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information series

the sittings

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### **The Sitzings**

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## **SESSION OF THE EUROPEAN PARLIAMENT**

**1975 – 1976**

**Sittings held in Strasbourg**

**from**

**Monday, 13th October to Friday 17th October 1975**

### **Introduction**

It is not often that individual Member States are called to account in the European Parliament: criticisms tend to be directed at the Council and the Commission rather than at say, Leinster House or Westminster. But this week in Strasbourg was very nearly the exception. The reason was the bid by Mr James Callaghan, British Foreign Secretary, for separate UK representation at the Paris Energy Conference. Parliament was very much taken aback by this attitude: it could, Parliament feels, 'present a threat to a future Community energy policy'. Parliament is convinced of the need for the Community to speak with a single voice on such occasions. At the same time, it did not wish to attack Britain directly and therefore urged 'a ll Member States to concert their views in preparation for the conference'.

Turning to the draft budget for 1976, Parliament's reaction was one of disappointment and dismay, particularly over the Council's cuts in appropriations for the Social Fund, research and aid for the non-associated developing countries. Council President Mariano Rumor had a hard time defending the Council's position.

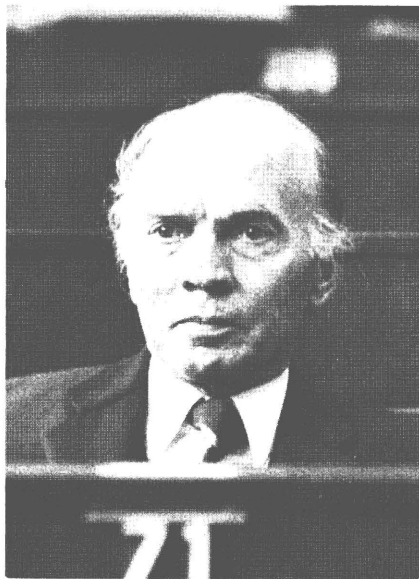
Another important debate concerned incomes in the fisheries industry. Commissioner Petrus Lardinois promised, last April, to act if things got bad. Now, he was told, that time has come. He said the Commission would be making proposals in the next few weeks.

Lastly, in a second debate on Spain, there was strong support from Socialist, Christian Democrat and Liberal spokesmen for the courageous stance adopted by Commission President François-Xavier Ortoli. The Commission, they feel, is nothing if not political.

### Political affairs

#### *British attitude to energy conference criticised: EC must speak with one voice*

The news that Britain would be seeking separate representation at the Paris energy conference provoked an immediate reaction from the European Parliament. An emergency debate was called to consider motions put down in



*Mr Gerd Springorum: 'The British Government is playing a dangerous game'*

the name of the five Political Groups. All 'expressed concern' and one, from the Christian Democrats and Liberals, referred to the United Kingdom by name. This provoked an uproar. Mr Willie Hamilton (Br, S) said 'the motion should be dismissed with the contempt it deserves as the product of the little minds of parish pump politicians'. And he and his Socialist colleagues, notably Mr Micheal Stewart, argued that a special national interest was at stake here.

Mr Micheal Yeats (Ir, EPD) was shocked. 'The question we must ask ourselves is whether we are members of this Community. Do we accept the obligations of membership?' Mr Friederich Burgbacher (Ge, S) asked 'Are we to understand that Britain is only a member of the Community to the extent of its liabilities and assets on joining and that assets acquired since are to be left out of the Community account?' He agreed with Mr Yeats. The Community must speak with one voice. Mr Gerd Springorum (Ge, CD) was even more trenchant: 'Why should we buy Opec oil from the North Sea when it is subject to the same price rulings as oil from countries from which it can be transported to the Community far more easily? No, Ladies and Gentlemen, Europe is well served with English, British, Scottish oil when it is an oil that comes to the Community. Opec oil from the North Sea is of no interest to us'.

He pointed out the Community imported dairy produce from New Zealand despite the EC's own surpluses; it imported sugar from the Commonwealth and extended a helping hand to India. It had no need to this. The Community's aim was simply to help on its Member States. 'Britain, he said, is playing a dangerous game'.

Mr Callaghan had argued there were cases where the EC could represent all our interests and others where it could not. 'If this were right what are we sitting here for? Why did Britain have a referendum? If we all argued this way we would be building a sham of a Europe with "every man for himself" as our motto'.

The Christian Democrats withdrew their motion in favour of one tabled by Mr Peter Kirk, for the European Conservatives and Mr Christian de la Malène, for the European Progressive Democrats. This noted the announcement that a Member State would be individually represented at the Paris Conference; expressed concern at such attitudes which could present a threat to a future EC energy policy; was convinced of the need for the Community to speak with a single voice on such occasions and urged all Member States to concert their views in preparation for the conference.

This motion was agreed to. A Socialist motion tabled by Mr Ludwig Fellermaier and Mr Micheal Stewart, which went no further than to say (Parliament) 'expects that Community Governments will take all necessary steps to ensure the rapid establishment of a common energy policy' was defeated. But the debate, in which there were a dozen speakers, clearly showed that there are still differences of opinion as to what being in the Community really means.



*Trade negotiations with Spain broken off: strong support for Commission's stance*

Mr Mariano Rumor, President of the Council, told Parliament that the Community had now broken off negotiations with Spain about a new trade agreement. The Council had appealed to General Franco to show clemency to terrorists condemned to death and noted, with the greatest bitterness, that its appeal had gone unheard. In the brief debate that followed, spokesmen for Parliament's three biggest groups, the Socialists, the Christian Democrats and the Liberals emphatically supported President Ortoli's stand. The Commission is a political body. Mr Lücker, for the Christian Democrats, then set the debate in the perspective of Europe's future, expressing the hope that Spain would one day join the Community. Mr Jean Durieux, Liberal spokesman, stressed the importance of normalising relations between Spain and the world at large.

*Mr Mariano Rumor speaks of encouraging progress in political cooperation*

When, at The Hague Summit, the Community began to edge into politics proper, the Davignon Committee was set up to see how far the EC could go. The outcome was twice-yearly meetings of foreign ministers and twice-yearly meetings between the President of the Foreign Ministers and Parliament's Political Affairs Committee. In 1973, the rate of these meetings was upped to four times a year. The 27 October 1970 Davignon Agreement also provided for the President of the Foreign Ministers to make an annual report to Parliament on progress towards political cooperation. The first of these reports was given by Mr Maurice Schumann on 10 June 1971 and the report by Mr Mariano Rumor this week was the fifth in the series. What was different this time was that Members were able to put questions to him after his report and a full debate ensued. (This, it will be remembered, was one of the points made at the Paris Summit on 9-10 December 1974: 'In view of the increasing role of political cooperation in the construction of Europe, the European Assembly must be more closely associated with the work of the Presidency, for example, through replies to questions on political cooperation put to him by its Members').

Mr Rumor reminded the House that a European Council had now been set up to replace the old-style "summits" and it had been thanks to this that the British renegotiation had gone through so smoothly. He spoke of the EC's decision to help Portugal, of the joint position adopted by the Community at the Helsinki Conference and of the common line taken at the United Nations.

Looking ahead to the European Council scheduled for 1-2 December in Rome, Mr Rumor said that the report on European Union by Mr Tindemans and direct elections to the European Parliament would be among the points discussed.

In the context of political cooperation, the Nine had discussed the Middle East, Cyprus and Lebanon. The Nine would continue their discussions with a view, ultimately, to Political Union. 'We see this as the condition for enabling Europe, once again in its history, to fulfill its duty to be present in the world, to contribute, in its own inimitable way, to the progress of peoples in a spirit of concord and peace'.

In the debate that followed Mr Walter Behrendt (Ge, S) for the Socialists, expressed satisfaction at the help given to Portugal. Mr Alfred Bertrand (Be, CD) for the Christian Democrats, welcomed what he described as positive developments in political cooperation. Mr Cornelis Berkhouwer (Du, L) Liberal spokesman, was less sanguine. He questioned the staying power of the Helsinki Agreement and quoted the cases of Andrej Sacharow and Boris Spassky. Mr Peter Kirk (Br, EC) for the European Conservatives, said it was 'a revelation to him .... to discover the extent to which political cooperation spreads itself over the activities of the Foreign Ministers'. He welcomed any form of cooperation between our nine governments. 'But what is going on is hapening in such a curious way that it is impossible for any one to keep track of it precisely'. He suggested finding a way of 'bringing all this activity within the normal activity of the Community as a whole'.

Mr Luigi Giraud (It, CD), chairman of the Political Affairs Committee, took a similar line. He looked for political cooperation to be more organised in an institutional way. His colleague Mr Mario Scelba (It, CD) was more concerned with the failure of the Community's Mediterranean policy to see light of day.

The Communist spokesman, Mr Marcel Lemoine, thought Mr Rumor's report 'a little too idyllic' and Mr Francescopaolo D'Angelosante stressed how hard put the EC had been to find a common line on Spain.

#### *Motion congratulating Andrej Sacharow referred to committee*

A motion by Mr Alfred Bertrand and Mr Klaus Schulz, for the Christian Democrats, extending warmest congratulations to Mr Andrej Sacharow on winning the Nobel Prize and hoping that it will be handed over to him in person has been referred to committee.

## Budget

### *Parliament disappointed by draft budget for 1976*

The European Parliament was disappointed by the draft budget it received from Council on 5 October and gave Mr Mariano Rumor, Council President, a fairly difficult time when he appeared before the House to defend the draft budget in Strasbourg this week. The Council cut back the Commission's preliminary draft budget of some 8,000 million units of account by some 500 m to present Parliament with a draft budget of 7,500 m u.a. Mr Mariano Rumor told the



*Mr Mariano Rumor: 'Our hope is that future budgets will be better balanced'*

House that its aim had been to make savings wherever possible and to include no credits until policy decisions had actually been taken. In view of the economic situation in the Member States, the Council had had great difficulty in choosing where to allocate funds. Nonetheless, he pointed out, the budget represented an increase of 19 per cent over 1975.

Parliament had six main criticisms: that this is not budgeting but simply a way of forecasting what the continuing implementation of policies is going to cost;

that the cuts were bad anyway; that if there had to be cuts they should have been made across-the-board and not concentrated in the 25 per cent of the budget not concerned with agriculture; that the Council had given no explanation for the cuts to enable Parliament to understand the thinking behind them; that Parliament's scope for action is surrounded with ambiguities; and that hints of supplementary budgets to come reduces the whole of the present procedure to a farce.

Lord Bessborough (Br, EC) thought there was too little emphasis on the budget as a tool of economic management and Mr Erwin Lange, Chairman of the Committee on Budgets, took a similar view: the budget should be a way of promoting policies. Mr Heinrich Aigner, for the Christian Democrats, thought the Finance Ministers 'should be ashamed to be acting as bookkeepers, avoiding any political analysis or political forecasting'.

As to the cuts, no one had a good word to say for them, the criticisms varying only in intensity. The Social Fund has been cut back from 500 m u.a. to 400 m u.a.; the Regional Fund by 150 m u.a.; 105 m u.a. has been cut back from development aid and 90 m u.a. from food aid. 54 m u.a. has been cut back from research. Mr Jean Durieux, Liberal spokesman, asked why social policy did not get more money now that unemployment was so high. Mr Michael Yeats said he wondered where the logic of the Council was. He described the budget cuts for research, which will mean staff salaries are paid while the programme itself goes unfunded, as 'sheer lunacy'. Mr Yeats was equally scathing about cuts in social policy spending, particularly after the 'fine words' of the Paris Summit in December last year. The Council's attitude, he said, was doing 'nothing but harm to Community development and the European ideal'. Lord Reay, rapporteur for the Committee on Development and Cooperation, found it hard to be other than critical in view of what he called 'a depressing, nationalistically-minded and probably not very sincere display of cost cutting'. He said that development was the only sector to get less cash (down from 4.04 per cent to 2.83 per cent) than in 1975. The Community would now miss the opportunity to graduate to common policies and it would suffer in world opinion because of the discrepancy between what it promised (at the World Food Conference) and what it gave. And Mr Augusto Premoli found it inconceivable that a budget of some 7,500 m u.a. could not find room for the small amounts envisaged for social policy and the Regional Fund.

There were then a great many criticisms of the fact there had been no cuts in the farm budget. After criticising the ambiguities surrounding Parliament's scope for

action, Mr Peter Kirk, for the European Conservatives said: 'If one sets out to make cuts in a budget, but eliminates 75 per cent of that budget before starting, saying that one cannot cut a penny of it, the end product is bound to be that the rest is virtually destroyed. That is what has happened on this occasion'. Lord Walston (Br, S) said: 'In my view the orientation at the present time of the common agricultural policy is far too much towards preserving the standard of living of the farmer and insufficiently directed towards ensuring the proper nutrition of the people'. Mr Fazio Fabbrini, Communist spokesman, pointed out that beef and veal, dairy produce and cereals alone accounted for 72.1 per cent of the farm budget and 46.6 per cent of the budget as a whole.

Mr Michel Cointat (Fr, EPD) rapporteur général for the budget, criticised the Council for not explaining the cuts it had made. In reply, Mr Mariano Rumor said the budget was a compromise.

But the ambiguities surrounding Parliament's scope for action remain. In May the Commission produced its usual percentage figure for the rate of increase (from one year to the next) in discretionary spending for 1976. Its figure was 15.3 per cent. The Council, on the other hand, is proposing a new rate of 16.06. Under Rome Treaty Article 203 the mere fact of a new rate being accepted divests Parliament of any right to increase discretionary spending at all.

However, at a meeting on 22 September between a delegation of the European Parliament, led by Lord Bessborough, and the Council, it was agreed that Parliament, would be allowed to increase this part of the budget by a p p r o x i m a t e l y half i.e. around 7.65 per cent. But what is it to be a half of? Is it to be  $7.65 \times 1,022,406,636$  u.a.  $78$  m u.a. (supposing the regional fund is included in discretionary expenditure) or  $7.65 \times 872,406,636 - 66$  m u.a. (if it is not).

Lastly, there was criticism that supplementary budgets would be needed. Lord Bruce of Donnington had this to say: 'It is true that the Council say there will be supplementary budgets. This attitude is to reduce the entire budgetary procedure to a farce. Either we are considering a budget or we are not considering one at all. This bears the stamp of a Council that has no coherent plan'. Other speakers were less polite. Mr Luigi Noé spoke of the Council's 'budgetary vandalism' and Mr Tam Dalyell said: 'We think that the Council has served up a dog's breakfast'.

Mr Claude Cheysson, Commissioner responsible for the budget, noted the points made in the debate. There was some sympathy for Mr Mariano Rumor: 'I do not

think I have ever heard any one who so patently disagreed with the case that he was putting forward' said Mr Peter Kirk. But the underlying mood, as Mr Cheysson said, was one of "malaise". Parliament gives a second reading to the budget in November.

*Same procedure for considering budget as last year*

Mr Erwin Lange, chairman of the Committee on Budgets, asked Parliament to adopt substantially the same procedure for considering the budget as it did last year. This was agreed to.

*Change in financial regulation resisted*

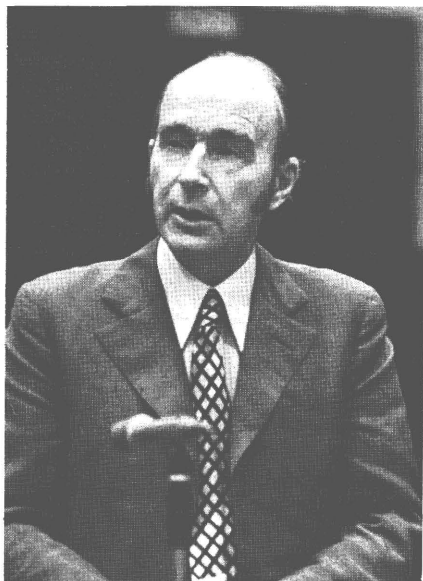
Mr Michael Shaw moved that any decision on the introduction of the distinction between payment appropriations and commitment appropriations in the general budget of the Communities should be deferred. This was agreed to.

**Social and economic affairs**

*Debate on economic and social situation: Mr Alfred Bertrand unimpressed by Council's optimism*

Mr Alfred Bertrand, Chairman of the Committee on Social Affairs and Employment, appreciated the response of the Council and the Commission to the request he had made in September for a full debate on economic and social policy between the three institutions. He noted that Council President Francesco Fabbri had spoken in terms of cautious optimism about economic recovery in the new year. But, he said, he had yet to meet a government that was not optimistic about the economic situation. He, himself, was very skeptical. He was equally unimpressed by the statement made by Commission Vice-President Wilhelm Haferkamp, to the effect that the economic policies of the Member States were converging. He thought they showed no signs of convergence at all. He asked Mr Fabbri why the Council had made a cut of 100 m u.a. in the Social Fund for this was a time for solving problems at the Community level.

In reply, Mr Fabbri said he was by nature a pessimist and that if he had made reference to the signs of economic recovery in Canada, the United States and Japan, he had done so with some caution.



*Dr Patrick Hillery: 'Mass unemployment is the result of recession and the only way to fight recession is by concerted economic action'*



*Mr Fabbri: 'When our combined efforts solve the problem of five million unemployed then we can be satisfied'*

For the Commission, Dr Patrick Hillery said that one of the main causes of unemployment was the recession and that a cure for the recession would cure unemployment.

The draft of the ensuing debate, in which a score of speakers took part, was that unemployment is a Community problem which calls for a Community answer. Mr Erwin Lange, for example, spoke at length of a European social security service.

One dissenting voice, however, was Mr Richard Mitchell who thought the whole debate pervaded by an air of unreality, by a supposition the EC was more powerful than it really was. At the same time, he thought the Community would be better employed shifting the emphasis from agriculture to social policy.

Mr Manfredi Bosco, President of the Council, concluded: 'We can not be satisfied until we have found an answer to five million unemployed'.

*Commission sees economic policy coordination as way to contend with exchange rate fluctuations*

Mr Michel Cointat asked the Commission how it intended to deal with exchange rate fluctuations undermining the agricultural and industrial markets. Mr Wilhelm Haferkamp replied that the only answer lay in the coordination of economic policies and the practice of Community solidarity.

*Approval for proposal to level up family allowances*

Mr Luigi Rosati asked the House to approve a Commission proposal that family allowances be paid to migrants at the host country rate and not, as is the case in France at the moment, at the rate applicable in the country of origin.

*Concern about lay-offs planned by Akzo and Philips*

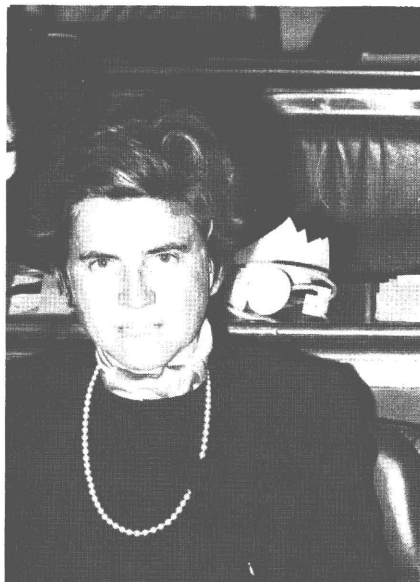
Mr Alfred Bertrand, chairman of the Committee on Social Affairs and Employment, expressed concern about reported lay-offs at Akzo and Philips and asked the Commission what could be done to help those affected. Dr Patrick Hillery replied that the Akzo planned to cut its labour force from 43,000 to 37,000 by the end of 1977 and to cut back its rayon and nylon production by 60,000 tons per year. This was a survival measure. Philips was affected by the restructuring of the data-processing industry in France. He had had talks with representatives of metal workers and clothing and textile workers and further talks would follow. Aid was possible under Article 4 of the Social Fund. But the Council directive on mass dismissals, adopted in February, would not come into operation until 1977.

**Cooperation and development**

*Lomé Convention must be ratified by end November*

Miss Colette Flesch today appealed to all Member States to ratify the Lomé Convention before the end of November. It can not otherwise come into force by the due date of 1 January 1976. Mr Adolfo Battaglia, President of the Council, endorsed this appeal as did Commissioner Claude Cheysson. Denmark has ratified, said Mr Cheysson, and ratification was well in hand in Ireland,





*Miss Colette Flesch: 'The Lomé Convention must be ratified by the end of November if it is to come into force on 1st January 1976'*

Germany, Luxembourg and Britain. But Belgium and Italy had not progressed so far and France and the Netherlands were still a long way from actual ratification.

Mr Cheysson, who incidentally, congratulated Miss Colette Flesch on her sweeping re-election as Mayor of Luxembourg, welcomed her report as the best document available on the Lomé Convention. Reviewing the Convention, he said that Lomé was part of a new way of looking at the world and living together. The export stabilisation scheme and the sugar deals were striking illustrations of this new approach.

#### *Escape clause under Lomé Convention*

Parliament approved a proposal which would allow the EC to restrict ECP imports under exceptional circumstances further to Article 10 of the Lomé Convention.

#### *Statement on aid for Overseas Countries and Territories*

The House welcomed a Commission statement on the renewal of the EC's association with the Overseas Countries and Territories. A total aid extended

under the new association will be 160 m u.a. Mr Cheysson stressed the importance of the parallelism between arrangements for the OCT and the Lomé Convention countries.

*Generalised preferences scheme: politically unrealistic to aim for same increases as in 1974 and 1975*

Parliament approved the Commission proposals on generalised tariff preferences for 1976 after an amendment seeking to improve the EC's offer had been defeated. Sir Christopher Soames said: 'It is not politically realistic to increase the preferences by as much this year as we have done in the two previous years'. He hoped the EC would be able to do better in future.

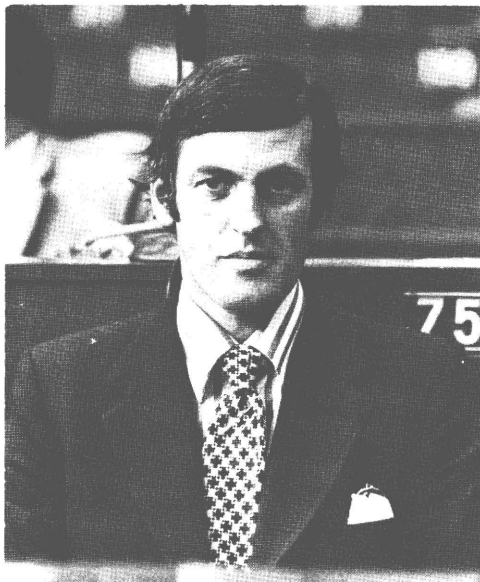
## **Agriculture and fisheries**

### *Fishing industry on the point of collapse*

Mr John Corrie told Parliament the fishing industry was on the point of collapse. He reminded Mr Lardinois that on 30 April 1975, he had promised to look after those affected if a crisis arose. That time, said Mr Corrie, had now come. Fishermen were getting the same prices, in some cases, as 35 years ago. The quota system was ludicrous. And, to compound the difficulties, Iceland and Norway had pushed out their limits. If better agreements could not be reached, EC countries should protect themselves by declaring a 200-mile limit with exclusive waters for coastal states of some 50 miles and agreed quotas within the new limits for EC boats. He put down a motion (which was subsequently referred to committee) calling on the Commission to take urgent action to meet the present crisis.

Mr Petrus Lardinois accepted the motion before the House. The situation was serious and the Commission would make appropriate proposals in the next few weeks. This would include a review of basic prices for fish products. He thought, however, the worst of the crisis was over. Exports, for example, were now improving and reserve stocks in storage were now lower.

Mr William Highes (Br, S) found this reply a touch complacent. Mr Niels Kofoed (Da, LA) said the EC had to have a policy; no Member State should be allowed to organise its fishing industry on its own. Mr Kai Nyborg (Da, EPD) thought



*Mr John Corrie: 'Now is the time for the Community countries to step in and take command and show our fishermen that we intend to look after their interests'*

imports from third countries, particularly Poland, should be cut back. Mrs Mary Kellett-Bowman (Br, EC) agreed with Mr Hughes. She was very surprised to hear the crisis had passed its most serious phase.

Mr Micheal Yeats (Ir, EPD) said the North-East Atlantic was suffering from over-fishing. Herring has practically disappeared. And the quota system introduced as a remedy has deprived many fishermen of a traditional and lucrative source of income. There had been no increases in either catches or fish prices. Meanwhile, for a fishing vessel operating out of an Irish port, fuel is up 15 per cent, fishing gear 50 per cent, equipment hire 72 per cent, vessel insurance 15 per cent, repair costs 26 per cent and social insurance 47 per cent. New boats were dearer too and harder to get finance for.

Mr Yeats concluded: 'It is good to hear from the Commission that there will be proposals. I urge him to remember in drafting them that they need to be generous, that the fishing industry is vital, that fishing is a hard and dangerous task, and that the men concerned who work long hours in dangerous and unpleasant conditions are entitled to a fair return for their labour'.

Mr Michael Shaw (Br, EC) said that closing traditional waters drove EC boats back nearer home. And not only ours but foreign ones too. 'Already our

fishermen, as they go out from Scarborough, are meeting Russian fleets 28 boats strong with four factory ships fishing 28 miles off our coasts. The writing is on the wall. Action must be taken'.

Mrs Winifred Ewing (Br, Ind) reminded the House that for every man at sea there are 15 men on shore dependent on his efforts. Mr John Prescott's (Br, S) sympathy, on the other hand, was with Iceland in developing its economy: 50 per cent of its GNP relates to fishing which represents 80 per cent of its exports. He looked for radical changes but hoped too that any structural changes would be tied to improving the social conditions of workers in the industry.

In reply Mr Lardinois hastened to assure the House he had not meant to imply the crisis was over. All he said was that things were not quite so bad as earlier in the year. He reminded the House that reorganising catch quotas would be easier if the responsibility for doing this were vested in the Community; the same applied to the 200 mile limit: was this a national or an EC problem?

He referred to modern fishing methods which gave little chance to either fish or traditional fishermen. Fish was, as a result, becoming a luxury item, which it should not be. He promised action without delay.

Referring to oil subsidies, he told Mr Yeats that the Commission had agreed to pay them one year longer. This would be equal to 50 per cent of the difference between current and September 1973 prices. As to prices, these varied. Herring fetched a better price in Ireland than elsewhere. It had practically doubled over the last three years. The situation is not wholly negative. 'But I agree with Mr Yeats that costs in Ireland have also doubled'.

Mr Lardinois concluded by quoting a Dutch proverb: 'Fish has to be paid for, not only with money, but men's lives'.

Mr John Corrie (Br, EC) said he looked forward to constructive EC fishing policies in the near future.

#### *EC frozen beef imports of 38,500 tons approved*

Parliament approved a 38,500 metric ton quota for beef at 20 per cent under GATT arrangements. Mr Liogier voted against. Mr Lardinois noted his comment.

### *Sucrose proposal referred back to committee*

Mr Lardinois asked that a proposal on sucrose be referred back to committee so that he could make a further statement on this subject. Mr Howell had moved the proposal be rejected. The Chair asked Mr Houdet if, as chairman of the Committee on Agriculture, he had any objection. He agreed and the Chair ruled accordingly.

### *Approval for aid to combat foot-and-mouth disease*

Parliament approved a Commission proposal to make a financial contribution to the Foot-and-Mouth Disease Institute in Ankara. The aim is to help protect the EC against exotic foot-and mouth viruses by building up a buffer zone in Western Turkey. 83,000 u.a. will be paid in 1975, 332,000 u.a. in 1976, 207,000 u.a. in 1977 and 207,000 u.a. in 1980.

### *Progress in consolidating Common Agricultural Policy regulations*

Parliament approved the consolidated texts on cereals.

### *Help for silkworm rearsers*

Mrs Elisabeth Orth (Ge, S) rapporteur for the Committee on Agriculture, asked Parliament to approve a Commission proposal to help silkworm rearsers. EC production centred in Veneto, Friuli, Calabria and Marche, dropped dramatically in competition with cheaper Chinese silk until the Council decided on 24 April 1972 to help EC rearsers. So rationslisation is being encouraged through aid to rearsers' organisations. Member States will bear half the cost of grants (which may not exceed 10,000 u.a.). The motion was agreed to.

### *Tighter control over EAGGF funds*

Parliament approved a Commission proposal which will mean tighter control over the release of Guidance Section funds, particularly where projects are either not started or left unfinished.

*Approval, with doubts, of animal transport convention*

Parliament approved a Commission proposal that the Community accede to the European Convention for the Protection of Animals during International Transport. But there were doubts as to how much difference the Convention would make. Mr Hamilton expressed concern about the transport of animals to third countries which would not be covered. Dr Hillery suggested this could, perhaps be covered by bilateral agreements.

*Help for hops producers*

Mr Isidor Früh asked the House to approve a Commission proposal for aid to hops producers in respect of the 1974 harvest. But he made this subject to an undertaking by the Commission to present a new regulation on hops in the near future. Replying for the Commission, Mr Albert Borschette said that a new regulation would be submitted to the Council within the first two weeks of November.

*Motion on agriculture surpluses referred to committee*

Mrs Ewing's motion deploring the build-up of surpluses and condemning the methods of their disposal was referred to the Agricultural Committee.

**External trade**

*Disappointing lack of progress on export aids*

In reply to Mr Niels Kofoed, Liberal spokesman, Sir Christopher Soames said progress in getting the Member States to agree on a common approach to export aids had been disappointing. The Nine were now cooperating less and they were, indeed, in real competition with each other. The Commission had concentrated on the two key points of interest rates and length of credit. Mr Jan Broeks moved the matter be referred back to committee. This was agreed-to.

### *Wine import regulation renewed despite doubts*

The EC regulation on imports from Algeria, Morocco, Tunisia and Turkey was renewed for a further year, this pending the finalisation of trading arrangements with the Maghreb countries. Some members felt that the regulation should have been renewed for six months only.

*21,700 metric ton quota for Hazelnuts from Turkey approved.*

*Supplementary Protocol to EC Association Agreement with Turkey approved.*

*150 metric ton quota for apricots from Israel approved.*

*5,000 metric ton quota for imports of eels approved.*

### **Consumer affairs**

#### *International drug companies under attack*

Mr Pierre Lagorce (Fr, S) for the Socialists put some pretty pointed questions to the Commission about the activities of multinational drug companies. He said: 'It is estimated that 90 per cent of the drugs on the market each year are simply old products in a different guise and make absolutely no contribution to medical science'. He also spoke of abuses. He pointed out that the Swiss firm Hoffmann-La Roche had been selling the sedatives librium and valium through their British subsidiaries at 370 pounds and 922 pounds per kilogramme, while the same products were available in Italy for 9 pounds and 20 pounds. The British Government had ordered cuts of between 60 per cent drug companies were more interested in profits than public health.

Mr Albert Borschette said in reply that the Commission had two aims: the first was to approximate laws to promote the free movement of goods and then to apply them strictly. Here he gave examples of how Treaty articles 85 and 86 had been applied. On 20 May the Council had adopted further directives and set up a pharmaceutical committee. The EC's first directive came out in 1965: prior authorisation was required for product marketing. The recent directives specify the manufacturers' obligation to test drugs to prove they are (1) effective; (2)

not harmful; and (3) have desired effect. They also lay down (1) controls to be made; (2) the qualifications required of those carrying them out; and (3) the sanctions for non-compliance.

The Commission's second aim was economic: to avoid duplication of tests carried out in other Member States. The pharmaceutical committee would try and see that decisions on whether drugs could be produced and marketed did not diverge from one Member State to another. He reminded the House that the Commission's 1967 proposals on advertising drugs had not yet been discussed by Council.

The Commission, he added, had not waited for press and public to react before taking action. In 1970 it had banned price agreements in the quinine markets. In 1972 the Commission had taken action against the multinational Zoja company for refusing to supply its Italian clients with a new anti-TB drug. The US company had resumed supplies and the Italian firm in question had survived.

The Commission was also looking into the fidelity contracts entered into between a Swiss company and its clients. As for price differences, the Commission began enquiries every time they came up. But, he added, before the Commission acted, it had to prove its case and this was extraordinarily difficult. In investigating sedatives, for example, it had asked three experts whether it were possible to define exactly what these were and it had had three different answers. The Commission, he repeated, applied the same rules to all companies whether they were national or multinational or whether they had their bases inside the Community or outside it.

After a brief debate, Mr Ludwig Fellermaier agreed with Mr Alfred Bertrand to refer to committee a motion demanding sweeping legislation in the drugs industry and calling on the drug companies themselves to do more in research.

#### *Additions to list of permitted preservatives*

The House approved a Commission proposal to add methyl parhydroxy benzoate, potassium propionate and potassium nitrite to the EC list of preservatives which may be used in food. Parliament's report drew attention to the need for a review of the use of nitrite and nitrate and the balance in human nutrition of mineral ions, in particular, of sodium and potassium.



## **EC staff affairs**

### *Commission challenged over EC staff pensions*

Dr Patrick Hillery told the House that the whole question of EC staff pensions was under consideration as part of a wider review now in progress. There would be consultations on every proposal to amend the EC staff regulations.

### *Question Time*

There were 16 questions addressed to the Commission and none to the Council. Before opening Question Time, President Georges Spénale said that the whole question of the conduct of business at Question Time had been referred to the Committee on Rules of Procedure. In the meantime, it would, provisionally, be extended to 90 minutes.

#### *1. Anxiety over textiles*

Replying to a question from Mr Alain Terrenoire about protection for the EC textiles industry against unfair competition, Sir Christopher Soames told Parliament that the Community was a party to the Gatt Multifibre Agreement and that this was intended to serve as a framework for the expansion of trade and fair dealing. Under Article 4 of the MFA, bilateral negotiations had already been entered into with India, Pakistan, Hong Kong, Macao and Singapore. Taiwan was also involved. Mr Terrenoire asked him whether controls could not be made tighter. He said 'yes' but there were rules and if these were not observed it was a matter for the Member States. But Sir Christopher told Mr Tom Normanton who raised this point that if he had a detailed report of any unfair practices, the Commission would certainly look into it.

#### *2. Waste of energy*

Mr Henri Simonet told Mr John Osborn that it was indispensable to avoid the waste of energy through the flaring of gases. The Commission had put forward proposals to support projects for looking into this.

### *3. Limited scope for EC to help newspaper industry*

In reply to Mr Peter Kirk, Mr Altiero Spinelli said that the Community's scope for helping the newspaper industry was limited but it had done what it could, for example, by opening quotas for newsprint imports at zero tariffs. Other measures were set out in the Commission's communication to the Council on the European paper industry which Parliament considered on 15 October 1974. The Council is now looking into this. Mr Kirk then asked whether the Social Fund and the European Investment Bank could both assist in retraining and restructuring the industry. Mr Spinelli replied that this was possible. Asked by Mr Schelto Patijn whether there was a monopolysituation in some newspaper industries, Mr Albert Borschette said that several enquiries were in progress.

### *4. Kilometre taxes common practice*

Mr Henri Simonet told Sir Geoffrey De Freitas that a kilometre tax was charged in France, Belgium and the Netherlands as a way of recovering VAT where there was no taxation representative for the passenger transport contractor concerned in the countries travelled through. He said that the United Kingdom was alone in having no VAT for transport and that when the VAT tax base was harmonised under the Sixth Directive (now with the Council), this would cover all international passenger transport.

### *5. No negotiations in progress with US over uranium supplies*

Mr Altiero Spinelli told Mr Tam Dalyell that there were no negotiations in progress between the United States and the EC on uranium supplies. There was, as yet, no real problem for Community users. He pointed out that the delays in uranium supplies were due to a re-organisation in the US and added that the EC would probably become more dependent on the USSR in the next three years for its supplies. Asked for his reaction about the deletion from the budget of credits for uranium exploration, Mr Simonet said the Commission could only express regret at such 'budgetary vandalism'.

### *6. 'The United Kingdom is not the only country which sees itself to be in a unique position'*

After informing the House of preparations for the forthcoming Energy Conference, Sir Christopher Soames was asked by Mr Willy Hamilton: 'Isn't the

United Kingdom in a unique position?' He replied: 'I do not believe that the United Kingdom is the only country which sees itself to be in a unique position'.

7. *Milk production in the EEC*

Mr James Scott-Hopkins asked why milk production had declined and whether the lack of common rules on hygiene inhibited the free movement of milk supplies in the EC. Sir Christopher Soames replied that production in the Community was expected to be the same as in 1974, increasing in Ireland, the Netherlands and Denmark and going down in the other Member States. Health regulations were not a matter for the Member States unless discrimination were involved. In reply to further questions, he said that the stocks of milk powder stood at over a million tons. 'It is not a shortfall of milk production that is worrying us'.

8. *No cutback in EC aid for India*

Replying to Mr John Corrie, Sir Christopher Soames said that the Commission intended to continue its food aid policy but he warned this was only a short-term aim. The ultimate objective was to help other countries to help themselves. Asked for his reaction to budget cuts affecting development aid, he said he shared the views expressed by Mr Simonet.

9. *Little prospect of major EC involvement in medical research*

Replying to Mr Tom Normanton, Mr Guido Brunner said that there was only a limited amount that the Community could do in promoting and coordinating medical research.

10. *Cyclical pendulum swings more in steel sector*

In reply to Mr Pierre-Bernard Cousté's question about the crisis in the steel industry, Mr Altiero Spinelli said that the cyclical pendulum oscillated more violently in the steel industry than elsewhere. He explained what the Commission was doing. When Mr Cousté complained that his answer was vague, Mr Spinelli insisted that any action taken must fit in with other policies. He told

Mr Osborn that the introduction of a stocking policy would have to be matched by an equivalent levy to pay for it on the steel industries it was designed to help.

### *11. EC help for Lorraine*

Mr Georges Thomson told the House what the Commission was doing to help Lorraine which was at present suffering the effects of the steel industry crisis. He said it was untrue that there were any plans to move all steel-making activities to the continent.

### *12. Coresponsibility*

Mr James Gibbons asked: 'How does the Commission justify the imposition of coresponsibility on agricultural producers at a time when agricultural input costs are soaring, agricultural incomes are falling and the gap between agricultural and industrial incomes is widening?'

Sir Christopher Soames replied: 'Cost pricing and other policies should take account of the need to prevent the creation of chronic surpluses which have to be disposed of at serious financial cost to the Community'.

Mr Tom Nolan then asked: 'Commissioner Lardinois has been promoting the idea of coresponsibility for some time. I should like to know what he means by coresponsibility. Does it mean that farmers, whose incomes dropped in 1974 by approximately 24 per cent and whose incomes this year were only in keeping with the rate of inflation, have to take a loss because there is over-production? And what does the Commissioner mean by structural surpluses in the dairy sector?'

Sir Christopher Soames replied: 'I referred to chronic surpluses, not structural surpluses. If I am asked what I mean by chronic surpluses, I would say that a million tonnes of milk powder is a chronic surplus. I was asked whether it was the Commission's view that farmers must take a loss. No, that is not the objective. Our approach is perfectly clear. When fixing prices for the following year we must take account of the likely development of production. If production is likely to be at a higher level, it is in the wider interests of the Community that there should be some consideration given to that. Farmers must be made aware of it, and it must be reflected in pricing and other policies. That

is what we mean, and I think that it is perfectly clear and perfectly evident. Before the existence of the Community every single Member State would have had this as a feature of its agricultural policies.'

Mr Ralph Howell then asked: 'May I ask for a definition of coresponsibility? I draw the Commissioner's attention to the fact that as the green pound is not adjusted, British farmers are at a serious disadvantage inasmuch as their inputs are high and are not devalued although their end price is devalued. Surely no common agricultural policy can operate while that is so'.

Sir Christopher Soames replied: 'Obviously the cost of inputs into the industry must be taken into account by the Commission and the Council in fixing prices. That is quite separate from the issue of coresponsibility. The honorable member asks for a definition of coresponsibility. I would say that the producer should share some of the market risks when production gets beyond a certain level.'

Mr John Corrie than asked: 'Does the Commissioner agree that if agriculture is not strong, and does not have a fair return for its investment, at the end of the day the consumer will suffer from high prices and shortages? '

Sir Christopher Soames replied: 'Yes, but we would not wish that coresponsibility should make this worse — certainly not. However, when we are talking about a million tonnes of milk powder in store it would need a pretty good stretch of the imagination to talk about a shortage'.

### *13. Regional policy not incompatible with market economy*

Mr Willy Hamilton asked whether there was not a conflict between the idea of the EC's market economy and its regional policies. Mr George Thomson thought not. The EC was a group of mixed economies and it was a question of finding a balance between them.

### *14. No future for Sulcis mines*

Mr Henri Simonet told Mr Marras that if the Sulcis mines were opened it was unlikely that costs could be covered.

### *15. EC supporting teledetection for purpose of agricultural development*

Mr Guido Brunner told Mr Luigi Noé that the Community was backing several projects in this area.

### *16. Discrimination against women at the Commission*

Asked what the Commission was doing to ensure equal treatment for men and women, Mr Albert Borschette said that the principle of equality was applied throughout both as regards recruitment and promotion. A working party had, furthermore, been set up to look into all the problems affecting access for women to the European Civil Service. Mr Michael Yeats then pointed out that there were no women among the Directors-General at the Commission and that of 75 people in A2 positions there were, he thought, about three. Could the Commission give any explanation for this? Mr Borschette replied early days of the Community and the effects of this were still with us. But then again, it was only recently that women began to take real interest in careers in the European Civil Service. There was now a gradual but very slow increase in the number of women joining the Commission. But there were other difficulties: of the 5548 candidates for a recent job competition only 13 per cent were women so that there was still something wrong from the outset rather than at the stage when the successful candidate was a member of the service. These were some of the problems that the working party would have to look into. The President then pointed out to Mr Borschette that there is no woman Director-General at the European Parliament either.

## References

Subject	Eur. Parl. Doc. No.	Comm. Doc. No.	Date of Debate
Sharp practice in pharmaceuticals . . . . .	238/75	—	13/10
Getting the economy going again . . . . .	250/75	—	14/10
Monetary system in operation in EC . . . . .	251/75	—	14/10
Social security for itinerant workers . . . . .	286/75	63/75	14/10
Aligning export subsidy schemes . . . . .	276/75	—	14/10
Lay-offs in two multinational companies . . . . .	299/75	—	14/10
Rules for looking at budget . . . . .	309/75	—	15/10
Changes in Financial Regulation . . . . .	305/75	234/75	15/10
Lomé Convention . . . . .	283/75	212/75	16/10
Escape clauses under Lomé Convention . . . . .	284/75	181/75	16/10
Relations with Overseas States and Territories	280/75	43/75	16/10
Generalised preferences . . . . .	285/75	179/75	16/10
Fishing incomes falling . . . . .	243/75	—	16/10
Frozen beef quota . . . . .	289/75	205/75	16/10
Sucrose . . . . .	290/75	105/75	16/10
Foot-and-Mouth disease . . . . .	277/75	178/75	16/10
Help for silkworm rearers . . . . .	287/75	201/75	16/10
Help for hops producers . . . . .	288/75	231/75	13/10
Changes in EAGGF grant rules . . . . .	297/75	208/75	17/10
Animals in transit . . . . .	304/75	154/75	17/10
Codifying cereals regulations . . . . .	278/75	184/75	16/10
Wines from Algeria, Morocco, Tunisia and Turkey . . . . .	301/75	233/75	17/10
Nuts from Turkey . . . . .	307/75	172/75	17/10

Sundry goods from Turkey . . . . .	308/75	206/75	17/10
Apricots from Israel . . . . .	265/75	156/75	17/10
Eels . . . . .	266/75	157/75	17/10
Preservatives used in foodstuffs . . . . .	291/75	159/75	17/10
Pension scheme for EC staff . . . . .	298/75	—	17/10

### 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

### **Tribute to Mr Mollet**

The House learned with regret of the death on 3 October 1975 of Mr Guy Mollet, former French Prime Minister and eminent European. The House paid tribute to his memory by observing a minute's silence.

### **Membership of committees**

At the request of the European Conservative Group, Parliament ratified the appointment of Mr Dykes as member of the Committee on Economic and Monetary Affairs to replace Mr Normanton and that of Mr Normanton as member of the Committee on Social Affairs and Employment to replace Mr Dykes. At the request of the Christian Democrat Group, Parliament ratified the appointment of Mr McDonald as member of the Committee on Rules of Procedure and Petitions. At the request of the Group of European Progressive Democrats, Parliament ratified the appointment of Mr Krieg as member of the Committee on Energy, Research and Technology to replace Mr Cointat and Mr Cointat as member of the Committee on Economic and Monetary Affairs to replace Mr Krieg. At the request of the Socialist Group, Parliament ratified the appointment of Mrs Dunwoody as member of the Committee on Social Affairs and Employment to replace Mr Stewart, Mr Knud Nielsen as member of the Committee on Public Health and the Environment to replace Mr Albertsen and Mr Espersen as member of the Committee on Development and Cooperation to replace Mr Knud Nielsen.

### **Presentation of a petition**

The President announced that he had received a petition presented by Mr George Albrecht and 141 other signatories on the harassment of Korean workers in Community countries.

## Sittings in 1976

12 to 16 January	(Luxembourg)
9 to 13 February	(Luxembourg)
8 to 12 March	(Strasbourg)
5 to 9 April	(Luxembourg)
10 to 14 May	(Strasbourg)
14 to 18 June	(Strasbourg)
5 to 9 July	(Luxembourg)
13 to 17 September	(Strasbourg)
11 to 15 October	(Strasbourg)
15 to 19 November	(Luxembourg)
29 Nov. to 1 Dec.	(Possible)
13 to 17 December	(Luxembourg)

## Summing up

At its sittings of 13, 14, 15, 16, and 17 October Members put down 23 questions for debate with the Commission. At Question Time 16 were addressed to the Commission. 17 reports were considered and the European Parliament delivered 22 Opinions. The House sat for 2 hours 15 minutes on Monday, 8 hours 20 minutes on Tuesday, 9 hours 40 minutes on Wednesday, 8 hours 40 minutes on Thursday and 1 hour 15 minutes on Friday, a total of 30 hours and 15 minutes.



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