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The Sittings

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Session of the European Parliament

1975 – 1976

Sittings held in Strasbourg

Monday, 19 December 1975

Introduction

Parliament's most important act this week was to pass the budget for 1976. This now stands at some 7,456.6 million units of account. It is less than Parliament would have liked. It is also more than the Council was really ready to envisage. So it was, in the best sense, a compromise. And the fact that a compromise has been reached – completely satisfactory to neither party but partly satisfactory to both – means that the procedure for establishing the budget has entered a new phase, a phase where such agreement as can be reached between Parliament and Council will take precedence over the actual budget rules of Rome Treaty Article 203.

This, of course, is very encouraging from Parliament's point of view, especially with direct elections now coming clearly into prospect. Mr Adolfo Battaglia, President of the Council, was applauded when he told the House that the final details for the 1978 elections will be taken in April 1976. Mr Battaglia gave Parliament the other Rome Summit (1 and 2 December 1975) details and concluded his term in office in the Council chair by reviewing what the Community has done in the last six months. It would be fair to say that Italy's own contribution to the Community's achievements – a flair for compromise and sheer savoir faire – has been very widely appreciated.

There was less appreciation, on the other hand, for the 1976-77 farm price proposals Commissioner Lardinois told the House of this week. Agricultural Committee chairman Roger Houdet (Fr, L) called them 'a funny Christmas box.'

Parliament will debate them in February after detailed discussions have been held in committee.

Another notable feature of a busy week in Strasbourg was Parliament's debate on defence. Signs are that the Nine may now find a way of working together so Parliament's motion, calling for close cooperation between them, was probably no empty gesture.

Parliament passes the budget for 1976

The European Parliament has now passed the budget for the European Communities for 1976 and it stands adopted at 7,456.6 m u.a. The final figure incorporates some last-minute amendments chosen by Parliament to push extra funds into sectors deserving priority: the Social Fund (where there was money to pay the staff but not for the research programme it is to carry out), for the non-associated developing countries, prospecting for oil and uranium, and so on.

This concludes a process that began with a preliminary draft of some 8 billion u.a. which the Commission referred to the Council in September. This was cut back by some 600m u.a. and forwarded to Parliament. After much discussion in October and November, Parliament devised an ingenious formula which would have had the effect of adding some 440m u.a. back into the draft budget while still leaving the Council with the final say over the disposition of most of it, even after the budget was passed. Council was unable to accept any but some 90m u.a. of the sums involved and so the draft budget came back to Parliament for a final decision. Parliament asked that this figure be raised by 102.9m u.a. The Council agreed and the budget was passed.

There was some pressure, particularly from members of the Socialist Group, for cuts in Common Agricultural Policy spending, but the amendments setting these out were withdrawn.

Parliament thus succeeded in avoiding any kind of confrontation with the Council. The cooperation between the two institutions augurs well for the Community's future.

Introducing the debate, Mr Michel Cointat (Fr, EPD) began by recapitulating the stages the budget had already gone through. The Council, he said, had accepted



Mr Michel Cointat – 'I hope all the problems raised by Rome Treaty Article 203 can be coolly and calmly cleared up before the run up to the elections in 1978.'

only two of Parliament's amendments and had accepted a further six in a modified form. It had rejected the remaining 31. The Council had also rejected all Parliament's proposals for modifications. This he found quite incomprehensible, particularly regarding food aid. Parliament had proposed that some of the EC's 1m tons of milk powder (which has a store of life of only two years) should be used as food aid instead of going, as it ultimately must, either to feed pigs or in pure waste.

He told the House of the 441m u.a. that Parliament had proposed to add back into the budget. The Council had only left 90.7m u.a. but Parliament proposed a new figure of 102.9m u.a. This included 30m for research and if this were deducted, the amount that Parliament was finally wishing to add back into the budget would be 71.9m u.a. By a happy coincidence, said Mr Cointat, this was half way between the maximum and minimum amounts (62m u.a. and 78m u.a.) that Parliament was supposed to have been allowed to add back in anyway. The figure of 102.9m u.a. was only slightly above the 90.7m u.a. put forward by the Council and only represents 0.13 0/o more. He said the difference was so slight it was hard to imagine that it could give rise to any dispute.

Mr Cointat looked forward to a real debate in 1976 and hoped that such questions as Parliament's margin for manoeuvre would not give rise to

controversy. He was gratified to note the general agreement that the classification of expenditure and the concept of the maximum rate were too confusing. They were too unrealistic and there seemed to be a tacit agreement that Rome Treaty Article 203 should be applied pragmatically.

Speaking in reply, Mr Francesco Fabbri, President of the Council, said he shared Mr Cointat's wish for a more effective budgetary procedure. President Georges Spénale spoke of equality in the conciliation procedure but also argued that Article 203 did not provide a legal basis for proper work. He looked forward to working with the Council on a new legal basis. The spokesmen for the various political groups, including Mr Erwin Lange (Ge) for the Liberals and Mr Brian Lenihan (Ir) for the European Progressive Democrats, all endorsed the line taken by the Budgets Committee as expressed by Mr Michel Cointat (Fr, EPD).

Mr Lenihan in particular hoped the conciliation procedure would lead ultimately to real joint decision-taking. There should be a real study of the budgetary options and something should be done to dissipate the immense confusion surrounding the present procedure. 'But,' concluded Mr Lenihan, 'we have made a good start.'

The Community is at present spending some 1bn u.a. on the storage of powdered milk, but the Council seems to have little sympathy with Parliament's view that some of this should be used as food aid. It wishes to keep food aid at the same level as last year. Both Mr Tam Dalyell (Br, S) and Mr Michele Cifarelli (It, S) expressed concern on this point. Mr Dalyell had also been particularly worried to learn that the European Investment Bank was applying a somewhat restrictive policy on development aid. He understood that the bank had no bad debts. But surely this was the wrong approach. The developing countries needed risk capital.

In his closing speech on the debate, Commissioner Claude Cheysson said that Rome Treaty Article 203 had been shattered, but what was encouraging was that there was now a political basis for the budget, to wit the discussion held between Parliament and Council. Commissioner Cheysson supported the line taken by the Budget Committee and he shared its concern at the rejection of the food aid proposal. There were one million tons of milk powder but the Community had made no response to the UNICEF appeal. The Commissioner said he would try to get an increase in Chapter 92 to remedy this shameful state of affairs.

Referring to VAT, Mr Cheysson pointed out that the present budget requirements would only amount to half a point of VAT although he agreed with Mr Dalyell that there should be an element of fiscal justice in revenues raised.

Closing for the Council, Mr Francesco Fabbri said he was happy at the outcome of the debate and expressed thanks to all those who had taken part.

Vote on the budget of the European Community for 1976

The vote on the final touches to the Community's budget for 1976 involved votes on the amendments recommended to Parliament by the Committee on Budgets. These totalled 102.9m u.a. to give a final figure for the 1976 budget of some 7,574m u.a. If one adds to this the costs of collection which are expected to be in the region of 7 to 8 m u.a., the final figure is likely to be something like 7,456.6m u.a.

The main amendments voted on added the following sums back into the budget: 30m u.a. for research, 40m u.a. for the Social Fund, 22.5m u.a. for aid to the non-associated developing countries, hydrocarbon technology 3m u.a., prospecting for hydrocarbons 1m u.a. and prospecting for uranium 1m u.a.

The total amount which Parliament added back into the budget naturally presupposed an increase in the 'maximum rate'. This is the percentage by which theoretically non-recurrent expenditure can be increased from one year to the next. The whole picture this year is somewhat blurred by the fact that Parliament and Council never resolved their disagreement as to whether the Regional Fund should be classified as recurrent (obligatory) or not. However, one very encouraging feature of this final deal is the tacit agreement to forget a distinction which causes nothing but confusion.

To return to the maximum rate, this too is becoming something of a polite fiction. But to preserve the formalities, President Francesco Fabbri told the House at the close of the vote on the budget that he would be in touch at once with the Council in Brussels and inform Parliament of the Council's assent to the new maximum rate implicit in the final vote. This is perhaps the first example of legislation by telephone. In due course, this assent was forthcoming, so that the budget is now final. One should perhaps add a word of warning that the precise

figure is a somewhat complicated calculation so that the figure given above should be treated with all due reserves.

When the final vote was taken, Lord Bruce of Donington and Mr Hugh Dykes abstained.

Qual' cosa si muove in Europa ('Something is stirring in Europe')
Mr Battaglia's report on the Rome Summit of 1 and 2 December 1975

This was the optimistic theme of Mr Battaglia's report to the House about the Rome Summit and about Italy's six-month term of office in the chair of the Council. He was particularly happy that the Summit had taken an important decision on direct elections to the European Parliament. He was also happy about the decision on Community passports which he thought would have a very positive psychological impact. He then reviewed the Community's other achievements; setting up a Court of Auditors, revising Article 203 and the holding of a tripartite conference. There had also been a great expansion in the Community's relations with the world at large. The Community was, he concluded, not yet a federal state but something was stirring, and over the last six months, the Community had begun to look a little more solid. Sufficient, he said, to confirm his faith as a European.

The debate on the Rome Summit was coupled with the Oral Question tabled by Mr Michel Cointat (Fr, EPD) on European documents. Mr Cointat was concerned that few people know what the European institutions are or even what the European Parliament is. 'Are people really aware of what is going on in Europe?' he asked. He suggested beginning with a European identity card for those states which have these cards, and he added that European family record books and driving licences could be equally helpful. Lastly, to appeal to the young, he suggested a European sports qualification and concluded that colour-coded stamps would also make an impact.

Mr Battaglia's statement was welcomed by spokesmen for the Socialist, Christian Democrat, Liberal, European Conservative and European Progressive Democrat groups. Mr Espersen, Socialist spokesman, wryly observed, however, that the unemployed were probably less impressed, but the Italian presidency had done what was possible. 'Our own Member States have not solved the unemployment problem.'



Mr Adolfo Battaglia – ‘Something is stirring in Europe.’

Mr Alfred Bertrand (Be, CD) noted that something had now been set in motion and the European Council had proved its value in dealing with logjams. What concerned him, however, was the legal status of the European Council.

Mr Jean Durieux (Fr) Liberal spokesman, looked forward with enthusiasm to direct elections. This would provide a guarantee for human rights in a pluralist democracy. That should also be the first step to European Union. As to the argument that it would deprive the Member States of some of their sovereignty, they had already lost it.

Mr Giovanni Giraud (It, CD), chairman of the Political Affairs Committee, also paid tribute to the openness of the Council's attitude but he asked for assurance on the meetings between Parliament and the Council on the implementation of the convention on direct elections.

Mr Houdet calls farm price proposals ‘a funny Christmas box’

After listening to the statement made by Mr Petrus Lardinois on the Commission's proposals for prices to come into force on 1 March 1976, Mr Roger Houdet (Fr, L) said they had caused a feeling of profound disillusionment

Commissioner Petrus Lardinois – 'I cannot hope to win Lord Bruce over to the Common Agricultural Policy in one go...'



in the farming community. Mr Houdet said that Mr Lardinois had spoken of asking consumers to make a sacrifice, but the proposals before the House called for sacrifices by everybody. To this, Mr Lardinois retorted that obviously these would appear more in countries where costs were above average such as France and Benelux.

Mr Houdet also asked Mr Lardinois if farming representatives could have more of a say in management. Mr Lardinois said that this could be looked into.

Mr Heinz Frehsee (Ge,S) asked whether the price proposals were agricultural or political. Mr Lardinois said that they were 99 o/o agricultural and only 1 o/o political. When Mr Frehsee also asked him if the United States had reacted unfavourably to the Commission's proposals for skimmed milk he said: 'Yes, but they react unfavourably to everything. I cannot take their remarks seriously.' (Skimmed milk will be used for fodder compounds, thus competing with soya imports from the United States.)

On milk powder, he told Mr Cornelis Laban (Ne, S) that 1 o/o was to be added to the fodders made in factories. He could give no details regarding fodders made on the farm.



Lord Bruce of Donington – ‘Is the Commissioner aware that the massive expenditure comprised in the proposals he has made constitutes a further and outrageous concession to the agriculture lobby in the Community?’

Lord Walston (Br, S) asked Mr Lardinois whether it would not be an idea to set a limit to market intervention. The Commissioner replied that sharing quotas between the Member States would run counter to the principle of specialisation, but he conceded that in some sectors, adjustments would have to be made.

Perhaps the severest critic of the whole agricultural policy is Lord Bruce of Donington (Br, S). To him, Mr Lardinois said: ‘I know Lord Bruce is not fond of the CAP, but I would not like to try to win him over now in one go. What I would suggest to him is that the Community represents a market the size of the United States or the Soviet Union, but whereas we spend 6 billion dollars on a market and price system, the United States spends 14 billion dollars and the Soviet Union 28 billion dollars.’ He agreed that the cost of the CAP could be cut if the service costs could be eliminated, but did not think this possible.

Mr Mario Vetrone (It, CD) asked whether the EXIM system would be maintained. Mr Lardinois replied that it would be abolished on 31 December. It would be replaced by a licence system.

Lastly, Mr Jan Broeks (Ne, S) asked Mr Lardinois how he reconciled the Community food aid policy with the use of milk powder for animal fodder. Surely it should stand by its proposals which have the support of the European Parliament. Mr Lardinois agreed, but asked what could the Commission do if the Council did not accept its proposals? Mr Lardinois' statement was then referred to the Committee on Agriculture.

Mr Houdet indicated that the Committee on Agriculture would be having three meetings to discuss the farm price proposals and that it should be possible to debate them in the House on 18 February. In this way, they could come into operation on 1 March 1976.

Parliament urges common line on defence

Defence is a tricky subject, and Europe has done little but grope towards a common line here over the last thirty years (see Postscript). Now, however, with the launching of the Independent Programme Group in November 1975, a framework is available within which the countries of Europe may be able to work together more successfully. This coincides happily with a change of



Lord Gladwyn – 'If we were able to pool our research and development, we might make an annual saving of no less than 3 million pounds.'

emphasis in French policy: in view of the enormous cost of armaments, there is the possibility that France might be open to cooperation with other European states under certain conditions. This indeed was the gist of Mr Gabriel Kaspereit's (Fr, EPD) remarks in Parliament in a debate on defence which was, in the event, singularly well-timed.

The Socialists were uneasy about discussing defence. Speaking for the group, Sir Geoffrey de Freitas (Br, S) suggested the North Atlantic Assembly might be a more appropriate place for such a debate.

But the majority agreed with Lord Gladwyn (whose report was highly praised by Mr Giovanni Giraudo (It, CD) chairman of the Political Affairs Committee). Parliament therefore expressed the conviction that there is an evident and urgent need 'to achieve the most effective form of defence by rationalising both the production of armaments and logistics and infrastructure in the Community so as to offset the very high rise in defence costs which is due largely to technical progress, and also of the need to demonstrate that Community members are making an appropriate contribution to the common defence'. Lord Gladwyn's motion also welcomed and supported 'the new efforts of the European States to take appropriate measures on the field of armaments cooperation'. This motion was agreed to.

Oil companies and the oil crisis: Commissioner Borschette reports

Mr Borschette's statement on the way the oil companies acted between October 1973 and March 1974 during the time now referred to as the 'oil crisis' was a good deal milder than a lot of people had been led to expect.

Mr Thomas Ellis (Br, S) noted that the Commission had raised a number of very pertinent questions. 'Have they thought about the answers?' he asked. To which Mr Borschette replied that this was not within its terms of reference. The report was then referred to the Committee on Economic and Monetary Affairs as the committee responsible.

Dragon project

On a motion from Mr James Spicer (Br, EC) that the debate on the Dragon project be regarded as a matter of urgency, the House voted by 43 votes for to

31 votes against, with two abstentions, to take it in conjunction with Mr Norbert Hougardy's (Be, L) question.

In reply, Mr Battaglia said that it had not been possible for the Council to reach a consensus on continuing the Dragon project. It will now be abandoned this week and the 200 people involved will go back to their respective countries.

Mr Brunner emphasised that there had been five meetings with COREPER and it had not been possible to win acceptance from them. Mr Brunner stressed how much he himself regretted it. Some British Members, notably Mr Tam Dalyell (S) and Mr James Scott-Hopkins (EC), were disturbed that there was no reaction from the Council on this point. 'Surely the Council should fight its corner on this,' said Mr Dalyell. To which Mr Brunner replied that he could only repeat the statement of the reasons why Council had decided not to go ahead with the Dragon project. It was simply because there was no consensus to go on.

Agreement with Israel and the European Community's Mediterranean policy

There was a unanimous endorsement of the Community's agreement with Israel and for the Community's Mediterranean policy as a whole. There were, however, one or two major points to note: Mr Schelto Patijn (Ne, S) and Mr Klaus-Peter Schulz (De, CD) expressed concern that the financial protocol to the Israel agreement had not yet been signed. Mr Mario Vetrone (It, CD) and Mr Renato Sandri (It, CA) expressed concern about the likely effects of the Mediterranean policy on the Community's own agriculture, but, as Mr Sandri said, this did not involve rejection of the policy. 'The Community's own Mediterranean regions,' said Mr Sandri, 'do not need aid or charity; they need new structures.' Mr James Spicer (Br, EC) on the other hand, was concerned that it should be generally recognised that the agreement with Israel was the most highly political one the Community had ever signed. It was not just a purely commercial matter.

Among the other speakers, Mrs Winifred Ewing (Br, Ind) welcomed the agreement with Israel. She thought the Community could do a good deal to improve the prospects for peace in that area. She and other speakers hoped that one of the results of the negotiations now in progress with other Mediterranean countries would be to make the Damascus blacklist illegal (this is the list of firms that Arab states will not deal with because they trade with Israel).

Replying to the debate, Mr Claude Cheysson said that the four Machrek countries (Egypt, Jordan, the Lebanon and Syria) were trailing behind Israel but he hoped the negotiations with these countries in the New Year would restore the balance.

Setting the Mediterranean policy in its broader perspective, he asked why the Community could not be less apathetic in its external agricultural policy. He thought the contrast with the United States here was pretty eloquent. He reminded the House that the Community imports 30 billion dollars worth of agricultural product and only exports 7 billion dollars. Now, however, a deal with Egypt involving 1m tons of wheat and 75 tons of sugar, worth 250 million dollars, was being envisaged. Syria, Jordan and Morocco had shown interest in similar deals.

QUESTION TIME

Questions to the Council

Mr Adolfo Battaglia replied for the Council.

As Question Time closed, Lord Gladwyn (br, L) complained to Mr Georges Spénale in the chair that only 19 questions out of 30 had been taken. He asked whether the time for supplementaries could be restricted to five minutes so that more questions could be taken instead of Question Time being turned into a series of mini debates. From the chair, Mr Spénale replied that the only question on which a number of supplementaries had been taken concerned equal pay for men and women and he did not think that in International Women's Year it was appropriate to restrict questions on this subject. It might be better to restrict the number of questions rather than restrict the right of Members to put supplementaries.

Lord St. Oswald (Br, EC) asks about EC-ASEAN ties

Mr Battaglia replied that there were no conventional ties at present, although the general preference scheme applied to the ASEAN countries.

Mr Cousté asks if the Council intends to call for a fourth economic programme

Mr Battaglia told the House that the Commission had informed the Council of its intention to draw up a fourth medium-term economic policy programme to cover the years 1976 to 1980. He told Mr Pierre-Bernard Cousté (Fr, EPD) that he should ask the Commission when the text will be available to Parliament. He agreed with Mr Tom Normanton (Br, EC) that the Council should show more concern about this issue. Mr Michel Cointat (Fr, EPD) referred to the quota restrictions planned by the United Kingdom, to which Mr Battaglia replied that this had been discussed without any decision being taken.

Sir Brandon Rhys Williams (br, EC) asks about credit institutions

Mr Battaglia told the House that the Council hoped to adopt a directive on credit institutions in the first half of 1976.

Mr John Osborn (Br, EC) asks about drivers' hours

Mr Battaglia said that much remained to be done in improving controls which varied from one Member State to another. But he was not going to be drawn on the question of tachographs.

Mr Heinz Mursch (Ge, CD) asks about transport policy

Mr Battaglia replied that practical measures were more important than an overall strategy: the weights and measures of commercial vehicles, bringing motor vehicle taxation systems into line with one another and social regulations governing road haulage.

Mr Espersen asks about financial aid to Portugal

Mr Battaglia replied that no emergency aid had been extended to Portugal but that practical arrangements were now being worked out. Mr Ole Espersen (Da, S), Mr Ludwig Fellermaier (Ge, S) and Mr Achille Corona (It, S) all expressed concern.

Questions to the Commission

Mr Fellermaier asks about aid to Portugal

Mr Finn Gundelach, in a careful reply, spoke of the importance of helping Portugal in the longer term.

Mr Hamilton asks about equal pay

Replying to Mr William Hamilton (Br, S), Dr Patrick Hillery pronounced what was probably the quote of the week: 'Pregnancy is not an illness, it is a social function.' This was in reply to a supplementary question from Mrs Clara Kruchow (Da, L) about the payment of family allowances after the birth of children. This reply gave some idea of the scope of what looked like becoming a virtual debate on equal pay. Dr Hillery indicated that once the directive on equal pay of 10 February 1975 came into effect in February next year, the Member States would have only two years in which to bring their legislation into line on this point. Mrs Elaine Kellett-Bowman (Br, EC) asked him about discrimination against women in the Commission. Dr Hillery said that few of the top jobs did



Dr Patrick Hillery – 'Pregnancy is not an illness, it is a social function.'

go to women but that equal pay was given for equal work in other grades. In this respect, the position in the Commission was rather better than that in the Member States. But perhaps the most apt comment was that made by Mr Michael Yeats (Ir, EPD) who pointed out that the Community had taken seventeen years to get this far and equality had still to be made effective.

Lord Gladwyn (Br, L) asks about help for Namibia

Commissioner Claude Cheysson told the House that the Commission had received a mission from the UN Council to Namibia and that they were in continuous contact.

Mr Lagorce asks about the use of alcohol as fuel

Mr Guido Brunner told Mr Pierre Lagorce (Fr, S) that it would not be economic to use alcohol as a fuel because it would cost fifteen times as much as oil. Mr Libero Della Briotta (It, S) asked why it could not be used with sugar in grape musts to improve poor quality wines. The House laughed when Mr Brunner said that wine must be made from grapes. Mr James Scott-Hopkins (Br, EC) asked whether agricultural alcohol produced in these quantities was not undermining the market for industrial alcohol to which Mr Brunner replied that one just could not win.

Mr James Gibbons (Ir, EPD) asks about the slaughtering of cows in the Community

Mr Thomson replied that, between January and July 1975, there had been 7 o/o fewer cows slaughtered than in the corresponding period for the previous year. He agreed, however, that the position in Ireland was more serious. Mr RalphHowell (Br, EC) asked Mr Thomson what the Commission's views were on the ideal size of the Community herd, to which he replied that all the Commission could do was make price proposals. He pointed out however, that the main concern of the general public was the quantities of beef and milk powder at present in storage. Mr Charles McDonald (Ir, CD) asked whether there was any variation likely to be proposed in the present supply system especially in view of the present levels of calf exports. Mr Thomson asked that the question be addressed to Mr Lardinois when he appeared before the House tomorrow. Mr Michel Cointat (Fr, EPD) reminded Mr Thomson that it takes from two to three years to produce a bovine animal and that this naturally raised the question as to whether supply would meet demand. Mr Thomson simply observed that this was a very pertinent comment.

Mr Dykes asks about unemployment

Dr Patrick Hillery told Mr Hugh Dykes (Br, EC) that the Commission would be providing regular reports on the state of unemployment in the Community. He also hoped that the figures would be comparable.

Sir Geoffrey de Freitas (Br, S) asks about the kilometer tax payable in Germany

Mr Wilhelm Haferkamp said it was regrettable that coach passengers should be delayed when crossing frontiers while officials computed the tax payable by reference to the distance the passengers intended to travel, and advised the House that there were alternative procedures. He did not explain this in any detail.

Mr Tam Dalyell (Br, S) asks about financial irregularities

Commissioner Claude Cheysson told the House about the systematic checks made by the Commission to uncover irregularities in the use of Community funds, and said that the flying squads created in 1972 had now made the Commission checks even more effective. Claims for 61m u.a. had, for example, recently been disallowed. The trouble was, however, that crimes against the Community were not viewed in the same light as crimes against any particular Member State. This was very much to be regretted.

Mr Michel Cointat (Fr, EPD) asks about the paper industry

Mr Carlo Scarascia Mugnozza, vice-president of the Commission, explained to the House why there had been no statement from the Commission on Parliament's motions in October or November. Of the 34 debates in October, only 13 were on reports including a European Parliament opinion. Of these, 11 signified approval for Commission proposals and 2 suggested amendments which the Commission accepted forthwith.

Of the 30 motions before the House in November, 20 embodied opinions on Commission proposals. 14 signified approval and 6 called for amendments. The Commission accepted amendments on 4 of Parliament's motions so that its statement today concerned only 2. In view of this, the Commission would not be making a statement every month but only as the occasion arose.

Mr Scarascia Mugnozza then spoke in detail about the changes the Commission had made.

When Parliament considered the pluriannual research programme in November, Mr Hans Edgar Jahn (Ge, CD) and Mr Carlo Meintz (Lu, L) proposed various changes. One was that reports be made to Parliament. This, the Commission accepts. It also accepts a similar request from Mr Camille Ney (Lu, CD) on the work of the Foot-and-Mouth Disease Institute in Ankara. The Commission had now sent amended proposals to Council on the guarantees required in Member States to protect the interests of companies and third parties with respect to the content, control and distribution of issue announcements for stocks for quotation on official exchanges. Similarly, after the ruling of the Court, President Ortolí told Parliament of his view of a proposed amendment to the proposed new EC staff regulations. This concerned the currency in which EC are paid. The Commission could not accept Parliament's amendment.

Lastly, Parliament would be receiving a report on oil as requested by Mr Tom Normanton (Br, EC).

OTHER BUSINESS

United Kingdom cereals production subsidies

Despite a strong bid by Mr Heinz Frehsee (Ge, S) to get Parliament to approve the Commission proposal authorising the United Kingdom to carry on with its cereals production subsidies, the European Parliament rejected the Commission proposal even though, as Mr Carlo Scarascia Mugnozza pointed out, it was of more symbolic than economic importance. Mr Nicola Cipolla (It, CA) for the Communists voted with the Socialists in this matter, but the centre right outvoted them.

Maize groats and broken rice

Mr Heinz Frehsee (Ge, S) asked Parliament to reject a Commission proposal which would have the effect of reintroducing a Community subsidy on maize groats and broken rice. These are used as a substitute for barley in beer-making and the proposal would cost the Community 4.3m u.a. It is worth pointing out that there was a subsidy on these products but it was discontinued from 23 December 1974 to 23 July 1975 on the grounds that it was superfluous because

of the high market prices. This situation is now changed. As Mr Adrien Zeller (Fr, CD) pointed out, there was a maize factory less than two miles from the House in Strasbourg which was about to close for lack of original production subsidy. But after some discussion, the House became ensnarled in a procedural issue as to whether or not it could vote a second time on a motion which had already come before the House and been rejected. In the end, the matter was referred to the Bureau.

Food aid proposal approved

On a motion from Mr Pierre Deschamps (Be, CD), Parliament approved a Commission proposal that butter or butteroil equivalent to an amount of 45,000 metric tons of butteroil shall be made available to developing countries and international organisations as food aid under the 1976 programme.

Duty cuts on ACP beef imports renewed

On a motion from Mr Adrien Zeller (Fr, CD), Parliament approved a Commission proposal renewing for six months the duty cuts on beef and veal imports from Botswana, Swaziland and Kenya to the United Kingdom and from Madagascar to the French département of Réunion. As a result, 13,766 tons of beef and veal will be imported into the Community during the first six months of 1976 at a 90 o/o cut in duties.

Arrangements for Kenyan carnations and asparagus exports to the EEC approved

Financial machinery

At the Dublin Summit, it was agreed that a financial machinery should be set up to ensure that unacceptable situations do not arise in Member States by virtue of their membership of the Community. In plain language, this means that no state should be called upon to pay a disproportionate amount of the Community's budget. Mr Harry Notenboom (Ne, CD) told the House that a decision on this point was taken by the European Council on 10 and 11 March 1975 and that there was, therefore, no point in consulting Parliament. He asked the House merely to take note of it, adding that Parliament could surely not accept such decisions being taken in future with no reference at all to the European Parliament. A motion to this effect was agreed to.

Transport controls

Mr Finn Gundelach told the House that he had been informed of the drift of a statement Mr Healey was to make to the House of Commons. The purport of it was that Britain will be asking the eastern European countries to practice self-control as regards their textile and footwear exports to the United Kingdom; secondly, there would be limits on yarn and other textile imports from Spain and Portugal and, thirdly, there would be general surveillance of television component imports from Japan.

Mr Gundelach said the Commission was relieved that the measures were restricted and did not affect the Community, but import controls were not the answer. He thought the measures untimely, and said it was regrettable that the United Kingdom had not had prior consultation with the countries concerned.

ECSC levy for 1976

Mr Martin Bangemann (Ge, L) reported to the House on the Commission's vote on the ECSC levy for 1976. Under Article 49 of the Paris Treaty setting up the European Coal and Steel Community, the Commission is empowered to impose levies on the production of coal and steel. Since 1972, it had done so at a rate of 0.29 per cent (present yields give 31.03m u.a. for 0.1 per cent) and the Commission was now asking Parliament to agree to this rate being continued for 1976.

The debate was notable for two points: one was a point of order and the other a point of substance. The point of order came when Mr John Osborn (Br, EC) was prevented from speaking by a motion to conclude the debate under Rule 32 which was immediately introduced by Mr Ludwig Fellermaier (Ge, S). This motion was overwhelmingly agreed to, which illustrates once again how strict Parliament is in the application of its Rules. The other point was when Mr Gerd Springorum (Ge, CD) moved amendments to the motion before the House (which basically accepted the ECSC levy proposed by the Commission) so as to make conditions more favourable to the coal and steel producers.

Mr Claude Cheysson had spoken at length on the dramatic situation in this industry but pointed out, that if the Commission ran short of funds, it would undermine its whole credit rating. Whereupon Mr Springorum asked: 'Which is under the greatest threat from cash flow problems: the coal and steel industry or the European Commission?'

Mr Springorum's first amendment was withdrawn and his second amendment was rejected. The motion as it stood was agreed to. Mr Spénale announced the voting here: 31 votes in favour and 41 votes against, with four abstentions. It is worth noting this announcement because it is a relatively new practice in the European Parliament.

Santiago mission status review urged

The European Parliament agreed to the motion today urging the Commission to reconsider the status of the Community's office in Santiago should there be no change in the political situation in Chile. Mr Tam Dalyell (Br, S) abstained on the grounds that he felt that the motion would be resented by Latin America as a whole. Mr John Corrie (Br, EC) also abstained. Lord Reay (Br, EC) also had some misgivings. He hoped that, if a motion intended to convey that the situation in Chile offends the European sense of political decency succeeds in offending the whole of Latin America, it will not be very much use.

In reply, Mr Finn Gundelach pointed out that the office in Santiago is in fact a Community delegation and is the Community's link with all the Latin American states and the other international organisations who work there. None of them intends to move their offices although there has been a certain levelling down in their activities in recent weeks. The Community's office is not especially accredited to Chile and its presence cannot be seen as an endorsement of the Chilean government. Mr Gundelach made it quite clear, however, that the Community is now reviewing its representation in Latin America.

The motion, incidentally, strongly urges the release of all political prisoners, many of whom are being held in inhuman conditions, and calls for the respect by the Chilean authorities for human and civil rights and for the restoration of normal democratic conditions.

Mr Gundelach made it clear that the Commission recognised that democracy had been extinguished in Chile and shared Parliament's views on the violation of human rights.

Jam session comes to a sticky end

What Mr Cornelis Berkhouwer (Ne, L) described as a 'jam session' came to a sticky end when Parliament agreed to a motion requesting the Commission to

accept amendments still to be finalised. Mr Michael Yeats (Ir, EPD) and Mr James Scott-Hopkins (Br, EC) vehemently objected to this procedure, but the European Conservatives and European Progressive Democrats were defeated on this point by the combined Christian Democrat and Socialist vote. The point at issue was what are to be the rules governing trade between Member States in fruit jams, marmalade, jellies and chestnut puree. The 16 amendments on this point concerning, for example, the maximum permitted amount of additives, were referred to the Public Health Committee.

Community transit simplification approved

On a motion from Mr Karl Mitterdorfer (It, CD), the European Parliament approved two sets of Commission proposals designed (a) to simplify Community transit, and (b) to simplify customs procedures.

On the second point, however, Parliament called for a number of amendments subject to which it had approved 'the fundamental simplification that will be achieved in respect of carriage of goods by road, rail and air within the Community by abolishing excessive administration formalities'.

Thermonuclear fusion and plasma physics

Mr Gerhard Flämig (Ge, S) reported to Parliament on the Commission's proposal for a five-year programme on thermonuclear fusion and plasma physics. The Community leads the world in these areas and Mr Flämig criticised the Council for its attitude towards funding research. At the Commission's request, an amendment was made to the motion before the House, after which it was agreed.

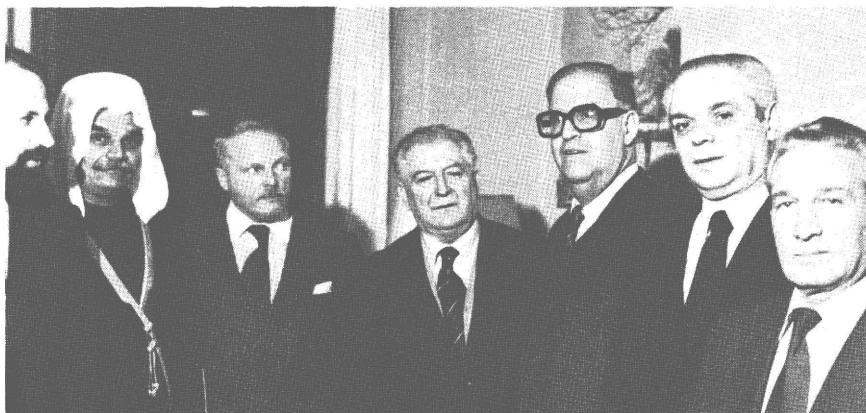
NOTES

Presentation of petition

The President announced that he had received a petition presented by Mrs Marie-Jeanne Bleuzet-Julbin, on behalf of the France-Israel Committee of Lorraine, and seven other signatories, on the vote of the United Nations General Assembly on Zionism.

Welcome to an Israeli Delegation

On behalf of the European Parliament, the President welcomed a delegation from the Knesset, led by Mr Abba Eban, which was to hold talks with a delegation from the European Parliament, the political groups and the relevant parliamentary committees.



Delegation from the Knesset visits the European Parliament.

Election of a Vice-President

The President announced that the Christian-Democrat Group had nominated Mr Hans-August Lücker as Vice-President of the European Parliament to replace Mr Friederich Burgbacher who had resigned from this position. Since there was only one nomination for this seat, Parliament elected Mr Lücker Vice-President by acclamation.

Summing up

At its sittings of 15, 16, 17, 18 and 19 December 1975, Members put down one question for debate with the Council. At Question Time, 9 questions were addressed to the Council and 11 to the Commission. 30 reports were considered and Parliament delivered 30 opinions. The House sat for 4 hours on Monday, 6 hours 50 minutes on Tuesday, 7 hours 20 minutes on Wednesday, 7 hours 45 minutes on Thursday, and 1 hour 5 minutes on Friday.

References

Subject	Eur. Parl. Doc. No.	Comm. Doc. No.	Date of Debate
Foreign policy on defence questions	429/74	—	15/12
Cereals subsidies in the UK	302/75	227/75	15/12
Common organisation of markets in cereals and rice	303/75	192/75	15/12 19/12
Milk fats as food aid	442/75	619/75	15/12
Beef and veal imports originating in ACP countries'	443/75	417/75	15/12
Allocation for 1975 of EAGGF appropriations .	436/75	335/75	15/12
General budget	441/75	428/75	16/12
Setting up a financial mechanism	427/75	230/75	16/12
Question Time	425/75	—	17/12
Personal documents	451/75	—	17/12
Dragon project — oral question	406/75	—	17/12
Dragon project — motion for resolution	454/75	—	17/12
ECSC levies for 1976	427/75	400/75	18/12
Delegation to Santiago de Chile	429/75	—	18/12
EEC-Israel agreement	422/75	—	18/12
Community's Mediterranean Policy	385/75	—	18/12
Elimination of technical barriers to trade	343/75	198/75 214/75 235/75	18/12
Community transit	426/75 323/75	321/75 237/75	18/12
Thermonuclear fusion	402/75	222/75	18/12
Seed potatoes and vegetable seed	433/75	384/75	18/12
French overseas départements	434/75	389/75	19/12
Wine and Cyprus sherry	455/75	416/75 447/75	19/12
Dried figs and dried grapes from Spain	264/75	171/75	19/12
Importation of fresh lemons into the Com- munity	395/75	318/75	19/12
Recording equipment in road transport	440/75	386/75	19/12
Fat content of full cream milk	456/75	413/75	19/12

Consolidated texts relating to the fishing sector	435/75	320/75	19/12
European project on nuisances	408/75	220/75	19/12
Trade with Tunisia and Morocco	423/75	389/75	19/12
Fishery products from Tunisia and Morocco ...	396/75	379/75	19/12
Payment of duties at importation or exportation	393/75	229/75	19/12

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.

Groping towards a common defence policy

1947	Stalin sets up Cominform.
1947	Franco-British treaty signed at Dunkirk.
March 1948	Brussels Treaty enlarges this to Benelux.
April 1948	NATO as enlargement of Brussels Treaty.
4 April 1949	NATO treaty signed in Washington takes over from Brussels Treaty.
June 1950	Korean war prompts US bid for German help to defend Europe. France hesitant. Germany too.
February 1951	Préven plan to pool forces accepted by Six.
December 1951	European Defence Community floated.
May 1952	EDC Treaty signed by Six. British hesitant.
1953	Finbel: Chiefs of Staff of France and Benelux meet regularly.
August 1954	French National Assembly refuses to ratify EDC (French hesitant about a Euro-army without British). EDC sinks and European Political Community with it.
23 October 1954	Western European Union founded in Paris (Brussels Treaty countries plus Germany and Italy). N.B. Protocols to WEU: end occupation of West Germany and admit Germany to NATO. WEU has Agency for Control of Armaments and a Standing Armaments Committee.
1955	NATO parliament, the North Atlantic Assembly, set up.
1956	Germany joins Finbel. It becomes Finabel. (UK joins later).
1 July 1966	French government withdraws its forces from the integrated military structure of NATO.

- November 1968 Eurogroup set up (European members of NATO but not France, Iceland or Portugal) and this leads to Eurocom, Euroland, Eurolog, Euomed, Eurosched, Eurotrain, Eurolongterm.
Main results: Edip (European Defence Improvement Programme) Europackages and 'Principles of equipment collaboration'.
- 1975 Lord Gladwyn's proposals: to change and raise the status of Euronad (armaments directors under Eurogroup) to look after conventional arms, hopefully with France cooperating; to set up a Security Policy Committee (comprising defence policy directors of Eurogroup countries); to change and raise the status of Finabel (all chiefs of staff to meet when foreign ministers meet).
- November 1975 Independent production group.

BUDGET OF THE COMMUNITIES FOR 1976

	Millions of units of account	Percentage
European Parliament	52.2	0.70
Council (including Audit Board)	64.5	0.87
Court of Justice	11.2	0.15
Commission	7,328.7	98.28
	7,456.6	100.00

Breakdown of expenditure

	Millions of units of account	Percentage
Administration	527.7	7.1
Reimbursement of 100/o of 'Own Resources'	427.2	5.7
Research and development	104.2	1.4
Social Fund	401.0	5.4
Regional Fund	300.0	4.0
Agriculture: Guarantee	5,160.3	69.2
Agriculture: Guidance	325.0	4.4
Cooperation with non-associated less developed countries	211.0	2.8
TOTAL	7,456.6	100.0

Sources of income

	Millions of units of account	Percentage
Customs duties	3,534.6	47.4
Agricultural levies (including sugar contributions)	737.1	9.9
Miscellaneous receipts	61.8	0.8
Contributions based on GNP (Temporarily replacing a percentage of VAT)	3,123.1	41.9
TOTAL	7,456.6	100.0

National Shares

The shares of the Member States as forecast for the 1976 budget are:

Belgium	6.5556	Holland	8.4574
Germany	27.5761	Denmark	2.0041
France	21.7015	Ireland	0.5145
Italy	16.7374	United Kingdom	16.3010
Luxembourg	0.1524		

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