Mr John Corrie (Br) who spoke for the European Conservative Group, was concerned about the role of information in relation to British public opinion, particularly in connection with the referendum to be held in June 1975. He emphasized the need to develop information for young people, and make them Europe-minded. Finally, it was also the function of information to increase exchanges of students, teachers, officials, and industrial workers between the various European countries.

Speaking for the Communist and Allies Group, Mrs Tullia Caretoni Romagnoli (It) stressed the need to make as transparent as possible the decision-making procedure within the Community. Information had a very important part to play in the future of Europe: it was, however, essential that all forms of propaganda should be excluded. The information given by the Community should be based on truth and should have the courage to state frankly what were the obstacles and limitations that conditioned the building of Europe. Finally, information should be more practical and should show the citizen what advantages Europe represented for him.

Mr Willem Schuijt (Du, CD) noted that there was still some confusion in public opinion because the Community did not have one fixed seat. With regard to the audio-visual information introduced by the Commission, particularly in response to the European Parliament's vote in favour of new budgetary appropriations, Mr Schuijt called for a fuller programme on the use of these appropriations to be submitted to Parliament.

Mr Carlo Scarascia Mugnozza, Vice-President of the Commission, was pleased that Parliament had increased the Commission's information funds when debating the 1975 budget. The Commission had never concealed the truth about the difficulties of building a new Europe. Indeed, it had never been in a position to do so, in view of the large number of information channels which existed. In its efforts to widen the impact of its information, the Commission would try to decentralize its publications to a still greater extent and to use less technical language – also in its working documents. In reply to Mr Corrie, Mr Scarascia Mugnozza recognized that the particular situation in the three new Member States of the Community called for a particular effort in the information field. He noted in particular that British trade unions had always refused to take up contact with the Community. Finally, in reply to a question by Mr Broeks, Mr

Scarascia Mugnozza provided some details about the setting up of the European Youth Forum. The Commission had submitted to the Council its new proposals, which took Parliament's opinion into account, and it was to be hoped that the Council would soon take a decision. This Forum would certainly have an important part to play in supplying young people with information. It was also possible that in future it would be called upon to administrate the Kreyszig Fund, which had been used since 1966 to develop information and exchanges of young people.

### **Consumers' Consultative Committee**

A number of criticisms concerning the composition of the Consumers' Consultative Committee, recently established by the Commission, were formulated in an oral question by Mr Hans Edgar Jahn (Ge, CD). The questioner observed that the Committee, which ought to have been exclusively composed of representatives of consumers, provided for only six seats for the actual consumers' associations while a further three seats were granted to the consumer cooperatives and six to the trade union organizations. Mr Jahn desired a re-distribution of the fifteen seats with the allocation of ten seats to the consumers' associations and the remaining five to the trade unions, the consumer cooperatives and representatives of the retail trade.

The Vice-President of the Commission, Mr Carlo Scarascia Mugnozza, replied that the Consumers' Consultative Committee had been created since the dissolution, following internal dissensions, of the European Consumers' Organization. The committee had been established following consultations with all the organizations concerned. It was only later that the Commission had received applications from numerous other sectors, such as the retail trade, industrial interests, the banks etc. It had been impossible to satisfy everyone.

Mrs Elisabeth Orth (Ge, S) rejected criticisms from some quarters about the presence within the Committee of representatives of the trade unions, declaring that the latter were the best defenders of consumers' interests. Mr Kai Nyborg (Da, EPD) however, felt that the presence of trade unionists within the Committee was unjustified. Mr Pierre Giraud (Fr, S) considered that the committee ought to be composed of genuine consumers' representatives, who could not possibly include producers or tradesmen.

## **Development and cooperation**

### **Food aid**

Parliament adopted, without debate, a report presented by Mr Pierre Deschamps (Be, CD) on the supply of milk fats as food aid under the 1975 programme to certain developing countries and international agencies. The Commission proposed that 43,400 tonnes of butteroil should be supplied this year, roughly the same as in 1974. Supplies would be divided between a number of international agencies (World Food Programme, UNICEF AND UNRWA), and certain developing countries selected according to their respective incomes and needs in combustible oils and fats.

In its memorandum on the EC's policy on food aid, the Commission laid down the following principle: 'to each according to his needs, by all the means at our disposal.' Parliament, while approving the Commission's proposal, felt that the Community should make an even greater effort, given the extent of many countries' needs. It therefore requested the Commission and the Council to take measures ensuring the supply, when needed, of further quantities of butteroil.

### **Business**

#### **Credit institutions**

As rapporteur for the Committee on Economic and Monetary Affairs, Mr Willem Scholten (Du, CD) reported to the House on a Commission proposal for a directive to coordinate the laws of the Member States regarding credit institutions. This represents a further step towards the goal of freedom of establishment and freedom to supply services in the Community. A directive of 28 June 1973 actually covers the whole general field of freedom of establishment and freedom to supply services in banking and other financial institutions but it is notable for one or two pretty big gaps, particularly as regards supply of services. The freedom conferred by the 1973 text only covers services not linked to capital movements. The reception of deposits and the granting of loans are among the points not dealt with in that directive.

As Mr Scholten pointed out, the difficulties facing Economic and Monetary Union and the accession of three new Member States induced the Community to moderate its ambitions regarding freedom of establishment and to supply

services. The proposal before the House, he said, was thus a step towards greater freedom in this respect especially as the Ruling of the Court of Justice, which laid down that freedom of establishment and to supply services became effective on 1 January 1970, had not really swept all the difficulties aside. 'It might even hamper progress' he said. Mr Scholten therefore called on the Council to adopt the directive so that further progress could follow.

Mr Jan Broeks (Du, S) who was speaking for the Socialist Group and Sir Brandon Rhys Williams (Br, EC) for the European Conservatives both endorsed Mr Scholten's comments. Sir Brandon felt, however, that the Commission's job should be to guide and direct but not be directly involved in banking negotiations. Replying to the debate Commissioner Altiero Spinelli reminded the House that the purpose of the directive was to promote the integration of credit establishments at European level. It was essential, he suggested, that these establishments should be subject to control at this same level. He agreed to a request that the waiver for Post Office Giro Institutions should be deleted (i.e. it should be applicable to them); apart from which the debate left unresolved a large number of technical disagreements between Parliament and Council. A resolution calling for several amendments to the Commission's proposal for a directive to approximate laws on the commencement and carrying on of the business of credit institutions (but otherwise approving it as a positive step forward) was then agreed to.

### **European Investment Bank**

As rapporteur for the Committee on Budgets, Mr Horst Gerlach (Ge, S) reported to the House on a proposal to amend the Statute of the European Investment Bank. The proposal is that the EIB Board of Governors be empowered to alter the Community's unit of account (at present — 0.88867088 grammes of fine gold). Mr Gerlach asked the House to approve this amendment (which is actually an amendment to the Treaty) subject to the Commission's being consulted when changes in the u.a. are envisaged. This, of course, because of the effect such changes would have on the operation of the whole Community. The proposal stems, incidentally, from the Netherlands Government which is currently in the Chair of the EIB.

After a short debate a resolution approving this amendment, with the reservation stated, was agreed to.

## **Environment**

### **Bathing water**

#### *Pollution control*

On the basis of a report by Mr Augusto Premoli (It, LA), Parliament unanimously approved the Commission's proposal for quality objectives for sea water and fresh water for bathing, laying down a large number of pollution restrictions. The European Conservative Group, however, found some of the provisions too far-reaching, especially for the Community countries in the north of Europe.

Replying to the debate, Vice-President Carlo Scarascia Mugnozza stressed that the Commission had deliberately chosen the directive form to allow the provisions to be adapted to national conditions.

The Conservatives' two proposed amendments were then rejected, and eventually the Conservatives too supported the motion moved by Mr Premoli. In this motion Parliament took issue with the fact that the proposal does not cover swimming pools as well, and proposed that bathing should be strictly prohibited in water with a higher level of pollution than that stipulated in the Commission proposal. This resolution was agreed to.

## **Agriculture**

### **Alpine cattle**

As rapporteur for the Committee on Agriculture, Mr Jan Baas (Dutch, Liberal) asked the House to approve Commission proposals to open a quota for 30,000 head of heifers and cows and certain mountain breeds and 5,000 head of bulls, cows and heifers of certain alpine breeds. A resolution to this effect was agreed to without debate.

### **Norway's fishing grounds**

As rapporteur for the Committee on External Economic Relations, Mr Knud Thomsen (Danish, European Conservative) asked the House to endorse a

Commission recommendation approving the exchange of letters between the EC and Norway regarding fishing zones. Further to these letters the Jennegga-Malangsgrunen zone is to be closed to trawlers from 20 October to 20 March, the Hjelmsøybanken from 1 November to 31 March and the Nordbanken/Overbanken from 1 October to 1 March.

**Mr Thomsen told the House:**

‘As a result of the negotiations between Norway and the Community, Norway agreed to reduce the number of zones from 4 to 3, to reduce the area of the three remaining zones substantially and to decrease the period during which the zones would be closed. What thus could not have been done by large fishing nations in the Community as Great Britain and Denmark, namely to limit the Norwegian action considerably, was done by the European Communities as one sole negotiator thanks to the strength which the large import of fish products could give the Communities.’

Mr John Corrie (Br, EC) asked for further details about the sea areas referred to. How large are they and are they places where other countries have traditionally fished? Will closing these areas help conservation?

In view of the late hour Commissioner Altiero Spinelli suggested these questions be put in writing and promised a full reply. He did however stress that the British Government had called for an urgent enquiry into the way the common fishing policy was to apply to sea areas beyond the twelve mile limit. The Council had agreed to this enquiry on 15 April and the Commission had already made proposals as to how it should be carried out.

Mr James Scott-Hopkins (Br, EC) then asked for an early reply from the Commission as to whether it would sympathetically consider a similar application regarding herring fishing of the West and North West coast of Scotland.

Mr Spinelli said no such request had been received from the British Government. If it were, it would be considered with the greatest attention and at once. A resolution approving the exchange of letters was then agreed to.

## **Apricot pulp from Israel**

The Commission is proposing to open a tariff quota for apricot pulp from Israel amounting to 150 metric tons per annum. Duties applicable will be 70 % of those actually applied to non-member countries. Mr Knud Thomsen (Da, EC) speaking for Mr Gabriel Kaspereit (Fr, EPD), asked the House to approve the proposal. The quota would apply for three years. A resolution approving the proposal was agreed to.

## **Potato protein**

As rapporteur for the Committee on Agriculture, Mr Isidor Früh (Ge, CD) asked the House to approve a Commission proposal to bring fodder processed from potatoes within the scope of an existing regulation. This forms part of the Community's bid to reduce dependence on imported fodder protein. Dehydrated fodder accounted for 256,000 metric tons out of total raw protein production of 550,000 metric tons in 1973. The crop is therefore important and the production aid given under the regulation should keep it competitive with soya beans. A resolution approving the proposal was agreed to.

## **Miscellaneous agricultural regulations**

As rapporteur for the Committee on Agriculture, Mr Pierre Bourdellès (Fr, LA) asked the House to approve four Commission proposals for regulations concerning (1) eggs (2) ovalbumin and lactalbumin (3) slaughtered pigs and (4) pig carcasses. This is all part of the Commission's consolidation of agricultural regulations, the aim of which is to make them easier to follow. A resolution to this effect was agreed to.

Mr James Scott-Hopkins (Br, EC) took advantage of the opportunity thus afforded to stress the difficulties being experienced by egg producers in the Community. Commissioner Altiero Spinelli assured him this was simply a codification of regulations. He assured Mr Scott-Hopkins that his colleague, Commissioner Petrus Lardinois was well aware of the difficulties referred to. His observations would be conveyed to Mr Lardinois and, Mr Spinelli added 'I am sure that he will submit proposals to deal with this very shortly.'

A resolution approving the Commission proposal was agreed to.



## QUESTION TIME

### Questions to the Commission

#### 1. *European textile industry* by Mr Tom Normanton (Br, EC)

'Is the Commission aware of the growing anxiety throughout the textile industry of Europe at the combined effect of a decline in public consumption and an increase in foreign imports of textiles of all kinds, and what measures will be adopted on a Community basis to regulate the flow of textile imports at prices unrelated to their actual cost of manufacture?'

Mr Altiero Spinelli said that the Commission was aware of the difficulties being experienced in the textile industry and intended to speed up negotiations under the safeguard clause in Article 4 of the multifibre agreement. The Council had already approved the mandate to negotiate with some of the 15 countries with which the Community intended to conclude agreements to control trade. Mr Spinelli said he was hopeful that these negotiations would conclude by the autumn. The Commission had also decided under regulation number 14/39 to keep an eye on imports into the Community of 22 most sensitive textile and clothing products both in regard to price and quantity.

Mr Normanton then asked: 'Whilst I thank the Commissioner for his reply, may I press upon him once again verbally as well as in writing the need for real urgency in formulating and implementing an effective means of insulating this major European industry from unfair competition, and particularly with respect to cotton yarn from Turkey and other States which have special preferential trading arrangements with the Community?'

Mr Spinelli replied that any case of dumping would obviously give the Commission the chance to intervene; but proof must first be forthcoming.

#### 2. *Harmonization of oil product prices* by Mr Norbert Hougardy (Be, L)

'Does the Commission not think that, if the objectives of the common energy policy are to be achieved, priority should be given to fixing the prices for oil products?'

Commissioner Claude Cheysson replied that in its statements to the Council on a new energy policy strategy and on a Community policy for hydrocarbons, the Commission had stressed that the adoption of a Community price policy was vital for all those concerned with the sound operation of the Common Market. It had also stressed that the key feature of such a policy was transparency. The aim

to be pursued was to align price levels although this did not mean a single set of rates. In its resolution of 16 February, the Council had recognized that a price policy was the key feature of the hydrocarbons policy. It stated: 'a consumer price policy based on competition and on the transparency of costs and prices is a necessity.' These principles should help to ensure that price levels which are based on real trends in supply should make sense from one Member State to another. The Commission was at present drawing up proposals in consultation with the Member States and interested parties. These proposals would be submitted during the course of this year.

Mr Hougardy then asked whether the Commission was aware that petroleum prices were abnormally low in Italy and that this discouraged investment and research and caused foreign companies to abandon this market. Mr Cheysson replied that the Commission was aware of this and that all these matters were being considered on the Energy Committee.

### 3. *Mediterranean policy* by Mr Jean Durieux (Fr, L)

'In the current negotiations with the EC, the Maghreb countries are asking for extensive access to finance from the European Investment Bank. In view of the relative scarcity of capital in Europe, would it not be more expedient, in accordance with a recent proposal by the German delegation in connection with Egypt, Syria, Lebanon and Jordan, to give the Maghreb countries our technical assistance in the use of Arab capital?'

Commissioner Claude Cheysson replied that the agreements now in preparation with the Maghreb countries would include financial aid amounting to 339 million units of account of which 130 million u.a. would come from the European Investment Bank. It was true that these countries had asked for access to finance from the E I B over and above the ceiling quoted. Mr Cheysson said 'we have not yet given our agreement. There has not yet been any proposal from any Member State' but it was true to say that the possibility of finance from other sources had been informally discussed. The Commission was now looking at the problem as a whole.

Mr Durieux then asked whether the possibility of financial agreements might form part of the Community's global approach to the Mediterranean. Mr Cheysson replied that it was not yet clear what form the Euro-Arab dialogue was to take but the Commission was interested in the problem of access to the financial markets and that this would be the appropriate framework for looking into it.

4. *Action taken by the Council on Commission proposals by Mr Jan Broeksz (Du, S)*

'Is the Commission prepared to provide Parliament with a list of all its formal proposals to the Council on which the European Parliament has already delivered its opinion but on which no action has yet been taken by the Council, and by what date can this list be submitted to Parliament?'

Mr Carlo Scarascia Mugnozza, Vice-President of the Commission, replied that the Commission was ready to do so and would submit the list requested within three weeks. Mr Broeksz then asked whether this list could be broken down as between purely technical matters and those of more general interest. Mr Scarascia Mugnozza agreed.

5. *Competitiveness of small and medium-sized enterprises in the Common Market by Mr Lothar Krall (Ge, L)*

'Is the Commission working on proposals to improve the competitiveness of small and medium-sized enterprises in the Common Market, in particular to ensure that such undertakings are able to compete for public contracts awarded within the Community, and to promote cooperation between such enterprises from different Member States by introducing the legal status of 'European Cooperation Grouping'?''

Commissioner Finn Gundelach replied that the small and medium-sized firms had an important part to play in the Community and that they should be able to operate under conditions of fair competition. 'Our aim is that they should be in a position to defend themselves'. Mr Martin Bangemann (Ge, L) who was acting for Mr Krall, then asked whether its policy of improving the competitive position of these firms would be part of a wider industrial policy. Mr Gundelach replied that this was so.

6. *Import regime for sheep and lamb operated by France by Mr Charles McDonald (Ir, CD)*

'In the light of the Judgment of the Court of Justice of 10 December 1974 in Case 48/74, what is the Commission's opinion in regard to the compatibility with the relevant articles of the EEC Treaty of the import régime for sheep and lamb operated by France vis-à-vis certain Member States, including in particular the complete prohibition of imports from time to time and increases in the fees levied on imports?'

Commissioner Petrus Lardinois replied that the Court of Justice ruling referred to only affected Member States in the transitional period and did not apply to relations with the three new Member States.

Mr McDonald then asked: 'Will the Commissioner agree that the organisation of the Common Agricultural Policy can hardly be looked upon as complete without a common agricultural policy for sheep and sheep-meat? In view of the fact that the levies and import charges being operated by France have been actually increased since the Treaty of Accession was signed it is surely something that should give the Commission a certain amount of worry. Can the Commissioner say when the Commission will be able to deal with this problem? After all, the market has been closed to the exports of Member States four times during the last 12 months?'

Mr Lardinois said that the Common Agricultural Policy would obviously not be complete until arrangements for sheep and sheep-meat were included. Proposals to this effect would be submitted as soon as the United Kingdom, which was the biggest producer, made clear its intention of remaining within the European Community.

Mr James Scott-Hopkins (Br, EC) asked: 'Assuming that the United Kingdom stays in the Community, as I am sure it will, does the Commissioner agree that to give protection to one Member country – France – up to 1978 is unfair in that it makes one country more equal than others? Is it not inviting a country such as the United Kingdom to set up the same kind of barrier against, for instance French exports of eggs in return for the blocking of exports of British lamb into France?'

Mr Lardinois replied that these two issues bore no relation to one another. The present arrangements went back to before the accession of the three new Member States.

Mr Tom Nolan (Ir, EPD) then asked: 'Last June the Commissioner said that he was preparing proposals for a common agricultural policy on sheep. Subsequently he said that they were too busy. Will the Commissioner now tell us by what date we shall have those proposals?'

Mr Lardinois replied that the Commission would submit proposals for consideration by the Parliament before the summer recess.

#### *7. Food prices* by Mr James Scott-Hopkins (Br, EC)

'Can the Commission explain why the rates of increase in food prices in Britain and Norway respectively over the last two years have been different?'

Mr Petrus Lardinois replied that food prices in Norway were very strongly influenced by the high prices for grain. Grain was some 40-50 per cent more

expensive in Norway than in the Community although prices there actually went below the EC level for a short time. In other words, Norway had experienced difficulties for all goods not produced in that country over the last two years.

Mr Scott-Hopkins then asked: 'Does not the Commissioner agree that food prices in Norway are at present higher than those both in my country and in the rest of the EEC and, indeed, that the EEC food prices in general are below the present world level of prices, including my country?'

Mr Lardinois replied that perhaps the best answer would be to quote one or two examples. Beef in Norway costs some 50 per cent more than in the United Kingdom and the same is true for dairy product prices. The price of bread in Norway was some 80 per cent higher than in Britain.

8. *Price of sugar* by Mr Peter Kirk (Br, EC)

'Is it true that the world price of sugar is higher than in the Community and that as a result of this and of the EEC sugar arrangements, the British consumer has benefited greatly?'

Mr Petrus Lardinois replied that the world sugar price was higher than that in the EC in 1974 and in 1975. The British consumer subsidy offered considerable protection against high world prices and to sum up he would say it was true that the United Kingdom had benefited considerably.

Mr Kirk asked: 'I welcome the Commissioner's reply and particularly the evidence of Community solidarity in this matter. Can the Commissioner give any indication of the saving per kilo for the consumer in the United Kingdom as a result of the assistance given by the Community?'

Mr Lardinois replied that in the period from 1 June 1974 to 1 June 1975 the price in the United Kingdom was approximately half that on the world sugar market.

Mr Scott-Hopkins then asked him what the Commission's estimates of the Community's sugar beet crop for this year were. Mr Lardinois replied that he thought it would be a very normal crop and added that with a 10 per cent increase in the acreage sown the actual yield should be unusually good.

## 9. *Beef supplies* by Mr Ralph Howell (Br, EC)

'How many days' supply of beef are at present held in intervention in the Community and what tonnage is deemed to constitute a beef 'mountain'?

Mr Petrus Lardinois replied that stocks amounted to 1 kg for every head of population in the Community. If bones were excluded then the amount would represent less than 2 lb per head of population. If public imagination were to run to the organisation of a beef day the whole stock would be disposed of at once.

Mr Howell then pressed him to say how many days supply of beef were at present held in intervention, to which Mr Lardinois replied: '11 – 12 days'. Mr Lardinois added that he thought that the worst difficulties on the beef market were over but added that this was a cyclical problem.

Mr James Gibbons (Ir, EPD) asked: 'Could I ask the Commissioner whether, in view of the most recent proposals about the limitation of intervention, he has any other proposals which would permit the free flow of beef from Ireland into the mainland of Europe?'

Mr Lardinois said: 'No'.

## 10. *Number of Community and British civil servants* by Mr Hugh Dykes (Be, EC)

'How many Community officials are there per head of population in the EEC and how does this compare with the number of industrial and non-industrial civil servants in Britain?'

Mr Albert Borschette replied that it was hard to make comparisons because of the high number of linguists employed by the Community institutions. The institutions employed four officials for every 100,000 head of population in the Community as compared with the civil service in the United Kingdom which employed 1,300 civil servants for 100,000 head of population.

Mr Dykes then asked: 'Since, putting the mathematics another way, there is one European civil servant in the Commission alone per 33,000 inhabitants of the Community, in comparison with the mirror image of his answer that there is one British civil servant for every 79 inhabitants of the United Kingdom, can he, in the light of those sums as well as his own, explain to me adequately why there are some people in my country and perhaps in other Member States who feel

that the European Community is an over-weighted bureaucracy, seeking to remove our basic freedoms? ’

Mr Borschette said that not being a mathematician he did not know if this was correct. But he wished to add two comments. The first was that of the 7,000 officials of the Community nearly 3,000 were linguists. Secondly, to take a concrete example, when a Directorate-General such as that for agriculture which was responsible for running the Common Agricultural Policy and which, therefore, had exactly the same kind of work to do as a national ministry, employed a staff of 600, it could certainly not be argued that the Commission was over-manned. ‘I would add that if you have any contact with these officials I do not think that you get the impression that they are faceless bureaucrats’.

#### *11. Consumer subsidies for butter by Mrs Mary Kellet-Bowman (Br, EC)*

‘Is the Commission in favour of consumer subsidies for butter and can it estimate the extent to which the British consumer is benefiting from such subsidies? ’

Mr Petrus Lardinois replied that under present circumstances the Commission was in favour of a consumer subsidy for butter. At present the consumer gain in Britain was around 100 million pounds per year of which some 20 per cent came directly from the EAGGF. The Community also paid directly some 15 per cent of the price of butter imported into the Community from third countries including New Zealand.

Lady Elles asked: ‘Can the Commission confirm that if there is a prospective butter surplus, subsidies will continue to be given particularly to disadvantaged groups, like old-age pensioners, as have been given so far? ’ Mr Lardinois replied that this was the case.

#### *12. Mountain and hill farming directive by Lord St. Oswald (Br, EC)*

‘Following the decision of the Council on 28 April, how much does the Commission expect to disburse under the directive on mountain and hill farming in 1975 and in a full year and how much is expected to be in respect of the United Kingdom? ’

Mr Petrus Lardinois replied that further to a Council decision the total amounts disbursed would be approximately 80 million u.a. of which some 30 per cent would go to the United Kingdom. This total would probably not be reached in a

full year because of the administrative running period in certain Member States. The effect of this was that around 40 per cent of this amount would go to the United Kingdom in 1975 and that when the system was fully operative in all Member States this percentage would be between 25 and 27 per cent.

*13. Cost of Community and British civil servants by Mr John Osborn (Br, EC)*

'What is the cost per head of population in the EEC of the Community officials and how does this compare with the cost per head of the industrial and non-industrial civil servants in Britain?'

Mr Albert Borschette replied that subject to the reservations he had expressed in answer to a previous question, the figures were that the annual cost per head of population was approximately 50 pence per head of the Community and approximately 24 pounds per head per official in the United Kingdom.

Mr Osborn then asked: 'Even allowing for the fact that this staff is for translation and linguistic purposes, is it not incredible that we can say that the cost in Britain is roughly 50 times per head what it is in the Community, and will he emphasise that the cost is not a great burden on the British people?'

Mr Borschette replied that he would stress that the cost was not a great burden on the British people.



## References

Subject	European Parliament document number	Commission document number	Date of debate
Supplementary Budget No. 1: Regional Fund	533/74	530/74	29/4
Supplementary Budget No. 2: Cheysson Fund	55/75	52/75	28,29/4
The Community's Development Policy . . .	42/75	430/74	30/4
Food aid . . . . .	50/75	19/75	30/4
Humanitarian aid to Cyprus . . . . .	41/75		29/4
Equal opportunities for men and women . .	24/75	520/74	29/4
Crisis in the fishing industry . . . . .	64/75		30/4
Environment: clean water . . . . .	28/75	472/74	30/4
The Paris Energy Conference . . . . .	--	--	
Parliament's accounts for 1974 . . . . .	58/75	--	28/4
<b>Agriculture</b>			
Easing beef import controls . . . . .	67/75	--	30/4
The Standing Veterinary Committee . . . .	47/75	8/75	30/4
Olive oil . . . . .	57/75	20/75	30/4
Trade in certain agricultural products . . .	44/75	7/75	30/4
Suspension of duty on some products . . .	56/75	48/95	30/4
Agricultural Products . . . . .	44/75	7/75	
	56/75		
Pesticides . . . . .	16/75	460/74	29/4
Question Time . . . . .	46/75	--	29/4
Commission statement on action taken on Parliament's advice . . . . .			
<b>External relations</b>			
The Lomé Convention . . . . .	--	--	14/5

Agreement with Israel . . . . .	94/75	--	14/5
Situation in the Middle East . . . . .	70/75	--	14/5
Discrimination by Arab League countries . .	71/75	--	15/5
<i>Social affairs</i>			
Safety in the coal and steel industries . . . .	78/75	--	13/5
Tackling unemployment . . . . .	74/75	73/75	13/5
Dealing with poverty . . . . .	77/75	76/75	13/5
Budget appropriations carried forward . . .	80/75	40/75	12/5
<i>Industrial affairs</i>			
Aid for the car industry . . . . .	30/75	--	15/5
	72/75		
Nuclear safety . . . . .	49/75	5/75	15/5
Eurocontrol . . . . .	83/75	--	13/5
Information programme . . . . .	45/75	--	13/5
Consumers' Consultative Committee . . . .	68/75	--	14/5
	69/75		
<i>Development and cooperation</i>			
Food aid . . . . .	101/75	62/75	15/5
<i>Business</i>			
Credit institutions . . . . .	66/75	435/74	15/5
European Investment Bank . . . . .	59/75	502/74	12/5
<i>Environment</i>			
Bathing water . . . . .	53/75	507/74	13/5
<i>Agriculture</i>			
Alpine cattle . . . . .	98/75	503/74	15/5
	6/75		
Norway's fishing grounds . . . . .	65/75	27/75	15/5
Apricot pulp . . . . .	95/75	61/75	15/5
Potato protein . . . . .	96/75	60/75	15/5
Miscellaneous regulations . . . . .	75/75	531/74	15/5
Question Time . . . . .	84/75	--	14/5

## **Abbreviations**

The following abbreviations are used in this text to denote nationality and political allegiance: CD Christian Democrat, S Socialist, LA Liberal and Allies, EC European Conservative, EPD European Progressive Democrat, CA Communist and Allies, Ind Non-attached Independent Members, Be Belgian, Br British, Da Danish, Du Dutch, Fr French, Ge German, Ir Irish, It Italian, Lu Luxembourg, EC European Community.

## **NOTES**

### **Welcome to Greek delegation**

The President welcomed on behalf of Parliament a group of Parliamentarians belonging to the Joint Parliamentary Committee of the EEC-Greece Association.

### **Presentation of a petition**

The President announced that he had received from Mr Virgile Barel a petition on the purification of titanium dioxide waste.

This petition had been entered under No. 1/75 in the register provided for in Rule 48(2) of the Rules of Procedure and, pursuant to paragraph 3 of the same Rule, referred to the Committee on Public Health and the Environment.

### **Summing up**

At its sittings of 12, 13, 14 and 15 May Members put down 1 question for debate with the Council, 4 questions for debate with the Commission and 1 question for debate with the Conference of Foreign Ministers. At Question Time 0 questions were addressed to the Council and 13 to the Commission. 18 reports were considered and the European Parliament delivered 17 Opinions.

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