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NOTE TO READER

Appearing at the same time as the English edition are editions in the five other official languages of the Communities : Danish, German, French, Italian and Dutch. The English edition contains the original texts of the interventions in English and an English translation of those made in other languages. In these cases there are, after the name of the speaker, the following letters, in brackets, to indicate the language spoken : *(DK)* for Danish, *(D)* for German, *(F)* for French, *(I)* for Italian and *(NL)* for Dutch.

The original texts of these interventions appear in the edition published in the language spoken.

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IN THE CHAIR: MRS VEIL

Are there any objections?

The appointment is ratified.

President

3. Petitions

(The sitting was opened at 8 p.m.)

President. — The sitting is open.

President. — After examining Petition No 41/79 the Committee on the Rules of Procedure and Petitions has requested that the Legal Affairs Committee be asked for its opinion.

1. Resumption of the Session

4. Documents received

President. — I declare resumed the Session of the European Parliament adjourned on 14 March 1980.

President. — Since the session was adjourned I have received various documents from the Council, the parliamentary committees, the political groups and Members. These documents are listed in the minutes of this sitting.

2. Membership of committees

President. — I have received from the Group of the European People's Party (CD Group) a request for the appointment of Mr Travaglini to the Committee on Transport, to replace Mr Zaccagnini.

5. Texts of treaties forwarded by the Council

President. — I have received from the Council certified true copies of various agreements and acts. These

President

documents, which are listed in the minutes of today's sitting, will be placed in the European Parliament's archives.

6. Order of business

President. — The next item is the order of business.

At its meetings of 14 and 29 February 1980, the enlarged Bureau drew up the draft agenda (PE 63.340/rev.) which has been distributed.

By letter of 19 March 1980 the Council again requested consultation by urgent procedure of the report by Mr Woltjer on fisheries resources (Doc. 1-39/80).

In agreement with the chairmen of the political groups I propose, pursuant to Rule 12 of the Rules of Procedure, to enter this report on the agenda of the present sitting for consideration under the procedure without report.

Are there any objections?

That is agreed.

This report will therefore be considered without debate on Wednesday, 26 March 1980.

I propose that the Delatte Report (Doc. 1-37/80) and the Früh Report (Doc. 1-38/80) should be considered separately with a separate list of speakers for each.

Are there any objections?

That is agreed.

The order of business is adopted.

7. Deadline for tabling amendments

President. — The deadline for tabling amendments to the Delatte and Früh Reports has expired.

At the request of the chairmen of the political groups I propose that, by derogation from our decision of 14 March 1980, each political group should be authorized to table a maximum of three amendments until 10 p. m. this evening.

Are there any objections?

I call Mr Pannella.

Mr Pannella. — (F) Madam President, as we have already made clear earlier today at the meeting of

chairmen of the political groups to which you have just referred, we feel that the difference between the right of an ordinary Member and the right of a political group to table amendments is absolutely incompatible with the Rules of Procedure.

Our Rules of Procedure define the special powers reserved for the groups very explicitly and precisely. I think it would be better if the time you have just announced were to apply both to groups and Members. I am well aware, Madam President, that a precedent exists. But I wish to emphasize that a precedent constitutes neither a law nor a rule. I think it would be unwise to limit further the powers of ordinary Members relative to those of the political groups.

President. — Mr Pannella, the decision taken this morning was based on Rule 29.

I put to the vote the proposal I have just made.

That is agreed.

8. Speaking time

President. — With the agreement of the enlarged Bureau I propose for the debate scheduled to take place today and tomorrow, to allocate speaking time as set out in the draft agenda.

Are there any objections?

That is agreed.

9. Agricultural prices and monetary compensatory amounts

President. — The next item is the report (Doc. 1-37/80) drawn up by Mr Delatte, on behalf of the Committee on Agriculture on

the proposals from the Commission to the Council

I. concerning changes in the common agricultural policy to help balance the market and streamline expenditure (1-610/79)

II. on the fixing of prices for certain agricultural products and on certain related measures (Doc. 1-807/79)

and on the monetary compensatory amounts.

I call Mr Delatte.

Mr Delatte, rapporteur. — (F) Madam President, Commissioner, ladies and gentlemen, colleagues, at the beginning of a debate on a matter of such major importance, I should like to emphasize the urgent need to reflect deeply on the future of agriculture in the European Community.

In its response to the Commission on the three topics of the adjustment of the common agricultural policy, prices and compensatory amounts, the European Parliament is really dealing with the whole question of agricultural policy.

As rapporteur, my specific concern is to relate the common agricultural policy to the European and world economies, and to highlight the need for its development. The reason why I feel it necessary to undertake such an analysis is that I am not entirely certain that agriculture enjoys the prestige it deserves both within the Parliament and outside it. Agricultural problems must be seen in their true light. We must have confidence in agriculture, it is our duty to recognize and record the fact that agriculture is not an intolerable burden and drain on the Community but a decisive asset in these difficult times.

It is my view that the best means of persuasion is to put all the facts before you so that when the time comes for you to vote on the report which I have the honour of submitting to you on behalf of the Committee on Agriculture, you will be able to do so with all the facts at your disposal.

It seems to me that the three matters upon which we are being asked to decide symbolize the need for a comprehensive approach to agricultural problems. All problems associated with the common agricultural policy are ultimately contained in these three topics. The CAP, which led first to the fixing of common agricultural prices, is hampered on the hand by its own inherent shortcomings — the surpluses — and on the other by serious disadvantages for which it cannot be held responsible — monetary fluctuations. I shall return to this problem in a moment. However let me begin by reminding you that the three fundamental principles — prices and market unity, Community preference, financial solidarity, — which are being subjected to continued and ever-increasing strains, are a basic cause of our current difficulties. Let us take prices and market unity first of all. For many years now the free circulation of goods has worked very well, producing a marked increase in intra-Community agricultural trade, establishing financial solidarities and acting as a stimulus to efforts to increase productivity by virtue of the competition between the different national agricultural industries. However as far as production in the Mediterranean regions of the Community is concerned, the application of Community regulations is still either incomplete or non-existent, and in this respect the Committee on Agriculture has been turning its attention to fruit and vegetables as

well as to the consequences for this sector of the forthcoming enlargement of the Community.

But the greatest source of strain is that associated with the existence of the monetary compensatory amounts which, though originally indispensable to protect prices and market unity, have gradually ceased to make economic sense.

The consequences of these amounts are well known: trade disturbances, the transfer of production of artificially-based products, benefit for strong currency countries, a return to national agricultural policies. As the Commission proposal suggests, it is high time that the compensatory amounts were dismantled: the forthcoming price fixing is an opportunity to do away with the negative MCAs completely, while courageous decisions have to be taken as regards positive MCAs without reducing the income of the farmers concerned. Hence the need for an adequate rise in prices. Of course the European Monetary System is the best guarantee for future monetary compensatory amounts.

Let us now turn our attention to Community preference. There are numerous examples testifying to its non-observance. All too often in practice short-term economic interests dictate that purchases are made outside the Community instead of within it.

To the flood of irregular or fraudulent imports has been added an impressively long list of exemptions negotiated from time to time by one country after another as a result of agreements entered into by the Community, often without adequate reciprocal concessions. You may be certain that the Committee regards these agreements as necessary, because they demonstrate Europe's willingness to establish wider contacts with the world, and especially with developing countries, successfully establishing profitable relations with them and managing in many ways to have itself regarded as a model. It is, however, quite unacceptable as this Committee has pointed out that the indirect consequences of such agreements should be borne by the farmers alone, particularly in the case of beef and veal.

Financial solidarity is of course one of the cornerstones of the Community idea. That too is now being questioned. The suggestion that an overlarge industrial agricultural industry has been absorbing too large a share of Community revenue has had its effect. There is, however, nothing shocking about the fact that EAGGF expenditure should take the lion's share of the budget, since Member States have transferred their national responsibilities onto the European Community in accordance with the development of the common agricultural policy. Other common policies would be meaningless and contrary to the idea of European integration if they were to be developed at the cost of an imposed ceiling or even a reduction of agricultural expenditure. We must endeavour to find alternative transfers. Having made this point, this

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Committee sees four major justifications for a substantial increase in common farm prices for 1980.

I shall quote these justifications: the European Parliament can propose an increase in prices since the common agricultural policy is not as expensive as claimed. The European Parliament can propose this increase because budgetary possibilities allow for a reasonable degree of outlay and because at least a partial solution to the problem has been found to the problem of surpluses in the proposals outlined in the report submitted to you. The European Parliament must propose an increase in prices because farmers' incomes in Europe are lagging behind. Finally the European Parliament must propose an increase in prices if it wishes agriculture to assume its proper place in the economy of the European Community.

But let us first look at the real cost of the common agricultural policy. I have already had occasion to point out the simple fact that the true cost of the CAP is a great deal less than is supposed. Financial responsibilities have been seriously arrogated, to the very great detriment of the farming community. We must assess the true cost of agricultural activities.

Because of the way it is presented, its oversimplifications and its oversights, EAGGF gives a very distorted and artificially inflated picture of what it claims are agricultural prices. The true picture is more complex. In terms of expenditure, it must be recognized that numerous items at present charged to the EAGGF are not attributable to agriculture. What is more — and these are far from being the most insignificant items on the list — the same is true of the monetary compensatory amounts, which will still represent more than 300m EUAs. The same is true of the burden borne by the Community as a result of the re-export on to the world market of a volume of sugar equal to that imported from ACP countries in accordance with the provisions of the Lomé Convention. This burden rose to 400m EUAs in 1979. The same is true of expenses incurred in numerous trade agreements or by duty-free imports. Several of these import patterns are, however, quite simply a blatant infringement of the principle of Community preference and, in broad terms, the total is of the order of one billion EUAs. The same is true of aids for internal consumption for agricultural and food products in the Member States, since in many cases consumption under these conditions proves more expensive than export.

This list is not an exhaustive one. Thus, when EAGGF expenditure is broken down accurately, the European agricultural budget accounts for only about 40 % of the total. I would add that, taken in its broadest sense, the common agricultural policy still represents only 0.6 % of the Community's gross domestic product.

What lessons can be learnt from these figures? Firstly that Europeans are assured of a cheap supply of foodstuffs, and secondly that if other common policies are

introduced the proportion of budgetary expenditure they represent must be kept separate and not included in the EAGGF. We have incidentally made such a proposal to the Committee on Budgets.

Our second observation concerns the budgetary possibilities and the attempts to rationalize agricultural expenditure. During discussion of the 1980 budget our colleague, Mr Dankert, drew our attention to the level of Community expenditure in the light of the limitations imposed by the 1 % VAT ceiling.

This is clear proof of the new sense of responsibility evident during the debate on the 1980 budget. I am glad to be able to record that, under the present scheme, the forecasts of expenditure will result in a levy of about 0.68 % on the total amount of VAT. There is, therefore, a 3 500 million margin available, corresponding to 0.32 %, in relation to the 1 % ceiling.

Given that an additional rise in prices of one point is equal to 32 millions in the 1980 budget, you can see that on the one hand there is some room in the budget to grant aid to other Community projects and to increase farm revenue and that on the other the repercussions of this increase on Community finances are very slight.

But this is not all: there are certain types of agricultural production which currently cost the Community nothing at all: this has already been shown to be the case for cereals, and we have made a similar claim recently for sugar.

Therefore if the relative situation of Community expenditure needs to be examined very carefully, we must also be prudent and restrained, particularly as your Committee on Agriculture is making proposals for rationalizing expenditure in the only sector of production which is causing any problem: the milk and milk products sector. This fact leads us to reject the Commission proposals for the sugar and the beef and veal sectors.

The first topic to be dealt with is most certainly the milk and milk products sector. But before I do so, I feel that I must specify what I think the Commission's approach to possible farm surpluses should be: the Community has a duty to guarantee a steady supply of foodstuffs to European consumers at stable prices to a point as near self-sufficiency as possible. Finance is certainly provided by EAGGF but the Community also has to pass the consequences of trade agreements entered into on to the European tax-payer, internal markets and farm incomes. In fact these agreements are the result of policies other than the common agricultural policy and affect all the citizens of the European Community. Indeed the same rule would hold good for the level of stocks considered desirable — strategic and contingency food stocks — reserved for export and food aid. The financial responsibility of the

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enormous surpluses still existing after withdrawal of these volumes of production would then in part be borne by the producers.

In my view the first priority is to ensure that the revenue collected should be devoted to promoting exports to third countries. Why for export? The Community should have no misgivings about agro-foodstuffs. There is, in my view, no major economic argument against introducing a thoroughly foreign commercial policy. Even if world prices constitute dumping prices, they are not definitive reference prices, because all exporting countries keep their internal agricultural prices higher than world ones.

If Europe fails to make a dynamic impression on the world markets accessible to it, other industrialized countries will do so, thereby strengthening their own economic capacity. World forecasts all agree that malnutrition is likely to get much worse in many parts of the world. The financial ability of poor countries to meet internal demand depends upon their rate of economic growth. Similarly it will be a long time before these countries can expect to be self-sufficient in agro-foodstuffs.

There is room for wide improvement of the much criticized food aid programmes both from the nutritional and sociological points of view and they should be adapted to meet the tastes and requirements of local populations. It must be remembered that the Community is the major world importer of agro-foodstuffs and that it has a very large foreign trade deficit in these products, which should be an incentive to us both to increase our exports and reduce imports. Indeed on this point the Commission has declared itself in favour of a vigorous revival of the production of goods in deficit, and of an improved pattern of production investment.

The finance necessary for exports would in part come from the producers in accordance with their rate of tax contributions. We are convinced that as far as exports are concerned, Europe is exclusively preoccupied with statistics and is forgetting that she must have a political will.

If the Community were to think more in terms of exports, her budgetary situation and also her trade balance would be greatly improved. But how are these exports to be achieved? I will do no more than cite a few policies which would ensure progress in this field: we must cease to confuse cut-price selling of the surpluses which occur from time to time with a consistent foreign-trade policy. It would be possible to grant preferential treatment to the exportation of processed products which would entail refunds. The Community is in a position to conclude many long and short-term export trade agreements. The Community can also set up a social and material infrastructure to help operators. Finally in its machinery and its procedures the common agricultural policy should include numerous

export incentives. Moreover the Commission is in favour of even wider use for export purposes of the revenue from the milk co-responsibility levy. In its proposals for rationalizing expenditure the Commission first expresses the desire to see a comprehensive policy for oils and fats defined and put into effect straight away. This topic is in fact related to the milk problem. The same applies to aid for nurse cows, a principle approved by the Committee on Agriculture since this action is aimed at reducing milk production. The Commission has also adopted the increase in the co-responsibility levy from 0.5 % to 1.50 % with exemptions for mountain and disadvantaged farming areas of up to 60 000 litres per producer per annum. As far as the super-levy is concerned no amendments tabled in committee have been adopted. It is therefore up to Parliament to declare itself in favour of the amendments which will be put to the vote. I think, however, I may say that although the principle of a dissuasion levy has been accepted, the problem lies in the precise form this levy should take, particularly in view of the serious reservations engendered by the Commission proposal. In any event the Committee on Agriculture is aware of the need to come to a definite decision on this score and that the increase in prices is not independent of the attempt to control milk production.

It is, however, quite unrealistic to suppose that in one year production can be blocked suddenly in such a basic and complex sector as milk and milk products. Major changes become inevitable once the principle of limiting milk production is adopted.

The third major reason for increasing farm prices is the level of farmers' income. I sometimes feel we forget that what we are discussing is the ability of very many small farmers to earn an acceptable livelihood. Those who criticize price maintenance often propose direct subsidies. This would be a way of supporting the producer while at the same time favouring the consumer. But let us be quite clear about this: the direct subsidies necessary to maintain a sufficient income would cost even more than price maintenance. The producer would gain at the expense of the consumer. In addition, and not unexpectedly, the farmers do not want charity: any planned reform of the CAP would have to take this refusal, which I regard as both healthy and honourable, into consideration. It is still true, however, that all too frequently public opinion speaks in very subjective terms about farm incomes, even when the statements are based upon objective information. The reasoning is based upon the idea that any increase in common agricultural prices is the starting point for a spiralling of inflation. But this is to disregard Article 39 of the Treaty of Rome concerning the parity of revenue between the agricultural sector and other sectors.

In fact we are very far from achieving such parity because there is no assurance that the two variables will evolve in a parallel way. There is a chronic fall in

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the relative value of agricultural property. Farm production returns are rising less rapidly than the costs of internal consumption — by more than 1 % in certain regions of Europe in 1979 — and less rapidly than food prices, also less rapidly than inflation which was running at more than 12 % in the European Economic Community in 1979.

This year, according to the Commission's own figures, average Community farm income fell in real terms to between 1.5 % and 2 % with inevitable variations arising from differences in types of production and region, some of which are finding themselves in particularly difficult circumstances.

Whereas the incomes of other economic agents have continued to increase, the evolution of agricultural revenue has fallen in real terms by 10 % since the crisis. But I am well aware that the interests of the consumer must also be taken into consideration. And I can give you assurances on this score. To refer once again to the Commission's figures, it is clear that the common price affects only 70 % of total agricultural production. I can confirm that an additional increase in production prices by one point has repercussions of the order of 0.30 % on food expenditure and of 1.05 % on total household expenditure.

Each year expenditure on food accounts for a smaller proportion of the total household budget. At the present time the figure is 18 %. We are therefore quite unperturbed in proposing an average rise in common agricultural prices of 7.9 % and confident of the social equitableness of such a step. This increase is the objective method recognized by the European Commission. It is proposed as being the only way to maintain incomes. In this respect, the Commission has done no more than draw a logical conclusion which constitutes a response primarily to the needs of the farmers. In view of these reflexions, however, I had proposed an increase of 5 % in my initial report by way of a compromise, but the majority of the Commission preferred to adopt the figure obtained by the objective method.

The fourth and final justification is to maintain the role of European agriculture. What is the nature of this role? The reply to this question is of major importance. If one is content to make do with a weak and subsidized agricultural system, then all that need be done is to continue dismantling the common agricultural policy and to refuse to provide for adequate remuneration for the farmer's productive efforts. We shall then witness the progressive desertification of several European regions. We shall see Europe at the mercy of volatile world markets and her progressive impoverishment. We shall see the European consumer suffering all the consequences of the fluctuations of world trade. And I can assure you that we shall see the tax-payer being called upon to contribute more in taxes than he does now. If, on the other hand, European agriculture gets the attention it deserves, the

Community will be in possession of a valuable asset up to the end of the 20th century, and one to which, in my view, there are several aspects. Since it lacks raw materials of its own, the first lesson that Europe should draw from recent events lies in the still embryonic awareness that each country and each continent must develop its own natural potential. Given the agricultural potential of the Nine, there is a considerable margin for development. But this potential has yet to be recognized and exploited: one has only to think of the potential of our forests, of the biomass and energy applications.

The second lesson to be drawn is that despite necessary economic cooperation, independence is more than ever indispensable for the countries of the European Community. Industrial products can no longer be sold in exchange for farm and food products. The following formula is the one we require today: services, industrial and farm products in exchange for our requirements in energy and raw materials.

The third lesson is that in the present international climate of tension, the primary objective of governments must be to build up their stocks of foodstuffs. There are two reasons for this: first to ensure our own security — let us not lose sight of the extraordinary dependence of Community stock-raising — and secondly for our strategy, and indeed I have no hesitation in qualifying that, for our economic strategy.

But we must realize that in order to produce sufficient quantities of farm products, we must accept that there will be surpluses and that we must be prepared to bear the resulting costs.

The fourth lesson is that the peace of the world will in a large part depend upon the progress mankind makes in its fight against hunger in very many poor countries, many of which are our future customers. Whether the demand for foodstuffs can be paid for or not, the European Community must accept its responsibilities in this field.

The fifth lesson has to do with employment. There is a widespread feeling that the big problem for the 1980s will be unemployment caused by a slowing down in the rate of growth. Is it prudent to exacerbate the drift away from the country and the farms by reducing agricultural dynamism, thereby running the risk of completing the desertification of certain zones and filling our cities with an even greater number of unemployed?

The last lesson concerns the quality of life. There are new requirements in this field which we must meet: respect for the environment, the maintenance of the extraordinary diversity of our crops, customs, local activities, and a need for a new commitment to the land in the face of urban and industrial discontent. These objectives will never be achieved in the European Community without the farmers.

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You can see, therefore, the important functions that agriculture is expected to perform in our continent. It is vital that our agricultural potential be preserved. I feel, Madam President, colleagues, that perhaps this exposition has been rather longer than it ought to have been, but it was my desire as far as possible to emphasize the spirit of responsibility and determination in which this report was prepared.

In conclusion I would like to make the solemn declaration that the decision the Parliament adopts after Wednesday's voting will constitute an eminently political act.

It has been my desire to show that there are answers to these technical problems. I recognize that there is a very fine line which separates the imperatives stemming from budgetary and international economic considerations and the desire to preserve farm incomes. But the correct political decision will be the one which enables us to bring about a stable balance between these two essential objectives. It is my contention that we can go further in increasing common agricultural prices than the Commission is proposing. It is also my contention that we must give renewed hope to the farmers of the European Community while at the same time giving assurances to European tax-payers and consumers.

The European Parliament must initiate the rehabilitation of the common agricultural policy and restate a clear political definition of the place of agriculture in a world which is changing and which will change even more rapidly and radically in the future.

Finally, it is my view that the European agricultural policy should not be changed. All we have to do is to respect and perfect the common agricultural policy to the full in accordance with the Treaty of Rome and the Stresa Conference.

The quality of the message which the European Parliament broadcasts when the debate opens this evening will depend upon the quality of the views expressed. I hope, Ladies and Gentlemen, that it will be one of unity, testifying to the fact that Members of the European Parliament have come together when it really mattered and have taken one more step towards a unified and dynamic Europe.

(Applause from the centre and the right)

President. — I call Mrs Siebel-Emmerling to speak on behalf of the Committee on the Environment, Public Health and Consumer Protection.

Mrs Seibel-Emmerling, co-draftsman. — *(D)* Madam President, ladies and gentlemen, with my opinion I am also presenting the draft amendments — nos 22 to 31 — which I have tabled on behalf of the Committee on the Environment, Public Health and Consumer Protection. The committee discussed the Delatte report

both at its meeting in Dublin and in Brussels on 20 March. It also heard the views of the four European consumer bodies and of COPA within the framework of its hearing on the second consumer programme in Dublin. The committee deplores and denounces the timetable which has been imposed, which has not allowed its opinion and conclusions to be taken into account by the Committee on Agriculture in its report or discussions and now compels us to present our views to the House in the form of these draft amendments, which I, as the draftsman of the opinion, ask you to support.

The opinion before you was adopted by ten votes to seven. In accordance with the committee's responsibilities, it examines the effects of the Commission's proposals on supplies to consumers and whether they can lead to reasonable prices; it considers whether the incomes and standard of living of small farmers — who, after all, make up an important section of the Community's consumers — can be safeguarded by price policies; it considers the need to ensure supplies and maintain chances of survival in the Community in the event of an emergency, while at the same time ensuring survival and development opportunities for the developing countries, and it looks at the need to restore ecologically acceptable conditions in nature and the environment. From its examination of these four issues the committee has produced its opinion on the Commission's proposal and Mr Delatte's report.

The committee is alarmed at developments in the agricultural sector and concludes decisively that the objective of creating a structural balance cannot be attained by the price policy adopted up to now.

(Applause from certain quarters on the left.)

It also observes that the hoarding of surpluses is not the same thing as making provision for emergencies. *That* would be a perfectly sensible policy, but it would need to be based on totally different criteria, i.e. whether the products are suitable for storage, their availability in emergencies and their value as food.

The committee, being responsible for environmental questions could not ignore the problems arising from the intensification of agriculture, of which surpluses and an overtaxed budget are by no means the only symptoms. Nature and the environment are also affected. So is people's health. Therefore the committee has tabled amendments to promote greater concern for ecological balance. It also — unanimously — calls on the Commission to produce its promised green paper. We need information on everything, but above all on the national and regional aids in the agricultural sector. The committee views the new protectionist measures for fruit and vegetables proposed in paragraphs 57 and 61 of the motion for a resolution in Mr Delatte's report with concern and is afraid they will have the usual adverse effects on consumers and tax-payers and also on the exporting developing countries.

Seibel-Emmerling

It therefore recommends that these paragraphs be deleted. In its discussions the committee paid particular attention, of course, to consumer prices. It strongly opposes the view expressed in the Delatte report that an increase in producer prices has only a negligible effect on the cost of living and wants the paragraph in question, No 68, to be deleted.

The committee knows that the smaller a family's income and the bigger the family, the greater the share of the budget that has to be spent on food. It also knows that in some Community countries an extremely high proportion of people's total expenditure goes on food. One example is Italy, where the proportion is 30.5 %.

We are also asking for paragraph 69 to be deleted. We dispute the statement in that paragraph that the prices paid to producers represent only 25 % of the final value of the products. The Commission can certainly confirm that the correct figure, taking all relevant factors into account, is nearer an average of 44 %.

My proposal that paragraph 73 of the Delatte report, '*Considers that the Commission's proposal for an average increase of 2.4 % is unacceptable,*' should be deleted was rejected by the majority of the committee. Various reasons were given: some thought the Commission's figure was too low, others thought it too high. On the other hand, a majority in the committee was opposed to paragraph 74 of the Delatte report, which calls for an increase of at least 7.9 %.

(Applause from certain quarters on the left)

The rapporteur — if I may make a personal statement — considers this demand monstrous and irresponsible towards consumers and taxpayers. The committee proposes the following text to replace paragraph 74:

'Calls on the Council to refrain from taking any decisions that could jeopardize the objectives of the Commission's proposals which are to remedy the lack of balance on some agricultural markets and to reduce CAP expenditure.'

I ask the House to support the committee's recommendations.

(Applause from certain quarters on the left)

President. — I call Mr Cohen to speak on behalf of the Committee on Development and Cooperation.

Mr Cohen, draftsman. — *(NL)* Madam President, colleagues, the Committee on Development and Cooperation has considered this year's agricultural proposals and has studied them from the point of view of its particular responsibility. So this evening I shall not be dealing with the incomes position of farmers,

nor with the implications of the agricultural proposals for the Community's budget, nor even with the regional incomes disparities in our Community. We in the Committee on Development and Cooperation have kept to our mandate, which was to consider what the consequences of the agricultural proposals would be for the Third World. That is our responsibility and our duty; it is also the duty of this House and of the Community itself.

We are proud of the fact that the Community has created a common agricultural policy. I ought really to make that statement in French and say, '*La politique agricole commune a le mérite d'exister.*'

This common policy has gone further down the road to integration than we have managed to achieve in any other sector. If only it were true that we had a single integrated policy for the social, regional or energy sectors. But we do not; it exists only in the agricultural sector. But that is also the reason why we as the Community, as Europeans, are responsible for the consequences of that policy. No national policy can undo any damage that we cause by our policy. We can only do that by incorporating in the policy itself the methods and mechanisms that will prevent the damage from being done.

Our committee felt that it would have to table a number of amendments to the Delatte report. I am sure that I hardly need to defend some of the amendments which concern the chapters on dairy products, beef and veal and fruit and vegetables. These amendments are self-explanatory. They simply reflect our view that the policy we are pursuing in these sectors must not be at the expense of the export interests of the developing countries. As I say, I am sure that Parliament needs little persuasion to support this view. I will go further and say that I am sure that if Mr Delatte had a little more time to consider his report he would have proposed these amendments himself.

I am not quite so sure that the proposals of the Committee on Development and Cooperation for the sugar sector can also be accepted by all concerned without further discussion. In his report Mr Delatte says with regard to the sugar sector, in a paragraph which I most emphatically applaud, that the Community should accede to the International Sugar Agreement as soon as possible. But it is not enough, of course, just to say this when the Community is still not in a position to accede to the agreement, since we have been unable to obtain a consensus on the quantity of sugar which the Community would have to export. So it is not good enough to say that we must take the consequences for our own policy. That is the reason why the Committee on Development and Cooperation has concluded that virtually the whole of the paragraph in the Delatte report dealing with sugar should be deleted and replaced by our committee's proposal which says — and here we part company with the Commission's proposal — that the A-quota sugar

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should be maintained and the B-quota should be scrapped. We are saying this for the simple reason that even the Commission proposal does not go far enough. This provides for a reduction of sugar production by 1.2 million tonnes per year, but that will still leave a surplus of 2.1 million tonnes that will have to be disposed on the world market. In this it differs substantially from the other proposals we have discussed this evening.

The Commission's proposal on sugar covers a five-year period. On other products we are discussing prices for the 1980/1981 marketing year, but these Commission proposals deal with a reduction of sugar production over a five-year period. That means that we should be maintaining a surplus of 2.1 million tonnes over the next five years. This was unacceptable to our committee and we have therefore proposed a change in the mechanism, maintaining the A-quota sugar and scrapping the B-quota.

As I say, Madam President, I don't think that we have caused great difficulties in this debate, apart from the sugar problem. I believe the three other amendments will be acceptable as they stand. I hope reason will also win the day in the case of sugar and that Parliament will accept our proposal.

President. — I call Mr Adonnino to speak on behalf of the Committee on Budgets.

Mr Adonnino, deputy draftsman. — (I) Madam President, colleagues, the Committee on Budgets has also presented a number of amendments to Mr Delatte's report, in particular Nos 18 to 21: some of these amendments involve additions to the text, others changes. I should like to outline the opinion of the Committee on Budgets and, at the same time, deal with these amendments so that the Assembly can take proper account of them when voting.

It is good procedure, in discussions which involve the opinions of committees with different and specific responsibilities, for each to adhere rigorously to its own field and leave the Assembly to draw the appropriate conclusions.

In the context of the reform of the common agricultural policy, and with a view to securing more balanced markets, rationalization of expenditure, fixing of prices for certain agricultural products for the 1980-1981 marketing year, and related measures as well as compensatory monetary amounts, the Committee on Budgets wished to examine the financial effects of the proposals and to see how far the budget was consistent with the arguments put forward by Parliament on 7 November and 13 December 1979 on the occasion of the vote against the draft budget for 1980.

The committee considered that these arguments would provide precise guidelines for preparing a new draft budget and for fixing the objectives to be achieved. Furthermore, since nothing has happened to justify a change in the guidelines which were clearly laid down by the Assembly, the committee had no option but to carry out its examination on the basis of the said guidelines. The term 'consistency of the budget' implies an appraisal of individual viewpoints which are of course valid, as are many of those expressed here in the House this evening by the rapporteur for the Committee on Agriculture. It is, however, equally indisputable that they must be seen against the background of a series of general requirements on which our committee's overall evaluation was based. It is precisely in this way that we intend to examine the budget from the point of view of consistency.

Far from dwelling on the techno-agricultural aspects of the various problems, colleagues, our committee considered that it was not its task to take analytical decisions or fix minimum or maximum percentages for the prices of certain agricultural products, but thought it necessary to stress the positive or negative aspects of the proposal, to indicate possible lines of action, to reaffirm objectives with the aim not only of solving the problems relating to this financial year but also of suggesting procedures which, while updating past procedures, could also prove useful for future financial years on the slow but inexorable path towards the reform of the common agricultural policy. To emphasize the fact that, far from wishing to attack the common agricultural policy, we wish to recognize its full value and to correct only the distortions, we have stated, as Parliament has already rightly pointed out, that a better balance of agricultural expenditure would in fact safeguard agricultural expenditure itself.

Mr Delatte, the Committee on Agriculture's rapporteur, has pointed out that it is not surprising that agricultural expenditure accounts for a large proportion of the budget, since, under this policy which has been followed for years, many powers have been transferred by the individual countries to the Community. Although this is undoubtedly the case, it does not detract from the fact that there is now just cause for concern in the context of the overall problem at the fact that, within the framework of the present common agricultural policy, a better balance could be achieved by highlighting the problem of intervention for guidance and guarantee purposes.

On 7 November 1979 Parliament recognized that one of the causes of the imbalances of the common agricultural policy was the fact that the guarantee policy had excessively protected some sectors of production to the disadvantage of others. It therefore asked that action be taken in order to control surplus production, pointing out among other things that savings in one sector should be used to increase the funds for structural measures.

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In our opinion this shows that a sensible policy on agricultural prices is now compatible with the position recently adopted by this Assembly. The Commission put forward a proposal for an average price increase of 2.4 %, while the Committee on Agriculture asked for an increase of at least 7.9 %, a figure which is arrived at by applying the traditional method and which would guarantee farmers' income levels.

The Commission has justified the fact that it reached different conclusions by pointing out that the traditional method had to be corrected to meet the present situation. It should be pointed out that, in any case, the adjustment of prices is not sufficient in itself either to protect the market or to safeguard farmers' incomes. Consequently, the proposed measures should be assessed as a whole. By limiting the examination of the financial effects to the 1980 budget alone — i.e. to a financial year which, because of circumstances, has already partly elapsed — one may very well come up with purely formal data, whereas in reality attention should always be given to the situation over 12 months, even when examining the problems for the 1980 financial year.

Looking at the proposal as a whole, it is clear that the savings of 823m EUA for 1980 are so high because they include the sum of the highest levels of agricultural prices and the savings due to measures planned in some sectors of production, while leaving aside alternative higher expenditure under the Guidance Section, thus partly reducing the effectiveness of the objectives dictated by the need for a more suitable policy on structures aimed at promoting the efficiency and modernization of farms.

One of the problems which has been discussed a lot is the co-responsibility levy. The Commission has proposed that the present 0.50 % levy on milk should be increased to 1.50 % of the target price and has also proposed introducing a supertax of 18 units of account for every 100 kilograms of milk for those processing firms whose production exceeds 99 % of the amount bought up in the 1979 financial year.

While I recognize that the supertax may prove an appropriate instrument for containing some surpluses, it must be pointed out that it could also be used in different ways to improve serious situations which certainly warrant attention, while retaining the desired deterrent effect.

The Committee on Budgets noted that in the report by the Committee on Agriculture the co-responsibility levy was not specifically discussed — although the rapporteur did say something more this evening — apart from an indication that the revenue could be used to promote consumption. These points were not approved, as it was felt that the problems of surplus production should not be dealt with in this way, but should be redefined — once the sectors have been properly identified — with the proceeds from the levy

being used for structural intervention, which alone can resolve the problems and restore balance throughout the agricultural sector.

The Committee on Budgets also considered that the Commission's proposals to reduce monetary compensatory amounts were still very modest, as a reduction of only one point was proposed for positive MCAs and would therefore not bring about the rapid, though gradual, dismantling of compensatory amounts which everyone now agrees is necessary.

The task of whoever is to assess the financial implications and the consistency of the budget is always made very difficult by the lack of full and detailed information. The Commission's attention is drawn to this, but at the same time it has been pointed out that the material involved is always changing and is difficult to quantify.

The Committee on Budgets has therefore laid stress on the fact that the Commission's proposals could be regarded as complying with the above mentioned requirements of balancing the cost of the common agricultural policy insofar as they are effectively able to contain surpluses. In this connection the committee considered that the savings which could be made in the 1980 financial year as a result of these proposals could mark the first major step towards the containment of expenditure from the EAGGF Guarantee Section in respect of structural surpluses. It feels, therefore, that in terms of their financial implications the proposals for the elimination of the structural surpluses comply, broadly speaking, with the guidelines laid down by Parliament.

The committee feels that, when fixing prices for agricultural products and determining related measures, the Council should try to adhere to these guidelines, and that the fixing of price levels should therefore be based on the savings which can be made on surpluses and subsidies, taking account, for consistency's sake, of the need for a balanced market and a fair income for farmers.

Colleagues, these in short are the main lines of thought and the guidelines on the basis of which the Committee on Budgets felt it should examine the Commission's proposal and to which it should ask the Parliament, the Commission and the Council to adhere. The committee feels that if the Council endorses these guidelines, a just solution could be found to one of the central problems of European development.

President. — I call Sir Henry Plumb.

Sir Henry Plumb, Chairman of the Committee on Agriculture. — Madam President, colleagues, Mr Delatte has already referred to the fact that this year the Com-

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mittee on Agriculture was faced with a major task of the first importance which goes far beyond the normal price review and concerns the whole future of the common agricultural policy.

The dilemma facing us was to examine the related sets of measures, bearing in mind the income needs of the Community's eight million farmers and their families and to meet so many conflicting constraints within a difficult economic climate. The Commission's package to improve the situation in the dairy sector and to establish the sugar arrangements for the next ten years, the proposals themselves and the difficult problem of MCAs, are all important matters which must be considered seriously and in a balanced manner. I think the length of our report reflects this fact. Following a very careful consideration of some 293 amendments submitted to us, the decisions we take on the floor of this House, if implemented by the Council of Ministers, can have an impact on the future livelihood and well-being of millions of food producers, processors and manufacturers throughout the whole of the Community, in addition to the suppliers of the requisites for agricultural production.

They cannot therefore be taken lightly and they must make economic sense, both for the taxpayers and for the consumers. And so in considering the budgetary aspects of our decisions, a number of points must be made absolutely clear. These were referred to very correctly by our rapporteur, Mr Delatte.

The Commission has stated that their proposed modifications in the milk sector have a much greater impact on expenditure than any decision taken at the level of prices, saving globally over 800 million units of account. And so the Committee on Agriculture has come out broadly in favour of measures to deal with excessive production, without being specific on the co-responsibility levy or on the super levy.

Secondly, I should like to emphasize that, whatever decisions we make, major saving in the agricultural sector will be made because of the world market trends and changes in demand within the Community. The increases in world agricultural produce prices means that it costs less for the Community to export; perhaps sugar is an example that could so easily be followed by other commodities. Within the Community the demand for skimmed-milk powder means that certain expensive interim measures that have been taken are no longer required. And so, whilst it is extremely difficult to make a reliable estimate of the budgetary impact of decisions taken in the agricultural sector because of the numerous unknown factors which determine world price levels, the internal volume of production and the level of market prices, the possibility of further exchange rate instability, market management or export policy, we should make it clear that as far as possible the budgetary implications of a particular price rise must be offset by increases in receipts for the Community budget, and we must accept mea-

asures to prevent the budget from being destroyed by an uncontrolled increase in expenditure due to unwanted production increases. But we should also, Madam President, take into account the cost increases of efficient production, already indicated by the Commission's objective criteria, if we are to maintain a stable agricultural sector in the Community.

Mr Delatte has presented in detail the report drawn up following our deliberations of the Commission's proposals. May I repeat that the measures proposed can be of much greater significance to the budget than the price proposals themselves. We should also bear in mind the Barbarella Report that was approved at our last plenary session and its significance on farm structures and rural policies. Given the savings that can be made as a result of these decisions, and taking into account the fact that in the last two years farmers got a price increase of 2.1 % and 1.3 % respectively, the committee decided that the average increase in agricultural prices should meet the cost increases of 7.9 % which is well below the current average inflation rate. A price increase on this scale also has the advantage of allowing us more easily to reduce green rates which have been disturbed by the Community's agricultural markets over recent years.

My committee also emphasized the need to eliminate negative MCAs in two years, positive MCAs in four years with new MCAs which may be introduced as a result of future currency fluctuations being phased out according to a fixed time-table. The committee, Madam President, regretted the fact that the Commission's proposal to reduce existing MCAs is far too modest. So if we are supporting and maintaining a dynamic agricultural industry let us during this debate in this House in this Parliament Madam President, be seen to be doing so.

(Applause from the centre, and from the right)

President. — I call Mr Gundelach

Mr Gundelach, Vice-President of the Commission. — Madam President, this is the first time that members of the first directly-elected European Parliament are participating in the decision on common agricultural prices. The decision we have to make is both difficult and dangerous. Our common agricultural policy may indeed collapse if you do not make the right decisions.

The proposals from the Commission before you relate to agricultural prices and to measures aimed at improving the effectiveness of this policy. They are an attempt to strike a balance between forces pushing strongly in opposite directions. The development of farm incomes over the last 12 months argues in favour of an increase in agricultural prices, but the imbalance of agricultural markets, the position of the general economy and the need for budgetary strength, all

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argue in favour of freezing prices. Our job, your job, is to reconcile them equally.

What I want to do now is to put before you the basic political issues which face not only this House, but the whole Community. We are subject to major constraints.

One of these is the need to prevent an abrupt decline in agricultural incomes. Here we must steer a middle course between a more favourable and a less favourable treatment for agriculture than that accorded to the rest of the economy.

The second need is the need to tackle agricultural surpluses in a decisive manner and so bring under control the growth of agricultural expenditure.

The third is to be seen to be spending the Community's resources in a more responsible and useful way than heretofore.

It is these same constraints which face your committees, and each of them is tackling different aspects of the issue and consequently coming to different results. But this House, as well as the Commission and the Council, must take a decision which takes all these elements duly, and in a properly balanced manner, into account.

Mr Delatte, your agricultural rapporteur, is to be congratulated for his work on two sets of complicated and far-reaching proposals. He has presented this House with a concise and easily understood report. Mr Delatte, who carried the responsibility, did not, of course, work alone. He had the support of his chairman, Sir Henry Plumb, and the whole of the Committee on Agriculture.

I am grateful also to the other committees whose rapporteurs have just given their views. Obviously I do not agree with all that the Committee on Agriculture has proposed, but there are many issues on which Mr Delatte, the Committee on Agriculture, the Commission and, I hope, this House, are marching in step.

Like you, I consider that

in order to maintain the continuity and credibility of the common agricultural policy, it is essential to solve the problem of surplus production.

Like you, I am worried about the incomes situation of many farmers, especially small milk producers.

Like you I consider that

the common agricultural policy ensures regular supplies for European consumers by protecting them against sharp rises in the price of agricultural products on the world markets and against the risk of shortages.

Like you I can see the force of the argument that

exports of agricultural products and independence in the matter of food supplies are vital to the economic strength of Europe and to its role in the world.

But while I can find a great deal of support in the draft resolution for the Commission's analysis of the common agricultural policy in general, I do not find much emphasis on the need for budgetary restraint, that is the avoidance of misuse of resources.

This House, I know, wants to develop new policies in order to strengthen the Community and policies designed to meet economic, regional and social objectives and to deal with energy. This House, I know, wants to see agricultural policy as a plank in a platform rather than the platform itself. The Commission shares profoundly these aspirations. Leaving aside the question of other policies, the Community cannot allow the common agricultural policy to be endangered because it misuses resources. The policy must be safeguarded. The Commission is trying to do this in the set of proposals before you, and you are now being asked, in effect, to determine your priorities.

The need for budget restraint is not something invented by the Commission. In December the Heads of State and Government decided that the present ceiling on Community resources should not yet be raised. In the same month this Parliament rejected the 1980 Community budget. One of your reasons appeared to us, and to the public, to be the disproportionate expenditure on milk surpluses. This week, Parliament is asked to give an opinion on a set of proposals that reflects its own budget anxieties by tackling the financial waste caused by market imbalances, particularly those in the milk sector. To put it bluntly, we have arrived at the moment of truth.

As a result of your decision in December the Community is still operating without a budget. Following a similar approach, the Council of Economic and Finance Ministers has very recently stressed the need for substantial savings and a prudent price policy in the agricultural sector. It is also clear that we ought not to be prevented from developing other policies because the growth of agricultural expenditure alone risks exhausting present Community resources.

Reference was made to the fact that the use of VAT, according to our present budget forecast, would only be some 0.68 % but, ladies and gentlemen, this is on the assumption that our agricultural proposals are accepted. If they are not, if you disregard our proposals for economy, if you do not follow a prudent price policy, we will, without fail, reach 1 % in 1981 and we will not be able to ensure the continuous functioning of the common agricultural policy. We will not be able to support the market and secure the incomes of the agricultural population.

(Applause from certain quarters on the left)

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In these circumstances I cannot understand why your Committee on Agriculture makes no reference to budgetary constraints other than

deplores the fact that the Commission based its proposals primarily on budgetary considerations, occasionally neglecting the social repercussions of the measures planned on producers' incomes.

If we had done precisely that, we would have proposed no price increase for the 1980/81 marketing year nor would we have proposed extra extensions to the co-responsibility levy for milk or a costly income support measure in the beef sector, together with a number of new measures in the areas of structural policy which we discussed on the basis of the Barbarella report last week.

Nor can I understand how your Committee on Agriculture can propose to this House a price package which in 1981 will cost up to 2 billion units of account more than the Commission's proposals.

Is that what this House meant in December when it took a decision resulting in all of us living until further notice on what is called the provisional twelfth? Is that how you want us to implement what your Committee on Agriculture calls 'the necessary review of the common agricultural policy'? Your Committee on Budgets obviously does not think so.

The budget is one element in the balance. Agricultural incomes are another. We all agree that although farm incomes rose in money terms in 1979, they rose more slowly than inflation. The purchasing power of our farmers fell, therefore, while real incomes in the rest of the economy rose slightly. We also agree that

production costs in the agricultural sector have risen very sharply, mainly because oil prices have doubled.

These two facts point to the inescapable conclusion that our farmers need, deserve and will get price increases.

But we must be careful not to be swept along by an indiscriminate incomes argument. Not all farmers' incomes have deteriorated and not all non-agricultural incomes have improved. Income figures for the economy do not take account of unemployment. Today we have about 6 million people unemployed. Why? When rising wages, higher production costs and more intensive competition squeeze other industries, the results are higher unemployment and bankruptcies.

The squeeze is becoming worse and by the end of the year another half-million people could be jobless. Can an industrial wage-round where, to some extent, higher wages are offset by redundancies really be compared in all its aspects to the bargaining on agricultural prices? Do we really believe that a farmer with some security from his own farm with the stability of rural life and the guaranteed markets provided by our pol-

icy, which we want to defend, is to be compared to an industrial worker?

Let us also be careful when we interpret the evolution of agricultural incomes. The objective method is sound within the limits set by its own assumptions. These assumptions are, however, arbitrary. For example, the method does not take account of increases in the volume of production, although this has been a major feature of our agriculture in the last few years and has influenced incomes.

In addition, the agri-monetary development has affected the result of the method. It certainly cannot decide now, and, I must remind the House, has *never* in one single year of the lifetime of the Community decided, the prices alone. It must be seen together with other relevant economic factors.

(Applause from certain quarters on the left)

Furthermore, there are wide variations in agricultural incomes. In 1979, incomes rose in France and Italy, not only in monetary but also in real terms, and more than half of the Community farmers are in these two Member States.

Price increases are not an effective way, as I said last week in the debate on the structural policy, to solve the income problems of small farmers. Across-the-board increases do not reduce income disparities. On the contrary, they help other farmers more than they help the small farmers. Increasing the prices for cereals, sugar-beet and pigmeat, for example, is not an effective way to help poor dairy-farmers raise their incomes. If we want to help small farmers — and we do — we must have significant alternatives to price increases. For this reason the Commission is proposing a series of major initiatives, providing substantial Community aid for poorer regions and farmers.

First, we have launched proposals which represent a major new direction in structural policy, so that it concentrates its aid on poorer farmers and poorer regions. The first step was the adoption last year of the measures in favour of Mediterranean agriculture. The second phase was endorsed by this House at its last part-session, but has yet not been adopted by the Council. We hope that major aspects of it will be taken into account in the price decisions.

Secondly, we are extending schemes to help dairy-farmers convert to other types of enterprise — the non-delivery premium and the beef conversion premium. Thirdly we are proposing a new aid scheme to boost the incomes of specialist beef producers; and fourthly, we propose to exempt more small farmers in the less-favoured areas from the basic co-responsibility levy.

Given the money, other measures could be taken to support the incomes of small farmers, but the extent to

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which we can go in this direction, either by way of agricultural or regional development measures, is governed by the financial resources the Community can make available. How can we make more money available to help poorer farmers while dairy surpluses swallow a quarter of the Community's own resources? I think that now we are all convinced — you, the Members of this Parliament, the members of the Council, (be it the agriculture finance or the European Council) and even our farmers themselves — that the market imbalance is most crippling in the milk sector. I shall not spend time repeating the dismal facts and figures: We have all been through it so often. But I do want to stress the incredible efforts we have made in recent years to try to eliminate the dairy surplus.

The Committee on Agriculture stresses the urgent need to take every available opportunity to expand exports of milk products. That is what the Commission has been doing over the last three years. Last year, our exports reached record levels. Take butter-fat: we raised butter exports by 200 %, we exported or gave in food aid almost half a million tonnes. Take skimmed-milk powder: we exported 660 000 tonnes — half as much again as in 1978. Take cheese: last year we exported a quarter of a million tonnes — 30 000 tonnes more than in 1978 — thanks to a large extent to our trade negotiations. We have scoured the world for markets and taken them whatever we could find them, and because we have done so, we have been in trouble with part of this House. Of the many thousands of tonnes of butter which were sold last year, 100 000 tonnes of butter went to Soviet Russia. You will recall, like me, the debate we had on this subject only a week-and-a-half ago. The truth is that our butter exports have reached their physical limits. We could only export more by practically giving it away and paying the transport costs on top.

Your committee also asked for 'a substantial increase in Community food aid'. On milk products, we have already done our utmost, we have trebled the quantities of skimmed-milk powder for food aid since 1975. Whoever has asked for butter-oil has immediately received it. But the world's hungry demand not dairy products, but cereals and rice.

(Applause from certain quarters on the left)

Inside the Community, we have also exploited every opportunity to expand dairy outlets. We have reduced the stock of skimmed-milk powder from one-and-a-quarter million tonnes to 200 000 tonnes by means of big subsidies for animal feeders — and you know how much we are criticized for pouring money into what should be a natural process: the calf drinking its mother's milk. With the exception of cheese, human consumption of milk products is saturated. Last year we subsidized over 600 000 tonnes of butter-fat within the Community itself. We subsidized one out of every three kilos of butter consumed by each man, woman and child in the Community.

At the same time, we have used all our imagination to discover ways of bringing milk production under control. We have made one proposal after another. It is evident to all that the Council decision last year, as we then said, did not by any means go far enough. We have followed a prudent price policy. We have introduced a whole set of premiums to induce farmers not to deliver their milk but to convert to other forms of production. Despite all these efforts, milk deliveries increased by 3.3 % in 1977, 4.6 % in 1978 and 2.4 % in 1979, and we expect another increase of at least 2 % in 1980:

Let us then today face the brutal reality. The measures we have taken together have proved incapable of turning off even the *increase* in milk production. This continuous stream of extra milk is what is draining our financial resources. It means that year after year we have an extra 2 million tonnes of milk which the dairies hand to the Commission as 100 000 tonnes of butter and 200 000 tonnes of skimmed-milk powder. They expect us to do now the impossible and to sell it: you have to pay the bill and you have to explain it to your voters. This can only be done if, as I said, you are willing, year after year, to increase the dairy budget to match these quantities at prices which per kilo of butter or skimmed milk will be ever higher and higher.

In these circumstances, is it not our duty to take the necessary measures and to warn our dairy-farmers yet again that what they are producing cannot be sold, even with a high level of aid, either inside or outside the Community and that their energies and their finance, together with public finance, should be directed towards other types of agricultural production instead of this continued increase in milk production?

(Applause from certain quarters on the left)

For years, all Community institutions have been in agreement on the urgent need to decide on effective measures to tackle this problem; but as soon as we leave the area of principles in order to grasp the nettle of concrete measures, the Commission finds itself alone. The Committee on Agriculture

calls on the Commission and the Council, therefore, to propose and adopt, as a matter of urgency, agricultural policy measures to prevent the creation of structural surpluses in the various production sectors.

I certainly did warmly welcome the words Mr Delatte and Sir Henry Plumb had to say on this subject, but I have to call on you to give to the Council a clear indication of the way in which these problems should be solved.

When you rejected, the 1980 budget, you moved out of the area of principle into that of action. May I now call on you give a clear opinion on the substance of the whole agricultural package before you, and in particu-

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lar on the milk surpluses? Do you agree that while milk producers must be free to produce more milk in 1980 than in 1979, those who do must pay the cost of its disposal? Not going ahead with the additional milk levy would add 600 or 700 million EUA to the 1.2 billion extra already proposed by the Committee on Agriculture. I do not imagine that this can be the intention of the budgetary authority. I have dwelt on the question of the co-responsibility levy, since tough measures have to be taken in the milk sector, but the additional levy is not a penalizing measure: it is asking people who want to produce more than they do now to pay for the cost. That is not a penalty.

It is in the milk sector that the root of our problem lies: we cannot conclude this year's price-round without effective measures to break the back of the milk surplus problem. There is no doubt, however, that there are problems in other sectors as well, although I will be very brief in dealing with them. I do not believe that we are going to have a shortage of sugar. I think, we are going to have a surplus again. Prices are already falling on world markets. We could not conceivably accede to the International Sugar Agreement on the basis of the present sugar arrangement in the Community. We do attach importance to our proposal for quite objective reasons. We have a great and increasing quantity of beef in intervention which is not due to increased imports: we are exporting about as much as we are importing. And with regard to sugar, by the way, we are exporting double what we are importing from the ACP countries. Let me, on this point, say that trade is a two-way traffic. I agree fundamentally with the rapporteur, Mr Delatte, that the Community has a vocation to export, but it cannot find new markets and increase its exports if it is not also willing to import. And on the budget side of this operation you cannot charge the EAGGF budget with expenditure on the exports of our products without taking the necessary imports into account in the same budget. We stand by the proposals we have made in these other commodity areas.

There is no doubt that, if we take effective measures in the milk sector, a compromise can be reached on the price issue and on other issues. I have explained the constraints; but the Commission is certainly not inflexible. But let us not raise false expectations in our farming Community. A 7.9% price increase, as I have already explained, is really divorced from reality.

(Applause from certain quarters on the left)

However, as I said, in providing a solution for the fundamental issue of the common agricultural policy, we shall strive to find a reasonable solution, because, like the rapporteur and others who have spoken, we have a fundamental faith in our agricultural industry. A prosperous agricultural sector is vital for the future of the Community. Our common agricultural policy safeguards the interests of our agricultural sector; it provides security of food supplies to our 260 million people

— and the present oil crisis has shown us what shortages mean.

But it does more than that. It provides raw material for our food industry — one of the fastest growing sectors of our economy. It safeguards employment. It is already, as I have stated, an important element in our trade, and our agricultural exports are growing by 12½% a year, which is much faster than our imports. It provides a framework for the stable development of our exports in the interests of our total economy and our place in world trade. This policy is worth fighting for and — here I agree with the rapporteur — it is worth paying for.

In 1979 we spent 10 000 million EUA on agriculture. This must be seen as an insurance premium in relation to our gross national product. In this context the premium may not seem too high: only 0.4% of the total output. The problem is the way we spend the money and the uncontrolled increase in expenditure on surplus products. While this continues the Community will have neither the credibility nor the money to develop new policies or to tackle the income problems of poor families.

The House should know that this year the Commission found itself in a particularly difficult position in making its price proposals. Apart from the constraints which I have already described — the problem of incomes, the budgetary situation and the balance of markets — the Commission could not ignore the fact that the Community is entering into an environment which is becoming more and more difficult for the economy as a whole. I refer to the energy crisis, to monetary uncertainties, to the pressure of inflation and to the growth of unemployment. For this Parliament too the choice and the vote will be difficult, perhaps the most difficult since your election. After giving the Council and the Commission a very clear signal by your refusal to adopt the 1980 budget, it is necessary for you to reconcile the different constraints.

In pursuing your rigorous efforts on the budget you cannot ignore the fact that your choices and your opinions will weigh heavily on the living standards of the Community's working farmers and their families and also on the rest of the economy. Do not forget that this is one area where your influence can have a very decisive effect on the lives of working people in our Community. For its part, the Commission is ready to enter into a dialogue on all the subjects raised. I agree with what has been stated about monetary compensatory amounts. I would add national aids. It is ready to receive and take account of all opinions under one condition, namely, that the legitimate demands of the agricultural world do not make you forget that, to bring the common agricultural policy back into safe ground, 1980 must be the year in which the Community was seen to take effective measures to bring the present misuse of resources under control. You, like the Commission, cannot afford to decide on the one

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and not on the other. They are inseparably linked, and we have both to negotiate and decide on them together.

(Applause)

President. — I call Mr Arndt to speak on behalf of the Socialist Group.

Mr Arndt. — *(D)* Madam President, we have worked very hard and I can tell the House that we have achieved extensive agreement on the essential questions. To achieve extensive agreement one must be prepared to reach a compromise. We have done this and we believe that, on these particular matters, we must also be prepared to reach compromises in the House, too, so as to produce a proposal which commands the widest possible support. That means, however, that we — as a group, too — have exercised considerable restraint over certain matters in order to preserve continuity in Parliament's decisions. Continuity also requires that the decisions adopted by Parliament on 7 November and 13 December last must be the basis for our decisions now.

I think that the commission has very often been justifiably reproached — and sometimes too, no doubt, unjustifiably — for not having done this, that or the other. But we cannot demand that the Commission submit a proposal and then, when it does so, reject that proposal. While recognizing the value of the Committee on Agriculture's report, we believe that on the decisive issues it fails to respect the need for continuity and reneges on Parliament's decisions of 7 November and 13 December 1979.

(Applause from certain quarters on the left)

At that time Parliament declared in its resolution that the first priority must be to reduce agricultural expenditure, because — I quote — 'the constant rise in agricultural expenditure is jeopardizing the common agricultural policy'.

Madam President, if one looks at the figures, one sees that Community revenue is made up of a number of different elements. On the one hand, there are the customs duties and levies and, on the other, the revenue from VAT. If one adds the expenditure on food and the agricultural expenditure together — taking account of the prices adjustment levies — and compares them with the amount produced from VAT, one finds that 0.9 % of the VAT revenue is already being spent on the food and agricultural sectors. If we work out what the Committee on Agriculture's proposal would mean — and this must be made clear to the rapporteur and his colleagues on the committee — it would mean 1.08 % of the VAT revenue, in other words with these proposals — applying them to the whole year and not just to the part of the 1980 finan-

cial year remaining — and taking the VAT only — the 1 % limit is already exceeded.

You can work it out for yourselves. I am willing to provide you with the figures. You may be sure that we have checked the figures. You have to discount the customs and other levies and consider the VAT by itself.

You cannot spend a budget twice over. Any proposals which this House makes for structural policy or for employment policy are bound up with the number of units of account spent on food or in the agricultural sector. Therefore, one should not and must not look only at the position of this or that group in society, but at the position of all Community citizens and at the conditions under which they are living. Consequently, when we say that it is Parliament's specific task to reduce agricultural expenditure; that means adhering consistently to this decision. We are bound to observe — this has been said often enough and in this report, too — that all in all, the price-support policy has failed. But if that is the case, we cannot go on trying to maintain existing arrangements, including those that have proved a failure, by means of the price-support policy; instead, our main task must be to pursue a structural policy and make structural changes in the sector.

(Applause from certain quarters on the left)

I think clear proposals have been made — some by this House, too — which recognize this and we must admit that the structures cannot be changed, nor farmers' incomes improved, by means of the price policy. In everything we do in the agricultural sector we must give thought to how it will affect other things. The Socialist Group definitely accepts that, when considering food production, we must bear in mind the problem of food shortages in other parts of the world and the other markets. We in the European Community cannot, for example — if we are serious about development aid — allow ourselves to drive developing countries — who have nothing except agricultural products to offer — out of the world markets by our own products. On no account must this happen.

(Applause from certain quarters on the left)

The Socialist Group does believe that the Commission's proposals, in their financial implications, are in line with the guidelines laid down by Parliament last year. The aim was to eliminate overproduction. The Committee on Agriculture itself asserts, in the words quoted just now by Mr Gundelach, that in order to maintain the continuity and credibility of the common agricultural policy, it is essential to solve the problem of surplus production. We agree with this and we think the supplementary levy is absolutely in line with this. Now, we are not saying that the Commission's proposals must agree with this Parliament's wishes down to every last detail. We have said often enough

Arndt

that the position of small and medium-sized farmers is of importance and we should, for example, like the producer levy to be graduated according to the size of the farm and we shall be presenting an amendment to that effect.

We also consider that it would be wrong to impose the levy on the just and on the unjust alike, that is to say, the super-levy should also be imposed on those who have so far with rationalization that they are producing substantial milk yields per cow, while in other Community countries production has not yet reached that point. We think, therefore, that those countries like Ireland, for instance, or like Italy which still have some leeway to make up in this respect should be spared and that the super-levy — as the commission proposes — should be higher in the case of those countries which are mainly responsible for the overproduction, as, for example, my own country, the Federal Republic of Germany, and others.

I think a crucial factor here, too, is the attitude to prices. A connection has often been assumed between the price increase — people have talked of the objective method — and incomes. We as a Community must beware of acting as if the relationship of the farmer to the Community were the same as that of industrial employees *vis-à-vis* their employers. It is not a matter of employer and employees, or of the Community fixing incomes. I hope it is understood that the great advantage enjoyed by the farmers — in particular, those of the European Community — lies in their autonomy as producers and in the fact that we do not intend to grade him as an employee dependent on the Commission, as would be the case if we accepted 7.9 % calculated by the 'objective method'.

By the way, these 'average prices' are peculiar things. You arrive at the average of 7.9 in totally different ways. If you leave butter at 0 and want to get an average price of 7.9, you must go up to 15 or 20 % price increases for other products. My advice to Parliament is this: do not attempt to fix this average price yourselves. What does average mean? I shall give you an example: If you sit with your backside on the hot electric plate and with your feet in the refrigerator, you will have a moderate average temperature but you can be sure you will not be feeling too good.

(Laughter)

It is the same with this arbitrary figure of 7.9 %. Therefore, we in the Socialist Group believe that we must consider the small and medium-sized farmers and their financial position. At the same time, we must take the overall budgetary situation into account. But it cannot be the responsibility of this House to lay down exact figures for the price increase; instead, we agree with the Committee on Budgets that the final decision on prices must be left to the respective efforts of the Commission and the Council.

Madam President, this is the basic position of the Socialist Group on this question and it commands very wide support in the group. My colleagues will be putting forward various individual proposals during the debate this evening and tomorrow, but I can conclude now by saying that Parliament will lose credibility, if it does not seize the nettle of the common agricultural policy, and we believe that the Commission's proposals and the position defined by Mr Gundelach should serve as the model and basis for Parliament's own decision.

(Applause)

IN THE CHAIR: MR BRUNO FRIEDRICH

Vice-President

President. — I call Mr Tolman to speak on behalf of the Group of the European People's Party (CD-Group).

Mr Tolman. — (NL) Mr President, my group takes the view that this debate on agricultural prices and agricultural policy is extremely important. It is important not only because this is the first time the subject has been debated since direct elections, but also because it directly affects the incomes of many millions of people who go about their daily business in this sector of industry. Those are two reasons why we attach great importance to this debate.

Moreover it cannot be denied, bearing in mind the amount of comment in the media, that the common agricultural policy has been the subject of severe criticism. Some would actually call it a waste of money. This, I realize, is a controversial issue. Meanwhile there are others in the European Parliament who want to take on new tasks — and our financial resources are too limited for new tasks. Thus we are really also facing a financial problem.

Now there are many different ways of tackling this question, and this evening I should like to make a few brief, specific remarks on the financial implications of the European agricultural policy. Our group takes the view that the European policy is still having to live on a small budget. When we look at the budgets of the nine Member States we find that the budget of the European Community only amounts to 2.5 % of the total of the Member States' budgets. That is — and I will take the same figure as Mr Gundelach used — only 0.4 % of gross national product. Expenditure in the budget of the European Community relating to agriculture represents not 70 % but less than 50 %, if you classify expenditure accurately. Non-agricultural

Tolman

spending must be identified separately and not attributed to the agricultural policy. By non-agricultural spending I mean food aid, Lomé and so on. If that is done there is only one conclusion to be reached, that the common agricultural policy costs 1.4 % of the total budgets of all the Member States.

Mr President, I have no wish to belittle our difficulties, but this too is a valid approach and we are dealing here with real figures. However, the fact remains that agriculture is still the front runner in the European Community, and as a result it tends to be seen in isolation, which creates a distorted picture. I have to say that I have seen much evidence of muddled thinking, in which the agricultural policy is mentioned only in tones of dismay and despair. If there is one point on which probably all of us must admit our shortcomings — and I will name no names or committees — it is surely on the public relations aspect of agriculture. There has been a severe shortage of adequate and objective information on the facts. But it is surely essential for objective information to be provided, particularly since it is clear that apart from the members of the Committee on Agriculture, the consumer committee is also quite naturally preoccupied with the problems which we are discussing — and it has an important task to perform. But I must regretfully point out that the European consumers Committee is in my view at present failing lamentably in the provision of information and that where this is provided it does not do the job properly.

One of the important points we have been discussing this evening is the price policy, which I should now like to consider. To be brief, I should like to make three points, first on the decline in agricultural incomes, second the objective method of calculation and third, on employment in agriculture.

There is no disputing the fact that agricultural incomes have unfortunately fallen behind recently and that the incomes gap between workers in agriculture and the rest of the Community population is growing. Our group considers that this trend is wrong.

Secondly, turning to the objective method of calculation, we attach great importance to a system that provides the basis for calculation, that can be used each year and is also a starting point for negotiation. We then have a sound basis to work on; and if adjustments need to be made as a result of specific problems, they can be tackled; and here I mean economic situations or any large surpluses which might exist, but I do not mean inflation. If account has to be taken of inflation in the agricultural price policy and prices have to be restrained as a result, Mr President, then that is doing agriculture an injustice, for it is precisely this sector which is least responsible for the inflation we are experiencing in Europe at the moment.

I am also concerned about unemployment. We must be extremely cautious with our agricultural policy and

avoid being too parsimonious if we are to prevent the number of unemployed from rising still further.

We do not count ourselves amongst those in this chamber who applauded so readily when a 7.9 % price adjustment was mentioned. But whilst we certainly do not count ourselves among them, we do want to consider this question as objectively and soberly as possible.

We take the view that the Commission proposal — of 2.4 % — must be rejected. We take the view that the price adjustment — I am not calling it an increase but an adjustment — must be at least 5 %. We do not propose to go into detail on the numerous products on which we should like to see more, that is not our task; but I would put it plainly: at least 5 %, that is our starting point.

Mr President, I do not wish to overlook the fact that there are a number of problems which we must consider more closely. I must also mention that my group feels that the dairy situation is at present a very difficult aspect of agricultural policy. We accept that the co-responsibility levy should be raised from 0.5 to 1.5 %. It is clear that this mechanism is viable and controllable. On that we agree. But I should like to add in parenthesis that neither a price freeze nor a co-responsibility levy will have the effect of restraining production. However, it is — in our view — a budgetary measure that is not unattractive.

I should like to add one further comment. We are linking our acceptance of a co-responsibility levy with a levy on oils and fats. We have not forgotten the Dankert-Aigner amendment; nor have we forgotten the European Commission's past initiative; in this regard I should also like explicitly to mention the initiative taken by Mr Lardinois in 1976, when he pointed out that it was only fair — if we intended to introduce a co-responsibility levy for dairy producers — to introduce a levy on oils and fats as well. We are taking up this theme and I hope that my plea in this respect will not fall on deaf ears.

One issue which our group considered at length was the question of the super-levy. This creates major problems for us because the introduction of a super-levy may mean that we are in fact agreeing to a quota system. I have heard Mr Gundelach assure us many times that the Commission does not want a quota system of any kind. Well, our group does not want one either. It would create so many unacceptable side effects. The freezing of production is at variance with the principle that production should be located where it is cheapest. Besides, we are already drowning in a flood of bureaucracy. And there are ways of evading these measures, which only create new burdens and costs for the young farmer.

Tolman

Mr President, we agree — while rejecting the super-levy for this reason — that something must be done. We do not wish to underestimate the problem. But on the other hand we must recognize that dairy supplies have never been so low as they are at present. We cannot get away from that fact. Nor can we overlook the fact that the market situation is extremely favourable. I am not saying that our problems are over, but at this moment — as any realistic view of this subject must realize — we may certainly talk of a breathing space which must be put to good use.

Our group has considered these problems in detail. We considered three alternatives to the super-levy: first, either making use of the full range of mechanisms, with new measures for nurse cows and the introduction of a premium system to reduce production — or creating effective measures to ensure that production would actually be limited. We could not give such an assurance and that is why we are not taking that approach now. There is a second approach, and that is to resort to the intervention system. We have serious reservations about this because we would then be undermining one of the corner-stones of Community policy. So we are therefore proposing a third approach which is embodied in one of the amendments now being tabled. What we want to introduce is a stabilization levy — this means that we wish, on a temporary basis only, to take the line of stabilizing milk production, even with a certain amount of graduation. To us this proposal is of a very temporary nature; I hope we should not have to maintain the system for more than a year and that we could then revert to another mechanism. That means that we should avoid the quota system, which we quite definitely do not want to see. That is our proposal, which you will find set out in an amendment we have tabled.

Mr President, I must pass over other points and leave them to colleagues who will also be speaking on this subject. I should just like to make one or two points in conclusion. Our group — to put it frankly — feels that while the European agricultural policy does show signs of inadequacy in some respects, it may broadly be described as a success, when it is providing sufficient food for 260 million people in Europe, over a sufficiently wide range of choice and when the consumer is able to benefit from stable and by no means excessive prices. Those are a number of points in favour of the present agricultural policy. It is certainly not a matter of routine, as some people seem to think, for there to be sufficient food supplies at all times — this should definitely not be taken for granted.

I hope, and I will close on this point, that in addition to the question of bad public relations, we will also take a look at certain aspects that are of very great importance for the future — and indisputably more important than some matters with which we concern ourselves in this Parliament. Firstly, we should give more substance to food aid. It should not be the case — and our group is quite explicit on this point — that

we should be providing food aid just because we happen to have large food stocks. There must be a specific outline programme for this. Secondly, we should also be thinking about strategic supplies, particularly in the light of the point I made just now, that we should not take it for granted that there will always be adequate food supplies.

Since all over the world thought is being given to the energy question and to the need for oil stocks, it would not be a bad idea to consider the food stocks at our disposal on this continent. There is no getting away from the fact — and that is why I stress these two points — that the major problem of the future will be one of world food supplies. We are not taking this question nearly as seriously as we should, and that is why I will conclude my remarks by drawing attention to these two vital matters, in which Europe, and the common agricultural policy, have a significant part to play.

(Applause from the centre and the right)

President. — I call Mr Glinne.

Mr Glinne. — *(F)* I just wanted to say that I listened to the speech made by my colleague and friend Rudi Arndt in his capacity as spokesman for the Socialist Group, in the original language, i.e. German. It appears that in the French translation of this speech certain nuances were not correctly rendered. For instance, Mr Arndt used the word 'Mehrheit', meaning majority two or three times, and the word 'weitgehend' meaning predominant. I have been informed that the nuances of these two words were not faithfully reproduced in the French translation. I wanted to point this out as soon as possible, Mr President.

President. — Your comments will be recorded in the Report of Proceedings.

I call Mr Curry to speak on behalf of the European Democratic Group.

Mr Curry. — Mr President, I shall endeavour to see that all the nuances in my speech will come across clearly, but I hope that the main thrust of the message is not one which is in the slightest *nuancé*.

We in this group are fully aware of the gravity of the subject under discussion. We are aware of its gravity in economic terms, we are aware of its gravity in constitutional terms and we are most of all aware of its gravity in human terms, not simply in terms of the farmers whose livelihood we are discussing, but in those of all the members of this Community who are involved in the food business, whether as consumers or producers or manufacturers.

Curry

We are particularly aware of the problems of the Community farmers — and Mr President, we are aware that our own farmers are being asked to accept a burden which many other groups in society might find intolerable. They face a very severe inflation rate. They face mounting loan costs and we realize that in what we are about to propose we are asking our own farmers in the United Kingdom to bear a particular burden in the correction of some of the problems which face the whole Community.

There is no doubt that in normal circumstances the case for a substantial price increase would be overwhelming; but the fact is that the circumstances are not normal, and these circumstances are not normal because we face the problem of surpluses.

Let us just look at the dimensions of this problem. Sugar: we are producing 2.6 million tonnes above demand, of which half gets a full or a partial guarantee, and the disposal cost of that is £ 60 for every single hectare planted with beet last year. And what is happening to consumption? In 1979, it was at the same level as in 1971.

In the dairy sector there is a structural surplus of 17%. The subsidy to get rid of this overproduction amounts to £ 110 for every one of the 25 million cows in the common market, and that costs a total of £ 4 billion to finance. And where is consumption? Consumption is static throughout the EEC and maintained only by a series of special measures to promote it. Beef production is growing at twice the speed of consumption, and cereals consumption is exactly at the level now that it was in 1960.

This is the objective situation on the market and these surpluses entail immense budgetary costs which, as we all know, are unfairly distributed throughout the Community. They are not simply costs to the taxpayer and not simply costs to the consumer, great as those costs are; they are costs above all — and I mentioned the human problems involved to those people who are the victims of the economic situation in the EEC at the moment. They are a particular economic cost, for example, to the workers in steel, in shipbuilding or in textiles, for whom there is no guaranteed price, no intervention and no exemption from the normal laws of economics and the market-place. How can you explain to a man who has just been made unemployed that he must pay X % more for a product which is in substantial and growing surplus? Therefore, Mr President, we have taken the very difficult choice of proposing a price-freeze for those products in surplus. We do it without venom. We do it without fury. We do it with regret, but we have to recognize that we have a duty to bring order to the common agricultural policy before it collapses under the weight of its own overproduction.

The root problem, Mr President, is that price guarantee systems are so rigid that they completely obliterate

the laws of the market and provoke this over-supply. In particular, the guarantees are set at a level to provide a social income, not to respond to the general principles which should govern an activity which is industrial as well as being social. We have to get away from an exclusive dependence on the price mechanism, on prices as the means of managing the market. There has got to be a more subtle approach. There have got to be supplementary mechanisms and means, financed both by the Community and by national governments, to take the strain off prices and to make this whole policy much more capable of adapting itself both to the social and to the economic conditions of the Community.

In this group, we are constantly being accused of being hard-hearted, of not caring about the social problems of the farmers, of ignoring the problem of the peasantry, of standing for some form of feudal landed gentry which exists in the imagination of some of my colleagues, what are called the 'industrial farmer'. I wish to give the lie to that straight away. We know full well that we shall only really come to grips with this problem when there are fewer farmers producing food in the Community. There is no escape from the fact that there is overproduction because there are too many producers. We also realize that that can only take place in satisfactory social and economic conditions when growth begins again in the Community. Therefore it is our policy, as it always has been, to seek to direct that growth into the countryside so that there are alternative solutions, alternative employment — in the countryside not necessarily in agriculture itself — which can respond to the social need to maintain a balanced population in political, social and economic terms. That is why we are constantly seeking to introduce the idea of the rural fund into our debate on agriculture. All the Community's instruments should be brought together to respond to this particular problem without asking the price mechanism in agriculture to take the whole strain.

I ask this House to understand the particular position we are in. In the United Kingdom, for good or for ill, we have moved towards a system of generally large farms, towards a system of producing food and traditionally, until we joined the Community, of purchasing food at the lowest cost. That is because our civilization is now an urban civilization. Our people moved into the cities at the time of the Industrial Revolution, and they no longer have the rural roots that many people in the common market still have. We regret it and we probably think in retrospect that if we had the opportunity of performing that exodus again we should not want to do it. But it has happened, Mr President; therefore our interest is in feeding our cities and our workforce as cheaply as we can.

But we do recognize the social problems, the priority of many of our continental partners to maintain a balanced population in the countryside based on agriculture. That is a legitimate point of view. Our point of

Curry

view is legitimate. We therefore have a conflict, between two points of view, each of which is legitimate, and I hope that we shall not in this House start trading expressions like 'peasant' or 'industrial producer' as if they were derogatory. They are both valid types of agricultural production.

My next point, Mr President, is that in this Parliament, as several people have mentioned before, we have voted to reject the budget. Are we now going to move into headlong retreat? If we refuse to face the consequences of our own actions taken just a few short months ago, we shall be accused, and rightly, of refusing to put our head where our heart was a few months ago. We have to be consistent with ourselves.

We have made large claims for what we represent amongst the people of Europe. It is time that we started to put some substance into that claim; otherwise might as well pack up and go home, because we shall be discounted, and rightly so.

We, Mr Commissioner, have decided to grasp your nettle. We shall support your super-levy proposal. We shall seek to transform it into a tax on intervention which can be fully and adequately policed, because we feel we must tackle the problem of surpluses as they are being created. We shall seek to amend your co-responsibility levy proposal, because if we are proposing a zero price increase on dairy produce we cannot at the same time support an increase in co-responsibility to 1½. A 1½ % co-responsibility and a 1½ % price rise is simply asking the consumer to finance the tax on farmers, and we do not think that makes any sense.

We are often accused of trying to demolish the principle of Community preference. Some of our amendments direct themselves to this problem. I should like to make it quite clear that where it is reasonable in terms of climate, general conditions and budgetary cost to produce things in the Community, we agree completely with giving that production a preference; but we do not believe that the Community should strain every nerve to produce commodities which it has not been designed by God or nature or man to produce. Moreover, we have an obligation toward our trading partners across the world to make sure that we do not transform preference into protection. Preference presupposes choice. I cannot have a preference unless I have a choice. There is too great a tendency to rush into protection and disguise it under the flag of preference.

Finally, Mr President, we shall table some amendments on the question of enlargement. The Committee on Agriculture, with gay abandon, moved to extend the guarantees to the whole range of Mediterranean products. This is something we simply cannot afford. It is the absolutely certain road to bankruptcy. You yourself have said, Mr Commissioner, that olive-oil intervention will cost £ 1 billion in the first year of

Spanish entry. I have great difficulty in explaining to my electorate why they are financing a very large surplus on milk, and they can see dairy farmers and they can see cows in their constituency. With the best will in the world, I shall not succeed in explaining to them why we have to pay £ 1 billion on olive-oil intervention because of a failure to take measures now in anticipation of enlargement.

I plead in my constituency every day, every week, for the common market. The tide against it is almost a torrent in the United Kingdom. I try to explain why we are there, why I personally believe in it, and it is very difficult. It is difficult to explain why the money comes too quickly out of the pocket when we are dealing with certain agricultural commodities and yet when we are faced with a manifest threat such as we have seen in Afghanistan, all we see is hesitation, quibbling, backsliding on the part of governments who simply cannot put their act together. It seems easier to consolidate around cows than it does around tanks.

Those are the points which are put to me constantly by my constituents. Those are the things we have to argue against constantly. This Parliament struck a blow for freedom a few months ago and we made our declaration of intent. It is time to flesh out that declaration of intent. We have a duty to our consumers to produce food at reasonable prices and to our taxpayers to finance it at reasonable cost. We have a duty to the Third World and to our international partners to put our house in order, to participate in a dynamic and open world economy. We have a duty to this House to be consistent and we have a duty as well to the farmer to try and settle this question of the agricultural policy so that his whole life is not bedevilled by a state of constant political conflict and turmoil which makes it impossible for him to do his job in the way he would wish to do it.

Those are the challenges in front of us, and this group will not fail to meet them. Our stake, Mr President, is too great.

(Applause from the European Democratic Group)

President. — I call Mr Pannella on a point of order.

Mr Pannella. — *(I)* Mr President, as you noticed, I asked for leave to speak just now on a point of order, but you did not see fit to call me. I wanted to know under which rule of the Rules of Procedure Mr Glinne was making his point.

Now, however Mr President, I would like to make a point which I consider important: the groups were allowed to table amendments until 10 p. m. The debate has now begun. Might it not be possible for us to find out whether the groups did table any amendments and if so, what they were? We cannot contribute to the

Pannella

discussion if we don't know what it is about, that would be ridiculous. The groups asked for two extra hours to submit their amendments, precisely because their real position will be expressed in those amendments. So I would ask you, Mr President, to give me an answer, and until a written translation of the amendments is produced, to let us read them.

President. — Mr Pannella, I must begin by rejecting your contention that the Chair deliberately failed to call you.

Secondly, I can explain why Mr Glinne was called to speak. Mr Glinne was able to argue convincingly that a mistake in translation could lead to serious political misunderstandings. In a multilingual Parliament the President has the authority to allow a Member briefly to correct the error so that there is no misunderstanding either in the minutes or the minds of those present.

Thirdly, the Chair does not know what amendments have been tabled. I assume that they will be translated as quickly as possible so that they can be made available to all Members simultaneously.

I call Mr Bangemann to speak on behalf of the Liberal and Democratic Group.

Mr Bangemann. — (D) Mr President, I should like, as Mr Pannella has just asked, in fact, to state my group's position on the two amendments which it has tabled; they concern the supplementary co-responsibility levy, the so-called super-levy, and the question of prices. With regard to the supplementary levy, we agree with the Commission that something more must be done in addition to the co-responsibility levy to improve the balance on the milk market and help reduce the costs arising from that. I would remind the House that this was our main concern in the budgetary discussions and that it was not the whole price package — which was not yet known to us at the time — that led us to take these decisions on the budget; it was the overproduction in the milk sector that made us say that something had to be done; what I am saying is that, if we do something about *that*, then the price proposals will look quite different. This seems to have been totally overlooked in the speeches I have heard so far.

We should like, however, to propose two amendments to the Commission's proposal. Firstly, we cannot impose this super-levy at the level of the dairies but on those who are responsible for some of the excess production and those are the individual farmers. That is the first point.

Of course, one cannot, as the Socialist Group proposes, impose a super-levy on those Member States which are producing more milk than they consume themselves and not on the other Member States, for

then the imbalance would be even worse. It would have the effect of encouraging the countries which have no surplus production at present to begin producing too much. This cannot be the intention. We must, however, make a distinction between the small and large undertakings. It will no longer do for the large producers to be placed in a better position as a result of uniform price increases, because they can safely produce surpluses at smaller cost and higher prices, while the small and medium-sized producers are unable to bear the extra costs resulting from the increased cost of their means of production, even though prices may be higher.

I should like to say this to the European farmers organizations too. Unless we stop favouring the large producers at the expense of the small and medium farmers, we shall not be able to produce a socially acceptable agricultural policy. Therefore, when levying this super-levy, we must make a distinction between the small and medium-sized producers, on the one hand, and the large producers, on the other.

The second point: prices. The Socialist Group seems to be having problems, not only with the French interpretation, but also with the figures.

Mr President, I have here the figures which the Commission gave the Committee on Budgets. They cannot be disputed. The Committee on Agriculture's whole package would — over 12 months — amount of 1 200 million EUA. That is a tenth of the Commission's present proposal, if we are generous. But that is 0.6 % of the basis of assessment. If one adds a tenth — I am taking 0.7 as the figure — one gets 0.8 % of the basis of assessment, but there is no way of making it 1.02 %. That figure is totally wrong.

(Applause from various quarters)

And I have not made allowance for economies. So this will not do. We maintain, however, that even in regard to fixing prices, Parliament's political will must be considered and in this context the Committee on Agriculture's decision is not altogether wise. I am choosing my words very carefully: not altogether wise. I am choosing my words very carefully: not altogether wise.

There are two things to be done. Firstly, if one has got an objective method of calculation, then one must use it. It is pointless to talk about objective methods, unless one applies them.

Secondly, in applying this method one must take due account of the different markets. It would be very good, if less were to be produced in certain sectors than in another and consequently an average increase of 5 % is a perfectly reasonable suggestion, if it does

Bangemann

not lead to a market imbalance. Therefore, my group proposes first, that a distinction be drawn between large and small producers, when it comes to imposing the super-levy and, second, that — using the objective method and taking account of conditions on the different markets — an average increase in agricultural prices of at least 5 % be agreed upon.

(Applause from various quarters)

President. — I call Mrs Barbarella to speak on behalf of the Communist and Allies Group.

Mrs Barbarella. — *(I)* We, the Italian Communist Group, should like to lay particular stress on the fact that, in our debate and in the negotiations in the Council, there is one major requirement which must be taken into account, namely the need for the Community's agricultural producers to see the more immediate problems solved satisfactorily.

At the same time, these more-or-less incidental decisions must form part of a more comprehensive attempt to restructure the common agricultural policy, which has been made inevitable in our opinion because of the increasing contradictions of which the production surpluses and structural and regional imbalances are the visible consequences.

We therefore feel that our discussions must also give some impetus to attempts to define a strategy for the restructuring of the production and structural aspects of European agriculture. In short, we believe that, given the chaotic production situation which we have been faced with for years and the results of which we must now tackle, it is necessary to ask the Council to devise a strategy which will leave its mark on all Community policy.

While the Commission's proposals for the containment of structural surpluses show a new willingness to tackle explicitly certain crucial features of Community policy, they are not yet — in our opinion — extensive enough to constitute an overall reform strategy. If the European Community wishes to cope in the long term with the major problems it faces today, it must decide what, how much and how to produce. Otherwise it is in danger of remaining trapped by the straitjacket of forces which it has itself created as a result of its agricultural policy.

Nevertheless, Madam President, although we consider it essential to work out a strategy, we cannot accept the one outlined in the report by the Committee on Agriculture whereby the development of European agriculture would be geared towards exports to markets outside the Community and aimed essentially at eliminating malnutrition at world level as the report itself specifically states. In our view this is both insidious and mystifying. It is insidious because, if this

approach is accepted, it implies the rejection of any real attempt to restore the balance of production at European level. It is mystifying because the problem of hunger in the world and of agricultural underdevelopment as a whole does not conflict with this conceptual view, but has meaning and specific objectives only if it is viewed in terms of a new role for agriculture both in the developing countries and in the Europe of the Nine. To us, the struggle against underdevelopment primarily means promoting the internal development of agriculture in Third World countries as a prerequisite for their prosperity and national independence. Without this independent development the Third World can only become more dependent on more advanced countries and the neo-colonial use of food aid increase. The fight against hunger also implies a new role for agriculture in the Community. The new agriculture must of course be aimed at reducing the level of Europe's dependence on the world market to alleviate the pressure its demand for certain strategic products creates on the world market and thus to make available increasingly larger quantities of products for the Third World. But it must also widen the range of products in which it is self-sufficient in order to restore the balance of domestic production rather than concentrate on developing its exports, although this is also necessary.

It is also important to stress another point on which we disagree with both the report by the Committee on Agriculture and the Commission's proposals as a whole. I refer to the absence in the documents prepared by the Committee on Agriculture and the Commission of any link between the proposals on prices and restoring balance to the market on the one hand and the new proposals for structural reform put forward by the Commission on the other. At the last part-session Parliament gave an opinion on these proposals, advocating that they should be improved and geared towards greater efforts to alleviate the structural and regional disparities in Community agriculture. The fact that in the new price proposals no link has been established with the policy on structures in our view shows that there is still a serious gap separating the price mechanism and structural intervention which relegates the latter to a secondary role. This would appear to detract to a great extent from the efforts being made by the Commission in its proposals and to lend weight to the theory that the Commission's measures as a whole might simply amount to a purely financial operation to reduce expenditure.

Parliament's decisions, including those taken in December, were aimed not at reducing agricultural expenditure, but in fact at redirecting this expenditure from both the qualitative and quantitative points of view. We believe that Parliament should now reaffirm this policy and in this connection we have submitted an amendment asking the Council of Ministers to approve the new proposals for structural reform along the lines requested by Parliament, together with the decisions on prices.

Barbarella

As regards prices, Madam President, we feel that it should be made clear from the very outset that for years now Community prices have borne no relation to the realities of the national markets. Agro-monetary manoeuvring has led to the establishment of different prices, which in turn has helped to accelerate the processes of restructuring and modernizing agriculture in certain Member States and specific areas and farms. These processes now necessitate differentiated price increases to take account of the varying costs of production. Under these circumstances, whatever the level of price increase, there will still be the basic question of how to return to a situation of price and market unity and, above all, how to resolve the problem of the existing differences in profitability and productivity.

In the Community agricultural system, with its marked differences in economic, social and regional terms, common prices have different effects in relation to productivity, efficiency and the economically viable size of farms. They allow more efficient farms to count on stable incomes at a level of prices which is almost always higher than production costs and are hence able to stimulate technological development and general improvements in the conditions of production. In the case of less efficient farms, however, the maintenance of price levels, while guaranteeing a minimum income in the short term, does not allow any development, and in some cases scarcely even provides a livelihood.

In these circumstances we feel that change will come not so much as a result of the containment of prices, given the present general economic situation, as from a recognition of the need to ensure that the price mechanism does not remain the only instrument for supporting production. It must be linked, albeit in stages, to a series of graduated incentives to help producers, which would establish the basis for a new intervention strategy and thus genuinely make it possible to correct the existing disparities with regard to production and profitability.

Consequently, we consider it essential that a satisfactory solution be found immediately to the problem of prices. It will be up to the Council of Ministers and the Commission to try to find this solution. We feel that, at the same time, account should be taken of certain additional factors, namely the need to guarantee producers a fair income, to evaluate the overall savings which can be achieved by means of the proposed measures to restore balance on the market, and to keep the increase in expenditure to a level which is compatible with a healthy budgetary balance, while respecting the criteria on which the Commission's proposals were based.

Finally, I should like to comment briefly on the question of milk. We agree on the need to contain the production of dairy products. However, we feel that

the mechanism proposed by the Commission should not penalize the entire Community indiscriminately, hitting those areas where there are no structural surpluses or countries such as Italy where the shortfall in domestic production has reached intolerable levels. We feel it is a question of attacking any existing surpluses and hence of changing the additional levy on surpluses into a tax on production presented for intervention. However, it would also appear necessary to couple the appropriate short-term containment measures with more structural measures and, in this case, with a programme for the structural reform of the dairy products sector to bring about the necessary agricultural reorganization.

(Applause from various quarters)

President. — I call Mr Bouchou to speak on behalf of the Group of the European Progressive Democrats.

Mr Bouchou. — *(F)* Mr President, ladies and gentlemen, we are coming to the end of a long and difficult debate on the vital question of fixing farm prices, and our colleague, Mr Delatte as rapporteur, has considerably eased the burden of this arduous and complicated task for the future by proposing a detailed framework for our work, which will enable us to tackle the basic problems without further ado. The Group of the European Progressive Democrats has proposed a number of amendments, based for the most part on a few major preoccupations; firstly, the clarification of this Assembly's position on the basic principles of the common agricultural policy, proposals on prices and incomes, the aggregation of policy on oils and fats and finally monetary compensation amounts. I will briefly sketch some of these problems and leave other members of my group to go into them in more detail elsewhere.

On the matter of the common agricultural policy, some of our amendments have been adopted, it is true, but we are going to propose once again an amendment based on Article 39 of the Treaty of Rome. What on earth for, you will wonder, as every one of us is acquainted with the principles of the common agricultural policy? Well, we are not so sure about this, because if we were altogether familiar with the subject matter of Article 39 we would not hear people talking the way they do, nor would we have such preposterous proposals as the super tax on milk. So we have seen fit to resuscitate Article 39, which has been half forgotten, or rather, it has been invoked so many times that no one knows exactly what it means anymore.

On the subject of prices we pointed out when Mr Gundelach made his statement to the committee that the calculation based on the objective method was logical, so the determining of the prices necessary to maintain farmer's income must be based on this calculation. For many farms the 7.9 % means survival. But

Buchou

here we come up against the all-embracing excuse — the budget. The organization of Europe has only just seen the light of day, it is just beginning to take its first faltering steps and we are already trying to make it walk like an adult. At a time when the organization of Europe reflects a deeply-felt political will, we are engaged in swallowing up its only common policy in budgetary processes which are halted arbitrarily, firstly because it only takes one country deciding not to play its part in the common agricultural policy for the whole thing to be upset, and secondly a budget is the balancing of income and expenditure. We talk a great deal about expenditure, in fact we scarcely speak of anything else, and we never seem to bother about income. Of course it is more or less compulsory more or less automatic, but why don't we come up with any new ideas? To be honest, ladies and gentlemen, this is a shallow debate. Why don't we discuss frankly the problem of oils and fats and why do we obstinately refuse to consolidate oils and fats when shouldering the cost of this policy, which is after all quite justifiable? Let us admit that the vast shadow of transatlantic interests looms on the horizon of this debate and no one dares mention it.

And, while we are on the subject, have we ever considered the possibility of negotiating a system of buying large quantities of oils and fats and proteins such as is already in operation between Brazil and the United States in particular, and Europe, in exchange for butter exports to the United States? It would be interesting to see the results of negotiations of this sort. Purely budgetary considerations, whilst they are important, cannot take precedence over the need to develop the common agricultural policy.

The budget is a product of a common political will, and it must remain so for a long time to come, for as long as the organization of Europe is at such a rudimentary stage. If, as a considerable majority hopes, tight budgetary limitations were to be imposed on the common agricultural policy, we would find ourselves caught up in a series of artificial impasses, which would lead to the resurrection of the question of our independence in the matter of food supplies and a rise in unemployment.

To deal with the problem of budgetary balance we should treat the causes rather than the effects. The main cause is failure to respect Community preference, together with tax-free and duty-free imports. Simply by taxing imports of oil-cake, soya and manioc at 10 %, the Community could have considerable returns, which some have put as high as 400 million units of account; however this remains to be confirmed as no one has gone into these figures in depth as far as I know.

After the rejection of the draft Community budget last December we cannot allow the Commission to pro-

pose, as it did, cuts of more than 800 million units of account in agricultural expenditure, which is a drop even compared with 1979 expenditure . . . In fact we disapprove of all the steps aimed at tying down the Council of Ministers and — even more sinister — at making the farmer unpopular in Europe, when it was he who was, and is, the basis for everything of value in its construction. For these reasons we are going to table detailed amendments, because we feel it is unjust and unacceptable to make milk producers pay for the lack of global policy on oils and fats, having encouraged them to produce: for as long as we are here we will insist that everything possible — and I mean everything — should be done to export milk products. We are told it is difficult but it is surely not impossible. There must be, there is, in the world a market for milk products and we are convinced that it has not been properly explored.

I won't have time to go into the problem of monetary compensatory amounts, which is of considerable concern to us; we have looked at it already but, here too, let it be said that we need sufficient price rises to bring about a genuinely rapid solution to this problem of monetary compensatory amounts, this cancer which is eating away at Europe.

We have also tabled an amendment on a point which particularly concerns us: the action to be taken on production costs. We have not given enough attention to this problem. We adopt an attitude of forever urging the farmer to go and seek compensation for the excessive rises in production costs further down the line, without protecting him sufficiently from these rises. Thus there is work to be done in this field as well as in the promotion of future production. So in this troubled world, ladies and gentlemen, our assembly must not disappoint the hopes placed in Europe by our farmers in making this firm important decision.

(Applause)

President. — I call Mr Skovmand.

Mr Skovmand. — *(DK)* Mr President, the legendary Greek hero, Odysseus, found himself caught between two evils, the man-eating sea-monster, Scylla, and the terrible whirlpool, Charybdis. The Community is fast approaching a similar situation in regard to agricultural prices. They can be fixed high, in which case the agricultural policy will collapse. Or they can be fixed low, which will mean death to the farmers, because for several years now their incomes have failed to keep pace with their costs and many of them have had as much as they can take.

In this situation there is only one conclusion to be drawn: it would have been better for both farmers and consumers and for the Community itself if the com-

Skovmand

mon organizations of the markets had never been introduced. They have become more and more of a millstone round the Community's neck. Their imminent collapse — and it is certainly only a question of time — will hit thousands of innocent farmers who have been inveigled into putting too much trust in the Community.

It is an extremely difficult situation, but that does not mean that we should resort to measures that will only make things worse.

I consider it very unfortunate that the Commission should be so keen to impose a supplementary levy on milk, which in practice will affect only the producers who are trying to improve their production. In other words, those whom it will hit hardest are the young farmers with the highest costs, the same group that is already the worst affected.

Nor is it a good idea to be working out new schemes, for example, an organization of the market in sheep-meat, which will cost another, 1 000 million kroner a year. It is also asking for trouble to be negotiating for the entry of new countries to the Community without realizing that this will mean extra expenditure in the agricultural sector. It is to be hoped that the Council will rectify this state of affairs when dealing with the agricultural sector.

One last small complaint: the Danish Commissioner, Finn Gundelach, has once again delivered a speech in a foreign language. Is it too much to ask that the Danish member of the Commission copy his colleagues' example and speak in his mother tongue?

President. — I call Mr De Goede.

Mr De Goede. — (N) Mr President, I should like to make six points setting out the views of my party in the Netherlands, the D'66 party. Firstly, we attach great importance to the continuance of the common market in agricultural products. We support the objectives which it aims to achieve. In assessing this common organization of the markets, we wish to look at the situation affecting individual products, and today we should like to concentrate on the dairy market, on which EEC expenditure will be unacceptably high unless there is some kind of intervention. In seeking solutions, we start with the assumption that farmers' incomes must be determined by the market itself. We find the idea of introducing incomes subsidies as a means of maintaining farmers' incomes uninviting for various reasons.

Secondly, we feel that the Commission proposals by and large contain too little on the objective of guaranteeing a reasonable income for farmers. The cost price increase must be compensated as a matter of principle. The inclusion of a deduction for productivity increases, and the notion that when incomes in general

are falling farmers' incomes should fall too, are entirely reasonable. But we are faced with a higher price increase for 1980 to 1981 than the Commission is now proposing. Thirdly, in the dairy sector the dual function of market prices has a boomerang effect. On the one hand they are intended to keep up the level of incomes, but on the other hand we are trying to achieve market equilibrium. So when structural surpluses such as those in the dairy sector are combined with a low level of income we are in a dilemma. To eliminate surpluses the price should be drastically reduced; but the resulting decline in incomes for large numbers of farmers is quite unacceptable.

Fourthly, as regards the market organization in the dairy sector, our proposals are for direct restriction of production in the form of production quotas applied to individual enterprises. The super-levy proposed by the Commission should, in our view, be applied per enterprise and not per factory. At the same time the guide price for milk should be increased to ensure that the producers' earnings are not seriously affected insofar as they are dependent on milk production. This means, in addition to specific compensation for cost price increases, as happens in the case of other products, compensation for the loss of earnings arising from the restriction of production. With regard to the extent to which production should be restricted, we are thinking provisionally in terms of 2 % per annum over a multi-annual period, say of five years. Any restrictions would as far as possible have to apply to all farmers. There should be a reference period of three years instead of the one year proposed by the Commission. In the implementation of this measure, the Member States would have to have a certain degree of freedom within the objectives and approach defined. And that means that the individual Member States should achieve the prescribed restriction of production on their own. The co-responsibility levy would not fit in to this scheme of things very well.

Fifthly, what are the main implications of our proposals? First the positive points. Some of the strain on the EEC budget would be directly relieved, and in the long term there would be increasing advantages insofar as the cost of export refunds, intervention and storage would fall dramatically. By and large, employment and the stockbreeding industry would be unaffected by this policy and in particular small farmers would not be exposed to the drastic effects of radical reform. Furthermore, any enterprises would no longer find it so necessary to raise output per man which has frequently led to long working hours. Above all, in areas with intensive production methods it would enable the pressure on the environment to be reduced by decreasing livestock levels. Moreover, the pressure for further increases in scale, deriving from constant price pressure, could be reduced, diminishing the need for drastic changes to the landscape through the re-allocation of land. The proposed quota system for dairy production would also make it possible to ensure greater stability on the world market in this sector, earning

De Goede

of course a great deal of goodwill for the Community, particularly in the developing countries.

There are, of course, also one or two negative aspects. The production structure in the stockbreeding industry will temporarily be frozen. That will involve social costs. Compared with the present situation, in economic terms production will be less advantageously placed. The consumer will, to some extent, have to pay a higher price for dairy products. Compared with the maintenance of cost price compensation, it means that a 2 % fall in production will imply a price increase of 1 % to 1.5 % at the farm gate, and roughly 1.5 % to 3 % in the shops. A further negative aspect is that great efforts will be required of the administrative machinery in the Member States to implement the measures to restrict production.

Sixth, and finally, we felt, having weighed up the consequences of our proposals, that we should urge the Commission and Council to consider them. We too aim to find constructive solutions that will clearly afford the prospect of improvement. Great efforts will be needed to achieve this. We also want emphatically to point out that we are not advocating the quota system for the entire organization of the market in the agricultural sector. In the dairy sector, however, we consider that it is now essential.

President. — I call Mr Woltjer.

Mr Woltjer. — (N) Mr President, I am glad to be able to put forward our view on this subject. We believe that we have reached the point at which we have to make one of the most fundamental choices with regard to the objectives of the common agricultural policy. That is not to say that the objectives as they are set out in the Treaty of Rome are no longer up to date, or that they cease to meet our requirements as we now see them, it is rather a question of emphasis. Problems have arisen which demand an answer from this Parliament.

One such problem which we must mention explicitly is the problem of surpluses. How long can you go on guaranteeing prices when surplus production is a fact of life? You cannot explain it away. You can maintain for years — and I regret to say this is what has happened — that there are no structural surpluses. You can claim for years that the advantages will soon emerge in the sense that consumption will outstrip supply. All this has done is to put off the evil day and allow the problems to accumulate.

Parliament has now however reached the conclusion, which it expressed in its budget proposal, that no further delay is possible. The Commission has responded to Parliament's proposal. The Commission has responded to the fact that Parliament pointed out that a meaningless surplus is no answer to farmers' problems.

But what is its response? When you take a close look at the Commission proposals you find that, in one respect, there has not really been much progress. It has in fact said that the budget problem is a serious one and market balance has disappeared but that the solution to this is still unclear. It wanted the price mechanism to be the starting point. But when we see what the Commission proposals actually do to tackle the surpluses directly, and I refer to the super-levy, we find that it has slowly but surely taken a step forward. The Commission still refuses to accept that the quota system must be introduced as a practical necessity, and it is a necessity, Mr Gundelach. It is essential in the interest of farmers and in the interest of the budget. If you go on using the price mechanism we shall not get out of the difficulty. Even if you created hundreds of co-responsibility levies, the farmer has no alternative. It sometimes seems as if economic laws do not apply in this case. We have worked on the basis of a moderate price policy year after year. We have had a levy year after year, and year after year we have seen production go on increasing.

So didn't it have any impact? The answer must be that it did, but there is another economic law, and that is the law of alternative options. To the farmer these alternatives, particularly at the moment, have become severely limited, especially as there is no alternative for him in the employment market. What then is his answer to low prices and levies? It is a simple one: 'If I don't get a return from the price, I must get it from volume, because volume times the price still determines whatever profit I can make.'

At the moment the price mechanism is also posing problems which this Parliament must now face. Is the price mechanism really an instrument with which the objectives laid down in the Treaty of Rome can be achieved? The answer must quite simply be no. There needs to be a quota system for production on which the price can be guaranteed. In this respect, we must go further than the Commission is prepared to go. By directly tackling the problem of surplus production we are in fact serving the interests of farmers, because we shall be removing the millstones round their necks that have been dragging them down for years, by which I mean the need to maintain their income.

A direct quota system on production, specifically in the dairy sector and in the surplus sectors, is a question which presents this Parliament with a fundamental choice. If we tackle that choice, and my group has specified the quota system as the objective, then we are directly tackling the problem of surplus production and we shall solve the budget problem as well. Once the surpluses are eliminated, there will no longer be a budgetary problem in this area. That is why I am glad to state on behalf of my group that we also have tabled a specific amendment dealing with this point.

How then can Mr Gundelach's super-levy be used to ensure that production per enterprise actually is re-

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stricted? This will happen if, firstly, responsibility is placed directly on the enterprise itself. If the farmer is left with the choice of continuing to expand production for a guide price that is 15 % of the normal price, as we want to see it; if we put forward a guideline in which the factories are compelled to restrict production at farm level, then every farmer will know exactly where he stands and can act on his own responsibility. He can then choose for himself.

This now raises a number of problems, such as whether each individual country must apply exactly the same measures. If as a first step, for instance, we wanted to reduce surplus production this year by 2 %, should that apply to every country? There have been so many complaints on this point! We could have endless debate, as I have heard Mr Gundelach say many times in Committee, on which country should and which should not be included, but a political choice is at stake and we must tackle that choice through political debate. To our group that means we must say as a first step that no country may expand its production still further, but that thereafter the aim must be to reduce surplus reduction and individual countries may adopt different approaches to achieve this end.

But then you might wonder, for instance, whether countries such as Italy or Ireland should have to cut back at all, or whether they could stabilize on 1979 production levels; you might wonder — as we did, deciding in favour — whether further limitation of production in other countries would not be an important step in this direction. For instance, 98 % of production could be taken as the reference base for the northern European countries. You will find this reflected in the amendments of the Socialist Group.

In addition, and this is a social problem that has often been raised, thought must also be given to the difficulties which any controlling or cutting back of production will involve for smaller farms. These are the smaller farms on which young farmers are trying to start a new career, to create a social function. They will be handicapped by the new measures. However, there is a possible answer: the Commission — as indeed it has mentioned in its report — could prepare a directive under which the capacity made available by conversion and merger regulations would not come onto the open market but would be allocated to this group of farms within the sector.

If you do this, you will create a policy under which, first of all, surplus production is cut back and secondly, capacity is created to enable certain land to be given up to a lesser degree than other land — and criteria can be devised for this purpose — and finally the young farmers for whom after all the structural policy is intended, is helped to survive.

When I considered Mr Gundelach's proposals, I came to the conclusion that they went a long way in this direction, so why not take the last step? We have

endeavoured to put this point of view in an amendment to Parliament in order clearly to enable it to make this choice, for in this way we in this Parliament can serve the farmers of Europe.

I should also like to mention a number of other aspects. The first is the co-responsibility levy, which really is a rather curious instrument. Farmers are made 'co-responsible' for their production, but their income is their own responsibility. And when those incomes are squeezed farmers try to redress the balance via volume production.

The co-responsibility levy has never yet worked, as anyone who looks at the statistics will find. What sort of instrument should the co-responsibility levy then be? We are still facing the major problem that larger farms in principle benefit more from a general price increase than smaller or average farms. When it is said that objective methods show that there must be a 7 % price increase, the large farm is included under the same umbrella.

What then is the answer? It is very simple. Make the co-responsibility levy a graduated levy. And, as several people in this House have said, it should be a graduated levy that increases as production increases. This will smooth out the advantages of a general price increase and produce a real policy for medium-sized farms that is worthy of the name. I have heard the phrase bandied about so often, but what does this policy really mean at the moment? This is a question that is absolutely vital, but one that I have not yet heard anyone give an answer to. We have endeavoured to provide that answer.

When I was discussing the quota system and the super-levy per individual farm, I mentioned the possibility of solving the social problems of smaller farms. That of course includes young farmers as well. Of course, the provisions for the cessation of farming must also be improved. In our society it is not so unusual to say, let older people who are interested choose for themselves whether they want to go on working or enjoy a well-deserved rest. If they choose the latter course you must make it financially possible, and by doing so you will release production capacity from which young farmers can benefit. For this, and I am glad to see that the Committee on Agriculture has taken this view as well, you could also consider a conversion premium, a direct premium, for cases where there are opportunities to expand in specific directions, such as albuminous vegetables, forestry and the leisure industry.

My group realizes that the incomes provision of farmers must be a central factor in this debate today. And if this is disconnected from the quota system you can give it immediate attention, which is absolutely essential in the case of farmers. That is why my group has emphasized in an amendment to the Delatte report

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that the incomes of farmers on medium sized-farms may not diverge further from incomes in other sectors.

We must all cut back, including the farmers, but they should not have to do so more than anyone else. That is the aim of this amendment. On the other hand, my group also feels it must be consistent with its position in the budget debate, which was that the budget must be tackled directly where the surpluses are concerned, and must be pruned accordingly. We have tried to achieve this by keeping the quota system and reducing production surpluses further.

I should also like to comment on another matter of great concern, the question of sugar. On behalf of my group I gave an explanation of vote in the Committee on Agriculture, making clear that in our view the Delatte report had failed in two respects. First, and on this point I made my views pretty plain, it does nothing for the judgment of Parliament that the surpluses must clearly be reduced; but secondly, and I consider this point to be very important, the interest of the developing countries is constantly treated as if it depended on agricultural policy in Europe, by which I mean the notion that we produce what we can for them here, and that is what we send to the developing countries. All the evidence I have found in your proposals in this report points in this direction. This is utterly unacceptable to us Socialists, and I trust that the many Members who speak so frequently on this subject agree that we must not take this approach.

Sugar is a case in point. It is a curious fact that while we are promising the developing countries a guaranteed market for 1.4 million tonnes of sugar, we should also be raising our own production to such a high level. We actually did have a quota system in this case, but the quotas were so high that we still managed to produce a surplus even then. The volume of sugar that we produce as a surplus here, plus the ACP sugar, has to be brought back on to the world market and puts pressure on world prices. Now I have often heard my colleagues on the Committee on Agriculture saying, you should take a look at the prices. Well, we had to do that in 1973 and 1974. The economic approach is to take average prices, and I am sure that average prices will not be maintained at their present levels. Europe should from now on pursue a policy that will leave room for the developing countries to sell their produce in these markets. That will hurt some people, but there are times when you have to make a choice. Politics, in fact, are about the need to make choices; and if you choose this approach, you must also say, we will cut back our production so that those countries can sell their produce as well.

How is this to be done? The answer is very simple. Not by Mr Gundelach's proposal, because though it goes a good way in the right direction, it is geared to the budget. It can be achieved quite easily, by the straightforward means — and I am well aware that this raises a number of other problems — of abolishing

the B-quota. And if you consider what the effect will be on farmers, it is this. At the moment, a farmer will obtain a guarantee price for his A-quota, while the B-quota is subject to a levy. The Commission wants to raise that levy to 40 %. But what happens if the farmer now says, in view of the 40 % risk, I shall stop producing the B-quota? Under the system in force at the moment in a good number of countries, he is penalized through his A-quota, for processing capacity is such that he can readily be compelled to produce this sugar and this B-quota. Why not give the farmer a real choice, and say, we will guarantee sugar up to a certain level; above that level, it's up to you. If you are prepared to take the risk of the world market price, fine; if not, we have no guarantees, because we want to preserve some spare capacity.

Those, Mr President, are our ideas on this package. It is a package that we welcome, since it enables us in this Parliament to have a really fundamental debate on the issues involved. It is a package that has its hopeful side. We have made our choice, and I hope that Parliament will justify that choice by supporting our amendments when the time comes.

(Applause)

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President. — I call Mr Dankert on a point of order.

Mr Dankert. — I understood that we were discussing the Delatte Report. I see to my surprise that Mr Delatte is not in the Chamber and I would like to ask you where he is.

(Laughter)

President. — Mr Dankert, in a parliament it is not usual for Members to inform the President when they leave the Chamber. However, I feel that it should not be necessary for committee or political group chairmen to point out to rapporteurs that parliamentary politeness requires that rapporteurs should be present when their reports are being debated. I should like, if I may, to add that it would be in Parliament's interest if it followed the custom of other parliaments and engaged in real dialogue and if speakers who ask for the floor, not only read or delivered their speeches but were prepared to listen to what other speakers said. Unfortunately, this is something which we have not yet achieved.

(Applause)

President

I call Mr Diana.

Mr Diana. — (I) Madam President, examining the agricultural price proposals for the 1980-1981 marketing year is undeniably a difficult and delicate task. The rejection of the 1980 budget by the Assembly has not only demonstrated the new character of the Parliament, which was directly elected by the citizens of Europe, but has also underlined this Parliament's right to consider the budget as something quite different from an accounting document. The Community budget is and should be a programmatic document which translates into financial terms to economic policy guidelines laid down by the Community institutions, which must clearly include the European Parliament for the sake of its own dignity and authority.

The difficulty of giving a balanced opinion on the Commission's proposals stems primarily from the problem of achieving a balance between the budgetary requirements, the need to guarantee agricultural incomes and the need to avoid aggravating the problems of surplus production. While the Commission's proposals take these as their starting point, they also introduce totally new criteria which merit careful evaluation as they do not appear to be consistent with the basic objectives of Article 39 of the Treaty of Rome.

I would say that it is not the modest percentage increase, which does not take account of the decline in farmers' incomes in the EEC, that is the most worrying feature of the new price package, but rather the rejection of the so-called objective method, which was adopted at the end of 1973. Under this method the level of agricultural prices was based on the statistical analysis of the production costs of farms of average efficiency. This is the significance of the objective method which we are discussing so much these days. It is very true that, while the Commission's proposals are based on the objective method, they are too often disregarded by the Council of Ministers. It is also true that the Council of Ministers, acting under the pressure of political events — I would almost say of electoral events — has more than once deserved reproach for its attitude towards the Parliament and the Commission.

Commissioner Gundelach's statement to the effect that the objective method does not provide objective results must first of all be evaluated carefully, and we could perhaps also propose corrections to the objective method: there is clearly nothing to prevent this. However, I believe that in the first instance we must fix prices using a system based on economic calculations. Otherwise I feel we may run the risk of choosing figures by lottery or tombola. One thing which is certain is that account must be taken of the need to contain surplus production in those sectors where this exists and where there does not appear to be any possibility of increasing our exports. Equally acceptable is the contention that to achieve this end we must do more

than look at the results of the objective method alone where surplus production is concerned. It is true that special measures to stabilize production are also provided for. However, we must be careful to ensure that at the same time we do not mix up sectors where there are surpluses and those which are not in surplus or where there is still a real possibility of expansion on the internal and external markets. I believe that this applies also and, indeed, primarily to food aid for the developing countries, i.e. to the type of expenditure for which American agriculture is expected to assume sole or almost exclusive responsibility at present. I should like to remind the Assembly of President Kennedy's words when he announced his 'food for peace' programme: 'I do not' — and here I am quoting from memory, though I feel I can recall the text fairly well — 'regard food aid as a problem, but as a privilege, an outstretched hand to those who are hungry.' I believe our Assembly, too, must give thought to these words.

The Commissioner for Agriculture's other assertion, namely that account must be taken of prices on the world market, is also a cause for great concern. This presupposes the existence of a world market, which in reality does not exist for the great majority of agricultural products. We cannot refer to a market on which the prices of agricultural products are fixed, especially in the case of countries whose agriculture is run by the State according to the particular interest these countries have in trading with others, for in the agricultural sector relations are still based on the law of barter, and so we see for example that beef and veal from one country is sold to different countries at different prices. In these circumstances how can we really speak of a world market?

A world market does exist for some products: cereals and sugar. However, it is a market of surpluses, where countries which have a surplus keep selling the products concerned until they no longer have one. Imagine what would happen on the world cereals market if the Carter administration decided to sell the quantities of grain and cereals which are no longer exported to Russia. Would a European cereals industry still be conceivable and viable at such prices? Some years ago the opposite happened: America decided to suspend exports of soya and this was a serious blow for all of us, for all farmers. I believe we should consider the world market from the point of view of its instability and insecurity. This applies — if Commissioner Gundelach will permit me to say so — also and, indeed, primarily to sugar. We have heard the Commission repeat in this House the proposals made in November when the world market situation was completely different from what it is now. Since then sugar prices on the world market first rose and ultimately exceeded those of the European Economic Community. Then they fell suddenly. According to FAO estimates, the imbalance between the production and consumption of sugar which caused these sudden fluctuations in sugar prices will probably continue in the coming

Diana

years. The Commissioner does not seem to believe these estimates, but in my opinion it would be wise to wait a year to see whether Commissioner Gundelach or the FAO is right. Perhaps in a year's time we can discuss the matter with greater certainty, bearing in mind the fact that in many countries of the Community, my own in particular, sugar beet has already been planted and the prices fixed now by the Community have no effect on small-scale investment in this sector. I would ask you whether it is wise for Europe to depend on the decisions of overseas governments for its food requirements. Is it wise for us to depend for our daily bread on climatic and seasonal trends in countries on the other side of the globe, or would it not be wiser to see to our own domestic requirements?

I should like to make one final point regarding the Commission's statement on the close relationship which should exist between agricultural prices and the revenue of the Community budget. It is clear that such a link is taken into account and that our Assembly has come out in favour of a better balance and control of agricultural expenditure. However, control does not mean reducing agricultural expenditure, especially at a time when revenue — because of the general rise in gross marketable product — is increasing, as a result of which we currently have more resources available in the Community budget. Yet Community revenue can be altered. Reference has been made to the possibility of introducing a tax on oils and fats; some figures have been suggested. In my opinion a tax on oils and fats would yield more revenue for the Community than the famous supertax on milk and dairy products. Basically I believe that if we intend to implement a regional and social policy — and all the other policies which Parliament favours — by cutting back on agricultural expenditure, we are out of touch with reality. By wishing to divide the tiny slice of cake to which agriculture is entitled and give some of it to other sectors we could in fact end up sacrificing some sectors without obtaining any benefits for the others.

We must discuss the real level of farmers' incomes and take account of the fact that they have fallen.

When Commissioner Gundelach claims — as he said again this time — that the income of agricultural producers in Italy has increased over the past year, I should like to point out to him and to the Assembly that in my country the income of those employed in agriculture is still less than 50 % of the average for those employed in other sectors. If agricultural incomes in Italy have increased, however little, this appears to me to be only just and it cannot be quoted in this House as a defect or something which must be put right.

In conclusion, it appears to me that in difficult times such as we are experiencing at present we should certainly be prepared to accept sacrifices, and I believe that the farmers are prepared to take their share of

these sacrifices. At the same time we must bear in mind that there are sectors which have already been penalized excessively and which have had to make too many sacrifices. I believe that, to take proper account of this fact, we should tell the farmers what sacrifices we expect of them and of other groups, as there must be a balance between the various groups in the European Economic Community. From the political point of view we must avoid penalizing our own agricultural sector at a time when the world situation should be encouraging us to do exactly the opposite.

(Applause from various quarters on the centre and on the right)

President. — I call Mr Provan.

Mr Provan. — First of all I would like to congratulate Mr Delatte on the report that he has presented to Parliament. At one stage I felt, in the Committee on Agriculture, that it might be rejected and that there might even be a possibility of not having a report for the House to discuss this week. Now that we learn that the European Council has been postponed for a further month, I begin to wonder why we are discussing these matters with such urgency when we have time to take slightly more care over them. Let us all realize that the procedure has been very rushed and we are perhaps not giving the care and attention we would have wished to every detail.

Having congratulated Mr Delatte, however, I would like to point out to Parliament that I was not able to support fully the report, when it came to the vital vote in committee. I feel that, in December, we took the fundamental decision that we wanted to achieve some major change of direction in the CAP. I feel that the decisions that the Committee on Agriculture came to at the end of the day were irresponsible in the light of the decisions that we took as a Parliament last December when we rejected the budget. How are we going to achieve change in the CAP? We can do it either by agreeing amongst ourselves that we must achieve these ends or else, as Mr Gundelach pointed out earlier, we will breach the 1 % ceiling which will force change upon us — and it may not be the type of change that we would like to see. We must realize that we cannot go on producing surpluses in excess of consumer demands. I put it to you that 17 % over-production in milk, is totally irresponsible, and that it is totally wrong for us to go on supporting intervention prices at the level that allows producers to carry on producing products for intervention. Mr Gundelach enlightened us earlier this evening when he said that it would add a further 2 billion units of account to the cost of the CAP budget if we took the Committee on Agriculture's proposal on board.

Provan

However, what I really want to do tonight, Mr President, is speak of the amendments that I have put before Parliament and which, I hope, will be fully discussed and supported. The first one, I think, is fundamental, because it is not mentioned in Mr Delatte's report. I put it to him tonight as rapporteur for his understanding and, I hope, his acceptance. I think it is important that we as a Parliament respect our existing trading relationships with other countries. Mr Gundelach talked about this earlier, and I am glad to say I have an amendment down to the effect that we should respect existing trading relationships, because — let us not forget — they were re-adopted within the last month under the GATT arrangements. That is very important. Trade, as Mr Gundelach said, is two-way traffic. We cannot expect to sell if we do not buy.

When we come to discuss the problem of milk, which is the main item, we have 15 to 17 % over-production. Yet Mr Delatte's report suggests that we should stabilize milk production at the present level. This is going to make our problems more severe as the years go on. We suggest to you that we must stabilize production nearer the level of consumption. Why are we preparing to introduce bureaucratic taxation which causes all sorts of problems where collection is concerned and may perhaps give rise to evasion, fraud etc? Why are we not considering the simple operation of simply reducing the intervention price?

The report in fact also misunderstands, I think, the feeling of Parliament when it calls for some form of budgetary control over agricultural policy. It again would be totally irresponsible for us as a Parliament to allow certain sectors of Community expenditure to go ahead *holus-bolus* without the agreement of Parliament. This is fundamental to any cause that we, as a Parliament should promote. If we carry on like that we will not have any control whatsoever, as a parliament, over the expenditure and thus the breach of the 1 % ceiling on VAT. We also feel that co-responsibility not only over-penalizes certain sectors but that it also over-penalizes sectors that are not in structural surplus.

One of the main things I would like to discuss tonight Mr President, is the beef sector which has not yet been dealt with in detail. I fail to understand why we are prepared to put the best quality beef into interven-

tion and bring it out as a definitely second quality frozen product. We believe that if we get a classification scheme — and let me stress that we welcome the classification scheme — we will then be in a very strong position to regulate what quality of meat we put into store. There is no sense in denying the consumer the product that he or she wants. As soon as you start producing a poorer quality for the consumer, you reduce the size of the market. We must make certain that we produce the quality of goods that the consumer wants.

Mr President, we have a large number of speakers in our group and I have spoken for quite a long time. But there is one other aspect that I must put before Parliament, namely that it is very necessary to make certain that we maintain production and consumption. The abolition in the Commission's proposals of the beef premium scheme that has been in operation in the United Kingdom would do untold harm, and I ask the rapporteur and the Commission, with all the force that I can, to make certain that we use all the means at our disposal to promote the consumer interest and consumer purchases.

President. — The debate is suspended until tomorrow.

10. *Agenda for next sitting*

President. — The next sitting will take place tomorrow, Tuesday, 25 March 1980 with the following agenda:

9 a.m. to 1 p.m. and 3 p.m. to 7 p.m.:

— Delatte Report on agricultural prices (continuation)

— Früh Report on monetary compensatory amounts

The sitting is closed.

(The sitting was closed at 11.55 p.m.)

SITTING OF TUESDAY, 25 MARCH 1980

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IN THE CHAIR: MR DE FERRANTI

Vice-President

(The sitting was opened at 9 a.m.)

President. — The sitting is open.

1. *Approval of minutes*

President. — The minutes of proceedings of yesterday's sitting have been distributed.

Since there are no comments, the minutes of proceedings are approved.

2. *Documents received*

President. — I have received from the Council and the parliamentary committees several documents which will be found listed in the minutes of proceedings of today's sitting.

3. *Authorization of reports*

President. — Pursuant to Rule 38 of the Rules of Procedure, I have authorized various parliamentary committees to draw up reports, details of which will be found in the minutes of proceedings of today's sitting.

4. Referral to committee

President. — Following a request by the chairman of the Committee on Agriculture, the Bureau has decided to refer the motions for resolutions by Mr Vergès and others (Doc. 1-514/79) and Mr Debré and others (Doc. 1-529/79) on the sugar quota for the OCT to the Committee on Agriculture as the committee responsible and to the Committee on Development and Cooperation for an opinion.

5. Agricultural prices and monetary compensatory amounts

(continued)

President. — The next item is the continuation of the debate on the Delatte report (Doc. 1-37/80).

The list of speakers for today will be closed at 10 a.m.

I call Mr Louwes.

Mr Louwes. — (NL) Mr President, I should like, on behalf of my Group, to express our appreciation of Mr Delatte's work, and to echo the praise that has rightly been bestowed on him. His report is characterized by a profound knowledge and a deep love of European agriculture. He has painted us a picture of an agricultural sector which is modern, dynamic and export-orientated, and which is a valuable asset to the Community and to all of us. My Group is very grateful to him for his work.

Mr President, I was struck yesterday evening by how much the views of Mr Delatte and Mr Gundelach tallied on the many positive aspects of European agriculture — for instance, the number of jobs in the sector, the prospects it offers for economic growth, the great contribution it makes to our export efforts and our balance of payments, and so on. My Group supports this view. But the thing I really cannot understand is why so many people see the solution to the problem in placing limits on production. All too often we are reminded of the virtues of limiting production and exports, increasing imports and so on. But, Mr President, this cannot be a viable solution for a Community which is confronted with the problems of unemployment and a stagnating economy. A cut-back in production may be a reasonable solution from the budgetary point of view — and the same applies to certain exporting sectors — but in my opinion, it cannot possibly help to solve the economic and social problems facing us in the Community. Production is, after all, a good thing, and the same goes for exporting. However, we all want to prevent increased production from swallowing up any more taxpayers' money. Let us bear this point in mind when we discuss the Commission's

proposals today and tomorrow. Let us be on our guard against throwing the CAP baby out with the budgetary bath water.

Mr President, I should just like to comment on another aspect of agricultural exports, namely, the Community's sugar exports, as a first reaction — as it were — to the extraordinary amendment tabled yesterday evening by Mr Cohen on behalf of the Committee of Development and Cooperation. The fact of the matter is that, over the last year, the highly consistent and disciplined export policy pursued by the Community has protected the world sugar market from a veritable price explosion. Let me repeat: this is what has happened thanks to the amount of sugar we have produced in the Community. Let us not forget who would have suffered from a price explosion. Certainly not the wellfed consumers in the Community, who have to spend less and less of their income on food. The real sufferers would have been the people living in the poorest developing countries, who have neither indigenous energy resources nor their own sugar production. These consumers are very grateful to the EEC for the disciplined export policy it has pursued. Once again, Mr President, I wonder what the Committee for Development and Cooperation can possibly have against such a policy?

President. — I call Mr Davern.

Mr Davern. — Mr President, I would like to join in congratulating Mr Delatte on the very thorough report he has introduced to the Parliament today. At a time when there is concentrated effort from anti-CAP quarters, it is most important that this House place fairly and squarely on record the fact that it recognizes the vital role of agriculture in our Community and the right of our farmers to a just wage. Just as we must show our determination to unite in Europe on social and regional problems, so too we must show a united approach in defence of the common agricultural policy.

I would remind the Parliament of Article 39 of the Treaty of Rome, which declares that the rational development of agricultural production and the optimum utilization of the factors of production are the principal objectives of the common agricultural policy.

The Commission's price proposals are unjust, insensitive and short-sighted. They bear no relation to the increased cost of our economic factors. The gap between the business sector and the farming community has been steadily increasing, having shown a 10 % increase in the last 2 years. Why is it that the Commission persists in its viewpoint in violation of some of the legal principles which are enshrined in the Treaty? Why is it that the Commission refuses to acknowledge that the Community's importation of vast quantities of agricultural produce and feedstuffs is one of the root causes of our surpluses?

Davern

Increases in farm prices must be in line with increased costs. Nothing less than an across-the-board increase of 7.9 % will cover the increased costs to the farmer and offer him a reasonable wage. Workers in industry are entitled to and indeed receive a just wage, and every Member of this Parliament would applaud that; but farmers are entitled to an equally just wage. We deplore the injustice of the Commission's proposals, and we hope the Council of Ministers will recognize this injustice and reach a fair decision.

The Commission is penalizing European food production for its efforts while the underdeveloped countries of the world face famine and starvation and death in many cases.

A fair decision must take account of Ireland's special position, particularly in relation to dairy farmers. The weight of the Commission's proposals come down heavily against the Irish dairy farmer, more so than in any other sector of the Community. Twenty percent of our population is directly engaged in agriculture; the processing of dairy products amounts to 15 % of the total manufacturing output, and of the total employed population 20 % are in the food manufacturing sector.

The super-levy is in effect a milk production quota. It cannot be described as anything else, yet this is what the Commission has been attempting to achieve in its talks over the last few months. In the light of a report issued by the Commission late in 1978 on the situation in the milk market, their present position is ludicrous. In this report, the Commission was not in favour of quotas because such measures would be difficult to reconcile with a Community approach based on free decision and natural trade. Quotas would create inequalities between different regions or producers within the Community. The report further stated that the quotas would be extremely difficult to change. Finally, the Commission concluded that in due course there would be a risk of incurring surplus production. How ridiculous the Commission's position must look now!

We are totally opposed to the introduction of the super-levy. Dairy farming plays a unique role in agriculture and in particular in the Irish economy. For many Irish farmers, it is the only type of farming for which their smallholdings are suitable. They have no alternative: the introduction of a super-levy or quota system would impose an intolerable burden and particularly damage the less-favoured areas in their region. They only way left open for an Irish dairy farmer to raise his income was to increase his production and his production — at 420 gallons on average, is less than the Community average. This is now blocked by the Commission's proposals.

As we refuse the super-levy, so we refuse the co-responsibility levy, which represents a big step back of 30 years. It imposes counter-productive restrictions on Community agriculture. Mr Delatte, in paragraph 35

of his report, correctly points out that the effectiveness of the levy in reducing surpluses still has to be proved. The old 1.5 % co-responsibility levy has had no appreciable effect on the level of production. Under no circumstances can we consider the introduction of an equally punitive new measure which will penalize those who can least afford it.

Furthermore, under the circumstances, we cannot accept the stabilization of milk production at its present level. Such a stabilization, would be of little concern to large farmers who have already reached their full production potential and can absorb the impact. This is not the case for small farmers, who need to expand their production to achieve a satisfactory income. It must be repeated that many of these small farmers have no alternative: we cannot, and will not, accept such sanctions on their behalf. The small family farm, which, I believe, is fundamental to the common agricultural policy, must be maintained.

Responsibility for surpluses in the dairy sector lies not with the small farmers alone. The amount of fats that the Community imports — protein fats, which are imported tax-free — are the cause of certain surpluses. This problem can, and must, be tackled, as we have already demanded in this House. Take the demand for the introduction of a levy on fats and margarine coming into this Community: farmers have been asked to pay co-responsibility levies, while people can import the very same products, tax-free from outside the Community. We further insist that the Community elaborate a common policy on proteins and fats. Imports from New Zealand of dairy products which are contributing to the surplus must be checked. There would be no need to consider the imposition of levies of any description on farmers if the Community operated a successful export policy. Indeed, when we find that people in far-off New Zealand and other areas that are supposed to be the home of backward tribes can be seen drinking Coca-Cola. Why not put them on the milk racket instead? The farmer must be supported, not attacked. There is no need for the Community to import \$ 30 billion worth of agricultural produce and foodstuffs, but if the CAP is downgraded, quotas introduced and prices set which are totally unjust, farming in Europe will deteriorate, massive unemployment will follow, and the poorest regions will suffer irreparable damage; the consumer will want to know what has happened to his guaranteed supplies, and it is the poorest regions that will suffer the most. Moreover, the urban communities will have to take in the people from the poorer regions, because there is nowhere else to go for the farming community if they are not given a livelihood in agriculture: they will have no choice but to go to the cities and look for employment or for social assistance.

The European Parliament has sought a saving of 200 m EUA on the budget for the milk sector for 1980. Mr Gundelach's overall proposals provide for a saving greatly in excess of this, and one wonders what

Davern

the purpose of this is. If he is seeking to reinforce and improve the CAP, then he should know that the answer does not lie in a budgetary solution or in the budgetary costs of supporting agricultural markets. We should not allow the United Kingdom's budgetary problems to become a pretext for further undermining the common agricultural policy.

In conclusion, Mr President, it is only by guaranteeing a price increase of 7.9 % that farmers will be able to meet the needs of the Community; it is only by accepting that the co-responsibility levy has not worked and by giving out the draconian super-levy that we can maintain the present level of employment in agriculture and ancillary occupations, offer a fair return for a day's work and ensure supplies within this Community.

President. — I call Mr Petronio.

Mr Petronio. — (I) Mr President, I want to say that I and the other members of my group are delighted that two of our ideas have been largely incorporated in the report which Mr Delatte drew up on behalf of the Committee on Agriculture. I am not referring to the arguments on percentages which we shall return to subsequently, but to the urgent need for a directive on powdered milk so that we can put an end to what has become an absolute swindle in the food sector and adopt the so called 'tracer' system. This system means that powdered milk, which attracts a premium of no less than 50 %, cannot be reconstituted with water and fats and made into cheese by various complicated processes, instead of being used as feedingstuffs for young cattle.

This is a two-stage swindle, of course. The product to be put on the market may be of reasonable quality but it is not genuine, and the other thing is that about half the cost is covered by a premium when it should not be. There are obviously two solutions to this problem which we first raised last December when we were discussing the supplementary agricultural budget. Either we can abolish this premium for powdered milk, since it is not being used properly, or else we can adopt the 'tracer' system. You need only to put some starch in a tank of powdered milk, and when the adulterated cheese turns up a drop of iodine is enough to show that it has in fact been reconstituted.

We are happy with this and we are also happy with the fact that the Committee on Agricultura was ready to listen to another of our recommendations concerning Italian rice. This is practically the only rice crop — and it amounts to some 1 200 000 tonnes — which is produced in the Community since the French more or less stopped production in the Camargue. This rice cannot be considered surplus and its price cannot be frozen. Half of it goes to the Italian domestic market. Half of what is left is sold in the rest of the Commu-

nity but it does not satisfy Community requirements because several countries prefer to obtain their rice elsewhere, instead of taking advantage of what the Italian market offers and of Italy's ricefields with their high degree of specialization and technical skill. There is some Italian rice left over, which in our view should not be considered surplus because it can make a useful contribution to combating world hunger and, to put it even more simply, to aiding developing countries.

We cannot accept the fact that the recent agreement with the United States will mean that Italian round-grain rice will still be penalized. It will be less competitive and will be at a disadvantage, whereas the long-grain rice which is grown in the United States will be at an advantage.

In our opinion, food aid to the countries of the Third World must not be an excuse to offload cut-rate products of obviously poor quality. This does not make exports easier. We are therefore pleased that the Commission was able to go along with our traditional line on this.

Lastly, let me just say that this war over agricultural prices, other prices and other measures of financial intervention by the Community will have to be terminated sooner or later. But it cannot be terminated unless we push through the ceiling of our own resources. It is no longer possible to operate within the 1 % band. Agricultural costs are going up and prices will therefore have to go up, too. On the other hand, we have only the resources we have. We must start thinking about a greater tax revenue for Europe.

The chairman of our group, Mr Romualdi, will outline further the position of the Italian Right when he gives an explanation of vote.

President. — I call Mr Bocklet.

Mr Bocklet. — (D) Mr President, ladies and gentlemen, the debate on the level of farm prices in 1980/81 long ago turned into a dispute on the future of the agricultural policy in general. The main reason for this is that the Community's financial resources have reached rock bottom and every price increase leads to higher costs which strain the budget and can only be met by depriving other sectors. Rising costs do have one salutary effect in that they force the Community to tackle the problem of surpluses seriously and thereby halt the process of 'muddling along' which has been a feature of wide areas of European farm policy over the past 10 years. This is a welcome development for everyone, including the farmers. This policy was first embarked by Parliament last autumn; but we cannot agree to the measures proposed by the Commission. As my colleague Mr Tolman pointed out yesterday, the super-levy proposed by the Commission would have the same effect as the setting of quotas,

Bocklet

and I must say that the Commission has thereby neatly avoided the expected months-long dispute in the Council of Ministers on the fixing of national quotas, while holding surplus production at existing levels. To this extent the Commission is to be congratulated.

However, the proposal is unacceptable to the European People's Party for two reasons. Firstly, the Commission's measures are directed at the dairies and not at individual farms, with the dairies acting merely as clearing houses. But if we single out the dairies, we are simply transferring the expected dispute on quotas in the Council, which we wanted to avoid, to the individual dairies, thereby sowing unrest among thousands of farmers in an attempt to secure freedom of action for the dairies, while telling them that they should make their own arrangements for dealing with the milk suppliers. This proposal is therefore politically unacceptable. If the Commission's super-levy had been directed at individual producers, many things would have been simpler.

The argument of greater flexibility put forward for taking dairies as the reference point is also unconvincing, since this would reduce the transparency of the market and further obscure movements of milk supplies.

This brings me to my second point. The proposal on the super-levy has the shortcoming that although it effectively introduces a quota system it provides no instruments with which to ensure that the dairy sector develops organically. Not only is everything measured by the same yardstick, but the freezing of surplus production also leads to a sterile rigidity which prevents any economic dynamism or differentiation. For instance, the Commission's proposal contains no mention of the period following the introduction of the super-levy, or of negotiable quotas and thus of the possibility of recovering part of the market, although this would be a further opportunity to cut back surpluses.

It omits to mention the safeguarding of opportunities for young farmers and for regions where milk production per cow is still far below the Community average, as in Ireland.

The Commission fails to comment on the problems which its proposal would create in regions which have no alternative to dairy farming and on the situation of dairy farmers who, believing in the continuity of Community farm policy, have expanded their farms with government approval and encouragement — as well as with government funds — and who now have to use this capacity to the full.

These are some of the reasons which have led the EPP Group to reject the super-levy. Instead, we favour the idea of a stabilizing levy of limited duration which would be applicable to individual producers and would be imposed as an additional levy, graduated according

to production level, on milk produced in excess of 1979 levels. True, such a levy would not be as rigid as the super-levy proposed by the Commission, but it would have the same effect, at least at the upper end of the scale, while still allowing some leeway for the small and medium-sized family undertakings, and it would thus be more discriminating and humane.

A further reason for introducing a graduated stabilizing levy is that the proportion of dairy farmers' incomes paid out of public funds increases appreciably with production. We would therefore be justified in requiring farmers who, under the price support system, receive more from public funds to pay a correspondingly higher levy on the excess production.

I have no doubt that even this proposal has its faults, but we feel that it offers the best possible solution under the circumstances. At least it can help us to avoid a situation in which intervention has to be suspended in the foreseeable future for lack of funds and well over a million small and medium-sized family holdings are ruined; it also allows us to justify suitable price increase for our farmers.

A stabilizing levy can, however, only serve to get the dairy market under control. We must also make it an attractive proposition to leave dairy and take up nurse-cow farming which would lead to appreciable easing of the situation on the dairy market. For this reason we are also opposed to the suspension of intervention in the beef market, as this would further distort the milk-beef price ratio in favour of milk. As a supplementary measure, all Community investment aid which increases production should be stopped.

Lastly, we call upon the Commission once again to come up with a basic plan for an overall policy on fats, giving priority to our own fodder production to ensure secure food supplies in times of crisis, rather than using imported feedingstuffs.

I should like to add a further comment on the proposal for a graduated co-responsibility levy. If we oblige farmers who produce more than 200 000 litres of milk a year to pay a co-responsibility levy of — 3 % or more instead of 1½ %, we will be doing nothing to stop the increasing surplus production — on the contrary, we will be encouraging farmers to make up for their loss of income by producing more. Such a proposal is pure window-dressing.

To turn to the prices policy: the Commission is attempting, both by means of the super-levy and with its price proposals, to squeeze farmers in a way which sooner or later is sure to spell disaster for many small and medium-sized family holdings. I wonder why farmers are not allowed to increase their incomes while wage and salary earners are allowed to negotiate increases as a matter of course. Is it simply because, under the Community farm policy, prices are largely fixed by the state and are not determined by objective

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methods and considerations but, as the Commission admits, by political criteria, that is according to the availability of public funds, and perhaps also by the whims of public opinion. This is the same Community which for years has done virtually nothing to counter the threatened collapse of the dairy market and which is now resorting to the most anti-social of all measures — the freezing of prices, which means the deliberate impoverishment of our farming community. While the small and medium-sized family holdings are being squeezed to the limit, large-scale farmers can more or less take such a policy in their stride. Is this — and the growing masses of unemployed — intentional? As long as the system of marketing guarantees exists in the milk market, prices policy will be of little use for controlling production and will, together with the super-levy, lead to unjustifiable social hardship, which we then try to offset by means of structural policy. I was sorry yesterday to hear Mr Arndt speak in favour of this policy on behalf of the Socialist Group.

Ladies and gentlemen, the Commission's price proposals are an insult, to which the Committee on Agriculture gave a fitting response on the basis of what are regarded by all concerned as the objective facts. It is now up to this House to reach a sensible decision on prices which does not turn our farmers into social outcasts but ensures that they share in the increased incomes enjoyed by all. We should be in no doubt that our aim is not to make the few large farms even richer, but rather that our decisions on prices should safeguard the position of the many small and medium-sized family holdings. We cannot be content with vague allusions and meaningless generalizations. Parliament must now set clear, i.e. specific targets. This is the thinking behind the Christian-Democrats' proposal.

(Applause from various quarters of the European People's Party)

President. — I call Mr Pranchère.

Mr Pranchère. — (F) Mr President, I have been shocked by several of the speeches made here, and in particular by that of the Commissioner, Mr Gundelach, whose comments I found rather staggering. I find it utterly scandalous to appeal so unscrupulously for restrictions on farmers' incomes and farm production and for levies and superlevies on farmers. Like all the French members of the Communist and Allies Group, I feel that it is unacceptable that despite the realities of the situation and the circumstances of the poorest of our farmers — and there are hundreds of thousands of them who find it hard to make ends meet — it is argued that any difficulties we may now have can be blamed on the farming community.

Those of you who lash out at the farmers have not said a word about the profits of the multinationals.

You are able advocates for Unilever and the other big concerns. The 'improvement of the CAP' has never before been used to such an extent as a pretext for the annihilation of French farming. Our farmers have been cruelly and brutally mistreated and are violently opposed to the murderous onslaught being prepared by the Community institutions in collaboration with the French Government.

In the election campaign of June 1979 in France the three political leaders, Mr Giscard d'Estaing, Mr Chirac and Mr Mitterand, nonetheless glossed over the disastrous consequences of 20 years of the Common Market and promised us a hopeful future in Europe. What a mockery! Now a 'Davignon Plan' is being applied to ruin our agriculture and organize it to serve the interests of a few multinationals active on the world market. The European Commission and the right-wing Social Democrat element want to cut farmers' incomes by 10 % in 1980. They refuse to question the acceptability of imported New Zealand butter and American vegetable fats — American interests are sacrosanct for the reactionary and socialist majority in this House — and instead single out the milk producers, 15 % of whom, according to Mr Méhaignerie, are to be forced out of business in France. Aid to pig producers and to those who grow crops under glass is to be abolished. The proposed regulation on sheep would spell disaster for our 150 000 holdings. The enlargement of the EEC to the south would ruin tens, even hundreds of thousands of wine, tobacco, fruit and vegetable producers. Products such as sugar and cereals would also be hit. It is significant that this attack on our farmers brings together the same elements in this House who showed their true colours by forming a majority to reject the budget. In short, this 'hopeful future' for Europe means the dole queue for the farmers and their children who have thus been sacrificed.

Their anger is thus understandable. We are told that there is too much butter, too much milk, too much meat, too much fruit, too much wine and too much sugar, while in France and in the Community tens of millions of people are living in difficult circumstances, and some in abject poverty. It is particularly intolerable to run down or destroy sectors of food production while 50 million men, women and children in the world are dying of hunger every year and a thousand million suffer from malnutrition. We are utterly opposed to such a policy.

What are the basic reasons for the persistence of those who wish to abandon the principles — which have been already flouted — of price unity, Community preference and financial solidarity. Firstly, there is the firm intention to devote considerable sums from the Community budget to the financing of plans for industrial restructuring and redeployment; in particular in Greece, Spain and Portugal. Agricultural expenditure will therefore have to be further reduced, even though there is already an appreciable downward

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trend since commitment appropriations dropped from 72.6 % in 1977 to 70.1 % in 1979. The unacceptable demands of the British Government are on the same lines. Lastly, there is the heavy financial burden of the Community's enlargement to the south, to which we are resolutely opposed, as it would further consolidate the domination of French agriculture by the United States, Germany and the most powerful multinationals.

We fully support the farmers' demand that farm prices should keep fully in step with production costs and inflation, which is running at 13 % in France. This will not make good the losses of the past six years. The struggle over prices is a struggle for survival and for the preservation of productive investment and of the financial basis of agriculture. For the situation is serious. Purchases of agricultural machinery are declining and cases of insolvency and bankruptcy, including those among young people who have recently taken up farming, are on the increase. Average indebtedness amounts to 80 % of the value of the annual harvest, and is sometimes as much as 120 or 150 %. Meanwhile, the profits of industries upstream and downstream of agriculture are soaring. We fully support the farmers who are demonstrating in Strasbourg today. We call on them to take further vigorous steps to counter those who persist in supporting the provocative attitudes of the Commission. We demand reasonable, guaranteed prices and the abolition of the co-responsibility levy on third parties, because we refuse to allow our agriculture to decline, as this would make us dependent on others for food and would put France at the mercy of the pressures resulting from the use of the food weapon by the United States. We are resolute in calling for the complete and immediate abolition of monetary compensatory amounts, which penalize French farmers unjustifiably and favour the countries with strong currencies, like the Netherlands and Germany, which benefit from a transfer of resources and enjoy favourable conditions of competition. French milk producers cost the EAGGF seven times less than Dutch producers, and while 3 338 French holdings have benefited from agricultural development plans, there were 27 000 in Germany. We have set out objectives to guide the French members of the Communist and Allies Group in the battle they are waging in close cooperation with French farmers. We shall vigorously defend French agriculture against any plans, from whatever quarter for the break-up of this sector. We shall be particularly watchful and active in protecting French sheepfarming, especially at the next part-session. French farmers must rely on the French Communist Party.

(Applause from certain quarters on the extreme left)

President. — I call Mr Kirk.

Mr Kirk. — *(DK)* Mr President, I am pleased to have the chance to speak in this debate, and I have lis-

tened with great interest to what the various speakers had to say last night and this morning. I must say, though, that the reception given to Mr Delatte's report on behalf of the Committee on Agriculture seems somewhat half-hearted. There was, after all, a majority in the Committee on Agriculture in favour of the report, and it is also the case that a majority of the committee are in favour of the points and the proposal contained in the report.

There were of course important reasons why a majority of the committee decided as it did. As regards prices, Parliament proposes an increase of 7.9 % in farmers' income for 1980. Let me add, though, that the Committee on Agriculture, which went into these problems in great detail, had in mind the fact that farmers' earnings fell dramatically in 1979, and that production costs have risen and will continue to rise in 1980. We also gave careful thought to the fact that if we want to retain a Common Agricultural Policy in the future, and if we want to support farmers and their means of production, we shall also have to accept reasonable price increases as a fact of life to enable the farmer to recoup his outgoings. But as far as I am concerned, there are also a number of other important aspects which persuaded me to support the case for a 7.9 % increase.

I see three main problems in the Common Agricultural Policy: surplus production, the existing national regulations and the positive monetary compensatory amounts, which are partially responsible for preventing the attainment of a single market, which is what we ought to be aiming for in the Community if we are serious about establishing a genuinely common agricultural policy.

How, then, should we go about solving the problem of surplus production? The Commission has come up with some proposals, with special reference to the dairy sector, where the problem is particularly acute and which has the most serious budgetary repercussions. The Commission proposes two forms of co-responsibility levy. The first is the traditional form of levy, which the Commission proposes to raise to 1.5 %. At the same time, however, it proposes to introduce a new super co-responsibility levy. I am afraid I fail to see the point in using two different levy rates, for if the one does not work, the other will not either.

I believe the Commission is thinking along the right lines in proposing a super co-responsibility levy, but it could surely just as easily do away with the other co-responsibility levy, unless of course the aim is simply to tap another source of budgetary income, which I suspect is really the case. But if the super co-responsibility levy works, and we accept the Commission's proposal and commit the Community to making farmers financially responsible for any production above the 1979 level, we shall indeed have solved the problem with regard to the 1980 budget in that any

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increase in production will not inevitably have budgetary consequences. But can we really go and tell the farmer at the same time that he is entitled to go on producing, but that he cannot expect higher prices for what he produces? Can we really tell him that we do not want him to produce any more than in 1979, and that he will get no higher rates for what he has a right to produce? I just do not think that is on. It would be like telling the farmers that they are going to be delivered to both the hangman and the firing squad. I therefore recommend that this House accept the price increase of 7.9% proposed in the Delatte Report, which seeks to ensure that the farmer at least has a right to a fair price for that part of his production for which the Community is responsible, and to enable him to cover his costs.

The problem of how much the budget will be affected by expenditure on the CAP is another matter, and one which has figured prominently in this debate. I should like to point out that, if we succeed in solving the problem of surplus production by setting up a CAP mechanism which will enable us in the long term — in other words, when we achieve more than self-sufficiency and can no longer find markets for our products — to solve the problem by shifting the responsibility away from the Community budget, I think we must ensure that the producer is guaranteed a fair price for what he produces.

Moving on to the question of national regulations — and I recently saw a report which showed that there are currently some 2 500 national regulations covering the Common Agricultural Policy, not all of which — indeed, a minority of which — are in line with Community provisions — I can only say that by agreeing to a fair price increase, we shall also be giving the Commission a chance to have these national regulations dropped. On the other hand, if we do not agree to a fair price increase, I think that we shall finish up with far more national regulations in 1980. I have no doubt that the Danish Government will come to the rescue of farmers who cannot make ends meet, and I am sure that other governments will do whatever they can to create national regulations to make sure that their farmers do not go bankrupt and thus cease production.

Finally, I should like to advise this House to support the Delatte Report for the reasons I have just set out. I would also call on the House to take full responsibility for finding a solution to the problem of surplus production, but not to link the problem of surplus production to the price issue. They are two separate things which cannot be solved by recourse to the same mechanism. We have prices which apply only to producers and farmers, and which cannot possibly be used to get producers to produce less. That is why it is up to us to find another mechanism to solve these problems too.

(Applause from certain quarters on the right)

President. — I call Mr Caillavet.

Mr Caillavet. — *(F)* Mr President, I shall make three simple comments in the time allotted to me. The first concerns sheepmeat, the second, fruit and vegetables and the third, wine and alcohol.

As far as sheepmeat is concerned, we feel that the market should be organized, which is moreover in line with the Treaty, because the incomes of sheep farmers must be maintained, as most of them have their holdings in deprived areas while others carry out sheep farming merely as a supplementary activity. For this reason I have tabled an amendment to organize the market in sheepmeat, with the unpegging of import duties and the introduction of a tariff quota to help traditional suppliers of meat to Europe.

With regard to fruit and vegetables, I note with some regret that we in the south of Europe do not enjoy the advantages of minimum prices conferred on northern produce. We too would like to be protected, as we find that the reference price often fails to safeguard our own produce in the fruit and vegetables sector. Therefore — and in particular, Mr Gundelach, for the benefit of the Commission — I would like to make three points to prevent the situation facing producers in Southern Europe from being made more precarious.

Mr Gundelach, the reference price must take account of current production costs, and I must therefore call upon you to increase this reference price.

As for countervailing charges, these restore the balance in certain circumstances, when imports from third countries fall below the reference price. As you know, Mr Gundelach, it takes five days from the initiation of the procedure to the application of the countervailing charge. During this time the market is left in a state of chaos. You are proposing to reduce this period to two days, but I think this is still too long and feel that you should make countervailing charges immediately applicable. I would also like you to prevent certain deflections in trade, since, as you know, it is possible to import into the Community fruit and vegetables which do not have the same characteristics or quality. This means a real distortion of Community structures, and southern produce is penalized. I tabled an amendment which the Committee on Agriculture saw fit to reject, but I now put it to the House. I hope that you will examine the possibility of setting up equalization funds at Community level. Why? To encourage exports in times of surplus, to third countries, in particular to countries of the Third World, for it is not morally or economically right to apply a policy which destroys all the fruits of men's labour.

I now turn to my third and final point, which concerns wine. Mr Gundelach, ladies and gentlemen, the Committee on Agriculture, which for a long time I had the honour to chair, has accepted an amendment to grant,

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on a permanent rather than *ad hoc* basis, performance guarantees for wine subject to long-term contracts. We wine producers must be assured of a reasonable future, and we are therefore in favour of the establishment of a minimum price. But the Commission must still propose changes and improvements to deal with structures, with regard to grubbing-up premiums, premiums for leaving wine production and quality premiums, in other words all the benefits you have introduced. Also, Mr Gundelach, I think that the minimum price should be increased from 85 % to 90 % of the guide price.

I have also tabled an amendment concerning alcohol, requesting that whatever the drink — whether soft drinks, wine or beer — the excise duty should be the same per degree of alcoholic strength. If we take a single point of reference, the excise duty payable on beer of 4° alcohol content and wine of 12° would be for 4° and 12° respectively. Excise duties would thus be equal, and it would therefore be no longer necessary to apply to the Court of Justice to establish, for example, that France is not fulfilling its obligations in making whisky subject to an additional tax and that Britain is also wrong in subjecting French wine to five times more tax than it should.

It is with this in mind that I call upon the Commission and Parliament to accept the amendment I have tabled. Mr President, I have observed your recommendation not to read a prepared speech and hope that my remarks will not go unheeded by Parliament and the Commission.

(Applause from the Liberal and Democratic Group)

President. — I call Mr Debré.

Mr Debré. — *(F)* Mr President, ladies and gentlemen, the almost indefinite postponement of the European Council meeting is an indication of the seriousness of the present crisis. Quite apart from the particular problems affecting certain agricultural products, apart even from the budgetary debate, we find that the crisis derives from the fact that to cast doubt on the Common Agricultural Policy is really to cast doubt on the Common Market, and therefore on the organization of Europe.

Firstly, we are faced with a number of measures which all have the affect — even if this is not their aim — of undermining the Common Agricultural Policy. These measures comprise the policy of importing non-Community products which compete with actual or potential European production in particular fats and meat. Then there is the suspension of the levy, even though Europe could produce its own crops, for example soya and maize. In connection with this, if Great Britain's demand were accepted, a fundamental principle would be destroyed. There is also the policy on prices and

taxes, which in the long run discourage a number of producers. We must also bear in mind the unwillingness to tolerate surpluses and the fact that they could be put to good use, as they are in the United States, where, depending on the circumstances, farm surpluses are dealt with via commercial or humanitarian measures. If all these policies — as well as certain speeches — are considered together, it will be seen that despite certain specific measures which we happen to be discussing, it is the Common Agricultural Policy which is at stake.

Secondly, while the Common Agricultural Policy is an asset to farmers, we should also realize that it is an asset to Europe, to the nations of Europe and to its organization. It is right that we should speak of the importance of the Common Agricultural Policy for farmers incomes, but we should remember that beyond this one sector of citizens and producers, the CAP is important in a general context. The nations of Europe have shown that they are capable of producing their own food. As a continent which is poor in energy and raw materials, Europe is fortunate in being able to develop this source of wealth. There is no doubt that we could do even better; other products could be developed to enrich Europe and increase its self-sufficiency. In other words, the Common Agricultural Policy is not simply determined by the economic and social interests of farmers and agriculture, but has also been inspired, since its inception, by a reasonable conception of Europe's potential.

If the measures we take have the effect of weakening the CAP or even destroying it, particularly if we abandon its essential principles, namely market unity, financial solidarity and Community preference, we cannot expect the consequences to be felt solely in agriculture. A speaker just commented that there would be a return to national aids. This would not be the only consequence, however. It would also mean a return to national protectionism not only in agriculture but also in industry. If the Member States have to assist their farms out of their own budgets, they will be unable to tolerate the lowering and removal of customs barriers on industrial products. Already various systems, in particular the system of standards, show that some degree of protectionism is returning within the Community. Failure to develop the Common Agricultural Policy will not, as some people believe, open the way to a free-trade area, but will in fact open the doors to protectionism in both the agricultural and industrial sectors.

Thus, Mr President, ladies and gentlemen, I feel that the three points which I have just outlined indicate how important this debate is. We are not dealing with isolated measures. What we are faced with is either a failure to understand what the Common Agricultural Policy should stand for or else, in some quarters, a deliberate campaign to undermine it and its development. The CAP was not only made for farmers. It was inspired, planned and developed — and must be fur-

Debré

ther developed — as an asset for Europe, to enable it to provide its own food and to pursue a sensible policy with regard to surpluses, if only for the sake of the hungry in the world. If this campaign continues or if it is successful, the result, which no-one wants but which is in fact unavoidable, will clearly be a return to the walling off of national markets. There can be no Common Market without the CAP, and its abolition, far from producing a free-trade area, as some people believe, will mean a regression to protectionism on a more intensive scale.

Such is the importance which my colleagues and I, and others in this House, attach to this debate. That is also why, if some of the major amendments we have tabled are not accepted, we shall be unable to acquiesce in a policy which ultimately, apart from dealing with certain specific problems, undermines the CAP and thereby the economic organization of the Common Market.

(Applause from various quarters)

President. — I call Mr Pannella.

Mr Pannella. — *(F)* Mr President, we shall have to state our position as European radicals and ecologists elsewhere on a different occasion. You have allowed us five minutes in which to add our comments on this problem, which is clearly symptomatic of our ills, urgent and of fundamental importance. We therefore give notice that we shall be returning to this subject in April but that meanwhile we shall be giving a press conference to explain the position of the German 'green' party, the Italian radicals and other European political groups.

In the few minutes remaining to me, Mr President, I shall therefore confine myself to a few general remarks: there is, on the one hand, the Europe of René Dumont and Michel Bosquet, that is, the Europe of the farmers, and on the other, there is your kind of Europe.

Mr President, the remarks being made here on aid to farming frighten me. Coming, as I do, from a farming area and from a family of farmers, I know that aid to agriculture often spells disaster for certain groups of farmers. For years, almost decades, you have applied to agriculture the logic of productivity, the idiotic — I repeat, idiotic — logic of profit. You have not included the social costs in your profit and loss account. In the name of a kind of agriculture whose effects and true nature you can now see, you have driven the farmers from their farms. You have pinned your hopes on technology and on a spurious policy based on the sharing of world markets!

If it is true, for instance, that two multinationals control 50 % of the world cereals market, you seem to be

debating problems over which you have no control. This means that our parliaments, including the parliamentary institutions in the United States and Canada, have no real powers. The unavoidable conclusion is that all your policies, whether of the small-time reformists, the small-time conservatives or the small-time revolutionaries, have led us into a situation in which the old saying 'Sow the wind and reap the whirlwind' is coming true this afternoon in this House, for it is indeed a whirlwind we are threatened with. This is in fact the fruit of your policy of aid to agriculture.

As always, of course, it is tempting to blame this situation on the present or past irresponsibility of scoundrels and trouble-makers, on people who have no sense of collective responsibility.

Mr President, I feel that Mr Dankert has once again made some very apposite comments: one cannot on the one hand adopt a position on the budget, as we did in December, and then go against it later in order to please the mob. One cannot ask for 1 % one minute and 8 % the next, playing around in an absolutely appalling way. In reality, it is the same parties who say one thing in the Council, another in the Commission and yet another here in Parliament. This is the behaviour of people who don't know where they are going.

Thus, Mr President, we are opposed to this Common Agricultural Policy, which has very little human value and which is in fact subordinate to other interests, namely your military policies — a taboo subject! You talk about CAP as if it were something self-contained, but it is subordinate to your military, industrial and energy options! You have adopted an all-embracing agricultural policy based on high-productivity technology, an approach you are now adopting with energy, with the result that in agriculture, where we had access to 'soft' forms of energy which the agricultural community could produce itself, might have been used, you have done the opposite! You are therefore left with nothing: on the one hand you have the myth of production, of uncontrolled productivity and the 'green' genetic revolution, a world with the promise of abundant food, while on the other you are creating with this system a crisis in Europe's economy and a Buchenwald for 30 to 40 million people who are being wiped out by hunger — and meanwhile you have your surpluses!

If that is your system, you can keep it! It is the same system which allows us only five minutes' speaking time. But if you silence us, Mr President, ladies and gentlemen — as you do every day — you will hear our cry in the streets and in the countryside! If you force us to state our views in five minutes, we shall go elsewhere to explain our alternatives to this bankrupt parliament of yours!

President. — Mr Pannella, according to the rules you have still two minutes speaking time left. Should you so wish you may continue speaking.

(Laughter)

Mr Pannella. — (F) Mr President, the two minutes remaining can be added to the speaking time of my colleague, Mr Blaney. The extra time will be more useful for him, as he has a specific point to make.

President. — I call Mrs Cresson.

Mrs Cresson. — (F) Ladies and gentlemen, I am speaking on behalf of the French Socialists. Today the eyes of the people are turned towards this House, for they are aware of the importance of the debate we are holding. They know that this House, which has been elected by universal suffrage, has already shown that it is no mere figurehead and they know that you will be taking decisions on a question which is a matter of life or death to thousands of European farmers.

The Treaty of Rome made provision for a better standard of living for farmers in the interests both of social justice and of political necessity, since this was an essential part of creating a political zone which wanted to stand apart from the two imperialist powers which were carving up the world between them. Twenty years later, faced with the results of the disastrous misapplication of the principles of the CAP, will the House be content to accept the fact of this failure? We should take care not to give the public the impression that we have agreed to sacrifice European agriculture. We have no energy resources and few raw materials. Are we now going to sacrifice what is virtually our only natural asset? This House should instead call to account those responsible for the present situation and refuse to carry the burden of their mistakes, and instead of constantly trying to patch up the damage which has been done, we should call for a real Common Agricultural Policy. Are we going to call those responsible to account, refuse to answer for their mistakes and demand a new policy? To do this, we need time to discuss the issues involved.

What is really at stake in today's debate is whether we should accept the demise of European agriculture, which seems indeed to have reached the end of the road, or demand an opportunity to put the situation right. I am mainly addressing those in this House who have no first-hand experience of the workings of the agricultural policy and who, because they have normally been concerned with other matters, know little or nothing about the mistakes which we are now being asked to answer for. We are told that the agricultural policy is too costly, that it is creating growing surpluses and that it hinders the development of other policies. But whose fault is this? Why was this situation allowed to develop? How can we justify the Commission's proposals to increase farm prices by 2.4% while inflation is running at 12%, while fuel oil prices have risen by over 50% in a year, while the price of tractors has gone up by over 20% and the price of fertilizer by more than 25%. In any company, anyone responsible for a fiasco like this would be sacked

immediately. How can one justify the Commission's proposal to allow beef producers a mere 1.5% increase — and beef production is the only alternative to dairy farming, though even that is not always feasible. But, you may say, the Council and the Commission are aware of the problems of agriculture and no doubt propose such extreme remedies because there are no alternatives. Ladies and gentlemen, the Committee on Agriculture has shown that it understands these problems by proposing a minimum increase of 7.9%. There are many ways of sustaining the CAP, but they all require an independent, realistic and imaginative approach.

I shall therefore discuss three problems; dairy produce, cereals and beef; and I would ask the House to bear in mind the following: 56 of the world's 100 wealthiest economic entities are now multinationals, while only 44 of them are States. The multinationals, with their immense power are clearly unenthusiastic about the fact that Europe, the world's foremost economic power, wanted, for example, to escape from the speculative manoeuvres of the world's 6 or 8 major cereals companies in order to ensure itself a degree of security, the need for which is now more than ever apparent. Hence the massive campaigns launched against the CAP. Some of those who attack the agricultural policy are unaware of this or of the enormous interests which are responsible for the present brainwashing.

Let us consider dairy produce: what is the reason for the surpluses? The figures speak for themselves: we are told that they amount to 300 000 tonnes. Between 1973 and 1977 these surpluses increased much less among the small scale European farmers than among the large-scale ones. During the period milk production fell by 20% among farmers producing less than 50 000 litres per year, while it rose by 46% among those producing between 200 000 and 300 000 and by 55% among those producing over that amount. The large dairy farms are frequently landless holdings which use imported soya and are therefore a double burden on the Community. Ladies and gentlemen, this is one of the sensitive issues resulting from what we can only describe as the absence of a common agricultural policy which is more than a mere price support system. In fact, imports into the Community of soya and vegetable proteins are steadily rising, as the Community is short of these commodities. Apart from the fact that we need to restore the principle of Community preference on imported dairy produce, to deal with the 120 000 tonnes from New Zealand, whereas our surpluses are running at 300 000 tonnes, it is time we began work on a European policy for vegetable and industrial proteins. Of course, soya and the other imported feeding stuffs cost less, but that is because they are supported by the American authorities, which supply 70% of our imported soya, and as we saw in 1973 and as recent statements have made clear, the American authorities regard these exports as essential. As far as fats are concerned, the Community has a

Cresson

shortage rather than a surplus. If we include with butter the other fats consumed in the Community, it supplies only 44 % of its needs. The Community imports 4.5 million tonnes of fats for food purposes, 2 million of which come from the United States, with no outlets for its industrial products to compensate for this.

Of these two million tonnes, ladies and gentlemen, only 43 000 are subject to customs duties. Why do we always talk about surpluses and never about shortages? The Third World, it is true, does not need milk, but a real agricultural policy would gear production towards what is useful. What are we waiting for, what is delaying the Commission's proposals? How does our policy ensure Europe's self-sufficiency in food? What has happened to Community preference? What is being proposed, now that milk producers are about to be penalized, in view of the fact now that six out of ten holdings in France are dairy farms and milk provides a livelihood for nearly a million French people?

Will producers turn to beef production, for which the Commission plans an increase of 1.5 %, even though this is a much less reliable occupation? Of course they won't! And here again, a great deal is imported — an average of 400 000 tonnes of meat per year, virtually duty free. The House has also just voted for further increases in these imports — which means that much, less for our producers to sell.

As far as cereals are concerned, does the House think it reasonable to export wheat at a loss in order to import maize, soya and manioc, whereas a one per cent increase in protein in our cereals would be equivalent to 400 000 tonnes of soya? Surely this is the sort of objective on which we should base a policy aimed at self-sufficiency and economy? A wheat-cola mix would be a rational answer to the maize-soya mix on the American model which some people are absolutely determined to have us accept.

Either we call for a ludicrously small increase in farm prices — and the measures to penalize milk producers — or we try to correct the effects of the lack of an agricultural policy, of which I have given just a few examples. Mr Gundelach has said that price increases are no panacea: Since they are applied across the board, they do not remove the disparities, and this is perfectly true. But we cannot allow our agriculture to be annihilated before the House has had time to make proposals for the reform of the CAP which is essential in view of its present distortions, and before it devises a policy which takes account of regions, incomes and quantities and of the political objectives we should pursue. We refuse to bear responsibility for mistakes which we have not made, and we ask that the future of agriculture should be ensured so that at last it can be built up on firm foundations. I have just one question: why the delay? and there is just one conclusion: the farmers must not pay for the mistakes of the past: A 7.9 % increase, together with the abolition of monetary compensatory amounts, would just about enable

our farmers, most of whose incomes have been steadily declining for five years, to maintain their standard of living. That is why this figure is the minimum which we French Socialists will accept. Admittedly, price increases are not the only answer: but they are the only option open to us until, as I hope, we come up with solutions which fulfil the hopes which we Socialists have placed in Europe.

(Applause from various quarters)

President. — I call Mr Langes.

Mr Langes. — *(D)* Mr President, ladies and gentlemen, this debate is certainly being conducted in a most learned fashion by many experts, and of course the main contributors are members of the Committee on Agriculture. Nonetheless, this discussion does not concern specialists only, it concerns us all. This is why I, as a member of the Committee on Budgets and the EPP Group, am speaking to you on this question which is — in my opinion — central to our common European endeavours. In order to clarify a few things I would like to draw your attention once again to a couple of points on which I base my judgement of this question of agricultural prices.

Ladies and gentlemen, it is perfectly clear that agricultural policy is the only common policy in Europe. It has been a successful policy, because it has seen to it that the 260 million citizens of these nine states have enough to eat, that they are not dependent on imports and that the problem of dependence on oil is not further complicated by dependence on food supplies. We also produce enough to help the hungry people in the world. This is, therefore, without doubt, a successful policy, successful, too, in that it is helping the farmers in Europe, in that in certain parts of Europe — I am thinking for example of Ireland here — it has helped farmers and substantially improved their incomes, so that people no longer have to leave their villages, but can stay and give new meaning to the countryside. We talk so much about ecological problems. The agricultural policy is also a policy which deeply affects ecological relationships and so, indisputably, is a policy which is right in itself. Only — and this, of course, is where the criticism begins — unreasonable as it may be, therefore, to condemn this policy as a whole, we must not close our eyes to the fact that in some areas of this agricultural policy things have gone awry. This has been discussed here many times and proposals have been made. It cannot be right for us to finance surpluses generally from funds which we need for rational structural reform in certain areas of agricultural policy. This was the reason, ladies and gentlemen, why one of the points we in the EPP Group raised in last year's budget debate — I stress one of them; for we made three more points: energy, industry, regional policy, and we also raised the question of how we should include the loans in our budget and

Langes

keep a check on them was this matter of the production of surpluses, of changes in the agricultural budget to reduce the surpluses. This was the reason why my Group voted not for the first Dankert proposal which aimed to take money out of the agricultural budget and transfer it to other areas of the budget, but for the proposal to reallocate money within the agricultural budget. Today this is still our policy on the question of farm prices. Of course the agricultural ministers did not help us. The agricultural ministers, who last year stated that the general thrust of Parliament's proposals on agriculture was right were not prepared to act accordingly. If they had, a major cause of Parliament's criticism would have been removed. Then we would not have to be discussing budgetary and farm price questions together, for we would already have seen the changes made by the Council of Agricultural Ministers reflected in the budget and today's debate on farm prices would not have been hampered by this question. We could then have weighed up everything which has been said and no doubt, rightly said here today, namely, that farmers in Europe must also benefit from an increase in prices, that they, like everyone else who works in Europe should earn more if they produce more. This would all have been easier. Then we would not have had to work in these constraining circumstances in which some of our colleagues think that prices should be frozen. This is of course wrong. The only right thing to do is to work together to find ways of reducing the surplus. For this reason I particularly welcome what Mr Tolman said yesterday, for example, or what Mr Bocklet said today, that we have to look at two things, and that we must stabilize production while having the courage to face the farmers and say: if you produce more milk after 1979 you will have to provide more money, so that we can bring our budget into a better balance. At all events, we must remove any incentive to produce more milk products. And so, as a member of the Committee on Budgets, my view of the question being asked us today, that is, what we think of agricultural prices, is as follows. The experts will tell me, that an average increase of 5 % is right and proper, and average means with very different increases for individual products I shall be able to agree with these experts, but only if the surpluses are likewise taken in hand and the extra expenditure from the European budget is stopped and sensible structural changes can be carried out. Then I can agree.

One last comment: it must be remembered — and I should like to make this clear to the Council of Agricultural Ministers — that we are now expecting the agricultural ministers to summon up the courage to fix agricultural prices and not shirk the issue and postpone the decision again as they did last year. We as a Parliament have offered to solve these difficult questions together with the Council and the Commission. We have offered to share in the making of serious decisions in the various areas of the budget in the context of the conciliation procedure preceding the budget discussions. And yet it seems to me almost as if the agricultural ministers must first get used to the

idea that they are facing a freely, a directly elected Parliament and that this Parliament does not simply accept the agricultural ministers decisions and then, so to speak, let itself be milked to provide the money. This Parliament wishes to have a say, together with the Council, in the European policy for the people of Europe, for consumers and for farmers, because it is only through this cooperation that we can advance the cause of Europe and this is equally true of the other areas which we want to develop together: regional development policy, energy policy, policies which we have a common mission to fulfil for our fellow-citizens.

And so I urge the agricultural ministers: see to it that you are able to make this decision in March. We shall help you in the public debate which will undoubtedly ensue. But you may only expect this assistance from us if you want our involvement too.

(Scattered applause from the right)

President. — I call Mr Taylor.

Mr John Mark Taylor. — Mr President, I think that Members of this House are gradually realising that the Community faces three cardinal prospects which are irreconcilable. In the first place, we have observed for many years the rolling onwards of the agricultural interest, and we have also identified — and many people in this Chamber feel keenly for — other prospects of European cooperation in other policies and other activities.

It is in these two perfectly genuine, legitimate and honourable ambitions to advance agriculture and simultaneously to advance other things too, that we face the overall restraint of the limitations of the Community budget to which some of the most important of the Member States are absolutely committed.

Given these three irreconcilables, it is not difficult to rehearse the way they can play themselves out one against another. If the farming interest rolls on and other genuine European activities are encouraged too, then the frontiers of the budget must disappear. If the farming interest rolls on and the frontiers of the budget are sustained, then other aspirations for Europe can regard their chances as being finite, if not non-existent.

It may be thought, Mr President, that the outcome of these three European cardinal points is academic, does not matter and is of no importance, but frankly, in my own view and that of many who think like me, this crucial crossroads and this pass that we have come to finds Europe facing possible danger that may even be fatal politically and economically to what Europe is intended to be doing and should be doing.

John Mark Taylor

Politically, Mr President, Europe must be seen not only by its members, but also by other people in the world, to be capable of doing something other than farming. It is now almost 30 years since the Treaty of Paris and the good intentions of post-war reconstruction, and all that the European Community has really demonstrated that it can do in a cooperative way is farm.

Economically, Europe is judged on the management or mismanagement of its most developed policy.

Now, let us look at the mismanagement, if I may so say. We produce these enormous surpluses from our agricultural production at enormous cost. Mr President, I am not anti-farmer, but I am anti-surplus. I do not want to dismantle the common agricultural policy, I want to put right the thing that is so manifestly wrong.

I would suggest that the answer is economically as classical and elegant as it is simple, and that is to lower the intervention price. If one does, down will go production and up will go consumption and the surpluses will disappear.

But before there is a cry in this Chamber of hardship, let me say straight away that I think it is about time that the European Community began to disentangle its motives, and decide whether the farm policy is truly a modern agricultural policy or in truth a welfare system. The sooner that it disentangles, and sorts itself out the better; and the sooner it runs its agriculture efficiently and without surpluses, the better.

If it finds, and if some Member States then find, that some sections of their community are placed in difficulty, then let those Member States assist their citizens who are in difficulty and give them the aid and comfort to guide them through difficult times and assist them with some instruction and coaching in better methods whereby they may join in the competitive environment without being themselves injured in any way by it.

Mr President, I am bound to say in this Chamber that it distresses me at times that we take agriculture so seriously and spend too little time on more important things. As I was saying only yesterday to a colleague in this Chamber, the things that unite us in Europe are much more important than the things that divide us from the dangers in the outside world.

Would that we could cooperate more and better in the areas other than farming, in meeting the true challenges that face us.

Mr President, let me conclude this by saying that Mr Bøgh earlier this morning urged this Parliament in this debate to do its duty in fine, ringing and rhetorical tones. He actually did not say how he suggested that Parliament should do its duty, but I shall tell you what

this Parliament's duty is, Mr President. The duty of this Parliament is to stick to its guns.

Parliament is on the threshold of a strengthening of its position. It has strengthened its position through direct elections, it has strengthened its position through the rejection of the budget in December. We who are elected by the people of Europe desire quite rightly under the Treaties to exercise budgetary control. I am one of those, Mr President, who truly believe in European cooperation and in the role of this Chamber as the first truly democratic institution in the European Community.

Mr President, we have the chance to go forward, based on the reasons why we rejected the budget in December. This Parliament has the opportunity to prove that when the going gets tough and when fine rhetoric and good intentions actually come into conflict with the sectional interests of the people who are going to be affected by it, that is when you need the courage and determination to go through and avoid the terrible temptation that this Parliament faces now of going back on the grave decision that took last December. Another opportunity of expressing enlightenment offers itself in March.

The truth is that what was right in December is right in March. This Chamber has the opportunity to show that it not only has the progressive outlook but the determination to go with it.

(Applause)

President. — I call Mrs Boserup.

Mrs Boserup. — *(DK)* Mr President, I should like to speak on behalf of the Danish Socialist People's Party. The Commission's price proposal and the proposal on structural policy which we discussed here earlier are the result of the intolerable situation the Common Agricultural Policy has got itself into. Over-production must be cut, and we must try to ensure that taxpayers' money goes to help those who need it, in other words, the poorer sections of the agricultural community. The Common Agricultural Policy as it stands at present benefits only industrial-scale agriculture producing for intervention. The large-scale farmers are doing all right thank you out of the CAP, just as the big multinationals in the processing industries are currently having a heyday. We have seen this kind of thing happening in Denmark. Our farmers are making a good living out of this system of agriculture, but that only applies to the established farmers. Young farmers, who have had to buy land at inflated prices, and who have had to pay sky high interest rates on the capital they have borrowed, are in serious trouble, and the difficulties will not be alleviated by higher prices or by punitive measures like a super co-responsibility levy.

Boserup

My party is in favour of leaving prices unchanged as a first step towards reforming the agricultural policy. We are against the high prices paid for cereals which make it possible to run a farm with very little labour. High prices for grain tend to keep land prices up, and at the same time hold up the transition from one generation to the next. I fully agree with Mrs Barbarella from my Group, who feels that price mechanisms are not an adequate means of solving the problems. But I am completely unable to conceive of political measures which will benefit everyone in the Community. Given the widely differing soil characteristics, farm sizes, training conditions and working traditions in the nine Member States, it would take a real ivory-tower theorist to think it possible to find solutions which would be acceptable — not to mention advantageous — in all the nine Member States.

In Denmark, my party is in favour of supporting farmers who are in difficulties with special arrangements designed to suit their specific problems, arrangements which will be beneficial to us. Our policy of unchanged prices is not dictated by ill will or a desire for revenge on independent farmers. But the high energy prices and the crisis have hit all of us, and we now know that workers' incomes are falling in real terms. In this kind of situation, higher prices for food would be intolerable for wage-earners, and this is the important point as far as the Danish Socialist People's Party is concerned. We are avowedly a workers' party, and we feel that even in this House, we are entitled first and foremost to defend the interests of the people we represent, in other words, the working class.

President. — I call Mr Hamilius.

Mr Hamilius. — (F) I should like to say at the outset that I am in general agreement with the position taken by Mr Delatte on behalf of the Committee on Agriculture. On certain points, however, I cannot go along with him. The time allocated to me means that I can deal only with those differences of opinion and that I must express them pithily and bluntly.

First of all prices. It is a mistake to ask the impossible of agricultural prices, that is to say to ask them at one and the same time to stabilize the market and to ensure that the producers have a decent income. The primary function of prices is to regulate the market, at least if we accept the principles on which the economic organization of our society is based. Naturally, this should not make us forget the social aspect of the question. But social problems should be solved by way of an incomes policy, of a general social policy which does not fall within the scope of the agricultural budget. The introduction of a co-responsibility levy and perhaps now a 'super levy', whatever form it may take has and will only increase the artificial nature of the economic criteria governing the activities of our producers. These levies can have the general short-

term effect of holding down production. But we run the risk in the long term, especially if these levies are modulated, of seeing them prevent the agriculture sector from finding those structures which would make it economically and socially stronger, i.e. which would make it independent.

Naturally I am aware that the Common Agricultural Policy can only be modified gradually. Bearing in mind the whole problem and by way of compromise, an average rise in prices of 5 % seems to merit the support of this Parliament, even though an average price rise of this size will only have a very varied and incomplete effect at the production level.

The budgetary arguments which the majority of this Parliament accepted in December do not, in my opinion, allow us to go any further.

In the light of the sacrifices which a rise of this sort will require from the milk producers, I must admit to being puzzled as to why the Committee on Agriculture felt unable to follow the relevant and extremely timely proposals which the Commission put forward for the sugar sector. There we have a quota system in a sector which systematically produces surpluses, the cost of which, is met at least partially, by the Community budget. This is ridiculous, and should be a warning to those who recommend volume restrictions on the quotas in other sectors such as milk.

Ladies and gentlemen, purely on its merits a sound and modern agriculture, founded on family holdings, deserves our wholehearted support. We do indeed need to guarantee a secure supply of produce, and a policy of this sort does indeed imply strategic stocks, and that not merely in the sector of human consumption. But a reasonable level of internal production, the type and siting of stocks must be determined in the context of this policy of security of supplies, not as a result of surpluses produced by policies based on other considerations, however respectable these may be.

We must indeed fight hunger in the world, but instead of trying to export our agricultural surpluses at subsidized prices, to export our problem and intervene often somewhat clumsily in the economic and demographic development of countries where hunger is an endemic scourge, we should try to help these countries to develop their own food bases. Our direct food aid, made up of produce which corresponds to the real needs of the people we wish to help, should above all be a means of specific and rapid assistance in emergencies, whether these be man made or natural. Indeed, we must of course export, but our exports must result from the energy and competitiveness of the production sectors concerned, and this is just as true for agriculture as it is for industry or for the service sector. Selling our surplus production off cheaply on the world market, a surplus which is due to subsidies, can in the long run benefit neither to the producers nor to the

Hamilius

Community. I hope and am indeed convinced that we all agree on this point.

These are ladies and gentlemen, briefly and bluntly, and I, hope within the time allotted to me, the thoughts which this debate has provoked in me. This is a difficult debate and there is a real risk that this Parliament, reflecting differing reports submitted by its Committee on Agriculture on the one hand and its Committee on Budgets on the other hand, will be unable to reach agreement. For many reasons, this would be a pity. Bearing in mind the remarks I have just made and which, I repeat, do not highlight many of the points on which I agree with Mr Delatte's report, and aware as I am of the need for us all to reach agreement on this matter, I support the position which Mr Bangemann outlined here last night on behalf of our Group. I would like to conclude by saying that I sincerely hope that many others feel able to do the same.

President. — I call Mr Blaney.

Mr Blaney. — Mr President, I shall start where the speaker from the Conservative Party, John Mark Taylor, left off. He said that what was right in December is right now — this seemed to be received by quite a few of the Members here as a pearl of wisdom. But I would say that what was wrong in December is still just as wrong. I think the problem then and the problem now is the failure to give due consideration to Article 39 of the Treaty of Rome, which enshrines the principle of parity of income. There is not, and never has been, any real intention to bring the incomes of our farming community to the level of other sections of our population. I might add that the regional policy, if there is such a thing, has failed to close the gap that we were promised it would attempt to do. By a rather unfortunate circumstance the regions that need to be assisted are in many cases the areas in which the farming community are living and working at a level of income far below any other section of our working community.

We hear very much about the surpluses that are produced by our farmers: we do not hear so much from the same quarters about what sort of farmers are producing those surpluses. We do not hear the large farmers being condemned to the degree that farmers as a whole are being condemned. We are not told that those surpluses, for instance in milk, which is the one that is getting most notice at the moment, are produced by very large farmers, almost factory farmers, whose feed is imported under trade agreements from other countries much better off than many of us are in this Community. We are not told about the butter imports, we are not told about the sugar cane imports, we are not told about the feed imports, the beef imports, the cattle imports, all of which we ourselves can produce, and are producing. At the end of the day, in the light of trade agreements and our own

overall policy, we add up the surpluses and count the cost and then ask the farmers to pay for all these things. Let us be realistic: let us look at Article 39 and keep in mind a regional concept, and then ask ourselves if we are being fair to the farming community as a whole in asking them to bear the cost of our trade agreements, the cost of helping the developing countries.

This is of course a very laudable thing, to which we all subscribe, but why should the farming community be singled out and asked to bear the brunt of these things while others from other sectors bask in the glory of whatever little help we give these unfortunates in the developing countries.

The relief of our small farmers from any of the taxes proposed by the more recent Commission proposals, such as relief from the co-responsibility levy, is merely an indication of their recognition that the smaller and medium-sized family farms are, in fact, being hit, and hit hard.

But relief from this 1.5 % co-responsibility levy is not in itself an answer. The idea that the supplementary levy, or super levy, should be imposed across-the-board is so ludicrous and so disastrous for the ordinary, small and medium-sized milk producers in all the countries of this Community that I believe, in sanity, that it should not even be countenanced in our deliberations here.

If we want to control the production of surpluses — and we do need to control them, particularly in the dairy sector — then we have got to look at how we are providing cheaper feed to enable farmers to become factory milk producers at the expense of the smaller people, and driving them from the land. If there is a bonanza in milk, it is not a bonanza for 90 % of the producers. Let us look at the other 10 % if we want to do something about it.

It is also a fact that Germany, for instance, in her overall trading where agricultural produce is concerned, because of currency and other things I do not even fully comprehend, stands to have a 10 % advantage, both on imports and exports, over all other agricultural producers within the Community. Is that taken into consideration? Is it not something that should be thought about when we are considering these things at this particular time?

I have three amendments standing in my name; one is the weight of differentials in agricultural prices, which I would like to formally move, even though I do not have its number here now. The second is that on the nurse cow premium there should be two changes: (i) that it be moved up to 30 cows at least, and (ii) that the premium be increased to approximately £ 50 per head. These I formally move, as I am told that I may not have the opportunity when amendments are being considered.

Blaney

Finally, Mr President, I would again underline the fact that a 1 % increase in agricultural prices has an impact of just 0.3 % on consumer prices. When included in the cost of living index this becomes so small that I do not even have this figure here at the moment.

But 1 % really equals 0.3 % as reflected in consumer prices for agricultural produce, and this is something we should not forget. Nor should we forget that the 7.9 % now being put forward by the Delatte report and the Committee on Agriculture is a request for not less than 7.9 %. The reason for this is quite clear. Incomes from farming have been falling not only this year but last year as well. The indications are, of course, that they will fall further this year and that 7.9 % on the objective method has been already indicated by the Commission as being required just to keep us level with what was going on last year.

Last year we were dropping, and the year before the drop was already evident, so we are not asking in the 7.9 % increase for anything unreasonable. We are in fact being quite reasonable. This is what I believe this House should consider.

Article 39 of the Treaty of Rome should be kept in the forefront of our minds in all our deliberations. We should not run away with the idea that the farmers as a whole are basking in the sunshine, that they are making a fortune, each and every one of them; we should realize that as far as milk is concerned particularly in my own country, 12 % of all farmers — and they are not big by European standards — produce 80 % of the milk, the converse being that the other 88 % produce only 20 % of the milk.

So let us be reasonable about this, let us approach it in a same way and not just criticize everybody engaged in milk production as if they were all equally responsible or assume that they can all bear the brunt of the cost that has been proposed.

I suggest that the amendment I have before this House on the weight of differentials, or two-tier pricing, may provide the method whereby what is sought by this Parliament, and what is needed by our farming community, can be attained in a way that is seen to be fair and one which will help to keep our family farmers on the land where they need to be, not only for social and other reasons but also because we do not have the jobs in other sectors to provide them with alternative work. This we must not forget.

President. — I call Mr Gendebien.

Mr Gendebien. — (F) Mr President, ladies and gentlemen, first allow me to congratulate the rapporteur, Mr Delatte, on the quality of his speech last night. Many of us greatly admire the logical and enthusiastic way in which he brought together and put forward his arguments.

Income from agriculture is falling today in many regions of the Community, in particular in the grasslands of my region, Wallonia, which is uniquely suited to milk production. As a result, I feel that a rise in common prices of 7.9 % is a minimum, as this would be no more than the beginning of catching up with inflation. 7.9 % might even be considered insufficient since this is no more than the equivalent of the increase in production costs recorded for Community agriculture in 1979. The increase in prices paid by agriculture was in fact of the order of 8 % in 1979, as Commissioner Gundelach openly admitted when replying to a written question which I submitted to him recently.

We were thus surprised and astonished to learn of the Commission proposals. If the Commission wishes to foment revolution among our farmers there is no better way of going about it. The Commission proposal is thus unacceptable! It will never be accepted. As for the consumers' argument, this is extremely weak because what category of workers would accept a nominal and real drop in income? Do we want to see, within 10 years, certain regions completely emptied of the few remaining farm workers?

A policy aimed at reducing income from agriculture would truly be killing the hen that lays the golden eggs. As for the co-responsibility levy, its very principle seems suspect, since it is an admission of the producers' supposed guilt. If we really want to be a malthusian, why not use a more effective technique: that of imposing quotas by Member State and especially by region, taking into account on the one hand of past increases and on the other of regional specializations?

Ladies and gentlemen, I also believe that Europe must adopt a resolute foreign policy, as Commissioner Cheysson so rightly suggested about a year ago. Let us imitate the United States in this: they export five times as much farm produce as they import. In Europe, our situation is completely the opposite: we import three times as much as we export. Surely it is obvious that a more daring and more ambitious aid policy and export policy would yield enormous benefits? Europe should also remember, ladies and gentlemen, that for centuries her society was a rural one. She should recall that at the beginning it was the increase in productivity and availability of agricultural surpluses which made the 19th century industrialization possible. Doubtless, nowadays, the political weight of agriculture is not what it was. But it is a sector which deserves our respect since it has made a very great contribution to the building of Europe.

If there are true Europeans, they are farmers. They were the first to believe in Europe. Let us not disappoint them. Certainly many of them have benefited from the CAP. But many too, were sacrificed. There were 18 million farmers around 1960, now only 8 million remain. We must rapidly put a stop to the abandonment of the countryside, because otherwise the

Gendebien

economic social and financial consequences for regional planning, the maintenance of our heritage and of the biological and ecological balance will be enormous. Lastly, political authorities would gain in stature if they were to show more human and fellow feeling towards farm-workers. Only last night, a farm union leader said to me 'we are being punished because we work too hard'. He was right. Who amongst you would not feel abandoned if he were never to have a day off, not even Saturday or Sunday, if he knew that his pension would be ridiculously small and that tomorrow might well be even more insecure than today.

In conclusion, I should like to say, ladies and gentlemen, that it is an intelligent people that protects its agriculture. The obvious needs restating: agriculture produces food to feed men, agriculture does not lead to war. Industry, and in particular the arms industry cannot say the same. If Europe wishes to remain civilized, she must produce food not only for herself but also for those who are hungry, because men have no need of weapons of destruction, but rather of food which saves lives. These are the reasons why we approve the report submitted by the Committee on Agriculture.

President. — I call Mrs Castle.

Mrs Castle. — Mr President, as Mr Gundelach told us yesterday, the moment of truth has arrived.

If this Parliament cannot stand by its own budgetary boldness of last December, what hope is there that the Council of Ministers will give us the reforms in the common agricultural policy that we all know in our heart of hearts are necessary. Heaven knows we have had the warnings often enough. Mr Gundelach gave us a brilliant speech yesterday. I have heard his deputy Mr Ries make brilliant speeches of the same kind to the Committee on Agriculture. But as I listened to this debate I wondered whether anybody at all in the House was listening to the warnings we received. The capacity of many Members of this House to blind themselves to the facts of life is absolutely astonishing. The money is running out. The Community is going bust. Why? Ask ourselves this central question. We know the answer. It is because we go on year after year paying farmers to produce food they cannot sell, and then ruining ourselves by stockpiling it or selling it abroad at cut prices to more favoured consumers than our own. In any other sector of the economy this would be recognized for the insanity that it is. Time and again we have been reminded of the consequences. Take milk: taxpayers are financing a production surplus of 20 % at a cost of some £ 3 billion — a quarter of the entire Community budget. Sugar: it cost them over £ 300 million last year to offload our sugar surplus on world markets at cut rates. Beef: Mr Ries told us in the Committee on Agriculture only the other day that some 330 000 tonnes of beef and veal are rotting in Community warehouses.

I heard Mr Ries give these facts to the Committee on Agriculture. It listened politely, and then what did it do? It voted a 2.4 % increase. Even in the case of the 5 % that Mr Delatte himself thought was adequate, it went and voted 7.9 %, and then became very vague indeed about how to deal with the resulting surpluses. Mr President, whom the gods would destroy, they first make mad. Of course the Commission is right. The open-ended commitment to buy up all the milk the farmers can produce has got to stop. The proposed super tax on excess milk production may not be the ideal way of doing it. I myself could, given time, work out, I am sure, better alternative ones. But for this Parliament to vote down the super tax and not put anything in its place would be economic and political suicide.

(Applause from various quarters)

That is why the majority — I stress the word majority and I hope it has been interpreted properly —

(Laughter)

of the Socialist Group support the super tax as the best instrument for closing the open-ended commitments that we have yet devised. Let the work of improving it go on, but let us act now.

I was glad to hear David Curry say yesterday that his group, the British Conservative Group, will be supporting it. But what worries me is that in the House of Commons only last week the British Minister of Agriculture, Mr Peter Walker, was very lukewarm indeed about the whole idea, and told the House of Commons: I can see no possibility of it being accepted by the Council! He did not hold out much hope that he himself was going to fight for it very arduously. So are we going to have the same betrayal in the Council of Agricultural Ministers this year, as we had last year? Will we have higher prices and feebler action than the Commission has pleaded for?

Where we in the British Labour Group differ from our comrades in the Socialist Group is this: we believe that instead of setting higher prices in this crisis situation, we should be reducing them. Now everyone admits, and the Commission has said it time and again, that you cannot solve the problem of safeguarding farmers' incomes through a price policy. Price increases — surely we have learned this — do not benefit most of the farmers who need help most. Besides higher prices reduce consumption, and so make the surplus position worse. Even the Commission's 2.4 % price increase will add £ 1 ¼ billion to Europe's food bill. In Britain alone the consumer will have to find, under the Commission proposals, £ 150 million more in increased food prices and loss of butter subsidies. How is that going to help us to find bigger markets? The lesson of the effect of high prices on consumption is there in Britain for everybody to see. Take butter, since Britain joined the European Community the price of butter in

Castle

Britain has quadrupled and consumption has decreased dramatically. That is what happens when you put prices up.

I say to Mr Gundelach that I think that, this year, unfortunately, he has lost his political nerve. Last year he recommended a price freeze on products in surplus production. Heaven knows, the surpluses have not got any less. The production in the dairy sector is going up and up, so why change his tack this year and come along with price increase proposals, however modest, and then salve his conscience by proposing in the co-responsibility levy to claw some of the increase back. Surely, that is to stand economic reason on its head. It means that the consumer will pay a greater contribution to the European budget than is strictly necessary and then having got this extra money we are going to use it to stimulate consumption. We go round in insane circles month after month and year after year.

Mr Gundelach knows that the price increases this year are totally unjustified. How can we say that a 1½ % increase in the price of milk this year, plus the super levy on anything above the 99 % production figure of 1979 will eliminate surpluses? Of course it will not! All it does is to stop them getting bigger. Are the surpluses going to be with us to the end of time? When is there going to be a root and branch reform of the common agricultural policy?

We know — this is what we say in the British Labour group — we need a price reduction for products in surplus if those surpluses are to disappear. So we put an amendment down. We want a 1 % decrease in prices overall, reached by price reductions on goods in surplus, and a price freeze for everything else plus direct aids to protect the incomes of smaller farmers.

Mr Delatte said yesterday that farmers do not want handouts. That is very honourable of them. What on earth does he think they are getting now? If an industrialist raised his price beyond what the market would bear and then got his government to step in to buy up the goods he could not sell, we would all agree that he was getting a subsidy. We in the British Labour group want food prices in the Community to reflect the cost of the most efficient farmer. That is the only way to help the consumer.

May I say to some of those who have said the aim of our price increases this year should be to guarantee the farmer the same income level or increases as an industrial worker has. Well if they say that they are a little bit inconsistent if they go on in the next breath to denounce industrialized farming as somehow being anti-Community. If you want the industrial incomes you have to get some of the industrial efficiency into farming. This is what we would advocate. We do not want any more schemes for meat, mutton and lamb, potatoes and alcohol or anything else. They only push up prices. They are a device for making the consumer

pay. We want to promote structural reforms to bring the medium and smaller firms up to a higher level of efficiency so that they can hold their own.

Finally we say the smallest non-viable farms should be supported for social reasons through direct aids. The present CAP is defeating all its professed aims. It is not guaranteeing the incomes of the smaller farmers. It is not carrying out structural change. There is no money left from the prices policy which gives most to those who need it least. Above all it is not giving the consumer guaranteed supplies at reasonable prices. Only a tough prices policy and a determination to close the open-ended commitment can save the Community's agricultural policy. A new approach is needed and we believe our amendments offer that.

(Applause from various quarters)

President. — I call Mr De Keersmaeker.

Mr De Keersmaeker. — *(NL)* I should like to begin by thanking Mr Delatte most sincerely for his report and for the outstanding speech he gave last night. The Committee on Agriculture was right to say in one of its resolutions that the Commission's proposals are too heavily based on purely budgetary considerations. A balanced budget and even a balanced market are not ends in themselves. I should just like to point out to the Commission and to the members of the Committee on Budgets that when we agreed last November to adopt the wording of the Dankert-Aigner Amendment, we made sure that it included a number of conditions, which seem to have been forgotten today. The Committee on Budgets is quite simply wrong to claim in its conclusions that the Commission's proposals for dealing with structural surpluses are *in line* with the positions adopted by the European Parliament in its resolutions of November and December on the draft budget for 1980. Where does the Dankert-Aigner Amendment say — and let us not forget that the central point was the conditions which would have to be fulfilled by any reform of the dairy sector — that 1 thousand million units of account would have to be saved? What the Dankert-Aigner Amendment does say is that the co-responsibility policy is too crude an instrument and that it must be applied progressively. It also said that any such measure should go hand in hand — and I shall be coming back to this point presently — with an overall policy and even — as the text of the amendment says — with a levy on oils and fats. The fact is, ladies and gentlemen, that none of these conditions have been met despite the fact that — as a number of Members pointed out at the time — they were seen as essential conditions for a policy of adjustment in the agricultural sector with a view to the budgetary consequences of the Common Agricultural Policy. The Committee on Agriculture is therefore quite right in protesting against the non-fulfilment of these essential conditions. So much for that point.

De Keersmaecker

As regards the Commission's price and adjustment proposals, my Group feels that there are two points of really basic importance here. Firstly, we are in favour of a substantial price rise. I said in my speech immediately following the announcement of these proposals, in February that no single section of the population would countenance any proposal which, ignoring the wretched incomes situation, is based essentially on budgetary, market and economic considerations. I shall not dwell on the ways and means whereby our price proposals should be formulated. Personally speaking, I can go along with the text of the report. The essential point is that this price approach should be based on the objective method of price determination.

A second point my Group is agreed on is the co-responsibility policy. My view is that we must look at this policy as a whole. We see three elements here. Firstly, there is the co-responsibility levy in the limited sense of the word, which is the instrument of co-responsibility policy for the whole dairy sector for the global costs arising from the intervention policy. I would rather see this on a graduated scale; indeed, I tabled an amendment to this effect in the Committee on Agriculture. The committee did not go along with me on this point, perhaps because they thought it would be too complicated, but I think that a graduated scale of payments under the co-responsibility levy would be a fairer way of distributing the burden over those concerned, and would be entirely in line with the European Parliament's resolution and the points made in the justification to the Dankert-Aigner Amendment.

A second element in co-responsibility policy is what we have now come to call — and it is a better description than the one we used before — a temporary stabilization factor, a temporary stabilization levy. As far as we are concerned, though, this stabilizing factor can only be introduced when two conditions have been fulfilled. What these conditions amount to is that we are opposed to the Commission's proposal, which would hit the dairy sector totally unfairly and — what is more important — indiscriminately.

The Commission's proposal is unfair because the burden of production, or rather — let us call a spade a spade — over-production or the lack of market balance rests exclusively on the dairy sector. The proposal is indiscriminate because it takes no account whatsoever of the specific situation of certain farms and certain regions. And that is because the levy is applied, or would be applied, at the level of the dairy farm, which is likely to result in appreciable distortions. It should be possible for us to find a system using a graduated scale based on farm size which would mean that farmers made a reasonable contribution but which would also take into account the special situation of hill farms and backward regions as well as dairy farms in those areas which are suitable only for dairy farms. The system should also take into account the special situation of farms which have had to restock their

herds as a result of partial or wholesale slaughtering because of infectious cattle diseases. It should also take into account the special situation of up-and-coming farms, especially those run by young farmers who have submitted development plans. Of course, all these measures should be no more than temporary, in anticipation of the restoration of market balance in the dairy sector, although of course perfect balance will never be achieved. That was the intention behind my Group's amendments.

A third element, which follows on from the point I just made, and — as Mr Dankert said earlier — which must be an integral element, is the need for a global policy on oils and fats. I am sure Mr Dankert will remember that our Group withdrew its amendment during last November's debate on condition that the Committee on Budgets and ultimately the European Parliament accepted that this policy on oils and fats — and our amendment referred to a levy on oils and fats — should be an integral part of the package of measures designed to restore balance to the dairy sector.

Mr Dankert made this statement on behalf of the Committee on Budgets, and the European Parliament subsequently voted in favour of his proposal.

Ladies and gentlemen, this House must now be consistent in applying these price and other measures, and this point is made in paragraph 14 of the Committee on Agriculture's motion for a resolution. The important thing, though, is not simply to have a definite policy, but to make sure that the consequences of this policy are integrated in the package of measures proposed for 1980/81. That was the thinking behind our draft text.

These are the conditions my Group would like to see fulfilled before the price proposals and other measures are applied. Let me conclude my remarks with the following thought. The European Community and the European Parliament are rightly concerned about our degree of dependence in the energy sector. But when I hear certain Members speaking about the Common Agricultural Policy, it seems to me that we have forgotten that before 1974 we were under the illusion that we would have a never-ending supply of cheap oil. Quite unexpectedly and in a very short space of time, things changed dramatically in this sector. Let us for goodness sake not allow our hard-won independence in one of the qualitatively most productive sectors in the European Community — the agricultural sector — to be endangered by jeopardizing the production system which is the very foundation of that sector by espousing an incomes policy based on purely budgetary and market-economy considerations. We are not at all blind, Mrs Castle, to certain inadequacies in the agricultural sector, and we are ready to do something to remedy them. Provided that what is done is equitable and efficient. But at the same time we want to make sure that we do not wake up one of these days with yet another illusion cruelly shattered.

President. — I call Mr de Courcy Ling.

Mr de Courcy Ling. — Mr President, I want to declare an interest, an interest in the success of the Community. It is for this reason that I particularly congratulate Mr Gundelach and his fellow Commissioners on their efforts to cut slightly in real terms the agricultural spending of the Community for the forthcoming year.

We welcome the super levy, disagreeable as it is. We welcome the very low price increase, the average increase of 2.4 % which Mr Gundelach has proposed. My group is putting forward some amendments and, Mr President, I beg all members of this House to study our amendments carefully because their purpose is actually to impose a total freeze, disagreeable again as it may be, on products in surplus.

We want to do what Mr Gundelach is doing his hardest to achieve, but we also want to push the rudder a little harder in the same direction. Believe me, Mr President, we are with Mr Gundelach, we are with the Commission, and we believe that on this issue, which is central to the future of the Community, there is a natural alliance between the Commission and the Parliament.

My tremendous fear, Mr President, is that the ministers will again let us down this year as they have in previous years. For the last decade, the agriculture ministers of the Community, in a totally irrational and irresponsible way taking a narrow view of their interests, have piled one layer of badly designed price increases on another.

I wish Mr Chirac were here today. I hesitate to say anything about my honourable colleague behind his back but I well remember when he was Agriculture Minister, and indeed a vociferous Agriculture Minister, of one of the Member States in 1972 and 1973. He has played a major part in creating the chaos from which we are suffering today as Europeans, and which we are trying to solve.

I noticed to my shock in a French television programme the other day called 'Cartes sur Table' that Mr Chirac suggested that if one Member State did not accept in a static way, in a static, unimaginative and indeed irresponsible way, the chaos which he had helped to create 'then that Member State should think again' about its membership of the Community.

Mr President, that was a characteristically irresponsible statement by an ex-Agriculture Minister. I believe that the majority of the people of France deplore it. Certainly the majority of the people of my own country were utterly disgusted by that statement by Mr Chirac.

Mr President, I took heart from some of the things Mrs Barbara Castle began to say in her speech about

the common agricultural policy. She recognizes, as I do, the difficult position that the Commission have been in.

For example, I know that President Roy Jenkins at the beginning of his term of office, at the beginning of 1977, tried to get the Heads of Government of the Member States to think in a strategic way about the common agricultural policy over the next decade. It was not his fault that he failed, it was the fault of the Member Governments. I think Mrs Castle began to recognize that.

But then she went on to talk in a confrontational way about industry and farming, as if there were something corrupt about farming, about town and country. She apparently has an interest in exaggerating this division in some sections of our society in Europe, which is really an imaginary division.

I do not like to say this about Mrs Castle because I hold her in respect as an elder stateswoman of the British Labour Party, but I heard the other day and I hope that she will not mind my repeating this episode of a competition in a London literary society for the most boring book of the decade and it was suggested that title would be the collected speeches of Mrs Barbara Castle on the common agricultural policy.

(Laughter)

Mr President, I have taken up enough time. I simply want to say to my colleagues that we will have a responsibility, those of us who intend to stand again for election in 1984, to show progress in the Community. The common agricultural policy has its defects — we do not want to destroy it completely — we want to build something greater, and the interest of the Community as a whole is greater than the interests of one sector.

I believe, Mr President, that over the next 4 years we, as the politicians who speak for the people of Europe, must think of the evolution of the common agricultural policy in terms of steady steps towards economic and monetary union.

IN THE CHAIR: MR KATZER

Vice-President

President. — I call Mr Maffre-Baugé.

Mr Maffre-Baugé. — *(F)* Mr President, ladies and gentlemen, this extraordinary session of the European Parliament devoted to the agricultural situation, and

Maffre-Baugé

more specifically to prices, is taking place at a time when the farmers of Europe are casting a sceptical, if not disappointed, eye at the Common Agricultural Policy. I think you must agree they have good reason to. How could they do otherwise? At the start, the Common Market was conceived with six members and the spirit of the Treaty of Rome still carried real weight in the taking of decisions and in the Community's underlying philosophy. Then, there was the first enlargement, which I take the liberty of calling the Trojan horse enlargement. Britain, Ireland and Denmark came into the fold. The difficulties increased in proportion to the number of new members, but especially as a result of the United Kingdom's attitudes. The notion of all-out free trade came on stage under the British flag, which I think I may say has something in common with the Jolly Roger. Just now, listening to Mrs Castle speaking like some British Joan of Arc and fulminating against the prices granted to farmers, I wondered how much time she had spent on a farm tractor and I would have liked to know what her farming pedigree is.

Myself, I am speaking here on behalf of the farming community, because I am a farmer and I will not permit any proposal to reduce farm incomes, more Mrs Castle. It is a pity that you cannot hear me, since I at least listened to you.

At the outset, we were justified in thinking that the new member countries might provide a wider market, especially for producers from the Mediterranean regions. That would have been in line with the spirit of the Treaty of Rome was our point of reference and which we regarded as sacrosanct. But this took no account of the false prophets and false apostles. Day after day, Britain was to impose its mark creating some major problems for the Community. Just when what was needed was strict adherence to our basic principles, we gave way to a laxist policy, the consequences of which have not yet all come home to roost.

How can I describe my astonishment at what Mr Gundelach said yesterday? Of course, I would never suggest, Mr Gundelach, that there was nothing of interest in what you said. This is not true. On the contrary, I feel that each term used had an underlying significance against the background of a firm desire to impose on us a sort of subjective determinism, aimed at placing the blame on the farming community. If we are to believe you, the Common Agricultural Policy needs to be rethought from top to bottom, with farmers bearing an overall responsibility for the surpluses, while consumers and other socio-professional categories are victims of an inflationary budget of which two — thirds goes on agriculture. The original guidelines, it would appear, need to be rethought from A to Z. This is why the Commissioner advocates a policy of austerity. This is why he proposes an increase in agricultural prices of 2.4 % at a time when money has been losing its value at a rate for the past year of at least 11 %. The commissioner applies the system of selective reasoning

with all the talent of a good Jesuit. In his speech, he does not mention pressure groups or lobbies and has nothing to say about vegetable proteins, soya beans, or manioc, which create artificial surpluses. He is for a capitalist agricultural system based on private enterprise. There is no question of tackling the real problem of sheepmeat in its real context, that is to say the control exercised by British vested interests. There is no question of defining orders of magnitude, of pinpointing the relative responsibilities of the producing countries for these artificial surpluses. Since I do not unfortunately have time to go into all the various agricultural products, I will just mention Mediterranean produce, which is also to be found in other French regions, for example in Brittany. I should therefore like to bring up the situation of wine, fruit, vegetables, sheep and of their production in Mediterranean mountain and hill areas, the so-called 'dry mountains'. Look at fruit and vegetables: nine types of fruit are subject to a market organization but only two types of vegetable, that is to say tomatoes and cucumbers. You are well aware of this, Mr Gundelach.

The proposed reference price is no more than a price aimed at protecting against competition from third countries, with no effect or a ridiculously little, on our producers' incomes; it is a price which is calculated from the lowest rates to be found in the least prosperous regions of the Community and it should be really adjusted strictly speaking by an average of 25 % in order to guarantee Community preference. This reference price should be extended to cover all fruit and vegetables, because even before enlargement with its potentially disastrous consequences — and we will come back to this later — we are already suffering from Spanish vegetables entering the Community at dumping price levels and from a lettuce war.

Let me just say one word about wine. We repeat that we refuse any plan for grubbing-up vines since the wine market is artificially restricted by excise duties and since we are not aware of any structural surpluses in this sector. In order to cut down my speech, I refer you to my last oral question.

As for sheep, we insist on Community preference being observed by all Member States with a threshold price for protection against third countries, and New Zealand must be considered as a third country.

We never discuss here the Mediterranean mountain and hill regions. We note that the producers in these regions, whether they produce sheepmeat or goat meat or grow fruit, are unable to improve the quality of their products within an economic organization which is ill adapted to their special needs. I should thus like to draw Parliament's attention to the fact that the Community organization, which is already in sectors where permanent intervention is necessary, is also proving defective to say the least for all produce of the Mediterranean type.

Maffre-Baugé

Added to all this, Mr President, is the problem of enlargement, which will only serve to increase our problems. It is equivocal if not hypocritical, to speak of supporting European agriculture in the Nine while planning to throw it completely out of balance through a policy of enlargement. Spain is now a country of some importance, as are Portugal and Greece. Introducing them into the Community without thorough prior analysis, is proof positive that the Common Agricultural Policy has been supplanted by the notion of free trade.

Mr President, with farmers from all over Europe demonstrating outside, this Parliament should not adopt a negative attitude. It should look closely at the fate of our farmers who, have been literally abandoned. We farmers are accused of all the evils in the world. It was not us who wished to be the first fully integrated economic sector in the Community, it is Europe which wanted this. It is now up to Europe to support the farming community, otherwise the Common Agricultural Policy will have no further meaning. It is up to you to prove your intentions and not us.

(Applause from certain quarters on the extreme left)

President. — I should like to warmly welcome amongst us Mr Pisoni, President-In-Office of the Council, who is well known to this House as a result of his past activities here.

I call Mr Damseaux.

Mr Damseaux. — *(F)* Mr President, Mr Commissioner, after congratulating Mr Charles Delatte on his excellent report, I will restrict my comments to some basic points on the specific difficulties of the milk sector.

Firstly, the Commission is attempting to prove that it can reduce European dairy production by imposing a higher co-responsibility levy. Let us be serious for a moment. This measure can in no way lead to a reduction in total production, on the contrary. The farmer, whose average income is already lower than that of other social groups will be forced, merely in order to maintain his income to produce more so that he can offset the negative effects of the co-responsibility levy, of the increase in the price of feedingstuff for cattle and rising production costs in general. If we want to deal with the problem of production surpluses we must first of all tackle the industrialized dairy farms and impose a co-responsibility levy which will be high for the large industrial dairy farming complexes which have a disruptive effect on the market, and low or even non-existent, for family holdings, whose very existence is threatened.

Secondly, consumption in Europe of finished products based on fish or vegetable fat is fourteen times higher

than that of Community dairy products and their derivatives. However, these fish and vegetable fats are imported into Europe free of duty and sales of them are stimulated by a flood of costly advertising organized by the multinational companies. It is time we reached agreement on a real overall policy on fats to safeguard our farmers from speculative financial operations carried out by companies based outside the Community.

I conceive of this policy as having two parts: the first would impose a tax of 1 % on imports of fish and vegetable fats; the second part would involve an identical tax of 1 % on imports of other types of protein of different origin. This second measure is in line with GATT rules since, as it happens, the financial effects of this levy tax at the Community's external customs frontier would go hand in hand with the existence of an identical co-responsibility levy to be paid by the industrial-scale producers of milk. Thirdly, there is the problem of non-observance of Community preference as a result of exceptional arrangements and imports exempt from customs duty. In this way, the Community milk budget bears the burden of the favours granted in accordance with Protocol 18 to the Accession Treaty signed with the United Kingdom in 1972 on the import of New Zealand butter at preferential rates which disrupt efforts aimed at promoting sales of Community dairy produce and which also go against all logic since we have a trade deficit with New Zealand.

Fourthly, we must develop an agricultural policy which is firmly export-oriented. It is unseemly to speak of food surpluses while two-thirds of mankind are underfed or suffering from malnutrition. Our development cooperation should aim towards making food available to peoples hit by famine, rather than towards providing direct financial aid which is often misused.

Fifthly, prices. The increase of 7.9 % adopted by our Committee on Agriculture is a reasonable one, even though it is lower than the rise in production costs, especially if we include in our calculation the negative effects of monetary compensatory amounts and the increase in the co-responsibility levy. But it is a first step towards an across-the-board unfreezing of dairy produce prices. It is true that the Stresa agreement granted the farming community a unique privilege: that of selling all its production whatever the amount, at a guaranteed price. But if a choice has to be made, I have already made mine: let us provide a guaranteed price, induced on an objective index to family small holdings and let us do away with the purchasing guarantee to industrial-scale milk producers for example above 400 000 litres.

In conclusion, our aim must be to defend the family small holding against the industrial-scale dairy farms since the economic choice is clear: either we maintain levels of employment in agriculture or we create addi-

Damseaux

tional unemployment. From a structural point of view, only an agriculture which is founded on the family unit, work, land ownership and individual responsibility can withstand all these crises.

President. — I call Mr Deleau.

Mr Deleau. — (*F*) Mr President, ladies and gentlemen, I am speaking on behalf of Mr Poncelet, who has just been called back to Paris.

The guarantee mechanism on the internal market has been linked on the market to the principle of Community preference. This is a factor which without doubt ensures general market stability. But Community preference has not been observed, and there are ample examples of this: meat, milk, wine, fruit and vegetables. The import policy of our Community has opened the way to anarchy. The fact that we import annually more than 400 000 tonnes of beef is intolerable and a grave error. Rather than importing some 450 000 tonnes of meat thus jeopardizing our supplies by depending too greatly on the world market, Europe should encourage its stock farmers to produce more meat through prices offering a fair return and a systematic intervention policy. In this way, we could provide for the future.

The same is naturally true of sheepmeat. If what we want is an organization for the sheepmeat market which is based on the principles of the Common Agricultural Policy, then there is no question of our letting ourselves be overrun by mutton from New Zealand, via Britain.

Similarly, we must slow down imports of farm products which are in direct competition with European dairy produce and animal feeding pattern based on imported soya beans and manioc. Europe must base its production on its own raw materials and process them itself. As an aspect of European solidarity which commands a market of 250 million consumers, the system of Community preference stimulates production and sooner or later benefits the consumer. To achieve this however, all the Member States must play the game. This is not the case for the United Kingdom, whose economic structures are basically adapted to markets outside the Community. In this way Britain handicaps its own consumers, who are forced to purchase on the world market at high prices. The burden on the British Treasury, and all too frequently on the EAGGF, is thus increased insofar as it is still necessary to subsidize consumption. This sheds some light on the problem of the British contribution to the Community budget. For our part we propose, against the background of this fundamental debate on agricultural prices, a return to applying a normal rate of levy on imports from third countries. I should like to conclude by saying that we urge the Member States to subject imported produce to the same system of contributions

to joint trade organizations as domestic produce. This step which we proposed to the French Parliament, does not go against Community regulations, provided that the level of contributions is the same whatever the place of origin of the produce.

President. — I call Mr Collins.

Mr Collins, chairman of the Committee on the Environment, Public Health and Consumer Protection. — I have asked for the floor because I think that the balance of this debate is slowly but surely being destroyed. We have had examples of the very vociferous and very well organized farming lobby taking the floor time and time again to make their point so that we are beginning to lose sight of the consumer side of the equation. I want to set the balance right insofar as I am able.

I think, Mr President, that there is a certain lack of reality to this debate. Any debate in the world which is about food surpluses clearly has an unreal quality when something like two-thirds of the population of the world is still starving and something like two-thirds of the population of the world still has an average expectation of life at birth of something under 40 years. Yet here we are enjoying the luxury of a debate about prices and surpluses.

The point of view of the Committee on Consumer Protection was coloured by the need to see the CAP in rather wider terms than farmers' interests. The fact of the matter is that agricultural policy in the Community is too expensive. It is too important to be left simply to the farmers, especially in a Europe where living standards are frequently low, where there is abject poverty in many areas of the Community in the cities, and in the older industrial areas, where there is structural unemployment and where that unemployment is growing. These are features of the Europe that we inhabit, and these are features that we must take into account in this debate. Of course in the debate in the Committee on the Environment, Public Health and Consumer Protection we were well aware of the problems of the farmers. We were also well aware of the problems of the farm workers. We understand that there is a need to come to terms with the problems of the rural environment. We understand that there is a need to come to term with problems of smallholdings, low incomes, poor facilities; the sheer difficulty of remoteness has to be considered in this kind of debate. We understand all that. And we understand too that we have to ensure the food supply to the consumer in Europe.

Mr President, we have to ask ourselves at what price are we going to have this policy. Are we going to have it at any price? The fact of the matter is that nobody, no farmer, no producer has a God-given right to receive payments that no one wants to give him. We

Collins

have no right to impose on the urban poor the problems of the rural poor. That is effectively what is being proposed in the Delatte Report. To raise the prices for farmers so that the poor people in the cities have to pay more for their goods is to make one section of the deprived pay for the deprivations of the other section. The price increases bear hardest on consumers with low incomes. Mr Delatte, in presenting his report, mentioned that, in his estimation, something like 18 % of family income was spent on food. That may well be an average figure that Mr Delatte has got from somewhere. But I would say to Mr Delatte that there are wide variations around that and some people in this Community are spending 50 % of their income on food. I do not think that there is any justification for a price increase at this stage in a Europe where there are surpluses.

The truth is in fact that it may be that we will have to find new ways of funding agriculture. It may be that we will have to find new ways of protecting small farmers and rural communities from the ravages of unemployment, under-employment and poverty, while at the same time delivering food to the shops at prices that people can afford. But the price mechanism that we are tinkering with will just not do that. It is merely a way of putting real decisions about the future of European agriculture off for another few years. Yet if we listen to the messages that are coming from the Commission and the Committee on Budgets, it is clear that the time is not too far off when we shall really have to come to terms with agricultural policy. As Mrs Castle said, the money will simply run out. During this debate and in the discussions in the committees leading up to it, there has been a very vociferous and a very organized farm lobby. I would say to this House that this runs counter to the interests of 92 % of the population of Europe who are non-farming consumers. They are profoundly affected by farm prices. I think that the real and the long-term health of agriculture will not be helped by tinkering with the present CAP.

Mr Delatte talked about the rehabilitation of the common agricultural policy and I have no doubt at all that over the last few years the common agricultural policy has seemed to many consumers in Europe to be sick. Somewhere, sometime and somehow we must decide whether rehabilitation of the old man is worth-while or whether as a community we should be fathering a new more vigorous and fair child. That is why in the Committee on the Environment, Public Health and Consumer Protection we could not accept the 7.9 % increase. We thought it was a silly figure. But neither could we accept 2.4 %, because many of us considered that that was also too high in the present circumstances. I hope that the argument which we have put in our report will steel the resolve of those people in this House who have a vision of a different kind of Europe altogether: a vision of a Europe of consumers.

(Applause from various quarters)

President. — I call Mr Wettig.

Mr Wettig. — *(D)* Mr President, ladies and gentlemen, Mr Delatte's report deals with two questions which are intricately linked, one of them being the question of balancing the market and streamlining expenditure, and the other the fixing of farm prices. If we look at this report of Mr Delatte's, we must admit that it contains a lot of justified demands and observations, but we also note — and this must be the subject of a critical debate here in Parliament to which I should like to contribute on behalf of the majority of my Group — that its general thrust diverges considerably from what Parliament decided in its December part-session. The general thrust of the report is to change as little as possible of the Common Agricultural Policy and to find as many arguments as possible to support these. And so, on all central questions, it comes to different conclusions from the Commission's proposals for balancing the markets and fixing farm prices. This is contrary to what Parliament said, not only last year, but also previously on reform of the agricultural policy.

Ladies and gentlemen, one cannot call for reforms in the agricultural policy, one cannot call for checks on agricultural expenditure and then, in the first report to be submitted on the subject, come to a conclusion which is completely at variance with the views we were upholding here just a few months ago.

(Applause from the left)

I think that these views supported by Mr Delatte and the majority of the Committee on Agriculture in their report start from completely false premises, because they take no account of what has been going on in recent years, not only in the Community, but in the world economy as a whole. When the Common Agricultural Policy was originally thought up, it could be assumed that the surpluses of prosperous economies would contribute considerably to supporting agriculture. It could also be assumed that an unlimited amount of cheap energy would be available to develop agricultural production. It could further be assumed that the external problems with the Third World due to over-emphasis on Community preference would create relatively few difficulties because of the development, particularly of agricultural production, in the countries of the Third World was still at a very low level. At that time, the ecological problems associated with intensive farming were still estimated to be relatively small. It is in recent years, however, that we have learnt otherwise about some of these matters and there are many demands for a change in this form of intensive farming. We have moreover learnt that a one-sided prices policy like the one that we have had in the Community, which reforms agricultural structures chiefly via the medium of prices is not adapted to the actual situation in the Community. For the consequence of a one-sided, price orientated agricultural

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policy is that the large farmers are helped to a very much greater extent than those who have only small and medium-sized holdings.

If we start from these changed assumptions, then we come to the conclusion — and at the instigation of Parliament the Commission has come to this conclusion — that it is necessary to make more rational use of the resources of the national economies in the Community and of the resources of the Community itself. This can only mean that we must reduce the surpluses, for this is not just a question of considerable financial resources being squandered. We must remove the preconditions for these surpluses which can, after all, only arise because of the considerable amount of extra fodder and energy being put in in order to let such surpluses build up at all and be able to market them. We cannot afford this situation any longer. Furthermore — and here the Commission has made sensible proposals for the sugar sector — we must change the relationship between Community preference and external obligations. The Commission's proposals are therefore on the right lines, although there may be different opinions about the details.

Thirdly, the reduction in surpluses can only be supported if a cautious prices policy is followed in the Community. For a prices policy like that which has been proposed by the majority of the Committee on Agriculture would lead to the creation of fresh incentives to produce and, above all, soon exhaust the Community's financial resources.

(Scattered applause from the left)

In our opinion, the Commission's proposals are not indisputable. It is quite possible to discuss certain variations of this proposal. What is indisputable is the connection between reducing surpluses and low prices policy. If this link is removed, no further progress will be made in the whole agricultural policy. In the opinion of the majority of my Group the Commission's proposals are basically correct. They follow the instructions which Parliament formulated last year. Only we think — because the Commission's proposals seem to us to be too general — that social adjustments are needed in certain places. This particularly applies to milk, because here the problems of the majority of producers, who are, after all, small and medium-sized producers, have been overlooked, but these social adjustments should not exceed the total concept and they should not break up the whole system.

With the decisions which we have to take tomorrow, Parliament is setting out on a road along which we need take only the first steps this week. They will have to be supplemented by a large number of measures, for if we do not decide now on a reversal of this policy, we shall not be able to prevent the system of the Common Agricultural Policy from breaking down financially. This is why those people who are always saying that they want to expand and consolidate the Com-

mon Agricultural Policy must be told: the Common Agricultural Policy cannot be expanded nor consolidated, if it is preserved in its present form.

(Scattered applause from the left)

The Common Agricultural Policy can only be expanded and consolidated if clear decisions about its reform are made this week.

President. — I call Mr Ligios.

Mr Ligios. — *(I)* Mr President, ladies and gentlemen, I too want to pay tribute to Mr Delatte for the excellent report he drew up and submitted to the Committee on Agriculture. However, what Mr Delatte wrote has been amended to such an extent by the committee that some of the most vital and characteristic aspects have, in my view, been altered for the worse and not for the better. I am not referring solely to the 7.9 % price increase proposal, which was different from what Mr Delatte had put forward, but to another point in particular, concerning surpluses and the super-levy. But I shall come back to that later.

Before I consider these points in detail, ladies and gentlemen, there is something which particularly worries me as a farmer. And I am speaking here as a farmer and as a European MP and not as the more or less democratically appointed representative of some class. I am worried about the attitude towards the Common Agricultural Policy which seems to be growing more and more hostile in this Parliament. If you ask me, this should encourage us to be a little more circumspect in our assessment and consideration of what we are debating here. We have to bear in mind the ideas behind the Common Agricultural Policy — there is no time to list them all here, of course — and the part it was and is supposed to play and has in fact played. We have to bear in mind also Community preference, which has been mentioned but which is not always observed, and financial solidarity. In other words, we have to consider all those ideas which, if they had been properly implemented, would have given a different dimension to the common market and to the Common Agricultural Policy and would not, as a result, have been the root cause of all the imbalance that has emerged. There are two undoubted facts. The first is that over the last few years incomes in agriculture have not grown at the same rate as those in other sectors. There is also the fact, acknowledged even by opponents of the Common Agricultural Policy, that the life and work of people in the country are harder than conditions elsewhere. So far, so good. However, whenever there is an attempt to draw the appropriate conclusions someone gets up and says that the Common Agricultural Policy costs too much. This is where the mistake lies, ladies and gentlemen. If we want to go on improving our food supplies, if we want to have a political as well as a moral impact in the area of

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development aid and the fight against world hunger, and if we realize that all this gets only nought point something of our income, then we have to admit that agriculture is getting only a part of the financial resources which we ought to be devoting to it. It is not a matter of abolishing the Common Agricultural policy, as one or two people have advocated. What we have to do is to adapt it and change it and improve it, and try to remove the basic causes of the imbalance which exists and which has been mentioned by so many other Members here. It was this imbalance which prompted us to debate the budget and which will prompt us to discuss it for a second time in the not too distant future. Something has to be done about this situation for which the Community institutions are to blame — the Commission and especially the Council. It gives me no pleasure to see that the Council representative here today was, until a few months ago, a most valuable member of the Committee on Agriculture who sided with us in these struggles and who today, however, is on the receiving end of the House's criticism, since he is here to represent the Council.

We are here to talk about the surpluses which have prompted us to strike back at some of the Common Agricultural Policy's negative features and against the building up of surpluses. This is not a general occurrence in all sectors, since 99 % of the surpluses arise in only one sector — the dairy sector. This is where the institutions are to blame, since they should have taken steps to cope with the problem before it reached these dimensions.

Two ideas are now being put forward — the co-responsibility levy and the super-levy — and I want to consider these in a little more detail. There is agreement on the co-responsibility levy; the only problem is who is going to pay for it. We tabled some amendments because in the Delatte report, for example, there is an exemption category for producers whose output does not exceed 60 000 litres of milk. Furthermore, a disparity is created between mountain areas and less favoured areas, whereas in my view both of these — as can be seen according to Article 3 of the directive on mountain areas and less favoured areas — ought to be treated in the same way. It is my view that the small producers should be exempted, and then perhaps the provisions can be adapted to suit the amount of production. Things become more complicated, however, when we come to the super-levy. I was listening yesterday and this morning as some Members finally reconciled themselves to the super-levy. If they had done this some months ago, or a couple of months ago, the Committee on Agriculture could in all probability have come up with a much more definite and realistic proposal. Be that as it may, we are glad that they have seen the light but we are not happy at the way they have expressed it. They see the super-levy as a temporary stabilizing measure. Where I come from, stabilizing means holding things as they are. I do not want this to be a veiled attempt to hold surpluses at 1979 levels, at the very levels we were up in arms

about because these surpluses soaked up 42 % of the EAGGF budget. What it boils down to is that we are in favour of a super-levy and we want some kind of mechanism to put an end to surpluses. But this mechanism must be capable of getting the market back to an acceptable level, if we are going to stay in a market economy. Otherwise, we are going to have to change the entire system. For this reason, along with some other Members, I have tabled an amendment to exempt certain categories.

Another point: the super-levy is necessary but it is unfair. According to the Commission proposals, those who were producing surpluses until last year can go on more or less producing up to 99 % of last year's production. Farmers who were producing, say, 1 000 litres of milk cannot produce more than 990 litres unless they are willing to be penalized in the same way as those who have been producing enormous quantities for years. Another thing, and here I want to mention the specific case of Italy which imports 30-40 % of its milk requirements and which is therefore the country which has done the most to get rid of the surplus by using it up. Anyway, my country is getting exactly the same treatment even though there is no case in Italy for introducing the Commission's super-levy. There should not be a blanket application of this super-levy, in my opinion. It should be applied on a graduated scale to hit those farmers and producers who are to blame for the surpluses. Ladies and gentlemen, if you take a careful look at the Delatte report and the tables showing milk production, you will see that 94.8 % of the Community's milk producers account for only 67.4 % of total production, while 32.6 % of all our milk in the Community is produced by only 5.2 % of the producers. This is where we have to hit at the people who are producing surpluses.

Unfortunately, I have no time to continue. If I can pick up what some other Members said — among them Mr Caillavet — I just want to mention the discrimination and prejudice against products from the poorer areas of the Community, and especially from the Mediterranean areas. It is evident again in these proposals that there is little consideration for a region to which the Common Agricultural Policy and the economic boom in general have not brought the elimination of differences which we were all hoping for. Instead, the gap between incomes has only carried on growing.

President. — I call Mr Jenkins.

Mr Jenkins, President of the Commission. — Mr President, I do not propose to repeat what Vice-President Gundelach said to you yesterday, nor do I propose to attempt to sum up the debate so far. Later today, Mr Gundelach will reply to the many points which have been made. I want simply to stress three points on

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behalf of the Commission. I speak, not as an agricultural expert, not as a spokesman of one or other party group, but as President of a Community institution with overall political responsibilities for the health of Europe.

First, let me underline that the proposals which the Commission has put forward. I include here both our proposals of 30 November, the so-called savings package, and the more recent price proposals of 31 January. These together must be seen as a coherent package designed to improve and safeguard the common agricultural policy. I use the word safeguard advisedly. In our view, unless the main elements of the package are accepted, our agricultural policy will be exposed to most serious and damaging risks in the coming months and years. This House knows what the risks are. In the last four years the budgetary cost of the policy has increased by about 25 % a year. This is because the surpluses for several products have continued to increase as the level of production has inexorably outstripped consumption. There is no need, and there would be no point in trying, to argue and prove these points with figures and graphs. You know what the figures are. You also know that the increases in prices and the increases in production in recent years have not in fact succeeded in resolving some of the basic income and social problems of our rural population, nor have they succeeded in removing or even, I regret to say, significantly reducing the disparities within the agricultural sector itself. This is why I ask you to understand that our proposals this year represent an effort to redirect the CAP in the long-term interests, not only of Europe as a whole, but of those most directly concerned.

It is no secret that if we looked only at the market situation, if we looked only at the budget situation, we would have produced no price increases at all this year. Instead we have thought it right to produce a balanced package reflecting an understanding also for the needs of the farming community and of the political realities of Community life. If that balance, which we have endeavoured to strike, is upset and the Council of Ministers aided and spurred on by this Parliament settle for something substantially different, substantially less rigorous, there is no doubt that such a decision would put at grave risk the continuation of the Community's agricultural policy in its present form.

Secondly, Mr President, I must mention specifically milk. Unless we can find a solution to the problems of this sector, we shall have no solutions at all in our agricultural decisions. This year we can expect an increase in milk production of more than 2 % which will increase the burden of disposal thereby adding to the 4 400 million units of account which the budget bore for milk in 1979 and which rose to that menacing and top-heavy figure from only 1 200 million units of account as recently as 1975: an almost fourfold increase in four years. As these figures ineluctably

show, the Community budget is bleeding to death from a surfeit of milk. That is why the Commission has introduced this year, in addition to our price proposals for milk and in addition to the co-responsibility levy of 1.5 % which the Council has already agreed to in principle, a supplementary mechanism for milk. Its purpose is to discourage these increases in production and if they nevertheless occur, to protect the budget from their unsustainable consequences. This is a new mechanism. It is an innovation. It is the centre-piece of our milk proposals. We believe that it is an equitable solution taking nothing away from the existing guarantees or the recent levels of production, and providing a safeguard for the future which leaves to producers themselves the decisions on future production. But above all we believe that this mechanism, or something very like it, is a pre-requisite for the continuation of the milk policy and is an indispensable component of our agricultural prices package. With it we can face the future with greater confidence. Without it the prospects for our milk policy are bleak. On this basis it deserves the support of this House, from the point of view not only of consumers and tax payers but equally and just as important, from the point of view of the enlightened self-interest of the producers themselves.

(Applause from various quarters)

Thirdly, Mr President, let me look for a very few minutes beyond the immediate proposals before us on the table. Your decisions this week go well beyond merely adding to or subtracting from a list of prices and agricultural regulations. The resolution on which you will vote tomorrow has significance wider than the agricultural sector and wider even than its economic and budgetary consequences. It is as important as, and is related to, the decision which you reached in this House last December. When you voted decisively to reject the 1980 budget — as I understood it, and as I believe Parliament wished us to understand it — you did so because of the imbalance within that budget. Parliament made it clear that it wished agricultural expenditure, and particularly expenditure on agricultural price support, to have less importance in relation to the structural and non-agricultural elements. In your deliberations you were critical of the Council's priorities, critical even of the Commission's proposals. You clearly opted, as a matter of principle, for a different approach to agriculture and to agriculture's place within the budget.

I well remember the long night of negotiation between the representatives of the Council of Budget Ministers as a whole, and a wide spectrum of distinguished leaders of opinion in this Parliament. The recollection I carried away was that the key issue towards the end of the night was the fear on the part of parliamentary representatives that by producing too lax price proposals the Commission might undo the good it had done by its saving package, which would defeat Parliament's desire to have an effective overall control over the budgetary position as a whole, taking the year

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as a whole. There is a certain irony at the present time in looking back on that central issue to which I attach great importance. The rejection of the budget was widely understood as a demonstration of Parliament's intention to make this directly elected Parliament a more significant influence in the Community's decision-making process. It was, as I understood it, not just a position as such that Parliament wanted, but a position for a purpose.

I well remember, as will most members of this House, the striking phrase in Jean Monnet's memoirs where he said that one could divide human beings into the category of those who want to be something and the category of those who want to do something. I think the same thing can apply to institutions and I believe and wish to continue to believe, that this Parliament not merely wishes to be something but wishes to do something as well.

(Applause from various quarters)

As such, the decision that you made in December was widely and rightly welcomed. The time is now approaching for Parliament to honour that decision of principle, and honour it with action. If Parliament now abandons its declarations of last December, and veers around resolutions which resolve nothing — it will be frustrating the very result that you fought so hard to achieve.

Having embraced the difficult but worthwhile cause of change and reform there is a manifest need for the courage to stand by convictions so lately and clearly expressed. If you choose, on the contrary, to vote for solutions which harm nobody, solve nothing, and leave the basic issue untouched, you will not be consistent with previous decisions. Having unfurled the standard in December, it would be neither brave nor wise to roll it up again in March. To do so would inevitably undermine the newly established and well-earned credibility of this Parliament. So I appeal to you, in your deliberations today and in your votes tomorrow, to stick firm to that concept which you formed and affirmed three months ago. We in the Commission have made our proposals in the light of your rejection of the budget and of our understanding of your reasons for so acting. We have respected your courage and determination but now, for your sake more than ours, do not saw off the branch of the tree upon which in December you so insistently invited us to sit.

(Loud applause)

President. — I call Mr Pearce.

Mr Pearce. — Mr President, before Mr Jenkins spoke, Mr de Courcy Ling quite rightly drew our attention to the responsibility of certain political figures in France for the creation of the surpluses in the common agricultural policy.

I would like to take further this point about the position of individual Member States in this matter. The report prepared by Mr Delatte for the Committee on Agriculture seems to embody a large measure of something that is far too common in Community policy: it discriminates against the United Kingdom. It will in fact further increase the already too high net payment by the United Kingdom to other Member States of 1 500 million European units of account per year. This is simply not acceptable. It seems to me that the proposals yet again specially benefit one Member State. That Member State is France. It is France that is most unresponsive to the appeal to put right Britain's net contribution to the Community budget. I say this to our French friends: we want to build Europe with you, but we cannot let you believe that Europe is no more than an enlargement of French territory or that Community funds are a kind of honeypot into which only some Member States are allowed to dip. It is our Community as much as yours. We want our share of the benefits that it can bring.

Mr President, we seek equality between Member States, of contributions and benefits, bearing in mind their respective national wealth. We seek the sense of fraternity that will help one Member State to look with understanding on the problems of another. We support liberty, and liberty inevitably involves respect for the law and for the judgments of courts of law. I am surprised that France does not pay greater heed to these principles in Community life. France's whole position in the Community is clouded by its defiance of the ruling of the European Court of Justice on lamb imports. Member States may certainly argue for change, but if France flouts the law, France's future role and not our role, in the Community will be questioned.

Mr President, we want to build this, our Europe; a Europe that benefits us all, I say this to our French friends: help us to build Europe in this way for the good of us all. But if you hinder the development of a balanced and just Community, with justice for Britain as well as for other Member States, then you must accept the consequences and take responsibility for those consequences.

President. — I call Mr Jürgens.

Mr Jürgens. — *(D)* Mr President, ladies and gentlemen, in December we recognized the need to limiting the budget and voted accordingly in this Parliament. First because resources are not sufficient to keep up with the rates of increase in the agricultural policy and the agricultural sector in the years to come, and then also because the value added tax contributions of the Member States cannot be raised, as has been made clear by all nine governments. But in all our decisions we have to abide by the principles of the Common Agricultural Policy as set down in the Treaties of

Jürgens

Rome, and I think that Mr Delatte has said this clearly: firstly the unity of the market and of prices, secondly the Community preference and thirdly financial solidarity.

If we are looking back over the years, we should acknowledge here in this House and in this debate that since Stresa this common market in agriculture has brought nothing but good to producers and consumers in the Community. None of the nine countries could have achieved this level of development on their own. I think that in this debate we should, for once, gratefully acknowledge the fact, and this gratitude is owed to all the Councils, Commissions and parliamentarians who came before us.

Ladies and gentlemen, there is no other sector in which a member of the European Community has surrendered so much power to Europe as in the agricultural sector. The Common Agricultural Policy stands alone at the forefront of European economic policy and had laid the foundation for the European Community 40 % share of world trade. When, today, we continually hear the justified demand that there should be achievements in the sectors of social policy, regional policy and development policy, comparable with those of the Common Agricultural Policy, then I can only say, that we need more money for this. It cannot be done without higher value added tax contributions and the Member States must make this decision. In my view, this is one problem and the agricultural policy is another. If we were to find the means needed to expand these sectors by cutting back on the agricultural policy, this would only be a drop in the bucket.

A two to three per cent annual increase in milk production, with stagnating consumption, — and this is, after all, the most difficult and in my opinion the most crucial problem under debate today — would mean extra surpluses of 100 000 tonnes of butter and 200 000 tonnes of skimmed milk powder per year. We must get these costs under control, ladies and gentlemen, and we must impose the levies where the extra production occurs.

In my opinion, the proposal Mr Bangemann made yesterday evening on behalf of the Liberal Group, for a progressive supplementary co-responsibility levy, is best suited to achieve this aim. An overall co-responsibility levy would hit the smaller farm harder than the larger one. But in addition to these proposals it is most important that supporting measures should be continued: non-marketing premiums, investment aid — in particular, state investment aid for stable buildings for not more than 40 cows — limiting aid to farms with less than 50 % permanent grassland, encouraging sales of skimmed liquid milk and, above all, promoting beef cattle by means of calf, nurse cow holding and cow premiums.

We must also implement supporting measures to increase consumption, perhaps offering a cheap variety of butter all the year round. We must make cheap milk available for social institutions and introduce school milk in all Member States.

These supporting measures are certainly just as necessary as making the co-responsibility levy progressive. But I would like to deal with one other question which I personally think is very important. A levy on fat content has often been mentioned here, but I do not think that this is a suitable means of finding a solution to our problem, first because I think it is antisocial, because the price increase would also affect consumers of margarine and edible oils, and then because really, only 25 % of these oils and fats go into the production of margarine, 75 % of the oils and fats go into other areas of production: delicatessen foods, paint, varnish, pharmaceutical products, washing powder and animal feedingstuffs. An increase in the general price level would be the result. We should also consider, that the by-products associated with the production and processing of oilseed, i.e. seedcakes and meal are becoming scarcer and therefore dearer and only 15 % of this meal goes into feeding and keeping dairy cattle; so here again, we would hit the family farm which is dependent on rational milk production. Eighty-five per cent of the seedcakes and meal go into meat and egg production and here, too, the burden would fall on family farms.

There would therefore be a rise in the general price level, for margarine, butter and other products and there would be difficulties — for one thing there would be complaints in GATT. Moreover, we must also consider that 40 % of these products come from the developing countries and that we could no doubt expect considerable protests from that quarter too. What we do expect from this levy, a better relationship between the price of margarine and the price of butter, would not be achieved in this way. The relationship would remain the same, only both will become dearer. I see no solution here and that is why I wanted to repeat the point.

Ladies and gentlemen, the right solution is a supplementary co-responsibility levy which checks the super milk producers, in conjunction with the supporting measures. I think that an average increase of at least 5 % will then help to raise the average income, particularly of family farms, and encourage their operations.

President. — I call Mrs Gredal.

Mrs Gredal. — (DK) Mr President, I should like to make a few general remarks regarding the Common Agricultural Policy. The main problem at the moment is the existence of the so called massive unsellable surpluses of foodstuffs. This situation is anti-social from

Gredal

at least two points of view: on the one hand in the light of the world hunger problem and, on the other, as regards our own consumers who, as tax payers, are financing these permanent surpluses. Thus, this situation is one of the factors which are causing the Community to lose credibility in the eyes of both its own citizens and those of the third countries.

The reasons for these surpluses are of a structural nature, and, as we know from experience, price mechanisms cannot be used to transfer capacity from products in surplus to those of which there are shortages. What we need here is a genuine structural policy based on a different development model from the one applied up till now, which is aimed exclusively at productivity. The existing structural policy, which is full of shortcomings anyway, has just not been successful in solving the problems.

Naturally, solving problems of this kind is a long-term affair, and the best way of going about it might be to convert the European agricultural policy into a European foodstuffs policy, which in turn would be a component in world foodstuffs policy, and this would enable the Community to contribute towards political stability at world level. However, whatever our wishes may be regarding the Community's future agricultural policy, this is not the problem currently before us. What we are discussing here today is the specific position we are to adopt regarding the Commission's price proposals for 1980.

I should like to point out that expenditure on the Common Agricultural Policy must be restricted if its basic principles are to be maintained. These principles might be put in jeopardy if expenditure on the organization of the markets is not kept within the limits of the budgetary possibilities open to us.

In the light of Parliament's Resolution of December 1979 regarding the budget and in order to avoid coming up against the problem of the 1 % VAT ceiling — and I find it extremely unrealistic to think that it should be possible to raise this ceiling in the next few years — a cautious price policy is essential. I must therefore oppose the proposal of the Committee on Agriculture for a 7.9 % price increase.

Furthermore, a 7.9 % increase would be unacceptable from the point of view of the consumers since it would correspond to an average increase of 3 to 4 % in that part of the consumer price index accounted for by foodstuffs, which would be a serious blow to the socially less-favoured groups of consumers.

On the other hand, however, in view of agricultural incomes and the new facts which have come to light regarding budgetary possibilities a price increase is justified, and I can wholeheartedly support the proposal by the Committee on Budgets for a reasonable price increase. For the rest, I might add that it is not, in my

view, the correct way of going about things for this Parliament to specify percentages.

There is also the possibility that a very slight price adjustment accompanied by a reduction in expenditure on the organization of the market may tempt the governments to introduce compensatory national support measures, which is something which we must and shall avoid. Otherwise it would mean the end of the Common Agricultural Policy.

The Commission should, therefore, whatever happens, intensify its efforts to eliminate any national aids which distort competition, and are thus in contravention of the Treaty, and any special advantages for national agriculture.

This aspect of the Commission's work should be given higher priority, and the resources earmarked for this sector, which in my view is one of great importance, should be increased.

In the distribution of a further price increase, one of the points which must be taken into consideration is that the market situation permits greater than average increases for oil seeds, pigmeat and certain horticultural products. On the other hand, the increase should be less than the average for products such as milk, cereals and wine.

In addition, any further price increase should be accompanied by a corresponding reduction in the positive monetary compensatory amounts. We in Denmark have always advocated rapidly phasing out the monetary compensatory amounts, as they seriously upset the market and are thus not in keeping with the principle of the common market. We therefore hope the reduction in the positive monetary compensatory amounts will be greater than that proposed by the Commission, which I find too small.

As regards the supplementary proposals for the dairy sector, I agree with the Commission that expenditure on this sector must be reduced. We must call a halt to the increase in milk production. However, this has already happened in Denmark, where milk production fell by 2 % in 1979 and is expected to fall by a further 1-2 % in 1980.

When deciding what is to be done in the dairy sector, we must ensure that solidarity is maintained within the Common Agricultural Policy and its financing. For this reason, there should not be a series of special arrangements for different regions. All regions contribute to the imbalance in the Common Market and it is not possible to single out any region which is particularly responsible for the Community's difficulties. The principle of solidarity must also apply between the individual producers as none of them can claim to have had no part in bringing about the surplus situation.

Gredal

For this reason, I cannot accept any further exceptions to the general co-responsibility levy. I must also reject alternative proposals to the effect that the levy should be proportional to the milk production from the various herds. The problems facing the smaller milk producers must be solved through the social and regional policy.

Any measures taken in the dairy sector must be in keeping with the aim of the Agricultural Policy. By no means the least important consideration is that we should avoid regulations which would involve a freezing of the production structure. We must avoid regulations which directly or indirectly involve production quotas. I therefore have doubts, for reasons of principle, regarding the super-levy as proposed by the Commission, as it is in effect a kind of production quota system which would lead to structural stagnation. The costs of milk production would remain at an excessively high level at the consumers' expense, and young farmers would be particularly hard hit by a quota system of this kind.

I must particularly oppose the idea of introducing a super-levy on the basis of a reference production level different from that for 1979. In the first place, the reference period as proposed by the Commission would be unjust on those countries where there has already been a reduction in milk production. It would be more sensible to use a broader reference period, e.g., the two best years out of the last five, as proposed by the Commission itself in the case of sugar.

The Community's real problem is the overproduction of butter and skimmed powder, whereas there are none of other dairy products. It would therefore be more logical to exempt these other dairy products from the super-levy, i.e., the super-levy should apply only to those dairies producing butter and skimmed milk and selling into intervention.

This would encourage the dairies to try and dispose of their production on the market and also to produce the products which are not in surplus. This would be the most equitable and constructive solution to the problems in the dairy sector.

However, I should finally like to stress once more that, in my view, we cannot use price policy to solve structural problems, and we should not try to, since if we do we will only succeed in adversely affecting the efficient family holdings which could not be in the interests either of agriculture or of the consumers.

President. — I call Mr Notenboom.

Mr Notenboom. — (NL) Mr President, I have five points to make, and I shall try to make them in the space of six minutes. Mr Gundelach and, just now, Mr Jenkins, have reminded us that this House should, in

its own interests, take the same view in March that it did in November and December. I fully agree. There is not a great deal I need add to what was said just now by Mr Langes on behalf of my Group and the Committee on Budgets. We were opposed to the budget because it contained inadequate guarantees that the imbalance in the dairy sector would be rectified, not because it accounted for two — thirds of the total budget, nor because our own resources have virtually run out. The reason why we were against the budget — and not all of us had the same reasons — was because a great deal of money — a disproportionate amount of money — is being committed to surplus production, and that, as far as I am concerned, is the central point again today.

The European Parliament now has the chance — and fortunately we do not need a two — thirds majority this time — to give a clear signal to the Council, and I extend a special welcome to Mr Pisoni, who used to be a Member of this Parliament, and who is now representing the Council here. We shall have to give a clear signal to the Council that it is time the surpluses were done away with. I shall avoid getting bogged down in details; I just hope that we shall have a majority tomorrow to give a clear signal to the Council to reduce the surpluses and thus lop thousands of millions off the Community budget. That was the view we took in December, and that is the view we should take today.

Secondly, I am annoyed at the fact that — as the Member of the Commission is aware from our correspondence and my written question — Community investment aid is still being given — albeit to a smaller extent than before — along with national investment aid is being granted in many Member States to boost production, and all this at the very time when we are trying to get round to curbing production and tackling the surpluses in the dairy sector. There are two conclusions to be drawn from all this. Firstly, we must make exceptions to these hard measures — and that, after all, is what they are — for those people who were encouraged to invest by promises made, say, last year by the Community and the Member States. This should be taken into account in assessing the 1980 production, which will partially reflect this investment. A second conclusion is that we must take action today to eliminate tomorrow's incentives. To some extent, this must be the concern of the Member States. It is evident from the Member of the Commission's letter that the Commission has started work on this, and I hope that work will proceed apace. It is an absurd situation for national aid to be given on the one hand to boost production, while we oppose increased production because of the existing surpluses.

My third point is connected with a question I should like to put to the Member of the Commission — I should like to ask the same question of the Council, but perhaps this point should first of all be examined by the Commission — as to whether the subsidies for

Notenboom

the sale of dairy products — and I believe this is done by way of six or seven regulations which I shall refrain from listing in detail here — are all still necessary to the same extent at this present time. I realize — and this point is closely connected with the other one I am trying to make — that dairy products are being fed to animals, and that this in turn brings up the question of cereals. The two questions are very closely related. I am not an expert in this field, but it seems to me that the regulations should not be inflexible and should be adapted from time to time to the changing conditions. It seems to me from a quick look at this problem that quite substantial savings could be made here.

My fourth point is that when price discussions are in progress — and what I have in mind here is not only today's debate in this House, but also the time of the Council's internal discussions on the question — there should be no changes in the green currency rates which, either directly or in the short term, may result in one Member State's prices diverging from the general Community price rise. This kind of thing has been tried once before, but it would be entirely wrong to try it again. I have heard rumours that such a thing is being contemplated once again, but it should not be allowed to happen, because it would seriously interfere with our aims.

My final point, which I shall keep short in view of the lunch-break at 1 o'clock, takes the form of a request to the rapporteur and the whole Committee on Cooperation and Development, which has done its best to come up with opinions. We shall study the committee's proposals with interest, but there is something that worries me. I am glad to see that the rapporteur has stayed in the chamber. I should like to ask whether the Committee on Cooperation and Development and the Commission could not give some consideration to the fact that we import 1.3 million tonnes of unrefined cane sugar and export 1.3 million tonnes of refined sugar. Europe gets the benefit of the added value, and the developing countries are left out in the cold. Would it not be fairer if we were to help the developing countries to do the refining themselves, so that the sugar would not have to be shipped to Europe to be refined and leave Europe again as refined white sugar? It seems to me that that would be a sensible kind of development aid. I realize that there are problems, which is why I did not say that this must be the case. I merely wanted to ask the committee responsible to study the question and express an opinion in due course. Mr President, to save time I have kept what I had to say rather shorter than I had originally intended.

President. — The proceedings will now be suspended until 3 p.m.

The House will rise.

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR PFLIMLIN

Vice-President

President. — The sitting is resumed.

I call Mrs Kellett-Bowman.

Mrs Kellett-Bowman. — Mr President, this is probably the most important debate the Parliament has ever had. The gap between the incomes of farmers and other sections of the community has indeed widened steadily, but nowhere has it widened so viciously as in the United Kingdom. Because of the 'green pound gap', United Kingdom farmers at one time received 45 % less for their produce than German farmers, and they have never caught up.

Their income in both 1978 and 1979 fell even in monetary terms, and in real terms it fell to a horrifying 40 % below the average for 1971-73. No other section of the Community has been asked to accept such a cut in their living standards. They are caught in a pincer: while their returns have scarcely risen, their costs have shot up with an inflation rate of 19 %, and, most frightening of all, last year their bank borrowings rose by 32 % at an additional cost of £ 90 million. They can bear no more burdens.

As Mr Gundelach's figures showed yesterday, past measures are beginning to bite. The increase in milk production has slowed down from 3 % in 1977 to an estimated 2 % in 1980, and I ask Parliament to emphasize this fact by passing Amendment No 50, by Mrs Brookes and myself, to add a paragraph 15a pointing out that production is already slowing down. It is also vital to pass our amendment to keep the co-responsibility levy down to 0.5 %. There should be no exemptions whatever to this. Mr Arndt said this morning that small farmers should be exempt and that a rich country like Germany should pay more, but if the Commission's exemptions were passed, 40 % of German milk and only 4 % of United Kingdom milk would in fact be exempt, although we produce only 64 % of our dairy needs. It was the fact that in its present form the super-levy referred to by Mrs Castle would freeze our production at its present level that reduced Peter Walker's enthusiasm for it when he spoke last week at Westminster, and German and French plans to amend it would make it even more unfavourable to us and indeed disastrous to the British dairy industry.

Those who do not contribute to the surplus should be rewarded, not penalized. Therefore milk producers who enter into a binding contract to reduce milk deliveries should be given a 10 % premium, provided that this can be properly policed, and so I ask Parliament to accept Amendment No 79 to paragraph 24, emphasizing this point of the supervision.

Kellett-Bowman

Changing to suckler herds should be encouraged, and I am very glad that the Committee on Agriculture remove the limit of 15 cows, and I hope Parliament will also pass our amendment to keep the variable beef premium. We must also expedite other measures to help our marginal-land farmers. Farmers have served our citizens well in peace and war. We must see to it that we do not, by shortsighted measures, drive them out of business, or the family larder will be left bare. It will be too late then, Mr President, to regret our mistakes.

President — I call Mrs De March.

Mrs De March — (*F*) Mr President, in this debate on farm prices, I should like, on behalf of the French Communists and Allies to draw attention to the effects which the Common Agricultural Policy is currently having on the lives of people running small and medium-sized family farms. In my own region of Provence-Cote d'Azur, and in both Corsica and Languedoc-Roussillon, where I have been on a parliamentary visit to market gardeners and fruit and vegetable producers the hot house growers and wine growers are fighting for the right to live and work on the land of their forefathers. The objectives laid down in the Treaty of Rome — in particular Community preference and financial solidarity — have been called into question. This, has combined with the French Government's primary responsibility in the steady fall in French agricultural incomes over the past six years. What has become of Article 39 of the Treaty of the Community, which was written into the aims of the Common Agricultural Policy and which committed the Member States to guarantee the agricultural population a fair standard of living, in particular by raising the earnings of those engaged in agriculture?

Reality may be gauged by the mounting anger in the farming world, where people have enough of Community illusions and refuse to bear the cost of the policies of austerity and of the redirection of funds towards industry which is thought more profitable than agriculture. The truth is that in France, in the Mediterranean regions just as in Brittany producers are finding that the seasons are again obliged to dump tonnes of top quality fruit and vegetables, while in France and in the Community as a whole millions of families, children and old people are deprived of them. This is an intolerable absurdity which results in popular under consumption and quite unacceptable waste.

Just before this part-session I met farming organizations of apple growers, lettuce growers, wine growers and market gardeners who are experiencing a slump while Spanish products are being transported to Germany by the tonne. This waste of our national produce is occurring at a time when production costs have risen by 40% and more but prices are going down. No, Mr Gundelach, you shall not make the farmers

responsible for the surpluses: they will not let themselves be blamed. Anger is growing in our French regions. At the weekend, I was in my home town, Toulon, with a thousand market gardeners and wine growers demanding that they should be guaranteed fair and remunerative prices to take account of the rise in production costs. This is the same reasoning which has brought together thousands of farmers and farm workers here in Strasbourg. The market gardeners demands that imports should be limited, Community preference observed and price fixing controlled are becoming pressing. In the view of the Communist Members, this situation confirms us in our rejection of the enlargement of the Community in order to avoid sacrificing the Corsican and Mediterranean production of early and main-crop vegetables, citrus fruit and olive oil, which would turn our regions into deserts, depopulate the countryside and be the end of crop cultivation in our regions.

As part of our opposition to the future enlargement, we defend the right of the South of France to remain a wine growing region and we reject the idea of uprooting vines, we reject this attack on our heritage, on the land which is our working tool. Faced with pressure on real estate, with speculation by strong currencies, we demand that the French Government give priority of purchase to young farmers. In our opinion this also is a question of national independence.

This problem of real estate, of the Dutch buying up 80% of the land in the department of Var is closely linked to the development of French horticulture, which grows 23% of European — 6% in my own department. The world market in cut flowers is monopolized by the multinational companies and by the Netherlands market in particular. This is why the French Members of the Communists and Allies Group are demanding that our national production be maintained and expanded, that our imports be limited to the needs of the country and that minimum prices be imposed in line with French production costs and respecting French quality. We are determined that French producers should have the same conditions as in the Netherlands, where heating costs are less than 30%. Your proposals, gentlemen of the Brussels Commission, include cutting out aid to hot house owners. Well, we are asking the French Government to subsidize the installation of solar heating for greenhouses because we are opposed to the dismantling of our productive capacity.

This package of proposals from the French Communists and Allies is evidence of our determination to protect the right of small and medium-sized family farmers to get a decent living from the fruits of their labour and of the importance we attach to agriculture as an economic asset, as one of France's major resources in its domestic development in guaranteeing its national independence and in expanding its international trade, particularly with the developing countries and as a solution to the problem of world hunger.

De March

In conclusion, I should like to address myself to Mr Jenkins. I listened carefully to your speech this morning, from which it appears that this House should refuse the farmers justified demands in order to be consistent with the position it adopted on the budget three months ago. For once in a while I agree with you, and you justify us: for at the time we said that to adopt the budget proposal submitted by our socialist colleague Mr Dankert was tantamount to supporting the attempts to call the Common Agricultural Policy into question and attacking the farmers in our country. The position of the French Communists and Allies Group is consistent too: we were opposed to the Dankert motion on the budget which was fraught with dangers for our farmers. Today we are fighting for remunerative farm prices, which is further proof of the same consistency.

(Applause from certain quarters on the extreme left)

President. — (F) Madame Veil has just received a delegation from the Committee of Agricultural Organizations in the EEC, from the General Committee for Agricultural Cooperation and from the European Council of Young Farmers, who following the extraordinary meeting which they have just held in this town, gave her the text of a resolution on agricultural problems. The President has conveyed this resolution to the chairmen of the political groups and the chairmen and rapporteurs of the competent parliamentary committees.

I call Mr Maher.

Mr Maher. — Mr President, perhaps I should point out initially that when we discuss farm prices and the Commissioner for Agriculture talks about a 2.4 % increase or COPA talks about a 7.9 % increase, these are not farm — gate prices, and it is important to understand that, because account has not been taken of the escalation of costs in the processing sectors. We could easily get the impression that if we decide for a 7.9 % or a 2.4 % or a 5 % increase, this will go into the farmers' pockets, but that is not the case. The prices concerned are intervention prices for commodities, and before the price gets back to the farmer the people engaged in industries handling agricultural products have to receive their increases and cover their costs. I think the Commissioner fully understands that if he succeeds with his 2.4 % the result for the farmers will be negligible: it is all going to be absorbed already and more than this — why? — because costs have increased in other sectors and because trade unionists insist that they have to have an increase in their incomes. I am not blaming them for that, but we have to be realistic when we speak about cost increases.

There is, I believe, a danger to the common agricultural policy from both sides. There is, of course, the danger, if we arrive at the ceiling of the budget, that

countries may not be prepared to increase the resources going into the budget. I think it is nonsense to say that we can hold down the contributions year in, year out. If we do that consistently we are not going to have a Community anyway, because everybody knows you cannot run a household or a country on the same price as you ran it last year. But there is also a risk if we do not increase prices enough, and I would remind the Commissioner that if prices are not high enough pressure is going to develop inside the Member States to bring in national support. That is absolutely inevitable. Let us face the political realities. We know that farmers still have considerable political punch and they are going to exert that punch — we have seen some of it on the streets in Strasbourg today — to force their own governments to increase their incomes through national aids. If we take that direction, ladies and gentlemen, we are beginning to see the end of the common agricultural policy. So I warn Mr Gundelach that he has to tread between these two alternatives. I accept that his problem is a very difficult one, but we could easily err on the side of too low an increase, which will force farmers to take this action.

Mr President, of course we have surpluses, but too few people are accepting the fact that we have surpluses because we are in fact importing the same kind of products into the Community. When will we ever learn that? If our farmers decided to decrease their production by one-eighth or one-tenth and that was made up as a result of increased imports — which, of course, it would be — then of course we would still have a problem, we could still have surpluses. The more we bring in, the greater the problems for producers in the Community. So let us face this problem of imports. Why is it that the Commissioner is so timid about any proposal in this direction? — Even about asking the people who are importing the products to help us financially? That is all I am saying at the moment. I am not saying we should stop New Zealand butter. I am not even saying we should stop the import of fats and oils, but at least let us share the burden, because we are all, as producers of milk and producers of oils and fats, wherever they may come from, contributing to the problem. Why are only the farmers within the Community being asked to solve it? Farmers outside the Community who are producing these products are not being asked to bear any of the burden: Mr Gundelach has not included that in his proposals, and, frankly, I think this is quite unfair and unjust. Farmers cannot be expected to carry all the burden. I think it is right they should carry some of it, because they are partially contributing towards it, but they are not responsible for the entire problem.

I am deeply disturbed by the Commissioner's remarks of yesterday when he observed — as others did too in this Parliament, perhaps taking the cue from him — that farmers could not expect to be feather — bedded, that they could not expect a welfare system. That was a chestnut which I thought had been left in the fire in the 1960s. Mr Gundelach, I ask you, can you explain

Maher

to me why it is that farmers have left agriculture in their millions down through the decades? If there is a welfare system, why do they not stay and enjoy it? I never saw people running away from money yet: they all go where the money is. So why have they gone? Why has the farming population been halved in the Community within the last few decades? If it is so good, why do they go? I should like to have the answer to that question.

Mr President, of course I can tell you, because I am one of them. There are long hours in agriculture. You have got to work, particularly if you are in livestock production, seven days a week, and the younger people do not accept this any more. They want five days a week. They put a high premium on this, and I cannot blame them. So if farmers are to be encouraged to stay on in this industry, they have at least to get a reasonable return for the work they do.

On the question of costs, I shall give you some insight into the problem we are facing. I bought a tractor in 1972 and to buy that tractor I sold 13 000 gallons of milk. Eight years later, I bought a tractor with the same horsepower but, even though the price of milk had gone up three times in the meantime, I had to sell 18 000 gallons of milk to do so. That is the problem. Are the people who sell us our inputs prepared to take less, because we are consumers too? Will they give us our inputs at a lower price so that we can sell the food at a lower price? Will they? I do not see anybody offering me a tractor at a lower price, or fertilizers or feeds, or plant or equipment, nor is my man on the farm prepared to work for less. He wants more every year. I do not blame him, but this is the farmers' problem. We cannot work miracles. We do a lot, but we cannot work miracles.

We need, too, to be careful not to talk ourselves into a crisis. I do not want to be unfair to the Commissioner, but I am afraid he made a very political speech yesterday. He in fact has added to the crisis, to the disenchantment with the farm policy, when in fact the real problems of the farm policy are problems of success, not problems of failure. We have more than met the commitments, we have more than fed the population of Europe. It is a problem of success that we have to see how we are going to solve. I do not want to be totally destructive: I am only saying to Mr Gundelach that we cannot make a U-turn, we have to do it gradually. I accept that there has to be change. Can we have a forestry policy that will enable us to use our land in other ways? We have not had it. There have been proposals on the table for years, but no action has been taken. There is a direction we could take. Instead of an agricultural policy, could we have a food policy, perhaps with support mechanisms going down to the added-value products and not confined to the commodities, mechanisms that would attract processors to produce these added-value products, which would be more saleable and more easily exportable? Instead, we

have contented ourselves with supporting the commodities.

Mr President, my time is up, but I would appeal to the Commissioner particularly but also to the Council to be moderate in what they do. Give us a chance! Take a gradual bend, not a U-turn!

(Applause from various quarters)

President. — I call Mr Paisley.

Mr Paisley. — Mr President, we have just listened to a very powerful plea on behalf of the farming community from Mr Maher, of the Republic of Ireland. I would go a great deal of the way with him in his plea for the farming community, but may I say that this Parliament, by a democratic vote, rejected the budget. That vote has been interpreted in various ways, but there is no doubt that many of those who voted to reject the budget were calling for a reform of the market's basic structure, the CAP. The fact that such an overwhelming slice of the budget goes to agriculture is totally unacceptable. The portion of the budget for energy, regional aid and social aid must be increased, so as to remove this imbalance.

There are two matters here that this House should take into consideration: first, the imbalance of the budget is weighted heavily in the favour of agriculture and, secondly, in the raising of the money the United Kingdom becomes the paymaster and is discriminated against to the tune of over £ 1 000 million per year. Last night I was at the British House of Commons when there was no division on a government motion dealing with this matter, but this House needs to keep in mind that the motion got very large support from the Opposition, and that motion was calling, in the last resort, for the United Kingdom to cease its VAT payments to this Community. This House needs to realize that, as far as the United Kingdom is concerned, there is a growing lobby of support for total withdrawal from this Community, simply because the CAP is really of no benefit whatsoever to the United Kingdom. This House needs to take cognizance of that fact.

There is another matter, Mr President, that I should like to bring to your attention. I represent in this House Northern Ireland. Northern Ireland's main industry is agriculture. Unfortunately, when the United Kingdom negotiated its membership settlement with the Community, the special needs of Northern Ireland were not taken into account. Of course, the Irish Republic very wisely took their needs into account and have benefited largely from their membership of the Community. But the Northern Ireland farming community has not benefited in the same way. In fact, the pig industry has been hit, the egg industry has been hit and the meat industry has been hit. Our

Paisley

meat plants are in a serious position in the north of Ireland. I know there were contributory elements in this matter: the green pound and the way the green pound was worked, the border and the exploitation when matters favoured selling in the Republic of Ireland. I am well aware of all those things, but the fact of the matter is that the farming community, which is the largest industry in Northern Ireland, with a big spin-off and ancillary industries, has been very grievously hit and one of the things that hit them most of all is the price of feedstuffs. As those feedstuffs go up, farmers are being pushed to the wall, and that must be taken into account.

I am totally opposed to this co-responsibility levy that has been mentioned, but if there are going to be any exemptions in this matter, then the whole of Northern Ireland and not just a tiny part of it would have to be exempt, because under the Milk Marketing Board's scheme those milk producers that are not in a favourable position in Northern Ireland are already cushioned against that position, and I would say that special account must be taken of the whole of the dairy industry in Northern Ireland.

The time has come when this Community must realize that there are regions in the Community and although they are part of their own national identity they have special needs and those needs must be taken care of. Also we have the problem of the consumer, and I should like to say that this Community must not tinker with the CAP but must deal with this matter realistically and consider how they can bring about a CAP that will be helpful to the farming community but will also not adversely affect those that are in the purchasing field. It has been said by my colleague, Mrs Kellett-Bowman, today that there is a tendency to forget the relationship between the consumer and the farmer, and I think we must keep that matter in mind. I trust that the Commissioner will pay special attention to Northern Ireland when he is making up his mind on these matters.

President. — I call Mr Clinton.

Mr Clinton. — Mr President, I have listened with considerable interest to the discussion so far. I listened, of course, to some speeches with which I disagree. That is understandable. But I must say that the speech made here last evening by Mr Gundelach not only surprised but amazed me. Certainly, what he had to say to us does not at all measure up to the realities of the situation in my country. I know that Mr Gundelach could reply that Ireland is not the Community. I know it is not the Community, but I would like to feel that it is an important little part of the Community.

When setting out to agree on the prices of certain agricultural products and on certain related measures, a number of things must be borne in mind. In the past

3 years, prices have risen only by 3.9%, 2.2% and 1.3% respectively. By comparison with other commodities, these are modest increases resulting, in 1979, in an average decrease in farmers' real income of between 1.5% and 2%. These are things we should not forget. These small price increases were tolerable when it was possible to make greenpound changes that had the effect of raising prices in terms of national currencies, and it was especially helpful in Member States suffering from rapid cost inflation. This possibility no longer exists, because there was a rapid phasing out, as we know, of MCAs in 1979. In the past 3 years, food prices have increased 4 times as rapidly as farmproduct prices. It should be remembered, too, that the farmer gets only about one — third of the price the consumer has to pay. Nevertheless, the farmer is blamed for everything that goes on.

Another important consideration is the amount of employment provided outside the farm gate, in processing the raw materials of agriculture and in providing services for the industry. This is particularly important in Ireland, where we are, as yet, underindustrialized and suffer from a high rate of unemployment. In circumstances where Irish farmers have suffered a drop of 25% in real incomes in 1979 and a drop of 15% in 1978, I have to reject out of hand, as totally inadequate, the Commission's proposals for 1980. When we are told that Germany, with the most stable economy in the Community, is prepared to give a pay increase of 7% to those outside agriculture, it makes it more difficult still to understand the attitude of the Commission towards farmers' incomes.

I must say that I was pleased to see that the Committee on Budgets of this Parliament rejected the Commission's proposals because they believed that they were inadequate, for, as we all know, budget committees and finance ministers normally concentrate on cutting down expenditure and finding ways and means of saving all the time and not of investing money to make more money. We are being constantly reminded that the CAP is the strongest pillar of the Community and one of the greatest unifying forces. I have to say that I am alarmed at the complacency of so many people when this pillar is being undermined, and at the determination of others to wreck the real achievements of this Community.

In shaping this package the Commission seems to have been unduly influenced by budgetary considerations and by the existence of surpluses arising, in my opinion, from an unwise import policy and insufficient stress on Community preference. All progress in the Community will come to a standstill unless we drop this obsession about 1%, the view that it cannot be exceeded and that the only way to find the necessary money to develop other sectors is through robbing the agricultural budget. This does not make sense.

Mr Delatte is to be complimented on his report. It is a critical, constructive and sober analysis of the Com-

Clinton

mission's proposals. But in some respects it falls somewhat short of my expectations. I accept, of course, that we have an exceptional situation in Ireland, and we just cannot get over this. But everybody knows the situation, and we know that we have 17 % inflation. I want to emphasize that there is no way that we in Ireland can accept a supplementary levy on milk: almost 70 % of our total agricultural output is accounted for by cattle, beef and milk; 90 % of our total land area is under grass, and 65 % of our farms are under 20 hectares. There is no alternative to milk production if we are to keep our people on the land, even in frugal comfort. Milk yields per cow and per hectare are substantially below those of the rest of the Community. If these people are driven off the land they will have to be maintained on social welfare payments, and that is no solution.

We are prepared to honour the understanding entered into by the Council of Ministers last year for a 1.5 % co-responsibility levy, with, of course, the exceptions proposed by the Commission. We feel very strongly that imports should be subject to this type of levy also. We are totally opposed to any interference or change in the intervention arrangements for beef, because this would represent erosion and a serious weakening of the existing intervention system. The proposals in the sugar sector are totally misconceived, because the Member States that have not caused the surplus in the past 5 years are those that are being penalized most. A reduction of the quotas as suggested would have disastrous effects on the sugar industry in Ireland, with a serious loss of jobs and the cessation of a very necessary capital investment programme. In fact, the very viability of the industry in Ireland would be seriously threatened. The world price of sugar is now as high as or higher than Community prices, and present quotas should be continued. That is my view. We welcome the proposals for what is now described as nurse-cow premium, but I feel that if it is to attract people away from milk production it will have to be increased to 90 ECUs and extended to at least 30 cows.

I will now conclude, Mr President, by appealing to the Commission and the Council of Ministers to look very seriously at the irreparable damage that will be done and at the hardships that will be inflicted if there are not substantial improvements in the proposals now before Parliament. An overall increase of 7.9 % in the present circumstances, is, in my view, by no means excessive.

(Applause from various quarters)

President. — I call Mr Forth.

Mr Forth. — Mr President, in 1727 Alexander Pope, one of our greater literary figures, said: 'Blessed is he who expects nothing, for he shall never be disappointed.' I would like to speak this afternoon about expectations and disappointments.

But before I do so, I must take issue with my colleague, Mr Clinton, who stated a few moments ago that the Committee on Budgets had rejected the Commission's proposals. Now I have the honour of being a member of the Committee on Budgets, and that is not what I heard when I sat through that committee meeting in Brussels last week. In fact I would like to quote from what the Committee on Budgets said — namely, that it 'notes that the financial implications of the proposals put forward by the Commission to control structural surpluses accord with the guidelines laid down by the European Parliament . . . , thus confirming those guidelines'. I interpreted the Committee on Budgets' statement as an endorsement of the Commission's proposals, and I would like to put that on record.

The 260 million people of this Community expect the institutions to work towards common solutions to shared problems. This surely is what the Community is about. It must be broadly agreed — and it has been broadly agreed here today — that agricultural policy is a Community problem. There may be differences of emphasis, but there appears to be broad agreement about that. It does produce surpluses which are costly to store and export. It does keep consumer prices high, and it does consume an enormous proportion of the budget, leaving less and less for such things as the Social Fund, energy policy, transport policy and industrial regeneration. The 250 million people of this Community who are not farmers are becoming increasingly frustrated and disappointed at our apparent inability to act on this matter. They increasingly see the Community as a farmer's benefit.

If I might also comment in passing, Mr President, on what my colleague, Mr Maher, said a moment ago about imports: one thing that has always puzzled me is how a country like New Zealand can send its products half way round the world and still sell them in the Community at what I regard as a reasonable price to the consumer. This is something that I should like to hear answered at some stage.

The other point that I want to make, Mr President, is this. If we produce a surplus of steel, we expect our steel workers — many of them — to lose their jobs because there is over-capacity. If we produce a surplus of motor-cars, as my country is doing at the moment, then we expect and ask that the people working in that industry lose their jobs. There has been a lot of talk about the loss of income in the farming sector. I would simply submit to colleagues here today that there are people in the industrial sectors of this Community who are expected and asked to lose their jobs and their livelihood as a result of surplus capacity and surplus production. This must be borne in mind when we talk about the farming sector. Can we not expect people engaged in the agricultural sector to be asked occasionally to bear some sort of social burden in the necessary process of readjustment?

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So my plea to colleagues and to this Parliament is that we show the people of Europe, particularly the 250 million people who do not gain their primary income from agriculture, that we are aware of the problems, that we are concerned about the problems and that we are prepared to do something about them. I began with a quotation and I will end with one, Mr President, and I hope that they can be translated fairly satisfactorily. I hope that what we are about today is not what Ogden Nash was referring to when he said:

The burnt child, urged by rankling ire,
Can hardly wait to get back at the fire.

This must not be the case as far as this Parliament and this Community is concerned.

President. — I call Mr Bonaccini.

Mr Bonaccini. — (I) Mr President, ladies and gentlemen, it is to Mr Jenkins' credit that he laid great emphasis this morning on the need for us to avoid a starkly inconsistent approach to our decisions on the budget. He said that this was absolutely vital if the Common Agricultural Policy was to be safeguarded. Let me add, if I may, a rider to this: provided that this policy, if its fundamental values are to be safeguarded, is not enshrined with all its current faults but thoroughly overhauled in many of its structural, regional and social aspects. This is what the current situation in fact requires.

This special part-session has been convened to consider agricultural problems, especially prices, at a time when matters are getting more critical in every sector of the Community. An obvious symptom of this is the postponement of the Brussels summit, to say nothing of all the other problems we have to face. I do not think that the resignation of the Italian Government should be put forward as an excuse. The problems are here, at Community level, in our proven inability to adopt a consistent approach to finding the solutions which many problems require. We are not mentioning this critical situation because we feel smug about it. We just want to stress the need and the determination to cope with the situation and, as far as we can, help to remedy it.

This part-session is a very important and serious occasion, but I want nevertheless to suggest that it might have been useful to have these proposals considered by the Committee on Economic and Monetary Affairs, as well as by the other committees which went into them so thoroughly. The point was, and is, to dispel any impression that might arise that we have taken only a sectoral or budgetary view of this matter. We continue to believe that agriculture is one of the three major sectors of the economy and that, given the current economic situation, it is tending to become even more

significant. The soaring cost and scarcity of raw materials and energy resources are curbing the existence and development of the processing sector in industry at a rate which, in Italy's case, varies between 70 and 98 %. If we limit our discussion to prices, it really means that we are adopting the view that agriculture is not a sector for encouraging development and that we are content to see it go on being 'supported'. If we do this, there is a real risk that the agricultural sector will be deprived, perhaps irrevocably, of its drive, initiative and stability. I know that people will say that the issue at stake is the problem of prices. I do not think there is anything to contradict this in the Commission proposals, and we are not shutting our eyes to this fact either. Mrs Barbarella outlined our amendment on this subject yesterday. It is quite explicit in stating where the responsibility of Parliament lies.

When we look at the problem together here, we must look farther than the roundabout of percentages and not get bogged down in so-called objective but really unintelligible methods. We have to get away from this idea of the incompatibility of the incompatible, which was mentioned by Mr Gundelach in his speech yesterday. When all is said and done, a decision will have to be made, we hope that it will be as wise and fair as possible. We hope that it will be a decision in which we all bear our share of responsibility, because the special technical features of the agricultural sector mean that we cannot ignore the natural rhythm of things and casually adopt a stop-go policy which could conceivably work in other sectors.

It is for this reason that we cannot forget the problem of surpluses, and we cannot just sit back while the Common Agricultural Policy sinks in the milk lake which threatens to send it to the depths where it would die a natural death in spite of all the support from a vast number of Members here. I do not think there is any climate of hostility to the Common Agricultural Policy in this Parliament, as Mr Ligios seemed to fear when he was speaking this morning. On our part, at least, there is genuine determination to implement this policy and a refusal to countenance any short-lived alternative. The real issue can be expressed differently. What role do we want to give agriculture in the Community and in the Member States? Do we want it to be one of the poor relations or one of the pillars? We are in favour of an efficient and productive agricultural sector supporting other important sectors like industry, transport, commerce and banking. We want to see a strong sector for the benefit of those in it, and we want it to be capable of continual expansion.

We have heard a lot of different and contrasting opinions in this Chamber. There are those, like myself, who speak for the farm labourers or — if you prefer a more general term which is more in keeping with the situation in Italy — for the agricultural workers who with varying levels of professional skill work on the land. Of course, we can differentiate in the context of

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farming between the dairyman who spends 70 % of his working life in the cowshed and the professional farmer who has poured considerable sums of money into investment in this sector. In other words, we are quite ready to take a probing look at the circumstances in which the land is worked, and we are quite capable of distinguishing between large undertakings, which often have solid international connections, and small and medium-sized undertakings, so that measures can be adapted to suit actual circumstances both now and in the future. We reject as false and misguided and utterly without foundation the idea that we are out to plot against farm labourers. For all its intentions, there is a definite risk that whatever we do will fall short of achieving the tasks in hand. If we are going to rely on prices as a way of planning things, we are bound to fail. This tactic has already been tried, and we all know the mess it got us into. This offers no overall solution but is merely picking at the problem.

To echo what Mr Gundelach said yesterday, we have reached the moment of truth for a complex problem with economic, sociological and — as the saying goes — cultural implications.

I am not going to dwell on the fact that many of those who a couple of months ago were turning down any increase in the Community's own resources are now clamouring for resources which are not available. Even if they did exist, it is no secret that income-inspired incentives, even when necessary, are not enough to stimulate or to consolidate the agricultural sector.

During yesterday's sitting Mrs Barbarella stressed the strategic importance of structural decisions which have already been taken and of others which will have to be taken in the future. We have to realize that there must be a steady process of change. We have to improve the human, cultural, professional, technical and organizational aspects of farming management, and indeed alter the basic approach to it, so that groups and co-operatives can have a share in management. In short, we must not isolate agriculture in a price ghetto, or in a social ghetto. But give it room to flourish in an age of spectacular change, characteristic of the closing years of this century.

President. — I call Mrs Martin.

Mrs Martin. — (F) Mr President, the main objective which was originally assigned to the common agricultural policy has been amply achieved. We are guaranteed supplies of food at stable prices and at very reasonable cost, since the Community spends only 0.4 % of its gross domestic product on the CAP.

However, while the common agricultural policy remains one of the pillars of the European Community, it is subject to disturbances which we cannot ignore and which we must remedy. However a close

examination shows that these disturbances are in fact due to the undermining of the basic Community principles: Community preference, unity of the markets and financial solidarity. On this anniversary of the signing of the Treaty of Rome, I must stress that any reform of the common agricultural policy will first involve restoring these fundamental principles and correcting these distortions.

But above all, I would like to deal with the most sensitive question before us, the question of milk surpluses. This question is the most sensitive because it is the existence of these surpluses which allows the critics of the common agricultural policy to be heard and because it curbs the price increases which are, however, justified both by the objective method and by inflation. But while we are aware of the significance of this situation and ready, too, to make the effort needed to resolve it, we cannot yield to pressure from those who would like to solve in one single year a problem which has been building up for over a decade.

Nor can we find solutions for milk by copying those which have been found for the sugar sector, as some of our colleagues would like. Beet is a plant product which can easily be substituted and is concentrated in a few regions of the Community, exactly the opposite of milk production, which involves 2 300 000 producers, only 4 % of whom own more than 40 dairy cows. This is why, while we agree with the idea put forward by Mr Gundelach underlining that, from now on, the producers themselves must take the responsibility for increases in production, we cannot charge the 80 000 farms with more than 40 dairy cows, and, *a fortiori*, the industrialized dairy farms, at the same rate as the innumerable small farms. We cannot freeze established situations, we must allow those who still need to improve their productivity to do so, and we must allow young people to start up in business.

For this reason, only a progressive supplementary co-responsibility levy exempting small farmers and farmers in less-favoured regions would be acceptable. It should be supplemented by a genuine export policy. There must be a real effort to encourage alternatives to milk production, beef and veal production should be encouraged by adequate price increases and by suckler premiums which offer a greater incentive than those put forward by the Commission. And why not promote beef and veal production in our own countries a bit more, rather than facilitating its expansion outside the Community, since here, at least, is a sector where we have a deficit? But, in my opinion, to accept a tax on milk and, thus, on oils and fats of animal origin, automatically entails an overall policy on oils and fats in the Community.

Finally, I should like to say that trying this new tack to correct irregularities in milk production will only be acceptable if it is accompanied by an increase in prices — as our rapporteur Mr Delatte is asking — which meets the wage demands of European farmers and thus restores hope to our countryside.

President. — I call Mr O'Leary.

Mr O'Leary. — Mr President, I wish, as an aside, to make the point that Mr Paisley stated in his contribution that the Northern Ireland farmers had not been as well served as their counterparts in other parts of the UK in negotiating the terms of entry, and that their treatment since they joined the Community had not been as advantageous as that of farmers in the Republic. I would simply say to him that there are important implications in that remark and that presumably those who negotiated on behalf of Northern Ireland's farmers within the general UK team did not properly take into account the direct interests of Mr Paisley's constituents. That is by way of an aside, but there are certain implications in his remarks which Mr Paisley should study.

There are many issues raised in this report ranging from the overall implications concerning the Parliament and our rejection of the budget earlier this year, to the general situation facing us now in relation to the entire agricultural pricing proposals before us.

I wish to point out that in the general debate on CAP and its future and in relation to the detailed proposals put before this Assembly by Mr Gundelach, it is often forgotten that the common agricultural policy can be looked at from different vantage points, depending on the country which you represent or the area with which you are best acquainted. Seen from the point of view of Ireland, one of the most underdeveloped areas of the Community, it is clear that the common agricultural policy has had to do work for which other policies might have been more appropriate. The fact remains that in the present situation the common agricultural policy remains the only worthwhile instrument presently organized within the EEC for redistributing income from rich to poor areas. It may be an unsatisfactory instrument — I believe it is — but it is the only one, and for that reason we must oppose certain of the proposals presented by Mr Gundelach and the Commission.

We cannot support a ceiling on milk production of course, because milk production is the cornerstone of the prosperity of Irish agriculture. It would mean that the jobs of many people would be put at risk. Similarly, we cannot support a ceiling on sugar production, because again jobs would be put at risk.

In short, we believe that the common agricultural policy in its present form is a substitute for other policies which the Community has failed to develop. There has been no regional policy, and in our country we have proportionately the youngest population of any EEC state. When we joined the Community, we dismantled the tariff barriers protecting our industry. We laid our new industry open to full-scale competition from other Member States, in the expectation that an adequate Community regional policy would be instituted.

That did not happen, and we now find that, for Ireland, the only area of prosperity and cash exchange from the Community is agriculture. Is it any wonder, Mr President, that in these circumstances we must oppose any cut-back in the only area in which there has been any redistribution at all in favour of our own country?

The quarrel within the Community concerning the budget reflects, I believe, the general confusion over policy which envelops this Community at the present time. The postponement of the Summit is an instance of that confusion over policy, of this lack of direction, which afflicts the Community at the present time. Instead of the Community acting as a coordinator of the efforts of all individual Member States in combating the present recession, the larger Member States are making the Community just another arena in which to play out their oldstyle greatpower rivalries. The political will must be found to increase the size of the Community budget. Instead of simply fighting over the bones of whatever finances are available to the Community at the present — which is how the Council of Ministers sees the Assembly's rôle — our job should be, in conjunction with the Council of Ministers and the Commission, to chart the way forward for Europe and show how Europe, and all its Member States, should be working together to combat the present recession.

It is too dangerous a world for the European powers to be at odds one with the other. This Community is not a French creation, it is not a German creation — or rather it should not be. There should not be any argument with Britain at the present time. All the nine Member States should be working together to provide a common economic programme to rescue our economies from recession by means of an enlarged budget. This Assembly should not see its main task simply as haggling over the bones of an inadequate budget. But that is our position at the present time. Instead of arguing about the restrictions in the budget, we should be endeavouring to provide the political direction for the Member States. That is what we lack at the present time.

President. — I call Mr J. M. Taylor on a point of order.

Mr J. M. Taylor. — Since you are the mayor of this fair city, I wish to draw to your attention the fact that the flag of my country has been pulled down outside this building by demonstrators. I know that you are very scrupulous about the security of your city. I bring this to your attention, Sir. I know that you will regret it as much as I do.

President. — I do indeed regret tremendously what you have just told me. You may rest assured that the

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situation will be remedied and that the flag of your country will continue to fly above Strasbourg.

I call Mr Harris.

Mr Harris. — Further to that point of order, could I support the honourable Member in his protest against the violation of my country's sovereignty in this matter? The tearing up of the flag is a disgrace to this city, all the more so because there are literally hundreds of French police around this building. Why did they stand idly by while the Union Jack was pulled down and torn up in this disgraceful manner? I really do protest most strongly about this violation of British rights. It really is an insult to the United Kingdom and also, if I might say, Sir — and I know you will agree with me in this — an insult to the city of Strasbourg.

President. — I am sure that everyone in the House seconds your protest, which I too support without reservation.

We shall now continue with the debate on agricultural prices.

I call Mr Seitlinger.

Mr Seitlinger. — (*F*) Mr President, ladies and gentlemen, in the fruit and vegetable sector, the common organization of markets covers only seven products: peaches, lemons, pears, table grapes, apples, mandarins and sweet oranges. In addition, the Community has decided to grant special aids for the processing of certain products — peaches, pears, Agen prunes, cherries — these last two products are not, however, subject to a common organization of markets. This aid, which should enable Community producers to cope with foreign competition, is fully justified on three counts: the low price policy of certain third countries on fruit preserved in syrup, the reduction of customs duties on the import of fruit from certain third countries and lastly, the prospect of the entry of Greece, Spain and Portugal.

The Community's project to assist our fruit growers would in itself be laudable, if it did not work to the detriment of some of them. Here we have inexplicable and unfair discrimination. The Commission and the Council cannot be unaware of the discontent among growers of mirabelle plums and damsons in the East of France at the serious harm being done them by the special aid granted to directly competitive products. The financial support which is granted sometimes amounts to reimbursing the processors for the total cost of the raw materials. For one particular fruit, it happened last summer that community aid to the processors was 1.78 francs per kilo, while the price paid to the growers was only 1.65 francs. The producers in the east of France are in fact facing unfair competi-

tion, at the very time when they have embarked on a major programme to restructure unfair orchards. The annual commercial production of mirabelle plums and damsons is about 25 000 tonnes, of which a large proportion is traditionally destined for processing. The production of mirabelle plums alone involves about 10 000 growers who earn all or part of their income from it.

Our colleagues Mr Messmer and Mr Poncelet and certainly you, too, Mr President, join with me in asking the Commission to lose no time in taking the necessary measures, to end an abnormal situation and re-establish equality between growers. Besides the economic losses suffered by the growers, we must be aware of the risk that types of fruit which grow only in limited areas may disappear completely in the medium term. It would be desirable for the Commission to look at this question not only from the point of view of specific aids under the Common Agricultural Policy, but also from the point of view of regional policy.

(Applause from various quarters)

President. — I call Mr Purvis.

Mr Purvis. — Mr President, I just wish to move two amendments tabled in my name. My first amendment, No 93, refers to paragraph 61 and asks the House to include raspberries in the list of fruit and vegetables proposed for addition to the reference price system. Raspberries are a crop grown extensively in the Tayside and Fife regions of Scotland, mostly by small specialized farmers. This area produces a large proportion of the Community's domestic supplies, but recently raspberry — growing has been badly hit by the closure of processing plants, by increasing transport costs and especially by growing imports of raspberry pulp from Eastern Europe, which have affected prices adversely.

Blairgowrie is a small town on the edge of the Highlands and heavily dependent on the surrounding raspberry farms. It has been hit by terrible unemployment because of the closure a year ago of the local canning factory, with the loss of 300 jobs. It would therefore be greatly appreciated by the raspberry-growers of Scotland and those connected with this crop if the House would display its support by making this small addition to paragraph 61, and it would be further appreciated if the Commission and the Council would take such a proposal on board.

My second amendment, No 83, refers to the key paragraph, No 73, in Mr Delatte's report: the average price increase of 2.4 % as proposed by the Commission. I cannot, the people of Europe cannot and the people I represent cannot agree to the squeezing out of all the vitally important priorities which we rehearsed last November and December, which we discussed in our committees and vociferously sup-

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ported in this Chamber, and which we continually press the Commission and the Council to set in motion. If at home I have a limited overall budget and a ceiling to my revenue, I have to trim my cloth; I have to assess my priorities, and as the head of my household I have to consult my family on our various priorities. Can I have a new car? Can my wife have a new coat? Can my children have lollipops? We have to reach a family compromise and concentrate, first, on what is vital and, secondly, on what is desirable. We try to do this together in order to balance the various interests between us.

Unfortunately, our coat in Europe is none too ample. If it were more ample, perhaps we could justify the Committee on Agriculture's full acceptance of COPA's demands. Even at 7.9%, many farmers in the Community would be accepting a real drop in income. This is a real and justified concern. But so are the needs of the 6 million unemployed. It may get much worse if we do not give other areas a share of the cake. So, as in November and December, we must ask ourselves whether we are serious about our determination to limit the tax burden on our people, to limit the cost inflation on our people, to give a modicum of support to other Community policies in the social, industrial, energy and regional fields and, most of all, to safeguard the common agricultural policy itself, for the Committee on Agriculture's proposals are the surest recipe for its destruction and collapse.

The Commission has responded to our position on the 1980 budget. It has tried to achieve a better balance. It has met our strictures to a laudable extent, and it has taken farmers' real needs into account as far as possible. I therefore move my Amendement No 83 to approve the Commission's proposal of an average 2.4% increase in farm prices as it stands. I do this in a spirit of compromise, realizing that my group's basic position is more severe, but hoping that this can provide a meeting point between the divergent interests in this House and give the Commission the strength it needs when it faces the Council of Ministers.

IN THE CHAIR: MR KATZER*Vice-President*

President. — I call Mr Fernandez.

Mr Fernandez. — (*F*) Mr President, since my time is limited, I shall restrict my remarks to some aspects of agricultural problems, in particular, concerning the milk sector which represents an important part of my country's national economy. In fact, 550 000 producers and their families live directly from it and when I say live I mean — we must admit — that they live very

badly. Besides the producers, the 100 000 wage earners in the processing industry and the millions of workers in related industries, that is to say industries which produce animal feedingstuffs, fertilizer, farm equipment, dairy equipment etc. must be taken into account.

This co-responsibility levy and the 'super levy' that they want to make our producers pay is a monstrous swindle. French farmers are not responsible for the milk surplus. The French milk producer costs the European budget seven times less than the Netherlands milk producer. It is the French who receive the smallest amount of subsidies from the EAGGF and — apart from Italy — it is in France that the cost of support per farm is lowest. It is twice as low as in the Federal Republic of Germany and four and a half times less than in Great Britain. On the other hand, the large industrialized dairy farms benefit unduly from the unfair system of compensatory amounts, while the small and medium-sized milk producers, in particular the French ones, will be the first to be hit by the co-responsibility levy and by the 84% super levy on excess production. Is this not the best way to put a large number of producers out of business?

We cannot agree with the Commission's report. Our farmers, who are opposed to it, are currently demonstrating the fact in no uncertain way outside this Chamber. Besides, my colleague Mr Delatte, since he is a Burgundian like me, knows something about this.

Our agriculture needs something else. We must condemn the Commission's latest measures, in particular the abolition of the premium for dairy cows and heifers and demand the immediate and total abolition of the co-responsibility levy and lastly, of course, we must prevent the introduction of the super levy. The price of milk must be fixed so as to ensure a decent income for small and medium-sized farmers and guarantee a rise in production. There must be a genuine policy on fats, and oils and plant proteins because milk production and milk market problems are also largely due to the import of great quantities of these products almost tax-free. The problem of vegetable fats in competition with butter is perhaps still more serious, even though public opinion has been conditioned by the picture of butter mountains. It is generally unaware that the EEC has a large deficit of oils and fats as a whole, since its self-sufficiency rate is 44%: four and a half million tonnes of vegetable fats are in fact imported into the EEC. We must demand adequate taxation on imports of vegetable fats and the abolition of the unjustified advantages enjoyed by American and New Zealand imports. As for beef and veal, the situation is exactly the same. There are no surpluses in Europe, but imports without any levy or with inadequate ones.

In conclusion, I should like, on behalf of the French Communists and Allies, to declare our complete solidarity with the angry farmers demonstrating outside.

President. — I call Mr Brøndlund Nielsen.

Mr Brøndlund Nielsen. — (DK) Having listened to today's debate, and in the light of the proposals which have been put forward it strikes me that Mr Delatte's proposals contain many positive elements. Nevertheless, one gets the impression that there is a wish to try and move away from the Community's agricultural policy as it has been conducted since the Community was set up.

Obviously, a policy which has worked for so many years needs occasional minor adjustments but I think that this policy has not only been in keeping with the Treaty but has also followed a healthy line of development. It might be said that the virtual absence of increases in agricultural prices has, in recent years, begun to undermine this policy. However, I should like to sound a serious warning against attempting a radical revision of the policy, since the Common Agricultural Policy of the European Community has to a great extent fulfilled the purposes for which it was intended. Ever increasing cooperation in this particular policy has drawn the Community closer and closer together in this field — which was one of the purposes for which the Community was originally set up.

The original driving force in the establishment of the European Community was to a large extent economic. The idea was to guarantee increased prosperity and welfare for the people of Europe, and for this purpose one of the intentions was that Europe's farmers themselves should have a share in this prosperity and enjoy conditions of production such as to permit them to contribute to the progress and welfare of society.

This was to be brought about by means of rational and efficient production, not in big factories, but on efficient family holdings. I think it is true to say that the development was and continues to be healthy, but that major problems have begun to arise. The people — in many cases young people — who have accepted the challenge and built up holdings of this kind, which, from the point of view of the consumer, will be the only viable type of holding in the future, are currently suffering the consequences of the very high interest rates and the massive increases in costs resulting from higher energy prices. These things have made matters difficult for these people, which is unfair since they have taken on the very task which the Community had in mind with its agricultural policy, and to which the Community itself has given considerable support by means of the structural policy it has pursued hitherto.

I therefore wish to oppose in the strongest possible terms the idea that the agricultural policy should be turned into a kind of social and regional policy. I think it is a very good thing that attention is being paid to the work to be done in these fields. Matters of this kind can however never be within the scope of the agricultural policy, nor can it be our intention to start

work on the further development of the Community, which is what we are discussing here today, by damaging or even destroying the sector in which the Community has made most progress.

These are the thoughts underlying the amendments I have tabled, including one proposing a new general introduction which I think I may be permitted to say hangs together a little better than the existing one, which was adopted by the Committee on Agriculture only after a great deal of chopping and changing.

We must also bear in mind that one of the things we must do is establish a real Community in economic matters. I have also tabled a series of amendments in connection with the wide-ranging debate on milk production, since I do not think the problems are as great as some people are trying to make out. The fact of the matter is that these problems are a result of our failure to establish a real economic and monetary union. As far as I know, the places where there has been a really sharp increase in milk production are only those where the situation as regards agricultural prices is difficult from the monetary point of view. I cannot go into the views I have put forward in my proposed amendments regarding milk production in any greater depth, but I think that this is another field in which the Community is conducting a rational and healthy policy of we consider that this is a question of extremely important foodstuffs and that the conditions of production can be very unstable for climatic reasons, and since the decisions made regarding both consumption and production affect millions of people.

Instead of making those amendments as proposed by certain quarters in this House, which would involve a move towards social and regional policy in the agricultural policy, we should move further towards a real common policy, not only in the monetary sector, which I have already mentioned, but also in those sectors where — as I have tabled an amendment on this point — there is still a very wide range of national aids in force, including a wide variety of provisions regarding taxation. The move towards a real common policy should continue in this field too, so that eventually agricultural production will enjoy the same economic conditions throughout the Community, and agriculture will be able to continue making a contribution not only in the form of plentiful and stable supplies of foodstuffs, but also in the form of products of a really high quality. In the light of these considerations, I have tabled an amendment aimed at placing more emphasis on the question of quality in the agricultural policy.

May I, as there is unfortunately so little time at my disposal, wind up by saying that the main impression I get from this debate and from the views that have been put forward regarding over-production and surpluses is that there is a total lack of dynamism. I get the impression of hearing — and I hope you will excuse me for speaking so frankly — a whole series of state-

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ments reflecting an appalling lack of vision. We in Europe have an enormous production potential for foodstuffs. At the same time, this Parliament is working on the question of hunger in the world. I am a member of the working party in question and I can assure you that it is a remarkable experience to go from one meeting where people are discussing hunger to another where they are discussing over-production. I realize that some people say we cannot simply hand over milk and the other products in question to these people.

Nevertheless, it is one of the most valuable foodstuffs in the world and one for which we have particularly favourable production conditions. It should be possible by means of research etc. — and I also have a proposal on this matter — to find a way of using what we have in such abundance and what we have such a great capacity for producing, to help in feeding a hungry world. I think this would be a more dynamic attitude to adopt and that there would be more future in it. In addition, it could reinforce the position of the Community and of Europe as a whole. I think this is the direction we should take. I do not think we should adopt a defeatist attitude which would in reality mean trying to encourage European agriculture, which has so much potential, either to develop or to become a kind of folk museum supported by permanent budgetary appropriations and social and regional aid. This cannot be our intention. I urge you, therefore, to support the modest amendments I have tabled and, for the rest, to try and conduct a more dynamic policy in the future, i.e. to adopt a more optimistic and forwardlooking attitude.

President. — I call Mr Barbagli.

Mr Barbagli. — (*I*) Mr President, ladies and gentlemen, Mr Gundelach said yesterday that market imbalances provided a reason for freezing agricultural prices. But if farmers' incomes declined, especially in comparison with incomes in other sectors, it would mean that prices would have to go up by a considerable amount.

Faced with this situation, we have to come up with a political solution that takes account of the actual circumstances of Community agriculture, with all the imbalances in human and geographic terms which are part of the general situation in the Community. What we do not need is a technical solution which alters a few figures in the budget, and this is all the Commission proposals seem to offer. Instead, we need some definite decisions for the benefit of full-time farmers who account for the vast majority of producers in the agricultural sector. For these people, protecting prices means safeguarding wages which are already lower than in other sectors, for a greater number of hours worked. They are also unaccompanied by social benefits like unemployment money, and definite decisions

are needed unless we want to swell the ranks of the six million unemployed that Mr Gundelach spoke of yesterday.

There were some speakers yesterday who quite rightly stood up for the consumers, but I should also like to have heard someone speaking up for the family farms which are not covered by any cost-of-living increases. A properly formulated prices policy is also essential if we are to have an effective structural policy centred on agricultural producers. We need a prices policy that takes account of production costs and which is backed up by social measures suited to the overall requirements of the Community regions and their particular features.

If we are to have a serious prices policy, we also need measures which will really tackle the problem of surpluses and hit those who produce solely to benefit from intervention buying. The dairy sector is symptomatic of the problem of surpluses. If you look at Table 7 at the end of the Delatte report, you will see that 90.5 % of the dairy farmers in the Community — and most of these are full-time farmers — produce 55.2 % of the Community's milk. There has to be a clear decision in this sector. In my view — and I am not alone in thinking this way — there ought to be a franchise of 60 000 litres for all producers, and not only those covered in paragraph 21 of the Delatte motion for a resolution. Also, the additional superlevy should apply to producers who produce more than 250 000 litres, as this would not affect the ordinary farmers but in percentage terms, only 3.1 % of the producers and 23.9 % of total milk production in the Community.

There is also another alternative — a supplementary levy on products placed in intervention. This alternative is suggested in an amendment which another Member and I have tabled. I agree that from one angle this solution may seem right, while from the other it might not seem a very Community-minded alternative, in the sense that it does not take account of the overall needs of farmers in the Community and of the imbalances which also exist at regional level in this sector.

After these few simple examples I have given, I want to close by saying that there is no lack of technical means to cope with the problem outlined by the Vice-President of the Commission. What are lacking are sensible political decisions. This Parliament, elected directly by the people of the Community, cannot shirk its duty in indicating what these decisions should be. We have to adopt a European approach. We must act on those principles to which all too often we pay only lip service.

President. — I call Mr Newton Dunn.

Mr Newton Dunn. — Mr Fernandez, the French Communist, spoke just now about the French farmers demonstrating outside this building. From the reports of their primitive and violent behaviour towards my national flag, I would not call that 'demonstrating', I would call it 'revolting'!

Mr President, I have three minutes and I would like to make one principle, one point, absolutely clear. It is this: any Member State of the Community should not be hindered from achieving self-sufficiency in any commodity if it wishes to do so, subject of course to common prices and to the free movement of goods. In other words, there should never be a disincentive against any one state producing enough food for its own people. That is surely common sense. Yet, Mr President, the Commission's proposals try to breach this important principle in the case of sugar.

Let me explain. Two states of the Nine, Italy and the United Kingdom, are not self-sufficient in sugar. Neither of these states produces enough sugar even for its own people, yet the Commission's proposals for new sugar quotas would mean that these two countries receive Aid quotas which are less than their own consumption of sugar, and it is proposed, of course, that other states would receive Aid quotas which are substantially greater than their own national demand.

This is completely the opposite to common sense, Mr President. Furthermore, sugar-beet in the United Kingdom is among the cheapest produced in the Community. Its production should therefore be encouraged.

This is a great injustice that is proposed to Italy and to the United Kingdom, and I therefore appeal, through you, to Mr Gundelach in the interests of national and natural justice to reconsider and to allow these two countries an Aid quota which at least matches their current sugar production and which more nearly approaches their own consumption.

President. — Mr Newton Dunn, I may tell you that Mr Pflimlin asked me to take his place in the Chair so that in his capacity as mayor of Strasbourg he could deal personally with this untoward matter of the flag.

I call Mr Balfe.

Mr Balfe. — Mr President, in Britain, when one makes a speech one makes what is known as a declaration of interest, so I suppose I ought to begin by saying two things: firstly, that, to the best of my knowledge, I do not have a single farmer in my constituency, which puts me in one camp, and, secondly, that for many years I have been concerned with the Cooperative Movement in Britain and have been, in the very recent past, a director of two dairy companies and of the Cooperative Wholesale Society, which is

the largest farmer in Britain, and have been concerned with a number of other ventures within the Cooperative Movement with a strong agricultural base. I think this is worth saying in view of the fact that I hold that the interests of both the consumers and the Community would best be served by a freeze. I am, reluctantly, in favour of the Commission proposals, though I am certainly not in favour of going beyond them.

There are a number of reasons for this contention, some of which are agricultural and some of which, quite frankly, have a lot to do with the structure of the budget as it stands at the moment. Virtually no one in the United Kingdom can support the present balance of expenditure within the agricultural part of the budget. We have a situation at the moment where — I shall run through the figures quickly — the Netherlands gain £ 379 million, Italy £ 292 million, Denmark £ 278 million, Ireland £ 255 million, France £ 205 million, Belgium and Luxembourg £ 38 million, Germany pays in £ 228 million, but of course benefits from mca's, and the UK has a minus against it of £ 1 170 million. This is probably at the root of the thinking of both parties in the United Kingdom on the future development of the common agricultural policy. We have now to look quite seriously at any proposed development in the light of whether it is going to add to that burden or not. Obviously, some of the proposals in the Commission package show that this question has already been considered.

Recently, Mr Chirac said, 'Britain should either accept the rules or quit the game.' I believe that we have accepted the rules a little too compliantly. In 1971, when British membership was finally agreed, there was a very clear understanding that agricultural expenditure as a proportion of the budget would fall. That it most certainly has not done. In 1974, when renegotiation took place, not only was the same understanding written in, but in addition to that the CAP then cost something of the order of £ 1 600 million — as opposed to over four times that today — and it was again made clear that a situation in which Britain lost out substantially because the budget had not been rebalanced would not be considered acceptable. That is where the problem still lies today, because neither of those promises has been observed. We have not seen an increase in industrial and social spending; on the contrary, we have seen an increase in agricultural spending, and some of us would argue that a large part of that increase has to do, not with building a Europe with an efficient, self-sufficient or restructured agriculture, but with moving what in Britain would be transfer payments from the national income-support mechanism on to the Community budget in respect of the agricultural sector.

There is, as we all know, a fundamental difference between farming in Britain and farming in the rest of Europe. It is a historical difference and cannot be wiped out in a few years, although in the view of most people in Britain we have done a tremendous amount

Balfé

to shift our trade and our consumption from external to internal markets wherever this has been possible.

I wish to make one or two comments on the proposals for the dairy sector. Whilst I believe that they are the best that we are going to get, it is with a great deal of reluctance that I am supporting them. For a start, I find it very difficult to support the co-responsibility exemptions, which give rise, according to my advisers, to the following pattern of exemptions: Luxembourg, 67 % of production; Italy, 66 %; Ireland, 45 %; France, 39 %; Belgium, 32 %; Germany, 32 %; and Britain, 8 %. It is not acceptable to produce yet another policy which leads to yet another increase in the burden on the British dairy industry, which, you must let me remind you, is not a surplus-producing industry. It is a dairy industry in which liquid milk accounts for 49 % of milk production as opposed to the much lower figure of 14 % for the Community.

The second set of proposals on which there are serious reservations concerns the super-levy. These reservations are centred on the system of exemptions and the way in which the system is organized. Many people have expressed considerable concern at the variations in the ability of different Member States to calculate and register production. So, whilst I shall be supporting the Commission's proposals — that is, assuming the House does not, unexpectedly, agree to a price-freeze — I think it is only fair to let the Commission know that I believe that a strong body of opinion, which is not necessarily confined to one political group in Britain, will be looking for substantial amendments to the milk proposals in order to make them acceptable to Britain.

Let me now briefly move on to the position facing us today. When we rejected the budget last December, we made many fine speeches about the need to cut back the agricultural sector and to bring it under control. If we accept the Delatte report today, we shall really have wasted our time last December. We shall have been totally inconsistent. We have to look at agriculture in the light of the rapid depletion of the ECC budget and also of the proposed extension of the EEC, which will double the number of people in agriculture and will change the whole face of agriculture to such an extent that the CAP can no longer stand up to the strain and the member governments of northern Europe will not — I hazard to predict — be willing to vote sufficient funds to enable the member governments of southern Europe to maintain the standards of living which the present CAP was designed to offer.

So we are facing a situation where we have only two options. Either we begin now to bring the CAP under control by putting forward sensible proposals during this, the last year before we run out of money, or we let the CAP go over the top, run out of money, and we then sit back and say that we are an ideologically bankrupt Parliament and have nothing to offer. We are very good at making noises, but when we had the

opportunity to make constructive comments on the agricultural prices before the budget was adopted, we signally failed to do so: fell prey to lobbies, to nationalism, and failed to go beyond the very narrow horizons of European agricultural politics. If we are to have a responsible, worthwhile European Parliament — though I am not sure that is the best thing to have — we must put our budgetary house in order. We have got to realize the central point that national governments must pay a greater part, especially with regard to income support for the poorer sections of agriculture. If they do not, then the CAP will collapse even sooner. The CAP cannot stand up anyway. If Mr Chirac is serious that we should quit the game, what he is saying is that he is willing to cut £ 1 000 million off the amount that at the moment comes into the CAP and Europe. Fine, fair enough! But if this is what the CAP was built up for, if this is the guiding principle on which the CAP is to be run, then why did we start off with it in the first place? It can hardly be seen as a contribution to anything the Common Market stood for if the CAP collapses because Member States of the Common Market have been unable to come to grips with the problems that face us. In the words of a Tory Minister, whom I do not often quote, 'having a bad agricultural policy and supporting a bad agricultural policy is not being a good European'. Those people in this Assembly who are looking for a future in Europe, as opposed to looking for an easy way of breaking it up — and that is the direction we are heading in at the moment — had better think very seriously before they let national selfishness dominate their thoughts and in the end turn us into a very narrow-minded and restrictive Assembly.

IN THE CHAIR: MRS DE MARCH

Vice-President

President. — I call Mr Herman.

Mr Herman. — (*F*) Madam President, ladies and gentlemen, anyone who has listened carefully to the various speeches which have been made in this House since yesterday can see that today we have reached total deadlock. In the short term the only way out is via a reasonable compromise. The Delatte report, in common with the reports by the various committees, contains, in my opinion, for the reader who has enough goodwill to want to read between the lines, a sufficient number of points of convergence to enable us to achieve a reasonable compromise. But it seems to me that the main difficulty lies in the extraordinarily exaggerated ideas people have, on both sides of the House, of the complexity of the problem and the prejudices and preconceived opinions have only increased since the beginning of the debate. Instead of trying to

Herman

understand each other and bring our viewpoints closer together, we are in fact moving further away from each other. Eventually we are going to have to restructure and rethink the whole agricultural policy. This is the only way out, because the reasonable compromise which we are sooner or later bound to arrive at will only solve the problem for six months or a year, whilst we must think of the longer term. I simply cannot understand why European agriculture should not be able to find an economically balanced way of providing employment and income for farm workers in a world which is threatened by famine. It seems to me inconceivable that we should be incapable of devising here a Common Agricultural Policy which will eventually be capable of being geared to the main problems of the world. It also seems unacceptable to me that we should agree to purely short-term management, based upon a narrowly budgetary conception of things, or problems which are likely to affect our longer-term future. This is why I believe that it is indispensable for the Commission to address itself very rapidly to the problem of setting up a commercial body intended to upgrade agricultural production; similarly, the problem of taxing imported oils and fats should be dealt with and, eschewing a narrow Malthusian outlook, we should gear our agriculture to the real needs of the world.

I should like to give brief replies to two arguments. My first remark is addressed above all to our British colleagues, who have said that our attention should be devoted to important priorities today. I am in agreement with them. But they ought to know that at the moment the main obstacle to the development of other Community policies is not so much a lack of means as a lack of consensus in the Council of Ministers on which policies should be pursued. How many appropriations which we have approved are still unused today because our various national governments have not been able to agree on any other policies than the Common Agricultural Policy? Well then, let us not kill off the only policy we have at the moment on the pretext that there is a lack of funds for other policies. The truth is that no-one wants to create any other common policies. Here I am speaking directly to you the British Members of this House for your part, to remind your government from time to time that other policies do exist and that it should not stand in the way of them indefinitely.

My second remark is for the benefit of the President of the Commission and Mr Gundelach: it is not completely accurate to say that the Commission's proposal regarding prices is in complete harmony with the decision taken by this Parliament when it rejected the budget, nor is it true to say that it constitutes an example of the full and strict implementation of that decision. I should like you to read the reasons that were given in support of these amendments and I should like you to read the speeches that were made during that memorable sitting: you will see that Parliament

rejected this budget for many other reasons and that in our opinion there were pressing reasons for changing the agricultural policy in certain directions, directions in which the Commission had not begun to move with sufficient decisiveness. But in budgetary terms the Commission has gone further in the direction of restrictiveness than Parliament had decided. Consequently, the proposals you are making to us with regard to agricultural prices are not in complete harmony with the decision this Parliament took during the budget debate. It seems to me that you ought to reread exactly what we said at that time.

Finally, I persist in believing that most of the points which have been raised here contain sufficient elements of convergence to enable us despite everything to reach a solution based on a reasonable compromise in order to deal with this problem in the short term. Above all, we must think of the agriculture of tomorrow and the world's food supplies.

President. — I call Mr Turner.

Mr Turner. — Madam President, I wish to move some amendments to the proposals in the report on sugar — namely, Amendments Nos 200, 202, 203, 204, 206, 207 and 208, which are in the names of my colleagues Mr Tyrrell, Mr Fergusson and myself. They are on behalf of the European Democratic Group. We take exception to the way the report has dealt with the shift of ACP sugar costs from the CAP to the Development Fund. We also take exception to the attitude of this report on the overall sugar quota proposed by the Commission.

I returned from Tanzania a few weeks ago with a number of people from this Parliament who had been consulting with the ACP States. When I was there, I said that we should not cook the books in this European Community and shift the so-called cost of ACP sugar from the CAP to the Development Fund. It is a mere cosmetic trick, and I am sorry to see that it has come up in this report again. It is unworthy, spiteful and childish and it naturally strikes at the heart of the confidence of the ACP countries in what we are trying to do.

Might I just ask you this: would it not worry you if you were an ACP country and saw this proposal constantly being put before the authorities by interests in the common market? That is the first thing.

The second is this: I said that we welcomed the overall quota proposed by the Commission on EEC beet sugar when there is a surplus of sugar. Naturally, if there is no surplus, we do not need these quotas.

I warned the ACP countries that there were two difficulties. First, the breakdown among the various Member States is quite unfair. British sugar is being cut by

Turner

30 %, according to these proposals, and French and German A quota by an average of only 2 %. This, of course, is intolerable, but it does not affect the fact that we accept the overall quota put forward by the Commission as a principle to be supported.

The second warning I gave was that it was quite impracticable to put this quota into effect this year, because the farmers had already got their contracts out and their fields planned. I think that is quite clear, but nonetheless we accept the principle of this overall quota.

Now I am very glad to be able to say that my group supports these amendments. We are unanimous in this. I hope to goodness that the other Europeans who went to the ACP Conference in Tanzania three weeks ago and made all those fine speeches about their intentions on sugar will have come back and spoken to their groups and persuaded them to support the amendments that we are putting in and to oppose what the report has proposed instead.

I would finally say this: the British market is largely shared between British beet-sugar — and many of the beet-sugar farmers in Britain are in fact my own constituents — and the 1.3 million tonnes from the ACP. It is a traditional picture and a stable picture, and while there is a surplus of sugar it would be sheer lunacy to allow more imports of French and German sugar to come into Britain, because that could only lead to a disastrous upsetting of the market not only in the EEC but throughout the rest of the world.

And so, ladies and gentlemen, I would ask you earnestly to support amendments which will give the ACP countries confidence that we mean what we say when agreeing to accept their 1.3 million tonnes of sugar.

President. — I call Mr Gautier.

Mr Gautier. — (D) Madam President, ladies and gentlemen, following on what Mr Turner had to say, I should like to say something on one or two problems connected with sugar quotas. The Socialist Group is asking for paragraphs 35 to 47 to Mr Delatte's report to be deleted. The reason is that we differ on almost every single point in this report. I shall give four examples to show what we mean.

Firstly, Mr Delatte and the majority of the members of the Committee on Agriculture maintain that European farmers should not have to foot the bill for the Lomé Convention and are therefore against a reduction in sugar quotas.

We, as socialists, are, on the contrary, of the opinion that in the long term we must guarantee the ACP states an outlet in the world market for their sugar and we believe that we must correspondingly reduce the

quota. The committee's proposal is based on a Community production target of 10.4 million tonnes and Community consumption of only 9.6 million tonnes that is to say, even when quotas have been reduced, as the committee suggests, we shall still have surplus production of one million tonnes.

Now Mr Delatte, and with him most of the members of the Committee on Agriculture believes that prices on the world market justify further and greater production. We of course see this matter in a fundamentally different light, and price developments during recent weeks on the world market justify our attitude, namely that high sugar prices on the world market are not likely to last.

What is more, Mr Delatte's report gives the impression that we require high sugar production in order to use the sugar-beet in the short or medium term to obtain alcohol as an energy substitute. To this I can only say that from my experience of the present state of research this is a somewhat hasty conclusion, as long as the problem of making use of the resulting waste materials, in this instance cellulose, has not been solved in terms of profitable use of both space and time. But since this is not likely to happen for the next five years there is absolutely nothing to be said for using this as a justification for higher sugar quotas.

Lastly, the expression 'strategic reserves' has been bandied about a great deal during the debates of the last two days. Obviously strategic reserves has become the latest catch phrase with which any kind of overproduction, no matter how senseless it may be, can be justified. It is news to me that the creation of strategic reserves is part of the job of the Common Agricultural Policy. But even if it is part of it, we still ought first of all to give some thoughts to the question of which products and how much to them should actually be stored, instead of saying 'wherever we have surplus products we shall call them strategic reserves, whether they are olive oil, butter or wine'. This is just the sort of reasoning with which we in this Parliament make ourselves a laughing stock.

In principle, therefore, we socialists are in favour of a reduction of sugar quotas in the Community. Two amendments to this effect have been tabled: the first asks for the Commission's proposal of a 10 % overall reduction — contrary to what the Delatte Report recommends to be restored, and the second, which was put down by the Socialist Group, proposes to abolish completely the B quota and to retain the A quota. These are, in principle, two justifiable ways of attaining the goal of a reduction in sugar production. However, I must personally say that, if I weigh up the interest of the ACP-states against those of European farmers and the European sugar industry, I come to the conclusion that it is better to follow the Commission's proposal, because by so doing we can achieve everything: a reduction of production accompanied at the same time by full use of the European sugar industry's capacity, which is a resolution to satisfy everyone.

President. — I call Mr Aigner.

Mr Aigner. — (D) Madam President, ladies and gentlemen, Mr Tugendhat, I believe that today's debate does not merely concern prices — I suppose everyone must realize this by now. We have reached an important turning-point, and I can only regret that the debate has taken an emotional turn, for this is clearly an unwelcome development. At the same time, we must admit that what has been said in recent weeks and months concerning our agricultural policy, including some things which have been said here, have been so ludicrous and indicative of such ignorance that one can only be astonished at the amount of false information which has been circulated.

That was my preliminary comment. For months we have read and listened to ideas on all kinds of things — butter mountains and milk and wine lakes, but we have read very little about the real issues. Not that the butter mountain is a catastrophe. President Jenkins, if the television companies which were here today had spent only five minutes broadcasting the information that Europe can only guarantee its butter supplies for a few days, the stocks of 400 g per person in the Community would have disappeared in the 'pipeline' in under two or three days. Of course, Mr Gautier, not all our surpluses form part of the strategic reserve. For my part, at any rate, I would not like to exclude wine from the strategic reserve or, for that matter, sugar. We have seen how the world market price has soared as a result of speculation and that Great Britain was also very thankful for getting cheap sugar from the Community without having to pay the high price on the world market. Why, Mr Jenkins, is this debate so enormously interesting? Because I feel that this year we are witnessing the convergence of three trends.

Firstly, we have reached the borderline of our own resources. We cannot spend more than we earn, and the nine Member States and the nine parliaments and governments have set a limit. That is a fact with which all farmers will have come to terms.

Secondly, and this is a point which also cannot be passed over — our limited resources must now be used for structural rather than seasonal surplus production, although this means that the financial resources which we sorely need for the structural improvement of agriculture are simply not available. That is the second fact which we must all face.

The third fact which cannot be ignored is that with inflation at 13 %, and while the operating costs of all farmers are on the increase, farmers can no longer cover their costs. I am not talking now about the differences in income between the various income groups. With inflation in the Community running at 13 % it is out of the question for us to fob our farmers off with 2.5 %. Mr Tugendhat and Mr Jenkins, I also do not feel — as Mr Gundelach has so often said, both

here and to me personally — that the Commission is worried about one or two percent. The problem here is not one of a price increase of one or two percent more or less, but of establishing a policy and, above all, of ensuring that our agricultural production continues to be safeguarded, and not merely in the short term. I also do not wish to repeat what has been said by my colleagues, Mr Notenboom and Mr De Keersmaecker, as I share their views completely.

However, a few basic comments should be made even at this late hour. I believe that there is no real alternative to the Community's agricultural market organizations, either at national or Community level. This means that production, even with seasonal surpluses and the marketing of surpluses, is in my view still cheaper — and I say this not just as a Member of Parliament but also as chairman of Parliament's Committee on Budgets — than unemployment pay, state-financed environmental protection or direct social compensatory payments. Ladies and gentlemen, politicians who take an overall view of things should never forget that Europe is gradually being stifled by a process of urbanization, and if we analyse the cost of the ills of our urbanized society, including the rising crime rate, we should see the cost of safeguarding the agricultural market in a completely different light from what is sometimes the case here.

Ladies and gentlemen, Mr Gautier, another point I would like to make is that we should do our utmost to prevent Community consumers from falling prey to speculation on the so-called world market. There is no world market price. If European consumers had to buy on the world market tomorrow, the price would be dictated to them. It is a question of purchasing power: products go only where there is sufficient purchasing power available. Those who have to sell must be content with the market price. It would be a sorry situation if European consumers were at the mercy of world market speculation. I think, Mr Tugendhat, that we should also keep this in mind in our budgetary discussions. Every year the world population increases by about 2.5 %. If we examined the FAO statistics over several years, we would be horrified to find that the increase in farm production has virtually levelled off. Let us not forget that we in Europe have the most abundant food supplies in the world and the most stable prices imaginable.

No one thinks it disastrous that we should subsidize coal, for example, and my country subsidizes it far more heavily than the Community subsidizes farm production. In other words, we should discuss this matter with a proper sense of perspective. Only then we will be able to take the long-term, far-reaching decisions which are required.

My conclusion is therefore very simple: the Community farm policy must be maintained. Any further attempt to drive European farmers from their land over and above — I repeat, over and above — nor-

Aigner

mal rationalization would be reprehensible. An average price increase of at least 5 to 6 % is necessary this year, but — and here I address the Council — this can be financed using existing resources. The agricultural markets must in the next few years — even this year — be better managed than they have been hitherto. If we do not succeed in throwing — and I mean throwing — the Member States' management committees for market organization out of the Community decision-making process, and if Commission decisions are not geared to price movements on the world market more quickly than in the past, the 200 or 300 million which we squandered last year will be spent senselessly next year also. We shall be discussing this point very thoroughly at the forthcoming meetings of the Committee on Budgetary Control. I only hope that the Council and the Commission will act accordingly.

Ladies and gentlemen, I now come to my final point. I am genuinely conscious of the fact that we must economize in all fields, including farming. Every penny which can be saved must be saved. I should point out, however, that the real responsibility for the present deplorable state of Community farming rests almost entirely with the nine Agriculture and Finance Ministers of the Community and not with the Commission or Parliament.

I wish the 260 million Europeans could have actually witnessed the latest round of concertation between the nine Members of Parliament and the nine Finance Ministers or their representatives, when we argued until 5 a.m. and almost every member told us we were right and that what we were proposing was really the only solution, but because of the unanimity rule we were unable to take the necessary decisions. That is basically why we have got into this dreadful situation. That is why I now say that the Community's decision-making structure, first and foremost that of the Commission, must be restored. Only the Commission is answerable to Parliament, but sadly the nine Finance and Agriculture Ministers are not.

I would urge you all, ladies and gentlemen, to read the latest issue of the German Community Magazine, which contains an article by the Secretary of State for Finance, Mr Lahnstein, on the conflict between the Council's budgetary and legislative powers. The reader is forced to conclude that it is the arrogance of power which denies the legitimacy of 410 Members of Parliament and regards a government decision or party line as more legitimate than our election. At any rate, I can assure the Council that my Group firmly intends to carry through its plans for the budget and agriculture, even if the Council intends to provoke a head-on clash. We would rather have no budget at all than have to give up in the face of the Council's inability to reach forward-looking decisions. Since there is now a certain amount of 'commuting' by Members between the Parliament and the Council, my only hope is that common sense will at last prevail in the latter also.

(Applause from the centre)

President. — I call Miss Brookes.

Miss Brookes. — Madam President, last night Mr Gundelach stated that some financial aid would be available for farmers in poorer areas. He spoke of Community food aid. He spoke of the co-responsibility levy. He spoke of aid for certain farmers. He spoke of premiums. But during his speech he omitted to mention the actual question of poorer land, known to the majority of us as marginal land, and the financial aid that may be available for that land, which is covered by EEC Directive 75/268.

Members of the European Parliament in the last part-session discussed agricultural structures. Now we are discussing finance and agriculture, and at the end of the day that is the common agricultural policy.

For a number of years in Wales, and indeed throughout the United Kingdom, there has been a growing interest in the rural areas of our increasingly industrialized world and in the ways which can enhance that indefensible... *(Interruption from certain quarters on the left).*

There are certain areas in Wales, and indeed throughout the European Community, that are dependent on farming and where family farms and low incomes constitute agricultural problems. The family farm in Wales is the basis of our agricultural industry.

In the United Kingdom there are approximately 2 ½ million acres of grade 3, 4 and 5 land, and in Wales approximately ¾ million acres that are regarded as marginal land, benefiting neither the lowland nor the highland farmer and neither receiving any aids.

EEC Council Directive 75/268 states: 'Special provisions should be adopted at Community level which are suited to those agricultural areas in which natural production conditions are least favourable'. Those words obviously apply to marginal land in the United Kingdom, the steady decline of which, as compared with other regions in the Community, is particularly severe and may eventually lead to the abandonment of land which was previously maintained and a decrease in the population of those areas which are dependent on agricultural economy.

This land has poor-quality soil often mixed with stone, a short growing season and a degree of slope. This means that the cost of maintaining and working this land is extremely high. Special agricultural implements and machinery are required and agricultural life for families in those areas is hard, tough and difficult, with little financial reward.

They do not wish to leave the agricultural industry or the country. Indeed, why should they?

It is time that the Commission and the Council recognized their difficulties and gave them financial aid.

Brookes

What I ask of the Commission and Council is that they extend the directive to cover this marginal land, i.e., that they extend the boundaries of the less-favoured areas into Wales and the whole of the United Kingdom to include land designated by the United Kingdom Minister of Agriculture as belonging to grades 4 and 5, and so give financial aid to those areas that I have described.

I would point out that the United Kingdom is the only Member State that does not receive financial aid from the Community in respect of marginal land. I ask the Commission and Council to say what conditions must prevail within the Community to bring this about and to make known those conditions that exist in the directive to the appropriate authorities.

President. — I call Mr Nyborg.

Mr Nyborg. — (DK) Madam President, I should like to remind the House that the EEC Treaty contains something known as Article 39. Article 39 refers to increasing agricultural productivity and ensuring a fair standard of living for the agricultural community. As far as I am aware, this article of the EEC Treaty has not been amended, and it therefore seems illogical to me for us first of all to encourage rational production methods and then to punish the efficient farmer by way of a levy. What I am referring to is of course the coresponsibility levy. I should like to see this instrument done away with, along with monetary compensatory amounts.

I would have preferred a price rise of 8.5 % to Parliament's 7.9 %, as it has been said that farmer's incomes have fallen behind over the last few years.

As regards Mr Gundelach's remark that there is no logical link between Parliament's rejection of the budget and its agricultural price proposals, I should like to point out that this criticism does not apply to the European Progressive Democrats, as we voted against rejection of the budget in December. If Mr Gundelach's assertion is correct, and it really is impossible for the European Community to consume or export any more produce, what is being done to find alternative uses for the agricultural produce? Is there any research being done in this field? And if so, what findings have emerged so far? Time is unfortunately too short for me to go into any more detail.

President. — I call Miss Quin.

Miss Quin. — When one listens to the speeches today, it is quite obvious that we cannot separate the agricultural price review from the budget or, indeed, from the whole future of the CAP. What worries me about the Delatte report and its recommendations —

indeed, it is why I voted against it in committee — is that it seems largely unaware of the scale of the problem and by seeking a 7.9 % price increase is simply asking for more of the same rather than recommending anything new in a time of great agricultural crisis.

The report does, of course, refer to surpluses, but the only real response to them seems to be a wish to curb imports from outside the EEC, whether it be oils and fats, or dairy produce from New Zealand, or the establishment of sheepmeat and other regimes. In my opinion, nothing could be more short-sighted than this. It simply postpones the eventual necessity of coping with a system which has an inherent tendency towards over-production.

Whom does the price increase benefit? Well, many people have said that it benefits the big farmer at the expense of the small farmer, and, of course, to a certain extent this is true. However, I think that we need to go into the matter rather more deeply and have a look at the question of small farmers and which of them actually do need help and which of them do not.

From the Commission's publication on the agricultural situation in 1979, we see that only 39 % of farms are full-time farms, and all those farmers who are part-time farmers spend on average only a quarter of the time on farming activities.

Now some small farmers who are eking out a living in deprived areas deserve our full support. Other small farmers who may be working full-time elsewhere do not. — At least, if they are in receipt of full-time paid employment they should not sell their products into intervention and thereby receive subsidies from millions of urban consumers, some of them extremely poor, throughout the EEC.

Again what worries me is that no one seems to have estimated the extent of this problem. I have tabled written questions to the Commission asking about the number of part-time and spare-time farmers, but the number of them, or their general economic position, is certainly not known and it seems that the national governments themselves do not have adequate statistics in this respect. And yet, given the amount of money that we spend in the agricultural sector, particularly in the dairy sector — and many of the small part-time farmers are dairy farmers — this question is obviously of crucial importance.

Who else does the price rise benefit? Well, as has been pointed out in an article in the *Financial Times* of yesterday, a great range of middlemen — processors, manufacturers of farm equipment, etc. — receive what are in effect hidden subsidies through the workings of the present CAP. Perhaps they benefit more than many of the farmers who really need the support.

The whole problem is, as has been said in the course of today, that the price mechanism is unwieldy and

Quin

totally unable to solve on its own the objectives of Article 39 of the Treaty, in themselves highly laudable objectives but ones which are rather difficult to reconcile and meet fully.

I hope that there will be a greater emphasis on structural change and on direct income payments to farmers instead of relying on price support. This, while keeping prices reasonable for consumers, would allow farmers in deprived areas who are in real need of assistance to be protected. Of course the social, regional and environmental reasons for protecting them we all appreciate.

Finally, surely it is time that Parliament itself agreed to consider as a matter of urgency a full-scale review of the CAP through its various committees and through such techniques as public hearings in the different countries of the EEC. This is not just in order to be consistent with the position that we took last December, but also to show that we are serious about the future of the whole of this Community.

President. — I call Mr Tyrrell.

Mr Tyrrell. — Madam President, we meet at a time when a demonstration of farmers is going on outside the Chamber. We do not blame them for that: they think their livelihoods are at stake. The livelihoods of many more outside France are also at stake. I refer in particular to the many millions in the Third World countries who depend on their sugar crop. I welcomed the constructive speech made by Mr Gouthier earlier this afternoon on the question of Third World sugar.

I condemn, with contempt, the amendment No 96, put down in the name of Mr Pranchère and others. When one has this kind of double talk, this hypocritical dealing, one cannot be surprised if demonstrations outside this Chamber turn to violence, because what Mr Pranchère is saying is that there should be no limitation on sugar production but at the same time we must honour our commitments to Third World countries. You cannot have it both ways.

The Committee on Agriculture also, I regret to say, has descended into fairy-land by saying that we should join the International Sugar Agreement. How can we join the International Sugar Agreement when we are flooding world markets with our subsidized sugar and thus preventing the Third World countries from competing successfully because they cannot provide subsidies? In 1973, there were 6 cane-sugar refineries in the European Community: now there are 3. Over 2 000 EEC jobs have been lost. But that is nothing compared with the loss in the Third World. In Jamaica, there are 30 % male adults unemployed. Subsidized EEC sugar is one of the causes. Now the Committee on Agriculture, in their Walter Mitty approach, have pinned their hopes on rising demand. Mr Gundelach told us yester-

day that demand now seems to be falling again. He says we are exporting twice as much sugar as we are importing, but whether that is so or not, the rise in demand is in the Third World countries and it is the Third World countries who can reasonably be expected to fill that demand, not us in the prosperous European Community.

Unless quotas are cut, there will be further closures of refineries in Europe. They will go from three to two, to one. We have, then, no capacity to honour our reaffirmed commitment to take 1.3 m tonnes of Third World sugar. A further 2 500 EEC jobs will be lost. There are 20 million cane producers in India who depend on the world market for their sugar.

The Commission's proposals represent a brave attempt to face enormously difficult problems which affect the livelihoods of people not only in France, not only in Europe, but throughout world. It is for us as a Parliament to uphold the Commission in the brave task that they have undertaken.

IN THE CHAIR: MR MØLLER

Vice President

President. — I call Mr Glinne.

Mr Glinne. — (*F*) Mr President, ladies and gentlemen, during this debate the members of the Socialist Group have had the opportunity to set out their views regarding the Community's policy on agricultural prices. Everyone is agreed that this debate is of great importance, and the quality of the speeches has amply demonstrated this fact, but it will be an incomplete debate at least in the eyes of the Socialist Group, if between now and next summer it is not followed by a broader debate on the very foundations of the Common Agricultural Policy — and that is the crux of the matter — since in our opinion prices policy is only one aspect, no matter how important it may seem, of the agricultural policy.

I think I can sum up the attitude of the Socialist Group in these two fundamental principles: firstly, we want above all to protect and support family farms. In this connection, our main concern is with the social status of the farmer and the improvement of his living standards. Secondly, we also wish to see the Community equipped with the means necessary to carry out a determined policy to promote full employment and improved working conditions and to promote regional development in the poor regions, as regards both the industrial and the agricultural sectors the rejection by almost every single member of the Socialist Group of the draft budget submitted by the Council last Novem-

Glinne

ber was rooted in these two principles. These two same principles have similarly inspired amendments put down on behalf of the Socialist Group and on behalf of individual members of the group. These amendments may be different in form and may vary as to the proposed measures, but they all aim at this same goal which is common to all the Socialists.

At the heart of the Socialist Group's attitude to the Common Agricultural Policy there are two objectives: firstly, to protect incomes of farmers and other farm workers; secondly, to guarantee consumers, who in the immense majority are also workers, satisfactory agricultural produce in terms of quality, quantity and price. The steps taken by the Community in the past have not been in accordance with these two needs since they were concerned principally with the problem of prices without giving enough attention to structural problems 'either' the market or production side. In order to justify this policy, much has been made of the difficulty of harmonizing in the short term the different national structural policies. This is why a policy has been pursued of unconditional price support, which has made a partial contribution to stabilizing incomes and has only done so, on the whole, in the case of the most favourably placed farms, while it has failed to bridge the gap between producer price and consumer price. The result is that the Common Agricultural Policy as it has been practised hitherto satisfies no one or, at best very few people. Not only does the heavy financial burden of the CAP leave hardly anything for the social and economic policies which the workers as a whole rightly demand, but it is also absolutely incapable of solving the many problems of European agriculture, which is a source of great natural wealth for the Community, as has been emphasized yesterday and today by several speakers.

This, Mr President, ladies and gentlemen, is why the Socialist Group is particularly insistent in calling for a debate on a new Common Agriculture Policy. In the opinion of the European Socialists we need to make substantial changes as rapidly as possible. Merely tinkering with the market in prices policy is not satisfactory and must be supplemented by a social policy and a structural policy as well as by the setting up of the appropriate mechanisms to make an effective contribution to improving the situation of agriculture in the various Member States and in the regions, the aim being to achieve a state of equilibrium between production and sales possibilities, taking due account of any possible exports and imports. In our opinion we need in particular to check firstly whether the single price system is compatible with the demands of developing production in all the agricultural regions of the Community secondly, whether financial solidarity comes into play through the present mechanisms of the EAGGF, not run counter to the need to adapt the volume, the pattern of investments in terms of the needs of the various Member States and under the control of the national parliaments; thirdly, whether Community preference should not be applied with due

regard to the need to maintain relations with third countries. In our opinion, price policy on its own is not capable — far from it — of solving the problems of European agriculture. This is why, Mr President, ladies and gentlemen, the Socialists Group insists — I repeat — that before the summer this Parliament should devote a broad debate to the setting up of a new Common Agricultural Policy in the interests of small and medium-sized family farms, in the interests of all the worker and all the consumers of Europe.

Finally, I should like to emphasize the great significance of the telegrams sent to us yesterday — when I say to us, I mean to all the chairmen of the political groups in the Parliament by the principal leaders of the European Trade Union Confederation.

(Applause from various quarters)

President. — I call Mr O'Donnell.

Mr O'Donnell. — Mr President, in the brief time at my disposal I can only point out to Mr Gundelach and to my colleagues in the Parliament that the agricultural proposals now before us would, if implemented — and I refer particularly to this proposal for a super levy on milk and the proposal to reduce the sugar quota — have disastrous economic and social consequences for Ireland, whose economy is vitally dependent on agriculture. No other country in the EEC has the same degree of economic dependence on agriculture. I respectfully submit to Mr Gundelach and to my colleagues in the European Parliament that so far as Ireland is concerned the proposed agricultural package is totally unacceptable. No Irish Member of this Parliament and no Minister in any Irish Government could go back to Ireland with such a package. And I submit that an attempt such as this to impose global solutions to Community problems without taking into account the full economic and social consequences of these proposals for regions such as Ireland is contrary to the letter and the spirit of the Treaty of Rome and is most certainly a violation of the Protocol to the Treaty of Accession, which recognized the entire island of Ireland as an underdeveloped region.

President. — I call Mr Price.

Mr Price. — Mr President, my position in this debate rests on two main themes: the first is that the amount which we spend at the moment on surplus agricultural production is more than all our non-agricultural expenditure put together, so that what we spend on our regional development programme, on the Social Fund, on aid for the Third World, research and development in energy and the entire business of administering all the Community institutions does not add up to what we spend on the sheer waste of unwanted agricultural production.

Price

The second theme is that Parliament itself has gained respect as a result of the stand which it took in December, and that must be followed through in our discussions on agriculture if we are to continue the momentum that this Parliament has given — a lead for the Community as a whole.

It seems to me that the question of surpluses is absolutely crucial and that the only way to tackle it effectively is to draw a line under our commitments. The proposals for a super-levy in the dairy sector and for the quotas in the sugar sector offer a way of doing this and I strongly support both those proposals, which I regard as being fundamental.

So far as prices are concerned, I think we have to look to the budgetary cost as a whole: that is really what is important. I believe we should support the proposals that the Commission have made, but I have tabled an amendment, No 171, which I now move, which I have put forward in a spirit of potential compromise, having heard in this debate various calls for a 5% average increase in prices: the amendment I have put forward would call for an across-the-board increase of 7.9% for those products not in surplus and no increase at all for the products which are in surplus. On the same basis as the Commission have worked out their budgetary costs, this would cost 144 million units of account more than their proposals. That would not substantially be out of line with the kind of room for budgetary manoeuvre that we have, but it would be in line with Parliament's firm stand on putting an end to the waste caused by agricultural surpluses, and I believe, Mr President, that that amendment ought to receive consideration from those groups who have put forward the interests of the farming communities in this debate as a possible basis for compromise.

President. — I call Mr Colla.

Mr Colla. — (NL) Mr President, ladies and gentlemen, this debate on agricultural policy and in particular on agricultural prices, reminds me of a kind of enormous whirlpool where a large number of strong but opposing currents meet and fight it out. The first point I should like to make represents, as it were, the first current: as a socialist, I should like to draw this House's attention to a matter of fundamental concern, which is that all working people — including farmers — should receive a socially acceptable income for their work. The fact of the matter, however, is that agricultural incomes have not progressed as have other people's incomes. From the social and emotional point of view, it must be said here today that the Commission's proposals are inadequate.

We have a saying in Dutch to the effect that one must 'row with the oars one has', in other words, we must cut our coat according to our cloth, and that is clearly

the problem the Community is currently grappling with as regards the budget problem. Our aim is a balanced budget, one in which the Common Agricultural Policy has its rightful place, but which leaves sufficient leeway for a Community industrial policy, an energy policy, and a regional and social policy, and which does not push our requirements right up to the ceiling of our own resources. The European Parliament must bear in mind the stand this House itself took in the recent budget debate.

There is another complex current which deserves just as much attention; it is what I would call the interests of third parties, including those of the consumer. The point here is that the people of the Community should regard the Community as an essential means of making available the products the consumer needs at acceptable prices. Let me say without any further ado though, that it may be necessary to make a start here by tackling the problem of profit margins in the industrial and distributive sectors. As to the interests of third parties, and at a time when economic activity is being challenged by environmental considerations, those environmental considerations must not be allowed to prevent an effective agricultural policy. We cannot lead an ivory-tower existence; nor can we change our tune according to whether we are discussing our own Community problems, or suddenly discover the problems facing the Third World. I think we need to get down to specifics here, and discuss the points which some Members have already touched on, namely, the need to keep the Community open to Third World products.

A fourth current is agriculture as such. I have no doubt that the Common Agricultural Policy must remain a cornerstone of the Community edifice, but major adjustments are now needed more than ever. The problem of surpluses must be tackled in the interests of agriculture as a whole and of the farmers themselves, but we must at the same time bear in mind the need for secure supplies. Any attempt to solve the problem of surpluses and to reform the dairy sector must be effective and must bear in mind a number of social factors including the problem of the young farmers and the smaller farms, where we must above all try to break out of the vicious circle whereby the effect of levies is cancelled out by increasing production to safeguard farmers' incomes. It does not bother me whether we call these measures supplementary or super levies — the main thing is that they should be effective and should not simply shift problems elsewhere. We are in favour of effective means of tackling the problem of surpluses and restricting production, but any such measures must be applied differently from farm to farm according to the merits of the case. We are in favour of, shall we say, a responsible co-responsibility levy. But we want any such levy to be graduated in favour of the small and medium-sized farm, and used perhaps primarily as an instrument of redistributing income.

Colla

A third point, which I have no doubt will be brought up in connection with the problem of the developing countries, concerns the introduction of a global policy on fats and oils. This gives an entirely new dimension to the price debate. It is by thinking along these lines that the budget can be cut and fair price increases achieved for farmers on the basis of the objective method, the need for which I stressed a little earlier. It is this kind of overall approach that I would commend to you, Mr President, ladies and gentlemen, an overall approach which will bring a satisfactory solution to the budgetary problems, but which will also give a positive response to the farmers' social and financial demands.

That is the central point I wanted to make, Mr President, ladies and gentlemen — it is by seeking an effective solution to the problem of surplus production and an overall approach to the problem that this House can play a positive part as regards both the budgetary problems and the social needs of agriculture.

President. — I call Mr Battersby.

Mr Battersby. — Mr President, much has been said today about milk, but there are other areas where we are overspending unnecessarily and can control that over-expenditure. I am proposing that the sixth recital of Mr Delatte's motion for a resolution, which relates to rice (Doc. 1-799/79, motion for a resolution tabled by Mr Petronio and others, appended to the report), be deleted.

Firstly, the figures given in the Petronio resolution are exaggerated: the Commission's figures give us 800 000 tonnes, whilst the resolution talks emotionally of 'more than a million tonnes'. Secondly, the resolution does not tell the whole story. The problem with Italian long-grain rice, which is known as medium-grain in the international trade, is that the consumer prefers the long-grain strains produced outside the Community, which for climatic reasons we cannot grow. The imposition of high levies on long-grain imports has made it profitable for certain interests to import 275 000 tonnes per year and sell it in the Community, to grow for export 400 000 tonnes of European long-grain rice, which it is difficult to market in the Community, and to benefit from the export restitution payments. This costs the taxpayer 40 million units of account this year, and in this coming season it will probably cost us 45 million units of account. Because of this trade, the production of round-grain rice in Italy has fallen and we are now importing 300 000 tonnes of round-grain rice which we could be growing ourselves. The yield per hectare of this rice is higher and the demand for it is growing; round-grain production is therefore, I submit, more in the interests of the farmer and of the consumer and, indeed, of the Community as a whole in its desire for self-sufficiency than encouraging speculative trade which the taxpayer is paying for.

For the same reason, I am deeply concerned about paragraph 86 of the Delatte motion. The freeze on the intervention price for long-grain rice is justified. We must remember that Greece and Spain, which are rice-growing nations, are coming into the Community and a well-reasoned and carefully costed rice policy, a policy which takes the farmers' and the taxpayers interests into account, is imperative.

For the same reason again, I am deeply concerned about paragraph 84. The charge of wine on the budget is not minimal, as stated in the motion. Storage, withdrawals and subsidies cost the taxpayer 94 million units of account in 1979 and 63 million in 1978: therefore there was an increase of 50 %. But in the 1980 proposals the figure is 350 million units of account. What will it be next year? Will it be 500 million or 700 million? Yields per hectare in the applicant countries, which are very big wine-producers, are half the EEC yields, and these countries are already in surplus. We shall have to face the possibility of a large wine surplus, with the resultant financial problems. I therefore consider that the bases on which paragraph 84 were prepared should be re-examined and that the Commission should look very carefully at a well-costed and well-thought-out wine policy before enlargement takes place.

President. — I call Mr Sutra.

Mr Sutra — (*F*) Mr President, ladies and gentlemen, since our first session in July, the French Socialists have made plain their desire to discuss the CAP and their refusal to see it dismantled. This is evidence of our determination and of our trust in this Parliament. But as I listen to the debate which has been going on in this House since this morning, I think of the painting by Goya on which is written in my own language, to its great honour: 'Le sommeil de la raison engendre des monstres'. All I see is passionate feeling against the budget of the Common Agricultural Policy, where instead there should be calm reasoning and composure. The policy we are moving towards, in short — tending, because this House is deaf to appeals to reason — is one which will hold down prices and we know what the response to that will be. Whenever prices have been held down, the farmers have made efforts to produce more in order to make ends meet. So tomorrow we are going to adopt a policy which will drive the farmers deeper into despair and which will in no way cut back surpluses, since there has in fact been no political will to indentify the source of these surpluses, neither in the area of foreign trade with regard to soya and imports of vegetable fats — nor at home with factory farming.

Mrs Cresson told you this morning what our policy is on these matters, I wish to speak on the problems of agriculture in the Mediterranean regions. I have already declared, last week in last week's debate on

Sutra

the wine market, our total agreement with the analysis of the situation given by our comrades of the Italian Communist Party regarding the need not to entrench oneself behind selfish attitudes and the difficulty of successfully enlarging the European Economic Community to the South. Agriculture in the Mediterranean regions would like to receive the same price guarantees as agriculture in the north of Europe. I was grievously surprised and profoundly disturbed to see that in Mr Delatte's motion for a resolution, after headings A, B, C, D and on dairy produce, sugar, beef, cereals and fruit and vegetables, one heading was missing, that is to say F: wine. It is true that wine only accounts for 1.5 % of the EAGGF budget, but it concerns more than one million families in Europe. As a result, I have tabled an amendment which does no more than insert this heading, with a single paragraph, which is the one that Parliament adopted recently in a motion I tabled. This paragraph repeats the proposal for a performance guarantee on long term storage contracts, about which Mr Williamson, at a meeting of the Committee on Agriculture, told me that it was in the eyes of the Commission the only measure which had functioned correctly in the last 10 years, since the creation of the common wine market has been in wine. Mr Gundelach was kind enough to repeat this at a meeting of the Committee on Agriculture and at my request, he was kind enough to repeat at its plenary sitting.

At the last part-session, Parliament adopted my motion for a resolution on the same lines. Today, the ball is in the court of the Council of Ministers. Everyone who thinks, speaks, or writes about wine growing in Europe feel that this performance guarantee is absolutely essential and that it is the only thing which has functioned correctly. It would be quite unacceptable for the Council of Ministers not to follow our lead, and tomorrow Parliament will be stating its views in even more solemn fashion.

I should like, in conclusion, to say that agriculture is a stabilizing and peacemaking factor in the world. The prices policy as we know it is necessary and indispensable, but its aim is not to achieve a balance between production and consumption. Its aim is to maintain the standard of living of farmers and it has succeeded in doing this in some areas and failed in others, in particular in the Mediterranean regions. The other focal point hinges, as the name 'Guidance and Guarantee Fund' implies, are the structures. The agricultural structure policy, which is aimed at reinforcing farm structures in sectors which are economically backward, does not aim at achieving a balance between production and consumption either, in that reinforcing structures means reinforcing production. So, we need a third facet to our common agricultural policy. If, in addition to prices policy and structures policy which are indispensable, we do not also have a policy on market balance based on political decisions, such as we have been unable and unwilling to take in this House concerning milk surpluses, then we will never achieve

a balance between production and consumption. Other measures will be necessary. I hear people speaking in this House who want nothing to do with a tax on margarine, or on soya beans, who refuse to consider penalizing factory farming. They do not wish to hear of any measure and then they find that these surpluses cost too much. Living means choosing and unfortunately, in this respect our Parliament has lacked courage. Since the amendments have been tabled and the voting will be what we expect, I invite you to another debate on this subject in a year's time. The farmers will be a little more despondent and the milk surpluses will be at least as large as this year. Then you will have to turn to our proposals which are the only realistic ones, in order to extricate the Common Agricultural Policy from the dead end in which it is at present. This is possible, and will be done, because agriculture is necessary and because it is a stabilizing and peacemaking factor in the world.

President — I call Mr Lange.

Mr Lange, Chairman of the Committee on Budgets.

— (D) Thank you, Mr President, for allowing me to speak as Chairman of the Committee on Budgets, one of the committees consulted in this matter. This afternoon's debate has been concerned mainly with detailed aspects of farm policy. As Chairman of the Committee on Budgets, it is not for me to comment on this policy. As I have frequently stressed on previous occasions, it is not the task of the Committee on Budgets to decide agricultural policy. It has certain other functions to perform for Parliament, functions which Parliament in turn has to perform vis-à-vis the outside world.

If we were not in difficult financial straits but had sufficient resources at our disposal, today's debate would not have needed to be conducted as it has been, and could have proceeded along different lines. Since, however, we do not have adequate resources, and can even foresee when the Community's own resources will be exhausted, we must now react to this financial pressure by attempting to assess the proposals on the farm policy, attaching less importance to their effects than to how much they are now likely to cost. Moreover we must consider not only the budgetary year 1980 but also the effects which this year's farm price decisions will have on next year. We accused the Council last year of blithely taking decisions on farm prices without thinking of the Community's financial capabilities. That was one of the reasons why we rejected the Council's draft budget at the end of the year. The farm policy was one reason: I do not wish to spell out the three others, which have already been commented upon here. In our own decision we observed that there was a certain link between the need to economize in agriculture, especially in sectors with surpluses — above all the dairy sector — and the need to initiate a structural policy. At the time we

Lange

envisaged savings of just under 700 million EUA, while the Commission, in its latest budgetary proposal, has allowed for potential savings of over 800 million. In its financial implications, therefore, this proposal largely corresponds to the proposals made by Parliament, although I do not now wish to go into the details of the farm policy, as this is not necessary.

I now address the Committee on Agriculture — or at any rate the majority of its members — in saying that if we make proposals such as have been presented here, we must appreciate that we shall not just not be saving 800 or a bare 700 million EUA, but that according to the calculations made by the Commission on the basis of the proposals from the Committee on Agriculture we shall in fact have to spend an extra 365 million EUA in 1980; furthermore, if the co-responsibility levy as proposed by the Commission is not accepted, we shall have to spend a further 426 million EUA, in other words nearly 800 million EUA in 1980, which is completely contrary to the decisions reached by Parliament in November and December of last year when it rejected the budget.

(Applause from various quarters)

Looking further ahead to 1981, we shall then have to find another 1.2 thousand million EUA, and if the co-responsibility levy is not accepted in the form proposed by the Commission, a further 670 million EUA will be needed, which brings us to a total of about 1.9 thousand million additional European units of account which we shall have to spend next year. This means that according to current calculations we shall practically have reached the limits of our financial capabilities.

Therefore, ladies and gentlemen, I have an earnest appeal to make to you all: when you make proposals concerning prices, you must offset their effects on expenditure by allowing for a corresponding level of revenue on the lines proposed by the Commission. Otherwise nothing will work properly. The Commission has proposed an average price increase of 2.4 %, in addition to a co-responsibility levy of 1.5 %. If we want a price increase of 7.9 %, we shall need a co-responsibility levy of 5.3 %. A price increase of around 5 % would entail a co-responsibility levy of 3 %. I would therefore urge Members who have definite ideas on prices to arrange at the same time for the necessary revenue so as to neutralize the effects of their price proposals and cater for Parliament's aim of continuing for a little longer to allow latitude for other tasks. We shall in any case reach our limit one day, even assuming normal development, and then we shall have to agree on additional sources of revenue. But I earnestly appeal to those who want even bigger price increases to help in creating this latitude.

There are times, I feel, when one needs to say things which may displease certain Members or cause them to reconsider how we can secure some financial leeway.

I feel that with the measures now being proposed Parliament is guilty of inconsistency, for different decisions were taken in November and December. If we want to retain our credibility, we should propose measures which are in line with the decisions reached in November and December and which are also basically in line with the Commission's position. For this reason the Committee on Budgets has proposed a number of amendments to the Delatte report. These proposals are set out in draft amendments Nos 16 to 21. I shall not go into these in detail. They can be read up, and I shall not waste any time commenting on them now. I would ask you, ladies and gentlemen, to examine your positions very carefully before tomorrow's vote. Parliament must remain credible in its decisions. It must not be made to look ridiculous in the eyes of the public, or indeed of the other institutions. If we were to take decisions entailing the expenditure which I have just outlined on the basis of the proposals from the Committee on Agriculture, Parliament would indeed lose all credibility. There would no longer be any point in consulting with the Council for I fail to see how we could engage in concertation with the Council on any real basis. I fail to see how we could hold any further serious discussions with the Council with a view to reliable cooperation between these two sections of the budgetary authority if we now make the same mistake as we so vociferously accused the Council of making last year in its farm policy, from which we drew the necessary conclusions regarding both our own position and that of the community.

The Commission can hardly be intending to outdo us if it echoes our own proposals and wishes. The most we can do is to keep in line with the Commission's proposals. So once again — and this is also directed at the rapporteur of the Committee on Agriculture — let us not forget that proposals for price increases are not our only concern: at the same time we must see to it that we secure the necessary revenue to pay for these increases and help to overcome the problem of surpluses and their financing in a sensible manner. The present position suggests that financing this sector alone, together with all its implications, will cost over 4 000 million EUA, which is over 40 % of the total appropriations for the agricultural budget.

Please remember that if funds were available we could do a great deal as regards structural policy in agriculture. So I would urge you all once again to consider all this very carefully, so that tomorrow we can take decisions which will ensure Parliament's credibility and its firmness of purpose in the eyes of the public.

(Applause from various quarters)

President — I call Mr Delatte.

Mr Delatte, rapporteur. — (F) Mr President, ladies and gentlemen, first of all I should like to stress the

Delatte

great significance of this debate over the last two days. It would appear that the European Parliament has done something useful in allowing a broad airing of views on the Common Agricultural Policy, an airing of views which, whatever some may think, is taking place in a calm and responsible atmosphere.

I should like to thank firstly all the speakers whose observations have helped to flesh out the positions of the Committee on Agriculture. I should hope in addition that the same climate as has prevailed today will reign tomorrow during voting on the amendments and the final vote. Since I have only a little time available, I will unfortunately not be able to reply to each of you and this is why I will be very brief.

This general discussion has enabled us to have a wide ranging exchange of views to which I merely wish to add a few details, while replying at the same time to certain arguments. I, and the Committee on Agriculture, have been accused of not taking account of the budget. An attempt was even made yesterday to dispute the figures I quoted and to confuse the issue, which caused some disturbance in the House.

I must insist on the figures I quoted yesterday and would point out that they were taken from the official report of the European Commission. And I should like to add that just as I am determined in my defence of the Common Agricultural Policy, I also feel it essential to be strict with regard to budgetary limitations. Let me, therefore, quote again the figures I gave yesterday: an increase of one percentage point in common agricultural prices means supplementary expenditure of 30 000 000 EUA for the 1980 budget, that is what I said. The VAT collected by Member States is at present used at a rate of 0.68 % of the ceiling level of 1 %. There is thus 0.32 % left which represents — and I said so yesterday — approximately 3 and a half thousand million EUA available in the budget if we reach a VAT level of 1 %. That is the strict situation in figures.

That is why I considered that we had ample room for manoeuvre. And on this subject, I should like, Mr President, to refer to the same document as Mr Lange had in his hands a few moments ago and keep your attention focused on it a little longer in order to read it to the end, so that you understood precisely what it is all about.

Agricultural expenditure, as established by the Council in its draft budget for the financial year 1980, totalled 11 192 000 000 EUA. Parliament felt this figure to be excessive and proposed a reduction in expenditure in the agricultural sector. There were three amendments by Mr Dankert, if you remember, which provided for a saving of 30 000 000 EUA, thus reducing the initial figure fixed for the 1980 budget to 11 162 000 000 EUA.

In order to take account of the criticism expressed by the European Parliament, on 24 February 1980 the Commission made proposals for a reduction in expenditure when it submitted a new draft budget for the financial year 1980 which takes account of the reduced expenditure which the Commission envisages in the guarantee section of the EAGGF. The figure proposed on 25 February was 10 370 000 000 EUA. On 18 March last, the Committee on Agriculture made a choice and put forward some proposals. They are the ones which are before you today.

What are the repercussions of the proposals made by the Committee on Agriculture? I will again quote from figures given by the Commission: if prices are increased by 7.9 %, the effect on the 1980 budget will be 130 000 000 EUA — less 25 000 000 EUA because there will be a further decrease in compensatory amounts — which means that a 7.9 % increase in prices for 1980 would lead to a supplementary charge on the budget of 105 000 000 EUA.

When Mr Lange arrives at a figure of 365 000 000 EUA it is because he is adding — and I am coming to this — the related measures contained in other decisions proposed by the Committee on Agriculture, that is to say: in the cereals sector, giving up the Commission proposal concerning starch — 50 000 000 EUA; abolishing — this is what is proposed in the report before you today — the limitation on the number of nurse cows entitled to the premium — 110 000 000 EUA; abandoning the temporary suspension of intervention for beef cows, another point which is requested by the Committee on Agriculture — 50 000 000 EUA. I should like to point out that for sugar there is no change. Finally, 50 000 000 EUA should be added for the proposal concerning the distribution of milk in schools. This is how we reach a total of 365 000 000 EUA.

But reading through to the end of the document, I must subtract from that figure of 365 000 000 a further 43 000 000 EUA, which is the estimated figure for own resources resulting from these decisions. Thus, the total in the end would be an additional cost of 322 000 000 EUA, not just for the price increases, but for both the price increases and the related measures.

These are the proposed decisions. So do not come to us saying that farms and farmers are inflationmongers. I think I said enough on this point yesterday, and I will not come back to it now. I would add that if, instead of increasing prices by 7.9 %, we increased them by 5 % the additional expenditure would be 290 000 000 EUA for 1980. So there would be no collapse, as has been suggested, nor would there be any insolvency in the European Community budget! Once and for all, let us be reasonable above all when we are dealing with agriculture, which represents a sizeable portion of the European economy, a portion which must be developed. I said enough on this yesterday, so I will not dwell on it today.

Delatte

I also said that we could have an easy conscience with regard to the budget in relation to the proposals before us. In saying this, I knew what I was talking about. That is why I gave you those figures just now. In using the same terms yesterday, I did so on behalf of the members of the Committee on Agriculture, because they too have made it clear that they are extremely strict where figures are concerned. I have just demonstrated this to you in a few short moments.

These, Mr President, are the few comments I wanted to make in order to clarify the situation, so that there should be no confusion in the figures and that the Members of Parliament might have a clear idea of what is at stake when the time comes for them to vote. I listened attentively yesterday to Mr Gundelach and I feel that, as far as the basis of his argument goes there is no real conflict between him and the Committee on Agriculture. Why is there no conflict? Simply because the Commissioner told us that he took account of the need to improve farm incomes but that he was worried about the milk surpluses, being fully aware that the Community budget cannot increase in an unlimited fashion. These are the self-same concerns as those of the Committee on Agriculture. What then are the differences of opinion between us? They are, if I may say so, the question of the 'therapy' to be applied or, at any rate, the methods to be used in order to take account of the factors I have just mentioned. Our differences of opinion derive solely from the fact that we would wish to see a degree of moderation both with regard to limiting the budget — although I have just shown that we are only increasing it a little — and also with regard to any decision to reduce milk surpluses which might prove too brutal.

As far as prices are concerned we have a lot of ground to make up and I seemed to detect yesterday in Mr Gundelach's statements that an increase by more than the rate which the Commission proposes might very well be possible.

I must say that I was very disappointed just now to hear Mr Jenkins in his speech only raising budgetary questions and not referring even once to the problems of agriculture. It is essential that we bear in mind how important this agriculture is. In proposing that we should vote tomorrow for the amendments on the co-responsibility levy and on the superlevy, in proposing also that we should vote — as has been requested several times here today — a levy on imported fats, I believe that this is also a means of providing a certain amount of new finance so that we can in fact cover the cost of this milk surplus.

These, Mr President, are the motives behind the report which I have submitted for your approval, together with the amendments on which the House will have to take a decision. I have no doubt that wisdom and reason will prevail.

(Applause from certain quarters in the centre and on the right).

President. — I call Mr Pisoni.

Mr Pisoni, President-in-Office of the Council. — *(I)* Mr President, Mr Jenkins, Members of the Commission, ladies and gentlemen, I am here as spokesman for Mr Marcora, who is anxious that I should convey his regret at not being able to attend this debate. Shortly before he was due to leave for Strasbourg with Mr Gundelach, he was taken ill and had to cancel his trip.

I was keen to convey his regret to the House in order to underline the interest with which the Council has followed and intends to follow the work and the debates of this Parliament. As President-in-Office of the Council, Mr Marcora has already had the opportunity of hearing the views of the Committee on Agriculture, and shortly there is to be another meeting with the President of the House and with members of the committee to review the outcome of this debate. As I said before, my presence here today is proof of the interest which the Council attaches to the work of this House and to the proposals and criticisms which come from it.

From what we have heard today, the Common Agricultural Policy is the subject of more criticism than praise. It is not for me to get to the heart of these problems or to express an opinion. I want to say, however, that the Council will certainly go into what has emerged from the debate. We shall assess the role of agriculture in the context of overall policy. We shall try to reconcile farming incomes with the need to put a brake on surpluses, while at the same time protecting the interests of the consumers. We shall compare the problems of budgetary reorganization with agricultural and overall policy, and we shall tackle the problems affecting a number of countries with sectoral or geographical problems. Furthermore, we want to look into the possibility of achieving cuts without sacrificing a policy of progress, and above all we want to arrive at a structural policy which will complement the prices policy in a suitable and fair manner.

By taking an overall look at this list of requirements, we hope to achieve a fairly clear position by the next Council meeting, or by the one after. However, we do hope that the result of tomorrow's vote by Parliament on these proposals and this policy will reveal a consensus of opinion and will be clear and unequivocal enough — in spite of the various and at times opposing views we have heard today — for the Council to be able to feel that it is getting the opinion of a unanimous Parliament.

I do not think there is any more I can say at this point, except to add that the Council is ready to take heed of any clear and unequivocal views which emerge from this debate.

President. — I call Mr Gundelach.

Mr Gundelach, Vice-President of the Commission. — (DK) Mr President, at this point in this long debate I am certain that both you yourself and Parliament as a whole would like me to be brief. However, this should not be taken to reflect any lack of respect on my part for the very wide-ranging and thorough debate which has been held yesterday and today.

The debate has been conducted on various levels. One might perhaps say that it has been conducted both at the level of basic principles and at another level involving a series of major or minor problems concerning agricultural policy. The Commission has paid close attention to the views expressed regarding these specific problems which have been brought up, and has taken careful note of them without exception — from the problem of berries in Scotland, to a particular type of plum in France or fruit and vegetables in Italy and the South of France. The last speakers dealt mainly with the enlargement of the Community, which I expect to be included on the agenda here in Parliament in the near future. The Commission has submitted its report on this matter, in which it goes into all the questions which have been brought up in this House and attempted to answer them.

Following a direct request by Mr Sutra, I can indeed assure him that the Commission stands by its proposal regarding the so-called '*bonne fin*' programme and will attempt to get it through Council, as I have already explained in the Committee on Agriculture. However, there are many more specific questions which will not be neglected either. I agree with some of the views expressed and to a lesser extent with some of the others, but these are matters for another debate.

It is vital, in my view, that we should try and collect our thoughts regarding the main points underlying the fateful decision which Parliament is to make when it comes to vote tomorrow.

As we have already pointed out, Mr President, the figures were discussed with the utmost thoroughness, so I will not repeat them. The Commission has provided Parliament with a detailed analysis of the budgetary situation, and I note that all the speakers here today have dealt with the budgetary aspects of this problem which are one of the Commission's main preoccupation and should be one of the major preoccupations of this Parliament too, since it forms part of the budgetary authority. We have submitted a document to which all the speakers have referred. There can, therefore, be no doubt as to where we stand and what our aims are, since nobody has criticized the conclusions contained in this document. These conclusions speak for themselves and explain why both the President of the Commission and I myself have had to stress this aspect so emphatically.

However, as I said in my previous speeches, it is our duty as the political organs of the Community to try and find solutions to problems of agricultural policy, including — to the extent which the budgetary resources available permit — those of a structural and social nature, so that we can survive the crisis facing both agriculture and the economy as a whole.

This is in answer to a number of Members who have criticized me for having painted a rosy picture of the agricultural situation, which is in fact something I have never done. All speakers have supported their views regarding incomes by quoting the figures I gave when I presented my proposals in this House a few weeks ago. We are, therefore, in agreement even as far as this analysis is concerned.

Opinions differ as to what means should be used, and on what scale, to solve these problems. In my view, we must exercise the utmost caution in connection with price policy. However, as I have already pointed out, the Commission is naturally prepared to discuss this matter provided that the necessary decisions are reached with a view to establishing a balance in the markets, particularly the milk market. If this Parliament provides clear and appropriate guidelines and thus for once permits positive decisions rather than an endless dialogue in the Council, this would also provide scope for finding solutions to the price problems which would be acceptable for all within the context of what we have described over the last three years as a cautious — and of necessity cautious — price policy.

The figures contained in the report by the Committee on Agriculture go beyond — as has already been pointed out — the limits of a cautious price policy. However, considerably more moderate suggestions have been put forward by various speakers, including Mr Delatte, in the course of this debate, which leads me to believe that it will be possible to find a solution to this aspect of the problem. However, as I have already stressed, this implies the will to find a solution to the other problems. I have particularly stressed the problems in the dairy sector, but this does not mean that there are not also problems in the markets for meat and sugar and processed vegetables, which have been so successful that they have gone well beyond the limits of the budget. The Members are completely forgetting this aspect when they speak of fruit and vegetables in southern Europe. It is almost as if we had not introduced a Mediterranean package involving 1 600 million units of account. It is as if they had forgotten about this very significant progress which has been made within the agricultural policy.

There are other programmes of this kind, and I agree on this point with those speakers who mentioned the need for a structural policy, which should be introduced with a view to helping solve many of the problems in those sectors which, for the time being, appear so dependent on milk production, which has no future as

Gundelach

a growth sector. However, no money will be available unless we make room for it in the budget.

I think it shows that some progress has been made in this debate that there appears at any rate to be a considerable degree of agreement to the effect that measures must be taken in these various fields, even if opinions differ as to what forms these measures should actually take. Not least, Parliament appears to take the problems in the dairy sector seriously, and I regard this as considerable progress. As one Member said to me, the question is whether or not we should make a U-turn or change direction a little more slowly. If we had done something about it when we realized where we were going a few years ago, it would naturally not have been necessary to propose such far-reaching measures as we have now had to put forward. The methods are always open to discussion, but there can be no two ways about the basic situation, which is that there is no room for an increase in total milk production within Europe, either for our own market or for world markets, even in the form of food aid. Any consideration of this problem must start from this fact.

Any attempt to brush this fact aside will lead us to ostensible solutions which are in fact merely window dressing, and to a situation whereby the credibility of the Common Agricultural Policy will be called into question, which is precisely what the Commission is trying to avoid.

Anyone concerned about our attitude to this policy should realize that the very thing our proposals are trying to achieve is to get this policy out of a situation where it can rightly be criticized on certain points, and into a situation where its positive features can come into their own. These positive features have become apparent in things such as extensive increases in production, which clearly demonstrates the inaccuracy of the unsubstantiated views which have been put forward once more by the French Communist Members of this Assembly.

However, it is not in the dairy sector that we have room for growth, but in other sectors. It is impossible to conduct a rational milk policy unless it not only avoids draining the budget, but also stops the constant increase in production. These are our requirements as regards a solution for the dairy sector, and this is why we think there is a need for a two-pronged solution.

If this is accepted and understood — which it must be, as it is the truth about the situation as it is in reality — we can then start talking about the actual methods to be used.

I do not think one can claim that the responsibility for this surplus lies more with one country than another, or that we can find solutions from which some countries are exempt. We are dealing with the Community, which we should treat as a Community. There cannot be special solutions for certain countries. Naturally,

however, the picture can change when we are talking about individual groups of farmers or individual regions. It might be necessary to find special solutions for special problems, wherever they occur, provided that, in all cases these exceptions or special arrangements do not undermine the programme proper, and provided that they do not entail different treatment for the different regions of the Community. Any attempt to offload the problem onto others will lead to horse trading which, as we have seen in recent years, cannot produce positive results. The European Parliament cannot be the one to represent special interests within the European Community. These are dealt with soon enough in the Council. When it comes down to it, it must be the duty of this Parliament and of the Commission to indicate *European* solutions which take account of special interests, but not of special national interests.

(Applause from various quarters on the right)

If the impression I get today, namely that Parliament is moving in this direction, is correct, the wide-ranging debate which has been held could bring us a good step forward.

Finally, I should like to stress that it is by means of votes of this kind on matters of policy that we can adapt the Common Agricultural Policy to the new political realities rather than changing it, renegotiating it or tearing it to pieces. I do not believe in new Stresa conferences, as they would lead to extensive debates which would be of a more destructive and divisive nature, rather than to solutions. It is by means of discussion and voting in the responsible political bodies of the Community that we should find solutions to the problems facing us.

The problems before this Parliament have become clear from this debate and from the documents before you. You will be bearing a great responsibility when you come to vote tomorrow — a responsibility to follow the direction which Parliament itself has defined over the last few months. If the outcome of your voting is realistic and moderate, this will provide a stimulus for the Council to take decisions which may enable us to escape from the current stagnation in Europe in a vital sector, which might in turn help us solve other major European problems. If no decision is reached on this matter, this could be the beginning of the end for the decision-making process. Clear guidelines from this Parliament, on the other hand, may provide a starting point for a series of decisions which will inject new life into the European Community. This is your responsibility tomorrow.

(Applause)

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* *

President. — The debate is closed.

The motion for a resolution and the amendments which have been tabled will be put to the vote at ten o'clock tomorrow morning.

6. *Monetary compensatory amounts and the unit of account*

President. — The next item is the report (Doc. 1-38/80), drawn up by Mr Früh on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (Doc. 1-817/79) for

I — a regulation on monetary compensatory amounts

II — a regulation on the value of the unit of account and the conversion rates to be applied for the purposes of the Common Agricultural Policy.

I call Mr Früh.

Mr Früh, rapporteur. — (D) Mr President, ladies and gentlemen, you may rest assured that I shall not detain you for too long with my report on monetary compensatory amounts and the regulation on the value of the unit of account and the conversion rates to be applied for the purposes of the Common Agricultural Policy. It would clearly be unfair of me to subject you to all the details of these proposals after the intensive discussions we have had until well into last night and again all day today, especially as there is nothing new in these proposals, simply a codification of the existing state of affairs. The aim, in order to prevent a legislative vacuum, is to introduce the ECU into the Common Agricultural Policy at the end of this month.

I should nonetheless like to comment briefly on the proposals, although I shall avoid the political issues which have been discussed at length in the framework of Delatte Report. I believe that the agri-monetary situation — which I would admit is an extremely difficult question — is at one and the same time an outstanding achievement of the Common Agricultural Policy and a source of great trouble. It is an outstanding achievement in that the use of units of account to express common farm prices from the very beginning of the Common Agricultural Policy gave rise to the hope that the unit of account might be the forerunner of a common European currency. There is no need for me to go into this point in any more detail. Successive devaluations and revaluations have made any progress in this direction increasingly difficult, but I should like for once to praise the system to counterbalance some of the criticism we are always hearing of it. I should like to congratulate the Commission on always managing to find a way of maintaining the common market for agricultural produce despite the divergent rates

of inflation and economic trends. That is something that deserves praise once in a while. The explanatory statement attached to the draft regulation contains a sentence which we should always bear in mind, pointing out that monetary compensatory amounts are designed as part of the common organization of the agricultural market. We are all concerned to reduce these MCAs, and the introduction of the European Monetary System has shown how this can be done. The more successful we are in using the EMS to bring the national currencies closer together — the new wave of inflation throughout the Community has of course increased the gap again and made our efforts all the more difficult — the sooner we shall be in a position to solve the problem of these MCAs, which — as you know, Mr Gundelach — have indeed fallen dramatically in the past year. I think we would be well advised to stop continually blaming their existence on the Common Agricultural Policy. As to the second point, the ECU, this 'basket' unit of account created under the EMS, is to be introduced into the Common Agricultural Policy. It has already been introduced provisionally — but only up to 31 March, so that this has become a matter of urgency if we are not to leave a legislative vacuum.

I would ask you to give your support to these two Commission proposals, just as they received the unanimous approval of the Committee on Agriculture, so that the Council will then be in a position to apply the new system in due legal form.

President. — I call Mr Gundelach.

Mr Gundelach, Vice-President of the Commission. — (DK) Mr President, I shall not detain the House unduly, but I do think it is incumbent on the Commission to thank Mr Früh for producing an extraordinarily competent report on what is an extremely complicated subject. I should also like to congratulate him on managing to submit this report on an extremely complicated subject in such a short space of time, and at the same time bringing out the really central issue, which is that in the current situation, we must above all avoid any gap in our legislation and, in the longer run, seek ways of improving the efficiency of the system of conversion rates applied for the purposes of the Common Agricultural Policy. I should like to thank Mr Früh for his efforts and emphasize that the Commission will, for its part, continue to seek ways of doing away with monetary compensatory amounts and of bringing about a sensible and more permanent application of the ECU system within the Common Agricultural Policy.

President. — The debate is closed.

The vote will be held tomorrow after the vote on the Delatte report.

7. Membership of committees

President. — I have received from the European Democratic Group a request to appoint Sir Peter Vanneck as member of the Committee on Economic and Monetary Affairs in place of Sir David Nicholson, and to appoint Sir David Nicholson as member of the Committee on Youth, Culture, Education, Information and Sport in place of Mr Simpson.

Since there are no objections, these appointments are ratified.

I have also been informed by the group that Sir Peter Vanneck is resigning as member of the Committee on Energy and Research.

8. Agenda for next sitting

President. — The next sitting will take place at 10 a.m. tomorrow, Wednesday, 26 March 1980, with the following agenda:

- Delatte report on agricultural prices (vote)
- Früh report on monetary compensatory amounts (vote)
- Woltjer report on fishery resources (vote)

The sitting is closed.

(The sitting was closed at 7 p.m.)

SITTING OF WEDNESDAY, 26 MARCH 1980

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IN THE CHAIR: MRS VEIL

President

(The sitting opened at 10 a.m.)

President. — The sitting is open.

1. Approval of the minutes

President. — The minutes of proceedings of yesterday's sitting have been distributed.

Are there any comments?

I call Mr Harris.

Mr Harris. — On page 4 of the minutes of yesterday's sitting, it is recorded that Mr Taylor and I spoke about 'the farmers' demonstration taking place at that moment outside the building'. That, Madam President, is a completely inaccurate record of the protest which my colleague and I made about the removal and burning of the United Kingdom flag. I would ask that our protest and the very helpful reply made by Mr Pflimlin — who was in the Chair and who made a suitable apology, promising that a full investigation would be made and that the flags would be restored — should be correctly recorded. I for one am very grateful to the

Harris

mayor for that assurance, and I would insist that the protest which my colleague and I made should be accurately recorded.

(Applause from certain quarters of the European Democratic Group)

President. — Mr Harris, the minutes only take account of the decisions that are taken and for that reason do not contain a verbatim report of your protest. This you will, of course, find in the report of proceedings, followed by the reply given by the occupant of the Chair.

Mr Harris. — Madam President, I do not feel that that is a satisfactory reply. With great respect, I would have hoped that you, as President of the Parliament, would have voiced your concern at what happened yesterday.

President. — I call Mr Paisley.

Mr Paisley. — Madam President, further to the point raised by one of my United Kingdom colleagues, surely it would have been possible yesterday to keep these demonstrators from these flags. There were enough members of the French police available to do that, and the demonstrators could have made their protest without desecrating the flags. It is certainly an insult to the United Kingdom Members to have their national flags desecrated in this manner. I would like you, Madam President, to express, on behalf of this Parliament, your considered condemnation of this act. I trust that that will be put firmly in the record. I do not see why the minutes cannot record that both my colleagues protested at the time. It should be written into the minutes.

President. — Mr Paisley, you appear not to have listened attentively to my reply. I indicated that the report of proceedings would contain the full text of what had been said during the sitting.

As regards yesterday's incidents, I wish to state unambiguously — and I am sure that all Members of this House will agree with me — that I condemn without reservation the acts that were committed, and I am thinking not only of the United Kingdom flag but of others also. At the same time, I should like to point out that there were several thousand demonstrators here yesterday who had come from all the nine countries of the Community, that we had ourselves expressed a wish that there should be no undue display of force and that the demonstrators, while being kept under control, should be allowed to approach the Parliament building. Since I was on the spot myself, I can assure you that the forces of law and order were primarily concerned to prevent any serious incidents

occurring in which persons might be involved, whether outside or inside the building.

(Applause from the right)

The task was a difficult one in view of the way these buildings are laid out. Moreover, we did not wish to be protected by unduly large police forces. Thanks to the calm shown by the police and also the sense of responsibility displayed by some of the organizers of the demonstration, who, except at the last minute, kept the demonstrators sufficiently under control, we can congratulate ourselves that no one was injured.

Like you, I regret that we were not able to protect the flags. This deplorable incident can teach us a lesson for the future, and if a situation of this kind threatens to recur, we shall take additional precautions.

I call Mr Pannella.

Mr Pannella. — *(F)* Madam President, may I congratulate you, not only on my own behalf but also, I think, on that of other Members, on the way you have dealt with this situation, both personally and as President of our Institution.

Difficulties were inevitable, but I think everything went off very well — thanks chiefly, I feel, to the measures you took and to your political and personal attitude.

Please accept our gratitude.

(Applause)

President. — I call Mr Ansart.

Mr Ansart. — *(F)* Madam President, what is particularly regrettable are the political, economic and social conditions which have forced the peasants to come to Strasbourg to defend their incomes. In a few minutes, when we debate prices, Members will have the opportunity to show their feelings for the farming community, not just by words but by actions.

(Applause from certain quarters of the extreme left. Protests from various quarters)

President. — Are there any other comments on the minutes of proceedings?

The minutes of proceedings are approved.

2. *Agricultural prices and monetary compensatory amounts* (Vote)

President. — The next item is the vote on the motion for a resolution contained in the *Delatte report (Doc. 1-37/80): Agricultural prices and monetary compensatory amounts*.

I remind the House that, pursuant to the practice followed in this Parliament, explanations of vote can only be taken after all the amendments have been voted on.

I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — Madam President, I ask on behalf of my group whether we could vote on each of the various indents of the preamble separately.

While I am on my feet, may I say also that, when we come to Amendment No 21, which is tabled by the Committee on Budgets, a separate vote should be taken on each paragraph.

President. — I call Mr Pannella.

Mr Pannella. — (F) I am sorry, Madam President, but it is always possible to interpret the Rules of Procedure too loosely, to the detriment of Parliament. I realize that there are always difficulties to be resolved, but the Rules of Procedure are there so that the solution can be found according to precise rules. The Bureau has attempted to have the Rules of Procedure amended by the Committee on the Rules of Procedure and Petitions with regard to explanations of vote. As yet, this has not happened. May I say, Madam President, that I hope that the explanations of vote — and, as you will see, we have no intention of either using or abusing them — will be made, in accordance with the Rules of Procedure, before and not after the vote.

President. — Mr Pannella, in accordance with the practice followed for several months now, explanations of vote will be heard immediately before the final vote and not on each amendment.

My reply to Mr Scott-Hopkins is that it is quite in order to take a separate vote on each indent of the preamble. This will therefore be done. On the other hand, as regards Mr Scott-Hopkins's second request, the way the amendment concerned, as a whole, is presented makes it technically impossible to vote on each separate paragraph.

(*Applause from various benches*)

We begin with the *preamble*.

First I have Amendment No 212, tabled by Mr Buchou and others,¹ on which the Group of European Progressive Democrats requests a vote by roll-call.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am in agreement, Madam President.

President. — The vote will be taken using the electronic voting-system.

I put the amendment to the vote.

Amendment No 212 is adopted.²

(*Applause*)

I call Sir Peter Vanneck on a point of order.

Sir Peter Vanneck. — Madam President, I have just observed Mr Davern vote for Miss De Valera. May I take it that we cannot vote for other people who are not present in the Chamber?

(*Applause from the European Democratic Group*)

President. — Although traditional practice varies on this point from one country to another,

(*Protests from the European Democratic Group*)

I remind the House that here it is not permitted to vote for those who are absent. Consequently, if Miss De Valera proves to have been absent, a correction will be made in the minutes.

I call Mr Pannella.

Mr Pannella. — (F) Madam President, we are all adults and have all been Members for several months at least, so I do not think that ignorance can be pleaded as an excuse.

The Quaestors should throw some light on the matter. This sort of behaviour must be sanctioned.

(*Applause from the European Democratic Group*)

President. — I call Mr Patterson.

Mr Patterson. — My point is much the same. It is not a matter of custom. It states specifically in Rule 34 that

¹ For the text of the amendments, see Annex.

² Details of the voting results may be found in the minutes of proceedings of this sitting.

Patterson

the right to vote is a personal right. Voting by proxy is prohibited. It is not a question of custom or anybody not knowing about the rules. It is here in our Rules of Procedure.

(Applause from certain quarters of the European Democratic Group)

President. — That is true, Mr Patterson: the Rules of Procedure of this Parliament are absolutely clear on this point. Nevertheless, at every sitting we have occasion to observe that Members are not always properly acquainted with the Rules of Procedure, and I trust that that is the case here.

As requested, we shall take a separate vote on each of the seven indents of the preamble.

(By consecutive votes, Parliament adopted the seven indents of the preamble)

After the seven indents of the preamble, I have Amendment No 84, tabled by Mr Provan on behalf of the European Democratic Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against this amendment, which is too limited in relation to trade as a whole.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, we shall proceed to vote by means of the electronic voting-system.

I call Mr Boyes.

Mr Boyes. — Madam President, I am not challenging your decision, but what I cannot understand is why, if we are using the electronic system, we do not always take a roll-call vote. It is a computerized system. It takes no extra time and Members will at least have a record. I would like to move that every time we use the electronic system, we take a roll-call vote.

(Mixed reactions)

President. — Pursuant to the Rules of Procedure, a vote by roll-call must be specifically requested each time by at least 21 Members or by a political group.

I call Mr Boyes.

Mr Boyes. — Madam President, I accept that in the old days — about a fortnight ago — when a roll-call

meant perhaps half-an-hour's pause, it really was nonsense to take a roll-call every time. But now it makes no difference whatsoever: you press a button, and at the end of it the computer will print out a list each and every time. So would you accept that if 21 people rise now to request a roll-call, for the rest of the day we shall have a roll-call every time we use the electronic system?

President. — I see that Mr Glinne, on behalf of the Socialist Group, and Mr Scott-Hopkins, on behalf of the European Democratic Group, request a vote by roll-call each time we have occasion to use the electronic voting-system. That is agreed.

I call Mr Pranchère.

Mr Pranchère. — *(F)* Madam President, I protest against this interpretation, for a different interpretation obtained during the last part-session. We requested a vote on a matter of urgency, and 21 signatures had to be given. I therefore do not see why this should be changed.

President. — The Rules of Procedure are quite clear:

If so requested by at least twenty-one Members or a political group before the voting has begun, the vote shall be taken by roll-call.

In this case, the request comes from two political groups.

I call Mr Barbi.

Mr Barbi. — *(I)* Madam President, I should like to point out that votes by secret ballot will also be taken using the electronic system. I therefore do not feel we can establish the rule that every time we use the electronic system we must have a roll-call vote.

(Mixed reactions)

President. — Mr Barbi, it is simply a way of gaining time by avoiding the repetition each time of a request for a vote by roll-call.

(Mixed reactions)

I put the amendment to the vote.

Amendment No 84 is rejected.

We now come to the heading 'General considerations'.

Before paragraph 1, I have Amendment No 213, tabled by Mr Buchou and others.

President

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am in agreement, Madam President.

President. — I put Amendment No 213 to the vote.

Since the result of the show of hands is doubtful, we shall now proceed to vote by means of the electronic voting-system.

I call Mr Galland on a point of order.

Mr Galland. — (F) Madam President, to those of us who have some kind of memory it is obvious that, even with the use of this apparatus, it takes much longer to record a roll-call vote. I would therefore ask the two group chairmen who wanted a regular electronic roll-call vote only to request it if it is vital to them. Otherwise we shall lose five minutes over each roll-call.

(Applause)

President. — Unless the groups withdraw their request, I can only apply the decision that has been taken.

I put the amendment to the vote.

Amendment No 213 is adopted.

(Applause from various benches)

On paragraphs 1 to 12, I have two amendments:

- Amendment No 4, tabled by Mr Pranchère and others; and
- Amendment No 122, tabled by Mr Nielsen.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against both amendments.

President. — I put Amendment No 94 to the vote.

Amendment No 94 is rejected.

I put Amendment No 122 to the vote.

Amendment No 122 is rejected.

On paragraph 1, I have Amendment No 181, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Unfavourable, Madam President.

President. — I put the amendment to the vote.

Amendment No 181 is rejected.

I put paragraph 1 to the vote.

Paragraph 1 is adopted.

On paragraph 2, I have Amendment No 182, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, we shall proceed to vote by means of the electronic voting-system.

Amendment No 182 is adopted.

I put paragraph 3 to the vote.

Paragraph 3 is adopted.

On paragraph 4, I have Amendment No 157, tabled by Mr Seal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am in agreement, Madam President.

President. — I put the amendment to the vote.

Amendment No 157 is adopted.

I put paragraph 4, thus amended, to the vote.

Paragraph 4 is adopted.

After paragraph 4, I have Amendment No 214, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) For, Madam President.

President. — I put the amendment to the vote.

President

Since the result of the show of hands is doubtful, we shall proceed to vote by means of the electronic voting-system.

Amendment No 214 is adopted.

On paragraph 5(a), I have Amendment No 155, tabled by Mr Seal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 155 is rejected.

I put subparagraph (a) to the vote.

Subparagraph (a) is adopted.

I put subparagraph (b) to the vote.

Subparagraph (b) is adopted.

After subparagraph (b), I have Amendment No 183, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I leave it to the wisdom of the House.

(Laughter)

President. — I put the amendment to the vote.

Amendment No 183 is adopted.

I put paragraph 6 to the vote.

Paragraph 6 is adopted.

After paragraph 6, I have Amendment No 20, tabled by the Committee on Budgets.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 20 is adopted.

(Applause from various benches)

On paragraph 7, I have two amendments:

— Amendment No 53, tabled by Mr Barbagli and others; and

— Amendment No 184, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I leave it to the wisdom of the House.

President. — I call Mr Barbagli.

Mr Barbagli. — (I) I withdraw Amendment No 53.

President. — I put Amendment No 184 to the vote.

Amendment No 184 is adopted.

I put paragraph 8 to the vote.

Paragraph 8 is adopted.

On paragraph 9, I have two amendments:

— Amendment No 177, tabled by the Socialist Group; and

— Amendment No 185, also tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Unfavourable on both amendments.

President. — I put Amendment No 177 to the vote.

Amendment No 177 is rejected.

President. — I put Amendment No 185 to the vote.

Since the result of the show of hands is doubtful, we shall vote by means of the electronic voting-system.

The amendment is rejected.

(By consecutive votes, Parliament adopted paragraphs 9 and 10)

On paragraph 11, I have Amendment No 186, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I leave it to the House's decision.

President. — I put the amendment to the vote.

Amendment No 186 is rejected.

I put paragraph 11 to the vote.

Paragraph 11 is adopted.

After paragraph 11, I have Amendment No 81, tabled by Mr Howell.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 81 is rejected.

On paragraph 12, I have three amendments:

- Amendment No 187, tabled by the Socialist Group;
- Amendment No 215, tabled by Mr Buchou and others; and
- Amendment No 46, tabled by Mr Caillavet.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against Amendment No 187, for Amendment No 215 and for Amendment No 46.

President. — I put Amendment No 187 to the vote.

Since the result of the show of hands is doubtful, we shall vote by means of the electronic system.

Amendment No 187 is rejected.

I put Amendment No 215 to the vote.

Amendment No 215 is adopted. Amendment No 46 consequently falls.

I put paragraph 12, thus amended, to the vote.

Since the result of the show of hands is doubtful, we shall vote by means of the electronic voting-system.

Paragraph 12, thus amended, is adopted.

After paragraph 12, I have Amendments Nos 216, 217, 218 and 219, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) These amendments have already been rejected in committee. I am against.

(By consecutive votes, Parliament rejected Amendments Nos 216, 217, 218 and 219)

President. — We proceed to part I: 'Changes in the common agricultural policy'.

We begin with section A: 'Milk products'.

On paragraphs 13 to 34, I have Amendment No 95, tabled by Mr Pranchère and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment.

President. — I put the amendment to the vote.

Amendment No 95 is rejected.

On paragraph 13, I have five amendments:

- Amendment No 127, tabled by Mr Nielsen;
- Amendment No 82, tabled by Mr Provan on behalf of the European Democratic Group;
- Amendment No 89, tabled by Mrs Castle and Mr Wettig;
- Amendment No 220, tabled by Mr Buchou and others; and
- Amendment No 188, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all five amendments.

(By consecutive votes, Parliament rejected Amendments Nos 127, 82, 89, 220 and 188)

President. — I put paragraph 13 to the vote.

Paragraph 13 is adopted.

I call Mr Nielsen on a point of order.

Mr Brøndlund Nielsen. — (DK) Madam President, I just wish to say this, since I wanted paragraph 13 deleted. Could we have a check with the electronic voting system, because I think the result of the vote on my amendment was unclear?

President. — Mr Nielsen, I can assure you that there was no possibility of doubt on the result of the vote.

President

After paragraph 13, I have Amendment No 221, tabled by Mr Buchou and others, on which the Group of European Progressive Democrats has requested a vote by roll-call.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I leave it to the House's decision.

President. — We shall therefore vote by means of the electronic system.

Amendment No 221 is rejected.

On paragraph 14, I have two amendments:

- Amendment No 1, tabled by Mr Cohen on behalf of the Committee on Development and Cooperation; and
- Amendment No 87, tabled by Mrs Castle and Mr Wettig.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

(By consecutive votes, Parliament rejected Amendments Nos 1 and 87)

President. — I put paragraph 14 to the vote.

Since the result of the show of hands is doubtful, we shall vote by means of the electronic system.

Paragraph 14 is adopted.

After paragraph 14, I have two amendments:

- Amendment No 51, tabled by Mrs Martin; and
- Amendment No 165, tabled by Mr De Keersmaeker.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am in favour of both amendments.

(By consecutive votes, Parliament rejected Amendments Nos 51 and 165)

President. — On paragraph 15, I have Amendment No 126, tabled by Mr Nielsen.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Amendment No 126 is rejected.

I put paragraph 15 to the vote.

Paragraph 15 is adopted.

After paragraph 15, I have Amendment No 80, tabled by Mrs Kellet-Bowman and Miss Brookes.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 80 is rejected.

On paragraph 16, I have 4 amendments:

- Amendment No 18, tabled by the Committee on Budgets;
- Amendment No 88, tabled by Mrs Castle and Mr Wettig;
- Amendment No 76, tabled by Mr Curry and Mr Provan on behalf of the European Democratic Group; and
- Amendment No 222, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all four amendments.

President. — I put Amendment No 18 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Amendment No 18 is adopted.

(Applause)

Amendments Nos 88, 76 and 222 consequently fall.

On paragraph 17, I have two amendments:

- Amendment No 125, tabled by Mr Nielsen; and
- Amendment No 106, tabled by Mrs Gredal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put Amendment No 125 to the vote.

The amendment is rejected.

I put Amendment No 106 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

The amendment is rejected.

I put paragraph 17 to the vote.

Paragraph 17 is adopted.

After paragraph 17, I have three amendments:

- Amendment No 19, tabled by the Committee on Budgets;
- Amendment No 72, tabled by Mr Blaney; and
- Amendment No 223, tabled by Mr Bouchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against Amendments Nos 19 and 72 and for Amendment No 223.

(By consecutive votes, Parliament rejected Amendments Nos 19, 72 and 223)

President. — On paragraph 18, I have four amendments:

- Amendment No 224, tabled by Mr Buchou and others;
- Amendment No 74, tabled by Mr Curry on behalf of the European Democratic Group;
- Amendment No 149, tabled by Mr Jonker; and
- Amendment No 176, tabled by Mr Woltjer on behalf of the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I call Mr Klepsch.

Mr Klepsch. — (D) The Jonker amendment is withdrawn.

President. — I call Mr Glinne.

Mr Glinne. — (F) Madam President, may I make a correction: Amendment No 176 is tabled by Mr Woltjer in his personal capacity and not on behalf of the Socialist Group.

(By consecutive votes, Parliament rejected Amendments Nos 224, 74 and 176)

President. — I put paragraph 18 to the vote.

Paragraph 18 is adopted.

After paragraph 18, I have Amendment No 225, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Unfavourable.

President. — I put the amendment to the vote.

Amendment No 225 is rejected.

On paragraph 19, I have three amendments:

- No 124, tabled by Mr Nielsen;
- No 85, tabled by Mr Provan on behalf of the European Democratic Group; and
- No 107, tabled by Mrs Gredal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all three amendments.

(By consecutive votes, Parliament rejected Amendments Nos 124, 85 and 107)

President. — I put paragraph 19 to the vote.

Paragraph 19 is adopted.

On paragraph 20, I have four amendments:

- Amendment No 123, tabled by Mr Nielsen;
- Amendment No 34, tabled by Mr Wettig and Mrs Castle;
- Amendment No 226, tabled by Mr Buchou and others; and
- Amendment No 159, tabled by Mr Seal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all four amendments.

President. — I put Amendment No 123 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system

Amendment No 123 is rejected.

I put Amendment No 34 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Amendment No 34 is rejected.

I put Amendment No 226 to the vote.

Amendment No 226 is rejected.

I put Amendment No 159 to the vote.

Amendment No 159 is rejected.

I put paragraph 20 to the vote.

Paragraph 20 is adopted.

On Paragraph 21, I have ten amendments:

- Amendment No 108, tabled by Mrs Gredal and others;
- Amendment No 179, tabled by the Socialist Group;
- Amendment No 189, tabled by the Socialist Group;
- Amendment No 227, tabled by Mr Buchou and others;
- Amendment No 54, tabled by Mr Barbagli and others;
- Amendment No 14, tabled by Mr Ligios and others;
- Amendment No 114, tabled by Mrs Cresson and others;
- Amendment No 56, tabled by Mr Clinton;
- Amendment No 130, tabled by Mr Nielsen; and
- Amendment No 66, tabled by Mr Kirk.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all these amendments except No 56, which I leave to the House's decision.

President. — I put Amendment No 108 to the vote.

Amendment No 108 is rejected.

On Amendment No 179, I have a request from the Socialist Group for a vote by roll-call. We shall therefore vote by means of the electronic system.

I put the amendment to the vote.

Amendment No 179 is rejected.

On Amendment No 189, I again have a request from the Socialist Group for a vote by roll-call. The vote will be taken as soon as the electronic system is working again.

I call Mr Herman on a point of order.

Mr Herman. — (F) Madam President, a suggestion to speed up our work: While waiting for the electronic system to be ready for use again, can we not proceed to those votes for which there is no request for a roll-call?

President. — No, that is not possible. Since the amendments govern one another, we should risk finding ourselves in a confused situation which would be even more irksome than the small amount of time we have to wait for the system to work.

I call Sir Peter Vanneck.

Sir Peter Vanneck. — Madam President, while we are waiting for the machine to digest the last vote, may I draw your attention to the fact that the figures for the votes are not being displayed on the panels even though they are quite useful? I understood that the purpose of the panels was to provide the figures after each vote, and so far it has not been happening.

President. — These figures appear on the television screen in front of me. There is no danger of any irregularities or inaccuracies, since all the names will be recorded afterwards. If we had to wait for the results to be put up on the panels, we should lose even more time.

I call Mr Sieglerschmidt.

Mr Sieglerschmidt. — (D) Madam President, I presume that, in accordance with the Rules of Procedure, the name of everyone who has voted in each individual vote will be listed in the annex to the minutes, now that a roll-call vote has been requested for all electronic votes. How many volumes are going to be needed for today's minutes? May I then ask the two group chairmen who requested this procedure to reconsider their decision?

(Applause from the centre and right)

President. — You are right, Mr Sieglerschmidt: the results of all roll-call votes will be annexed to the minutes.

President

I call Mr Seal.

Mr Seal. — It seems, Madam President, that we have spent an awful lot of money on an incredibly archaic electronic voting system.

(Protests from certain quarters)

Not only do we have to wait while it prints out names, when for a very small amount of money we could get a high-speed printer, but now you tell us that it even takes time to put the figures up on the board. Madam President, I feel that we ought to be able to see the figures! It will help people who want to make a note of them, and I cannot see how it will take any time at all to display the figures on the board.

(Mixed reaction)

President. — The system is an up-to-date one: all systems require a certain amount of time for recording all the names. As regards displaying the figures, we shall see whether that is possible without loss of time and without confusing the results of one vote with another.

I call Mr Sutra.

Mr Sutra. — *(F)* Madam President, our decision to make a systematic record of all the names seems to me to go beyond what is authorized by the Rules of Procedure. According to the Rules of Procedure a request must be made for a record of names and a roll-call vote for each individual vote. I quite understand that we wanted to save time and I quite accept the reasons you have just given to justify the procedure that has been used up to now; but this is really wasting too much time, and I think we should keep to the Rules of Procedure and only have a roll-call when it is specifically requested for a vote.

(Applause from certain quarters in the centre and on the right)

President. — There is no contravention of the Rules if the political groups — assuming they maintain their point of view — request a vote by roll-call in each instance.

I put the amendment to the vote.

Amendment No 189 is rejected.

I call Sir Peter Vanneck on a point of order.

Sir Peter Vanneck. — Madam President, I am very sorry but I have seen Mr Simonnet press two buttons,

Nos 405 and 406. Now cannot we just vote in an honest manner?

(Interruptions)

Anybody can see that there are two red lights and only one voter. Now we cannot have one person voting twice.

(Applause)

Madam President, I just want to ask, surely it is against the rules of the House for the same person to vote twice. I wish you could make it clear to all the Members that hawk-eye Vanneck is watching them, and would they kindly be honest about their votes!

(Laughter and applause)

President. — I remind the House — though I think all Members are aware of this — that they can only vote for themselves. It should, however, be noted that Mr Simonnet's conduct has been wrongly called into question: he did not vote twice. In any case, the attendance lists will enable us to see whether absentees have been recorded as voting, in which case the minutes will be corrected.

I call Mr Balfe.

Mr Balfe. — Madam President, Sir Peter Vanneck is quite right. We have got to stop this nonsense. Mr Boyes has been out of this room for three votes, yet he is recorded, by his signature, as being present. I could quite easily have leant over and pressed his button. Therefore, when you say that we can check whether people are here it means that we can check whether they are in Strasbourg but not whether they are here for the vote. I think all Members must understand that the vote is, as the Rules say, a personal vote. Any Member who is seen voting twice has got to be disciplined by this House; otherwise the votes are meaningless.

(Applause from the European Democratic Group)

President. — Mr Balfe, I should not like to see all our colleagues falling under suspicion. If it is possible to believe that some are voting for others, one can also suppose that yet others are mistaken in believing that one person is voting for two. I therefore appeal to everyone's sense of responsibility.

(Applause)

The incident is closed. We shall resume the voting.

(By consecutive votes, during which Mr Paisley demanded the floor, to be followed by Mr Pranchère,

President

Parliament rejected Amendments Nos 227, 54, 14, 114, 56, 130 and 66)

I put paragraph 21 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Paragraph 21 is adopted.

I call Mr Paisley on a point of order.

Mr Paisley. — Madam President, I do not think that the Rules permit you to refuse a point of order. I wanted to say that, during the voting, I have seen many Members voting for Members who were absent. I was told at the beginning that we were all responsible for our own cards. I want to know why that Rule was not adhered to and why these cards cannot be removed from the desks of Members who are absent. That would then make it impossible for Members to vote twice. That was the point I thought was very relevant to your answer to the point of order.

President. — Mr Paisley, I did not give you the floor because the vote had begun.

I call Mr Harris.

Mr Harris. — Madam President, mine is exactly the same point of order. I would now request you to instruct the attendants to remove the cards from the desks of Members who are absent. When they return to the Chamber they can reclaim these cards. It is the only way that votes in this House are going to carry conviction.

(Applause from the European Democratic Group)

President. — I call Mr Pranchère.

Mr Pranchère. — *(F)* Madam President, I wanted to ask whether the figures which are sometimes given differently in the amendments could be harmonized when the vote is taken. Obviously, if Parliament had adopted our proposal abolishing the co-responsibility levy there would be nothing to vote about!

President. — I call Mr De Pasquale.

Mr De Pasquale. — *(I)* Madam President, I should like to raise a point of order on the large number of amendments relating to the super-levy — that is, those which propose the introduction of a new paragraph 21a.

These amendments are of different types. One type, which includes Amendment No 172, by Mr Curry, Amendment No 6, by Mr Barbagli and Mr Colleselli, Amendment No 5, by Mr Diana and others, and Amendment No 61, by Mrs Barbarella and others, proposes a totally different criterion from that contained in the original text concerning the super-levy, in that they seek to apply the super-levy to products offered for intervention and not to all products. I feel therefore that the Assembly should not be deprived of the right to choose initially between the two criteria.

I would ask, therefore, that this first series of amendments be voted on before the other amendments, which are concerned with the options available within the criterion set out in the document.

To sum up, I would say that it is indispensable to differentiate those amendments which do not contain figures — this is true of the first group — from those which do and which are based on the criterion set out in the document, as I feel that the first group of amendments is further removed from the text and as such can be voted on first.

I am well aware that my interpretation as to how much the amendment departs from the original text is an entirely personal one, but I feel that in this instance we should nevertheless regard those amendments which propose a different system and do not contain figures as departing further from the text.

President. — I call Mr Ferri.

Mr Ferri. — *(I)* Madam President, I would again draw your attention to the matter of votes by means of the electronic system being regularly considered as votes by roll-call in response to a request from the chairmen of two groups.

While not contesting the group chairmen's right to request a roll-call for the amendments before us, I feel that such a request cannot be valid if there is uncertainty as to what is being requested.

It is correct to put the text to the vote by a show of hands and only if the result is not clear to vote by roll-call. The group chairmen should therefore have requested a roll-call for each amendment — but it is not known which — on which the voting by show of hands did not produce a clear result. I feel that this is totally inadmissible, as the request for a roll-call should be in respect of a specific matter — not an unspecified one — relating to the text in question.

(Scattered applause from the right)

President. — Mr Ferri, I think that comes to the same thing. We simply gain time by reducing the num-

President

ber of requests for roll-call votes. Your objection seems to me to be no more than a matter of form.

I call Mr Klepsch.

Mr Klepsch. — (*D*) Madam President, I would like to say something to the members of the Socialist Group. I think this is the fourth person to protest that two political group chairmen have made such requests. It is your own chairman you keep complaining about! I would ask that such matters be dealt with in advance in the political groups. This is not something for plenary sittings.

The second request relates to a technical matter. I have removed my colleague Mr Colombo's card — he is here but has been called out of the Chamber for a moment — and I have placed it on the table. Could we not ask all those sitting next to unoccupied seats to do exactly the same? We shall then not need any official collection of them. When the Member who has gone out returns, he can replace it. This proposal might be a way of ending these debates about someone who has seen someone else who has perhaps pressed the button of a third person.

(Applause from certain quarters)

President. — I call Mr Pannella.

Mr Pannella. — (*F*) Madam President, with respect to my friend Mr Ferri, chairman of the Legal Affairs Committee, as far as the Rules of Procedure are concerned I think that your position is absolutely correct. The problem, Mr Ferri, lies elsewhere, as the President has applied the Rules of Procedure very correctly. What is perhaps less comprehensible is the political attitude of the group chairmen, which is not in line with the Rules of Procedure. But I do not think that chairman Klepsch's position must be accepted: group chairmen are not the Members' 'keepers'. It would not be desirable for group chairmen to prevent Members from expressing their personal views in plenary sittings.

President. — I call Mr Maffre-Baugé.

Mr Maffre-Baugé. — (*F*) Madam President, may I comment on these magnetic cards? I think this is a matter of dignity. You stated this at the outset of this sitting by saying that everyone had his own parliamentary methods but that here you are the one to specify the methods.

It is a matter of our dignity to use our own cards, and it is an insult to ask us to withdraw our cards or to have them withdrawn by the ushers. Of course it is for

you to take the name of any Members who misbehave and warn them. As for the rest of us, we have our dignity and we will maintain it.

(Applause)

President. — I call Mr Maher.

Mr Maher. — Madam President, doubts have been cast on the voting in terms of some parliamentarians using other parliamentarians' votes, and I take it that the people who made these objections made them in good faith.

We have had one vote here already today, if I remember correctly, where there was a difference between one side and the other of just two votes. Can we be sure that that was a correct decision? If there is a very wide difference of 50 or 60 votes, it is unlikely that there was any wrong result coming out; but if it is only two votes, can we be sure that that was a correct reflection of this Parliament's decision? I think there must be some doubt.

President. — Mr Maher, let us not give way to doubts of this kind, which throw an intolerable suspicion on many of our colleagues.

I call Mr Delatte to give his opinion on Mr De Pasquale's proposal concerning the order in which the amendments should be taken.

Mr Delatte, rapporteur. — (*F*) Madam President, it is true that of the proposed amendments to the new paragraph 21a some contain figures and others do not. This may indeed present difficulties. However, having said that, I do not think this need affect the vote. The amendments have been ordered — and not without difficulty, I may tell you: to arrange 240 amendments in a few hours is no light matter. I hope, therefore, that they will be voted on in the order planned so that matters are not complicated and everyone can vote as he wishes.

(Applause from certain quarters in the centre and on the right)

President. — When drawing up the President's file, we took the trouble to group the amendments in the same order as the Committee on Agriculture. We also found this grouping logical and consistent. Unless we wish to upset our work and run the risk of making it more complicated, we shall have to keep to this order.

After paragraph 21, I have fourteen amendments:

— Amendment No 228, tabled by Mr Buchou and others;

President

- Amendment No 133, tabled by Mr Maher;
- Amendment No 57, tabled by Mr Clinton;
- Amendment No 65, tabled by Mr Barbagli and others,
- Amendment No 166/rev., tabled by Mr De Keersmaecker;
- Amendment No 69, tabled by Mr Klepsch on behalf of the Group of the European People's Party (CD);
- Amendment No 67, tabled by Mr Kirk;
- Amendment No 172, tabled by Mr Curry on behalf of the European Democratic Group;
- Amendment No 6, tabled by Mr Barbagli and Mr Colleselli;
- Amendment No 5, tabled by Mr Diana and others;
- Amendment No 61, tabled by Mrs Barbarella and others;
- Amendment No 15, tabled by Mr Ligios and others;
- Amendment No 209, tabled by Mr Bangemann on behalf of the Liberal and Democratic Group; and
- Amendment No 170, tabled by Mr De Keersmaecker.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Madam President, with your permission I should prefer to give my opinion on each amendment separately as the vote proceeds.

To start with, I am opposed to Amendment No 228.

President. — I put Amendment No 228 to the vote.

The amendment is rejected.

We proceed to Amendment No 133.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment.

President. — I put the amendment to the vote.

Amendment No 133 is rejected.

We proceed to Amendment No 57.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 57 is rejected.

We proceed to Amendment No 65, with regard to which I draw your attention to the fact that it would introduce a new paragraph, paragraph 21 (a), and not, as indicated, a subparagraph.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment.

President. — I put the amendment to the vote.

Amendment No 65 is rejected.

We proceed to Amendment No 166/rev.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment.

President. — I call Mr Klepsch.

Mr Klepsch. — (D) The De Keersmaecker amendment is withdrawn.

President. — We therefore proceed to Amendment No 69.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Favourable.

President. — I put the amendment to the vote.

Amendment No 69 is rejected.

We proceed to Amendment No 67.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment.

President. — I put the amendment to the vote.

Amendment No 67 is rejected.

We proceed to Amendment No 172.

What is the rapporteur's position?

President

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 172 is rejected.

We proceed to Amendment No 6.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 6 is rejected.

We proceed to Amendment No 5.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 5 is rejected.

We proceed to Amendment No 61.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 61 is rejected.

We proceed to Amendment No 15.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 15 is rejected.

We proceed to Amendment No 209.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Favourable.

President. — I put the amendment to the vote.

Amendment No 209 is rejected.

We proceed to Amendment No 170.

I call Mr De Keersmaeker.

Mr De Keersmaeker. — (NL) This amendment has now lost its point, Madam President, and is therefore withdrawn.

President. — I call Mr Glinne on a point of order.

Mr Glinne. — (F) Madam President, while not wishing to throw any doubts on the integrity of our rapporteur, Mr Delatte, I would like to be quite sure that when he replies to your requests for his opinion he is actually expressing the views of the Committee on Agriculture and not his personal opinion.

President. — I call Mr Delatte.

Mr Delatte, rapporteur. — (F) Madam President, it is obvious that when replying as rapporteur, I do so on behalf of the Committee on Agriculture. It is also obvious that if a problem arose or if the Committee on Agriculture did not share my viewpoint, its chairman would speak.

President. — On paragraph 22, I have eight amendments:

- Amendment No 16, tabled by Mr Ligios and others;
- Amendment No 229, tabled by Mr Buchou and others;
- Amendment No 62, tabled by Mrs Barbarella and others;
- Amendment No 109, tabled by Mrs Gredal and others;
- Amendment No 35, tabled by Mrs Castle and Mr Wettig;
- Amendment No 90, tabled by Mr Curry on behalf of the European Democratic Group; and
- Amendment No 58, tabled by Mr Clinton.

Amendment No 152, tabled by Mr Seal, has been withdrawn.

What is the rapporteur's position on Amendment No 16?

Mr Delatte, rapporteur. — (F) I am against this amendment, which was rejected in committee.

President. — I put the amendment to the vote.

Amendment No 16 is rejected.

We proceed to Amendment No 229.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment, which was rejected in committee.

President. — I put the amendment to the vote.

Amendment No 229 is rejected.

We proceed to Amendment No 62.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 62 is rejected.

We proceed to Amendment No 109.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 109 is rejected.

We pass to Amendment No 35.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Amendment No 35 is rejected.

We proceed to Amendment No 90.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 90 is rejected.

We proceed to Amendment No 58.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 58 is rejected.

On paragraph 22, I have a request from the Socialist Group for a roll-call.

I call Mr Jonker on a point of order.

Mr Jonker. — (NL) There is an error in the numbering: my amendment refers to paragraph 22, but has been wrongly typed as 23. Thus, before putting paragraph 22 to the vote, I would first like to ask for my Amendment No 150 to be put to the vote.

President. — Mr Delatte, what is your opinion?

Mr Delatte, rapporteur. — (F) I have no objection to considering the amendment as relating to paragraph 22, and am also in favour of the amendment.

President. — I put the amendment to the vote.

Amendment No 150 is rejected.

As I announced a moment ago, the vote on paragraph 22 will be by roll-call.

I put paragraph 22 to the vote.

Paragraph 22 is rejected.

(Applause from various quarters)

On paragraph 23, I have 6 amendments:

- Amendment No 11, tabled by Mr Ligios and others;
- Amendment No 68, tabled by Mr Kirk;
- Amendment No 110, tabled by Mrs Gredal and others;
- Amendment No 190, tabled by the Socialist Group;
- Amendment No 59, tabled by Mr Clinton; and
- Amendment No 73, tabled by Mr Blaney.

President

We begin with Amendment No 11.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 11 is rejected.

We proceed to Amendment No 68.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 68 is rejected.

We proceed to Amendment No 110.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 110 is rejected.

We proceed to Amendment No 190.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 190 is rejected.

We proceed to Amendment No 59.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 59 is rejected.

We proceed to Amendment No 73.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 73 is rejected.

I put paragraph 23 to the vote.

Paragraph 23 is adopted.

On paragraph 24, I have 4 amendments:

- Amendment No 12, tabled by Mr Ligios and others;
- Amendment No 111, tabled by Mrs Gredal and others;
- Amendment No 55, tabled by Mr Barbagli and others; and
- Amendment No 79, tabled by Mrs Kellett-Bowman and Miss Brookes.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all four amendments.

President. — I put Amendments Nos 12 and 111 together to the vote.

Amendments Nos 12 and 111 are rejected.

I put Amendment No 55 to the vote.

Amendment No 55 is adopted.

I put Amendment No 79 to the vote.

Amendment No 79 is rejected.

I put paragraph 24, thus amended, to the vote.

Paragraph 24, thus amended, is adopted.

On paragraph 25, I have Amendment No 191, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 191 is rejected.

I put paragraph 25 to the vote.

Paragraph 25 is adopted.

President

After paragraph 25, I have 3 amendments:

- Amendment No 22, tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection;
- Amendment No 91, tabled by Mr Curry on behalf of the European Democratic Group; and
- Amendment No 175, tabled by Mr Woltjer on behalf of the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against Amendment No 22; on Amendment No 91, I leave it to the House to decide; I am in favour of Amendment No 175.

(By consecutive votes, Parliament adopted Amendments Nos 22, 91 and 175)

President. — I put paragraph 26 to the vote.

Paragraph 26 is adopted.

On paragraph 27, I have Amendment No 129, tabled by Mr Nielsen.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

(By consecutive votes, Parliament adopted Amendment No 129 and paragraph 27, thus amended)

President. — After paragraph 27, I have 2 amendments:

- Amendment No 13, tabled by Mr Ligios and others; and
- Amendment No 92, tabled by Mr Kirk on behalf of the European Democratic Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am for Amendment No 13 and against Amendment No 92.

President. — I put Amendment No 13 to the vote.

Amendment No 13 is rejected.

I put Amendment No 92 to the vote.

Amendment No 92 is adopted.

On paragraph 28, I have Amendment No 153, tabled by Mr Seal and others, on which the Socialist Group has asked for a roll-call.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment.

President. — I put the amendment to the vote.

Amendment No 153 is rejected.

I put paragraph 28 to the vote.

Paragraph 28 is adopted.

After paragraph 28, I have Amendment No 230, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against this amendment, which adds nothing to the paragraph.

President. — I put the amendment to the vote.

Amendment No 230 is rejected.

On paragraph 29, I have 3 amendments:

- Amendment No 36, tabled by Mrs Castle and Mr Wettig;
- Amendment No 231, tabled by Mr Buchou and others; and
- Amendment No 146, tabled by Mr Hord.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all three amendments.

President. — I put Amendment No 36 to the vote.

Amendment No 36 is rejected.

I put Amendment No 231 to the vote.

Amendment No 231 is rejected.

I put Amendment No 146 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Amendment No 146 is rejected.

I put paragraph 29 to the vote.

Paragraph 29 is adopted.

President

After paragraph 29, I have Amendment No 174, tabled by Mr Woltjer on behalf of the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 174 is adopted.

On paragraph 30, I have 3 identical amendments:

- Amendment No 37, tabled by Mrs Castle and Mr Woltjer;
- Amendment No 161, tabled by Mr Seal and others; and
- Amendment No 192, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put these amendments to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Amendments Nos 37, 161 and 192 are adopted.

I put paragraph 31 to the vote.

Paragraph 31 is adopted.

On paragraph 32, I have Amendment No 41, tabled by Mr Wettig. Since in fact this amendment relates to paragraph 54, it will be put to the vote at the appropriate time.

I put paragraph 32 to the vote.

Paragraph 32 is adopted.

On paragraph 33, I have Amendment No 193, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 193 is adopted.

On paragraph 34, I have Amendment No 141, tabled by Mr Scott-Hopkins on behalf of the European Democratic Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) For.

President. — I put the amendment to the vote.

Amendment No 141 is adopted.

I put paragraph 34, thus amended, to the vote.

Paragraph 34 is adopted.

After paragraph 34, I have Amendment No 128, tabled by Mr Nielsen.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 128 is rejected.

I call Mr de la Malène on a point of order.

Mr de la Malène. — (F) Madam President, we decided to vote without any interruption. It has taken us three hours to vote on about half the amendments. If we continue with no interruptions, we shall finish, at best, at 4 o'clock. If we stop, we shall finish at 5.

Could we not suspend the proceedings for an hour?

(Cries)

President. — I have from Mr de la Malène a proposal to suspend the sitting.

I put this proposal to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

The proposal is adopted.

The proceedings will therefore now be suspended until 2 p.m.

The House will rise.

(Applause from various quarters)

(The sitting was suspended at 1 p.m. and resumed at 2 p.m.)

President. — The sitting is resumed.

I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — I am sure this point is completely out of order, Madam President, and I apologize for raising it. It concerns the various planes leaving this fair city of Strasbourg this evening. I know that a request has been made that the plane to London should be delayed until after we have finished the votes and the explanations of vote: otherwise my colleagues will have to stay here tonight. I hope that arrangements have been made to delay the departure time of this particular plane. I know you have been asked and that a request has been made to Mr Pflimlin too. I hope that it will be delayed.

President. — I am not yet in a position to give you a reply on that point.

I call Mrs Castle.

Mrs Castle. — I very strongly support Mr Scott-Hopkins' request. One of the reasons some of us have always been opposed to Parliament meeting in Strasbourg is that communications for those of us who live in Great Britain are so extremely limited and therefore create constant difficulties. This is an opportunity for Strasbourg to show that it can be flexible and meet our communication needs. I would ask you, therefore, Madam President, to press very strongly for the right of Members to catch a plane to their home countries.

President. — We will do everything possible to delay the departure of this plane.

I call Mr Diana.

Mr Diana. — (*I*) I should like to point out to our British colleagues that they did not behave very fairly over the request not to suspend the sitting, as unfortunately all the planes for Italy have already left and we have lost any opportunity of leaving by air.

President. — Mr Diana, there was never any possibility that the vote would be completed during the morning. In view of the number of amendments tabled, it was clear to everyone that the vote would take some time.

I call Lord Bethell.

Lord Bethell. — Just in case, Madam President, the statements by my colleagues Mr Scott-Hopkins and Mrs Castle cause certain misunderstandings among Members, would you accept that what was said has

nothing to do with Great Britain or any other particular Member State, but with the special problems of areas on the periphery of the Community. These areas are handicapped in various respects, in particular, of course, by the fact that the population finds it more difficult to come to Parliament to present their case, as various groups did yesterday. Those on the periphery of the Community need special help where communications with the European Parliament are concerned.

(Applause from certain quarters on the right)

President. — Since everyone seems in a hurry to leave, let us lose no more time in getting back to our work.

(Applause from various quarters)

We proceed to part B: 'Sugar'.

On paragraphs 35 to 47, I have Amendment No 96, tabled by Mr Pranchère and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (*F*) I am against.

President. — I put the amendment to the vote.

Amendment No 96 is rejected.

On paragraphs 35 to 45, I have two amendments:

- Amendment No 180, tabled by the Socialist Group; and
- Amendment No 2/rev., tabled by Mr Cohen on behalf of the Committee on Development and Cooperation.

What is the rapporteur's position on Amendment No 180?

Mr Delatte, rapporteur. — (*F*) I am against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

I call Mr Glinne on a point of order.

Mr Glinne. — (*F*) Madam President, I must point out that Mrs Van den Heuvel has voted twice by mistake.

President. — Thank you, Mr Glinne, the figures will be corrected.

President

I call Sir Peter Vanneck.

Sir Peter Vanneck. — (*F*) Madam President, it is absolutely ridiculous: this Member voted 'abstention', but he voted for another.

President. — I call Mr Messmer.

Mr Messmer. — (*F*) I did in fact vote 'abstention' for my neighbour.

President. — Sir Peter, please, Mr Messmer, I think, was not here this morning.

(*Laughter*)

It is very unpleasant to put all Members under suspicion. Once more, I ask each Member to vote only for himself.

(*Applause*)

Sir Peter Vanneck. — (*F*) Madam President, it is a question of principle: some are voting for others!

President. — Sir Peter, you have made your point and Mr Messmer has apologized: the matter is settled. For the future, we have been studying, together with the administration, the possibility of having everyone keep his card on his person.

(*Applause*)

Everyone will therefore take his card with him, but I would draw the attention of all Members to the fact that if they forget their cards and leave them at home they will not be able to vote, and it was to prevent difficulties of this kind that the cards were retained by the administration.

In view of the difficulties of the present arrangement, we shall, at least for the present, try out the possibility of letting everyone keep his card.

Amendment No 180 is rejected.

I call Mr Sieglerschmidt on a point of order.

Mr Sieglerschmidt. — (*D*) Madam President, I am sorry but the system you have just considered offers absolutely no protection against manipulation. May I therefore urge the Bureau and the administration to think of something else?

President. — If everyone is responsible for his card, he will take it to heart that no one else must use it but

himself. We cannot consider any arrangement that would allow any doubts to hang over each one of us.

I call Mr Pannella.

Mr Pannella. — (*I*) I am sorry, Madam President, but we cannot impose on ourselves the obligation of taking away and bringing back this voting-card just because of some people who manipulate the system or are absent-minded. I do not think we should be obliged to suffer the consequences of their behaviour. Things should be left as they are.

Also, Madam President, once again, and I hope this will be the last time, I appreciate your goodwill and wisdom. Having said that, a principle of criminal law states that even a boy of 16 is responsible for his actions. Ignorance of the law is no excuse. The time has come to consider that all our colleagues have at least reached the level of a 16-year-old boy and are responsible for their actions.

(*Applause from certain quarters*)

President. — These cards are of the same size as the credit cards that everyone habitually carries around on his person. The arrangement I have suggested — and some of the group chairmen agree to it — already applies in certain parliaments.

The enlarged Bureau will consider what arrangement is most suitable. In any case, the principle that all Members of this House should be regarded as swindlers is intolerable.

We proceed to Amendment No 2/rev.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (*F*) I am against.

President. — I put the amendment to the vote.

Amendment No 2/rev. is rejected.

On paragraph 35, I have only Amendment No 200, tabled by Mr Tyrrell and others, since Amendment No 38, tabled by Mrs Castle and Mr Wettig, has been withdrawn.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (*F*) I am against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

President

Amendment No 200 is rejected.

Mr Pannella. — (F) Madam President, I wish to give an explanation of vote.

President. — Mr Pannella, I stated clearly this morning — and even if you expressed reservations on this point, there was a large measure of agreement — that explanations of vote would be taken after all the amendments had been considered and therefore immediately before the vote on the text as a whole.

(*Mr Pannella persisted in asking for the floor*)

Mr Pannella, your attempt to take the floor will be recorded in the report of proceedings.

I put paragraph 35 to the vote.

Paragraph 35 is adopted.

On paragraph 36, I have 2 amendments:

- Amendment No 39, tabled by Mrs Castle and Mr Wettig; and
- Amendment No 206, tabled by Mr Tyrrell and others.

Amendment No 201, tabled by Mr Tyrrell and others, has been withdrawn.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against both these amendments.

(*By consecutive votes, Parliament rejected Amendments Nos 39 and 206 and adopted paragraph 36*)

President. — On paragraph 37, I have 2 amendments:

- Amendment No 40, tabled by Mrs Castle and Mr Wettig; and
- Amendment No 168, tabled by Mr De Keersmaecker.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

(*By consecutive votes, Parliament rejected Amendments Nos 40 and 168 and adopted paragraph 37*)

President. — Since Amendments Nos 202, 203 and 204, tabled by Mr Tyrrell and others, have been withdrawn, I put paragraphs 38 to 40 to the vote.

Paragraphs 38 to 40 are adopted.

I put paragraphs 41 and 42 to the vote.

Paragraphs 41 and 42 are adopted.

I call Mr Rogers on a point of order.

Mr Rogers. — Madam President, the fact that no amendments have been put down to a number of consecutive paragraphs does not exclude the possibility that some Members are in favour of some paragraphs and not of others. Now you have taken two paragraphs together. I know there were no amendments down, but I would have been in favour of one paragraph and against the other, and I am forced to vote either for or against the two *en bloc*. I would suggest, Madam President, that even where there are no amendments you put them to the vote individually. Otherwise it will be very difficult for us to vote.

(*Applause from various quarters*)

President. — Mr Rogers, that is the usual practice here, except when a vote paragraph by paragraph has been requested beforehand.

On paragraphs 43 and 44, I have Amendment No 211, tabled by Mr Scott-Hopkins and Mr Curry on behalf of the European Democratic Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 211 is rejected.

On paragraph 43, I have 3 amendments:

- Amendment No 208, tabled by Mr Tyrrell and others;
- Amendment No 134, tabled by Mrs Gredal and others; and
- Amendment No 121, tabled by Mrs Cresson and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all three amendments.

(*By consecutive votes, Parliament rejected Amendments Nos 208, 134 and 121 and adopted paragraph 43*)

President. — On paragraph 44, I have Amendment No 207, tabled by Mr Tyrrell and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 207 is rejected.

(By consecutive votes, Parliament adopted paragraphs 44 and 45)

After paragraph 45, I have Amendment No 32, tabled by Mr Woltjer and Mr Cohen.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 32 is rejected.

On paragraph 46, I have two amendments:

- Amendment No 52, tabled by Mr Louwes; and
- Amendment No 169, tabled by Mr De Keersmaeker.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am in favour of Amendment No 52 and, if this is rejected, of Amendment No 169.

President. — I put Amendment No 52 to the vote.

Amendment No 52 is adopted.

Amendment No 169 accordingly falls.

(By successive votes, Parliament adopted paragraph 46, thus amended, and paragraph 47)

After paragraph 47, I have Amendment No 97, tabled by Mr Vergès and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I leave it to the House's decision.

President. — I put the amendment to the vote.

Amendment No 97 is rejected.

We proceed to Part C: 'Beef and veal'.

On paragraphs 48 to 53, I have seven amendments:

- Amendment No 98/corr., tabled by Mr Pranchère and others;
- Amendment No 156, tabled by Mr Seal and others;
- Amendment No 137, tabled by Mr Provan on behalf of the European Democratic Group;
- Amendment No 3, tabled by Mr Cohen on behalf of the Committee on Development and Cooperation;
- Amendment No 139, tabled by Mr Provan on behalf of the European Democratic Group;
- Amendment No 138, tabled by Mr Provan on behalf of the European Democratic Group; and
- Amendment No 197, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against all these amendments.

(By consecutive votes, Parliament rejected Amendments Nos 98, 156, 137 and 3, adopted paragraphs 48 and 49, rejected Amendment No 139, adopted paragraph 50, rejected Amendments Nos 138 and 197 and adopted paragraphs 51, 52 and 53)

President. — After paragraph 53, I have two amendments:

- Amendment No 140, tabled by Mr Provan on behalf of the European Democratic Group; and
- Amendment No 115, tabled by Mrs Cresson and others.

Since this latter amendment in fact relates to paragraph 90, it will be put to the vote in due course.

What is the rapporteur's position on Amendment No 140?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 140 is adopted.

We proceed to Part D: 'Cereals'.

On paragraphs 54 to 56, I have six amendments:

- Amendment No 99, tabled by Mr Pranchère and others;
- Amendment No 135, tabled by Mrs Gredal and others;
- Amendment No 198, tabled by the Socialist Group;
- Amendment No 116, tabled by Mrs Cresson and others;

President

- Amendment No 47, tabled by Mr Caillavet; and
- Amendment No 41, tabled by Mr Wettig.

What is the rapporteur's position on Amendment No 99?

Mr Delatte, rapporteur. — (F) Against.

President. — I put Amendment No 99 to the vote.

Amendment No 99 is rejected.

We proceed to Amendments Nos 135 and 198.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put these amendments to the votes.

Amendments Nos 135 and 198 are rejected.

We proceed to Amendment No 41, replacing the text of paragraph 54.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Madam President, I leave it to the House's decision.

(By consecutive votes, Parliament rejected Amendment No 41, adopted paragraph 54, rejected Amendment No 116, adopted paragraph 55, rejected Amendment No 47 and adopted paragraph 56)

President. — After paragraph 56, I have Amendment No 117, tabled by Mrs Cresson and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 117 is rejected.

We proceed to Part E: *'Fruit and vegetables'*.

On paragraphs 57 to 61, I have eleven amendments:

- Amendment No 199, tabled by the Socialist Group;
- Amendment No 100, tabled by Mr Pranchère and others;

— Amendment No 23, tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection;

— Amendment No 143, tabled by Mr Curry on behalf of the European Democratic Group;

— Amendment No 142, tabled by Mr Curry on behalf of the European Democratic Group;

— Amendment No 4, tabled by Mr Cohen on behalf of the Committee on Development and Cooperation;

— Amendment No 232, tabled by Mr Buchou and others;

— Amendment No 17, tabled by Mr Ligios and others;

— Amendment No 24, tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection;

— Amendment No 42, tabled by Mrs Castle and Mr Wettig; and

— Amendment No 93, tabled by Mr Purvis.

What is the rapporteur's position on Amendment No 199?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 199 is rejected.

We proceed to Amendment No 100.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 100 is rejected.

We proceed to Amendment No 23.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken using the electronic system.

Amendment No 23 is adopted.

Amendment No 143 accordingly falls.

We proceed to Amendment No 142.

President

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Amendment No 142 is adopted.

We proceed to Amendment No 4.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put the amendment to the vote.

Amendment No 4 is adopted.

(Applause from certain quarters on the left)

I put paragraph 59 to the vote.

Paragraph 59 is adopted.

I put Amendment No 232 to the vote.

Amendment No 232 is rejected.

We proceed to Amendment No 17.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 17 is rejected.

I put paragraph 60 to the vote.

Paragraph 60 is adopted.

We proceed to Amendment No 24.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 24 is rejected.

We proceed to Amendment No 42.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 42 is rejected.

We proceed to Amendment No 93.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am for.

President. — I put the amendment to the vote.

Amendment No 93 is adopted.

(Applause and laughter)

I put paragraph 61, thus amended, to the vote.

Paragraph 61, thus amended, is adopted.

After paragraph 61, I have first of all Amendment No 48, tabled by Mr Caillavet.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 48 is rejected.

I then have two amendments:

— Amendment No 101, tabled by Mr Pranchère and others; and

— Amendment No 118, tabled by Mr Sutra and Mr Gatto on behalf of the Socialist Group.

I call Mr De Pasquale.

Mr De Pasquale. — (I) Madam President, there is a paragraph on wine at the end of the document. I think that these amendments should be considered at that stage. Paragraph 85 of the resolution requests that the system of performance guarantees for wine under long-term storage contracts be established on a permanent basis. This is identical with the Sutra and Gatto amendment. I do not think that we can now vote on the amendment tabled by Mr Sutra and Mr Gatto when there is another paragraph of the text which says the same thing.

President. — I call Mr Sutra.

Mr Sutra. — (*F*) Madam President, with reference to my Amendment No 118, I would like to state that the rapporteur declared himself in favour, the Committee on Agriculture adopted it and Parliament adopted it during the last part-session at the end of the debate on viticulture.

President. — What is the rapporteur's position?

Mr Delatte, rapporteur. — (*F*) Madam President, on Amendment No 118: Mr Sutra says that as rapporteur I agreed in the Committee on Agriculture to insert a paragraph on wine. This was adopted by the Committee as paragraph 85. Mr Sutra must therefore be asked to withdraw his amendment, as it already exists as paragraph 85; apart from a word or two, it is the same text.

As regards Amendment No 101, we can insert it at this point or, alternatively, at the point where we refer to wine. I myself see no difficulties.

President. — The vote on these two amendments will therefore be held over until we consider paragraph 85. We proceed to Part II: '*Prices and related measures*'; Section A: '*Agricultural prices*'.

Before paragraph 62, I have four amendments:

- Amendment No 164, tabled by Mr Gallagher and others; and
- Amendments Nos 151, 160 and 162, tabled by Mr Seal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (*F*) I am against all four amendments.

President. — I call Mr Pranchère on a point of order.

Mr Pranchère. — (*F*) We are now starting the debate on the section dealing with prices, which begins at paragraph 62. It is obvious that if we start the debate without agreeing on the voting procedure, difficulties will arise, as the problem of prices is, as we all know, a vital one. We for our part consider that we should start with those proposals which are the furthest removed from those of the Commission: in the case of our Amendment No 102, the proposed increase in prices corresponds to the trend in production costs. For France, this means 13 %. We cannot take as a starting-point the absolutely unacceptable proposal to freeze prices.

We should start with our Amendment No 102; if, unfortunately, it is not adopted, we can then make a decision on the proposal for price increases of 7.9 %, to which national measures must be added. We consider it very important that the vote should be taken in this order; we are dealing with the future of hundreds of thousands, even millions, of French farmers.

(Applause from certain quarters of the extreme left. Cries)

President. — Mr Pranchère, I take note of your remarks, but we shall come to the prices a little later.

I put Amendment No 164 to the vote.

Amendment No 164 is rejected.

We proceed to Amendment No 151, on which the Socialist Group has asked for a roll-call. I therefore put this amendment to the vote using the electronic system.

Amendment No 151 is rejected.

We proceed to Amendment No 160, on which I have received a similar request. We shall therefore vote on this too using the electronic system.

I call Mr Diana on a point of order.

Mr Diana. — (*I*) Madam President, I would like to draw the Assembly's attention to the fact that the amendment we have just voted on and the one on which we are about to vote deals with milk and butter, while we are at present discussing that section of the report which deals with fruit and vegetables; I think, therefore, that the two amendments should be put to the vote at another time.

President. — I call Mr Delatte.

Mr Delatte, rapporteur. — (*F*) Madam President, we have just voted on Amendment No 151, demanding a freezing of prices for milk and milk products. It was rejected. Amendment No 160 deals with price freezes for butter, but butter is a dairy product! So we have already voted on this amendment, and I do not see why we should now be voting on Amendment No 160.

President. — Mr Delatte, this amendment is different and must be put to the vote. I do so now.

I am informed that, owing to a fault in the system, the vote has not been recorded. In these circumstances and in view of the fact that Amendment No 160, as Mr Delatte has just pointed out, is very near to Amendment No 151, on which a roll-call vote has already taken place, I ask the Socialist Group whether it maintains its request.

Mr Glinne. — (F) No, Madam President.

President. — I therefore put Amendment No 160 to the vote by show of hands.

Amendment No 160 is rejected.

I put Amendment No 162 to the vote.

Amendment No 162 is rejected.

On paragraphs 62 to 75, I have Amendment No 102, tabled by Mr Pranchère and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Madam President, now we are about to consider the amendments on prices, we must agree on the voting procedure to be followed.

The proposals contained in these amendments differ widely: some propose very big price increases, others very small ones; yet others would leave them as they are or even reduce them by 1%. We also have an Amendment No 21, from the Committee on Budgets, which makes no proposal on prices and would virtually have Parliament leave the decision to the Commission.

I wanted to draw my colleagues' attention to the importance of the vote which is now to take place and to the manner in which we are to proceed. As regards Amendment No 21, I consider — and I am also speaking on behalf of the Committee — that after having debated the subject with such intensity for two days we cannot in the end just leave the decision to the Commission. Parliament must adopt a position; I therefore propose that this amendment be rejected.

Let me add that we have already taken decisions this morning, when we voted on the amendments on the supplementary levy: by rejecting amendments and by deleting paragraph 22 of the report submitted to you, we did not oppose the superlevies proposed by the Commission. Parliament must therefore take a decision on prices and reject Amendment No 21.

As regards the price proposals as a whole, I should like to make a suggestion, Madam President, based on Rule 29 (5) of the Rules of Procedure, according to which the President may, exceptionally, put the original text to the vote first. May I therefore ask you, Madam President, first to put to the vote paragraph 74 of the report presented on behalf of the Committee on Agriculture.

President. — At the moment, we are at paragraph 62 or, to be more precise, at Amendment No 102, which would replace paragraphs 62 to 75 in their entirety

and therefore is undoubtedly the furthest removed from the original text. Only after we have made up our minds about this amendment can we decide on the order in which the other amendments are to be considered.

I put the amendment to the vote.

Amendment No 102 is rejected.

On paragraphs 62 to 72, I have Amendment No 205, tabled by Mr Seal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 205 is rejected.

On paragraph 62, I have Amendment No 43, tabled by Mrs Castle and Mr Wettig.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 43 is rejected.

I put paragraph 62 to the vote.

Paragraph 62 is adopted.

There are no amendments to paragraphs 63 to 67.

I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — Could we take a separate vote on each of these paragraphs, Madam President?

President. — We shall accordingly take a separate vote on each of these paragraphs.

(By consecutive votes, Parliament adopted paragraphs 63 to 67)

On paragraph 68, I have four amendments:

- Amendment No 25, tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection;
- Amendment No 33, tabled by Mr Vernimmen and Mr Colla;

President

- Amendment No 75, tabled by Mr Curry on behalf of the European Democratic Group; and
- Amendment No 112, tabled by Mrs Gredal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put Amendments Nos 25, 33 and 75 to the vote.

These amendments are adopted.

(Mixed reactions)

Amendment No 112 consequently falls.

On paragraph 69, I have Amendment No 26, tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Amendment No 26 is rejected.

(Applause from certain quarters on the right)

Paragraph 69 is therefore adopted.

The European Democratic Group has requested that paragraphs 70 and 71 be voted on separately.

(By consecutive votes, Parliament adopted paragraphs 70 and 71)

After paragraph 71, I have Amendment No 70, tabled by Mr Kirk.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) The rapporteur leaves it to the House's decision.

President. — I put the amendment to the vote.

Amendment No 70 is rejected.

On paragraphs 72 to 75, I have four amendments:

— Amendment No 21, tabled by the Committee on Budgets;

— Amendment No 63, tabled by Mrs Barbarella and others;

— Amendment No 178, tabled by the Socialist Group; and

— Amendment No 233, tabled by Mr Buchou and others.

I call Mr Lange.

Mr Lange, chairman of the Committee on Budgets. — (D) Madam President, I would just like to point out that the interpretation of the Committee on Agriculture's rapporteur with regard to this amendment is not correct. We state quite clearly here that we support the financial and budgetary implications of the Commission proposals. We say nothing about 2.4 %, but assume this as a framework for Council and Parliament decisions. Therefore, Mr Delatte, the amendment does not propose unrestricted price-fixing at 2.4 %; it only fixes the framework which emerges from our financial needs. Also it is stated very clearly what additional conditions are required or should be observed for the fixing of prices.

(Applause from various quarters)

President. — I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — Madam President, earlier you informed Mr Rogers that his request for a separate vote on each paragraph of an amendment had been received too late, so I take it that you are not opposed in principle to voting on amendments paragraph by paragraph. On behalf of my group, I therefore ask that this amendment be voted on paragraph by paragraph. It will not take long.

President. — Mr Scott-Hopkins, this amendment forms a whole and it is impossible to accept a vote paragraph by paragraph.

(Mixed reactions)

I call Mr de la Malène.

Mr de la Malène. — (F) Madam President, if the electronic system is working again, please can the vote on this amendment be by roll-call?

President. — Mr de la Malène, we shall see whether this is possible.

I call Mr Klepsch.

Mr Klepsch. — (D) Madam President, I must ask a question, as Mr Lange's explanation has left one thing unclear. When we have voted on this amendment from the Committee on Budgets, shall we still have a vote on the price proposal or not? Mr Lange put it rather obscurely and said, 'We are not proposing a price increase of 2.4 %.' Madam President, are we, or are we not, going to vote on the amendments containing price proposals? I must have an answer to this question before we vote on this amendment: I do not want to be told afterwards that everything has already been settled. I therefore ask you to clarify this point.

I should also be prepared to support Mr Scott-Hopkin's request for a vote paragraph by paragraph, as it would then be possible to get rid of the paragraph which could be interpreted as fixing prices. However, if my question is answered in the affirmative that we are to have a separate vote on price proposals, I am quite satisfied. You are the only person who can clarify this, as you enabled the chairman of the Committee on Budgets to give an interpretation which has left me confused.

President. — Mr Klepsch, if Amendment No 21 is accepted, it will take the place of paragraphs 72 to 75, which will then not be put to the vote. We shall therefore vote on paragraphs 72 to 75 only if this amendment is rejected; but I repeat that in view of the way the amendment is formulated it cannot be voted on paragraph by paragraph.

I call Mr Delatte.

Mr Delatte, rapporteur. — (F) Madam President, I would stress that it seems to me absolutely unacceptable that Parliament should not give its opinion today on a rate of price increase. This amendment must be rejected.

(Applause from various quarters)

President. — I call Mr Rogers, but only for a point of order.

Mr Rogers. — Madam President, to reinforce what you said and to remove any confusion which may have been caused by what Mr Scott-Hopkins said: my original point of order concerned taking paragraphs in the original text one by one, and not the paragraphs in an amendment; which is, in fact, what you have ruled.

President. — I call Mr Hord.

Mr Hord. — Madam President, you said earlier that this all hangs together. I submit to you and to the House that if we were to reject this amendment as a

whole, it might be interpreted that this Parliament today had overturned the decision it took in December to reject the budget.

(Protests)

President. — We now proceed to the vote on Amendment No 21. Since the electronic system is not yet working again, the vote will be by sitting and standing.

Amendment No 21 is rejected.

(Applause from various quarters)

I call Mrs Wieczorek-Zeul on a point of order.

Mrs Wieczorek-Zeul. — (D) Please could the exact results of this vote be posted, Madam President?

President. — There is no provision in the Rules of Procedure for supplying such information.

I put Amendment No 63 to the vote.

Amendment No 63 is rejected.

I put paragraph 72 to the vote.

Paragraph 72 is adopted.

We now proceed to Amendment No 178.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I call Mr Glinne.

Mr Glinne. — (F) This is a text on which, at the beginning of the sitting, I asked for a vote by roll-call. I therefore request that the vote be taken by sitting and standing.

President. — That will be done. I put the amendment to the vote.

Amendment No 178 is rejected.

We now proceed to Amendment No 233.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) In favour.

President. — I put the amendment to the vote.

Amendment No 233 is adopted.

On paragraphs 73 to 75, I have the following amendments:

- Amendment No 86, tabled by Mr Boyes and others;
- Amendment No 163, tabled by Mr Seal and others;
- Amendment No 77, tabled by Mr Curry on behalf of the European Democratic Group;
- Amendment No 154, tabled by Mr Seal and others;
- Amendment No 83, tabled by Mr Purvis;
- Amendment No 194, tabled by the Socialist Group;
- Amendment No 31, tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection;
- Amendment No 210, tabled by Mr Bangemann on behalf of the Liberal and Democratic Group;
- Amendment No 136, tabled by Mr Klepsch on behalf of the Group of the European People's Party (CD);
- Amendment No 148, tabled by Mr Jonker;
- Amendment No 7, tabled by Mr Diana and others;
- Amendment No 71, tabled by Mrs Barbarella and others; and
- Amendment No 78, tabled by Mr Curry on behalf of the European Democratic Group.

Amendment No 171, tabled by Mr Price, has been withdrawn. What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Madam President, may I repeat the proposal I made at the start of the discussion on prices: pursuant to Rule 29 (5) of the Rules of Procedure, may I ask the President to put the original text of paragraph 74 to the vote first of all before votes are taken on the amendments.

President. — I have been requested to apply, instead of the order laid down in the normal procedure, the exceptional procedure provided for in Rule 29 (5) of the Rules of Procedure, that is, to put the original text to the vote first. The Rules require me to ascertain whether this procedure is not opposed by at least 21 Members.

I call Mr Glinne.

Mr Glinne. — (F) Madam President, on behalf of the Socialist Group I can say that this opposition undoubtedly exists.

President. — Will the 21 Members please stand?

(The number of Members rising to their feet greatly exceeded 21)

I accordingly cannot grant Mr Delatte's request.

I call Mr Klepsch.

Mr Klepsch. — (D) May I make another suggestion, which has already been put forward once? That is that the vote should be taken, as Mr Sutra has already proposed, starting with the percentage furthest removed from the Commission's proposal — i.e. 13 % — and then moving towards the Commission proposals. This is different from the proposal the rapporteur has just made, and I would recommend the House to proceed in this manner.

President. — Mr Klepsch, in order to enable us to take another decision, you must indicate the precise order in which you propose to take the amendments.

I call Mr De Pasquale.

Mr De Pasquale. — (I) Madam President, as the procedure suggested by one Member has not been adopted because of the opposition of 21 other Members, I propose that the only possible solution is to begin by voting on those amendments which depart furthest from the text of the Delatte report, as this is the text which we are discussing and to which the amendments relate. It is thus clear that, as far as figures are concerned, the first amendment to be put to the vote should be the proposal for a 1 % reduction, as this is the furthest removed from the 7.9 % in the Delatte report.

So much for the solution. I would, however, like to make another request, Madam President, as I believe that there is one amendment which departs even further from the text of the report than the proposal for a 1 % reduction. I refer to Amendment No 71, by Mrs Barbarella, which does not indicate any figures but does lay down criteria. You have already adopted this approach: when we voted on Amendment No 21, tabled by the Committee on Budgets on this same subject, we felt that the latter amendment departed the furthest from the Delatte text.

My advice and my request is that Amendment No 71 should be regarded as the most radically different and that we should then proceed to vote on those amendments furthest from the Delatte text, beginning with the one which provides for a 1 % reduction.

President. — Amendment No 86 is in fact the one which departs furthest from the text submitted by the Committee on Agriculture. We cannot consider Amendment No 71, by Mrs Barbarella, as departing the furthest: if we did so in the case of the amendment by the Committee on Budgets, that was because that amendment covered five complete paragraphs, whereas Mrs Barbarella's amendment only concerns one paragraph.

President

I call Mr Collins.

Mr Collins. — Madam President, I wish to speak in support of what you have suggested, because the House must be aware that there can be nothing further removed from the original than the opposite. What is being suggested in the original text is an increase and what has been suggested in Amendment No 86 is a decrease. Clearly that is the opposite, and clearly it is the furthest removed. Therefore we should start there and work upwards towards the Commission text.

(Applause from certain quarters)

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — Madam President, I would have thought this was an instance where the President ought to make some decisions. God made presidents to work through these sort of difficulties. You have the initiative. I think you ought to make the decision.

(Laughter)

President. — We are a Parliament, and its Members are there to take decisions too — not just the President on her own. It seems to me quite natural to consult the House on such important matters as the order in which amendments are to be taken.

We shall therefore begin by voting on Amendment No 86.

I call Mr Boyes on a point of order.

Mr Boyes. — Madam President, I would like a roll-call on this one if the computer is working; but if it is not working, then all I ask is that on this occasion you announce the result of the vote if it is close.

President. — Is the request for a vote by roll-call supported by a sufficient number of Members?

(Cries)

I call Mr Glinne.

Mr Glinne. — *(F)* Then we ask for a vote by sitting and standing on condition that the counting is done extremely carefully.

President. — Everyone in the Chamber can count at the same time as the President and the assisting officials.

I call Mr Boyes.

Mr Boyes. — I only asked for a vote by roll-call if the computer was working. Only a few moments ago a test was flashed up on the board, and I am wondering whether the computer is working now.

President. — I have just made another check, Mr Boyes, and I am afraid the system is not working. We shall therefore vote by sitting and standing.

I put the amendment to the vote.

Amendment No 86 is rejected.

I put Amendment No 163 to the vote.

Amendment No 163 is rejected.

We proceed to Amendment No 77.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

President. — I put the amendment to the vote.

Amendment No 77 is rejected.

We proceed to Amendment No 154.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

President. — I put the amendment to the vote.

Amendment No 154 is rejected.

We proceed to Amendment No 83.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

President. — I put the amendment to the vote.

Amendment No 83 is rejected.

We proceed to Amendment No 194.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Amendment No 194 is rejected.

We proceed to Amendment No 31.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) The rapporteur is against.

President. — I put the amendment to the vote.

Amendment No 31 is rejected.

We proceed to Amendment No 210.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Favourable, Madam President.

President. — At Mr Bangemann's request, we shall vote by sitting and standing.

I put the amendment to the vote.

Amendment No 210 is rejected.

I put Amendment No 136 to the vote.

Amendment No 136 is rejected.

We proceed to Amendment No 148.

I call Mr Jonker.

Mr Jonker. — (NL) In view of the result of the last two votes, I withdraw this amendment.

President. — I therefore put Amendment No 7 to the vote.

Amendment No 7 is rejected.

I put Amendment No 71 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Amendment No 71 is adopted.

(Loud applause)

We proceed to Amendment No 78.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Unfavourable.

President. — I put the amendment to the vote.

The amendment is rejected.

I put paragraph 75 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Paragraph 75 is adopted.

After paragraph 75, I have four amendments:

- Amendment No 132/rev., tabled by Mr Maher;
- Amendment No 64, tabled by Mrs Barbarella and others;
- Amendment No 234, tabled by Mr Buchou and others; and
- Amendment No 235, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) Against.

President. — I put Amendment No 132/rev. to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Amendment No 132/rev. is adopted.

(By consecutive votes, Parliament rejected Amendments Nos 64, 234 and 235)

I call Mr Rogers on a point of order.

Mr Rogers. — Madam President, we have voted on the amendments to paragraph 75. Are we going to put the paragraph as amended to the vote? Paragraph 75, as now amended, makes no sense in relation to paragraph 74. I think that we should now vote on paragraph 75 and as amended, either accept or reject it.

President. — Mr Rogers, we first adopted paragraph 75 and then added certain provisions. There is no ambiguity.

We proceed to Section B: 'Related and other measures'.

President

Since Mrs Castle has asked for a vote paragraph by paragraph, I shall put paragraphs 76 to 83 to the vote in succession.

(By consecutive votes, Parliament adopted paragraphs 76 to 83)

After paragraph 83, I have Amendment No 50, tabled by Mr Caillavet.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* Unfavourable, Madam President.

President. — I put the amendment to the vote.

Amendment No 50 is rejected.

On paragraph 84, I have two amendments:

- Amendment No 144, tabled by Mr Curry on behalf of the European Democratic Group;
- Amendment No 49, tabled by Mr Caillavet.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am opposed to Amendment No 144.

I would remind you, Madam President, that we decided to consider Amendments Nos 101 and 118 after paragraph 84.

President. — That will be done, Mr Delatte.

I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Amendment No 144 is rejected.

(By consecutive votes, Parliament adopted Amendment No 49 and paragraph 84, thus amended)

After paragraph 84, we must now consider Amendments No 101, tabled by Mr Pranchère and others, and No 118, tabled by Mr Sutra and Mr Gatto on behalf of the Socialist Group.

I call Mr Sutra.

Mr Sutra. — *(F)* The text of paragraph 85 contains these provisions. I therefore withdraw Amendment No 118.

President. — What is the rapporteur's position on Amendment No 101, by Mr Pranchère?

Mr Delatte, rapporteur. — *(F)* I am against.

President. — I put the amendment to the vote.

Amendment No 101 is rejected.

I put paragraph 85 to the vote.

Paragraph 85 is adopted.

After paragraph 85, I have Amendment No 8, tabled by Mr Ligios and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* Madam President, I think the author of this amendment could withdraw it, as we have dealt with this problem in paragraph 24: we have added calving premiums.

President. — I call Mr Ligios.

Mr Ligios. — *(I)* Madam President, I withdraw the amendment.

President. — I therefore put paragraph 86 to the vote.

Paragraph 86 is adopted.

After paragraph 86, I have two amendments:

- Amendment No 9, tabled by Mr Ligios and others;
- Amendment No 10, also tabled by Mr Ligios and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

(By consecutive votes, Parliament rejected Amendments Nos 9 and 10 and adopted paragraphs 87 and 88)

President. — On paragraph 89, I have Amendment No 147, tabled by Mrs Gredal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

President. — I put the amendment to the vote.

Amendment No 147 is rejected.

I put paragraph 89 to the vote.

President

Paragraph 89 is adopted.

After paragraph 89, I have Amendment No 236, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) This amendment was rejected by the Committee on Agriculture. I personally am in favour.

President. — I put the amendment to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Amendment No 236 is adopted.

On paragraph 90, I have six amendments:

- Amendment No 145, tabled by Mr Provan on behalf of the European Democratic Group;
- Amendment No 195, tabled by the Socialist Group;
- Amendment No 113, tabled by Mrs Gredal and others;
- Amendment No 60, tabled by Mr Clinton;
- Amendment No 44, tabled by Mr Wettig;
- Amendment No 237, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put Amendments Nos 145 and 195 to the vote.

Amendments Nos 145 and 195 are adopted.

(Applause from certain quarters)

Amendments Nos 113, 60, 44 and 237 accordingly fall.

After paragraph 90, I have three amendments:

- Amendment No 45/rev., tabled by Mr Caillavet;
- Amendment No 115, tabled by Mrs Cresson and others; and
- Amendment No 238, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am opposed to Amendments Nos 45/rev. and 115 and leave to the House the decision on Amendment No 238.

(By consecutive votes, Parliament rejected Amendments Nos 45/rev., 115 and 238)

President. — After paragraph 90, I have two further amendments:

- Amendment No 131, tabled by Mr Nielsen; and
- Amendment No 173, tabled by Mr Curry.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am in favour of Amendment No 131 and opposed to Amendment No 173.

President. — I put Amendment No 131 to the vote.

Amendment 131 is adopted.

I put Amendment No 173 to the vote.

Amendment No 173 is rejected.

We proceed to Part III: *'Monetary compensatory amounts'*.

On paragraphs 91 to 98, I have Amendment No 158, tabled by Mr Seal and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

President. — I put the amendment to the vote.

Amendment No 158 is rejected.

On paragraphs 91 to 97, I have two amendments:

- Amendment No 103, tabled by Mr Pranchère and others; and
- Amendment No 196, tabled by the Socialist Group.

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

(By consecutive votes, Parliament rejected Amendments Nos 103 and 196)

President. — Mr Curry has asked that paragraphs 91 to 94 be voted on paragraph by paragraph.

I put paragraph 91 to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

President

Paragraph 91 is adopted.

(By consecutive votes, Parliament adopted paragraphs 92 to 94)

On paragraph 95(a), I have two amendments:

- Amendment No 239, tabled by Mr Buchou and others; and
- Amendment No 119, tabled by Mrs Cresson and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

(By consecutive votes, Parliament rejected Amendments Nos 239 and 119)

President. — I put paragraph 95(a) to the vote.

Since the result of the show of hands is doubtful, a fresh vote will be taken by sitting and standing.

Paragraph 95(a) is rejected. We now proceed to subparagraphs (b) and (c).

I call Mr Glinne.

Mr Glinne. — *(F)* Madam President, after the vote that has just taken place, I wonder whether these subparagraphs still have any meaning.

President. — I think they do, Mr Glinne.

The European Democratic Group has asked that they be voted on separately.

I put paragraph 95(b) to the vote.

Paragraph 95(b) is adopted.

I call Mr Arndt.

Mr Arndt. — *(D)* Madam President, I think in our haste we are all rather losing sight of the whole. We have now rejected (a) and in (b) stated that what has been rejected in (a) must be implemented as quickly as possible. This is ridiculous for a Parliament to do.

(Laughter)

President. — No, Mr Arndt, the text still retains its meaning.

I put paragraph 95(c) to the vote.

Paragraph 95(c) is adopted.

I put paragraph 95, thus amended, to the vote.

Paragraph 95, thus amended, is adopted.

After paragraph 95, I have Amendment No 240, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

President. — I put the amendment to the vote.

Amendment No 240 is rejected.

On paragraph 96, I have two amendments:

- Amendment No 105, tabled by Mr Buchou and others;
- Amendment No 120, tabled by Mrs Cresson and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am opposed to these amendments, which were rejected in committee.

(By consecutive votes, Parliament rejected Amendments Nos 105 and 120, and adopted paragraph 96)

President. — On paragraph 97, I have Amendment No 167, tabled by Mr Buchou and others.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am against.

(By consecutive votes, Parliament rejected Amendment No 167 and adopted paragraph 97)

President. — After paragraph 97, I have Amendments Nos 27, 28, 29 and 30, tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection.

What is the rapporteur's position?

Mr Delatte, rapporteur. — *(F)* I am in favour of Amendment No 28 and opposed to the other three.

(By consecutive votes, Parliament adopted Amendments Nos 27, 28, 29 and 30)

President. — After paragraph 97, I also have Amendment No 104, tabled by Mr Pranchère and others.

President

What is the rapporteur's position?

Mr Delatte, rapporteur. — (F) I am against.

(By consecutive votes, Parliament rejected Amendment No 104 and adopted paragraph 98)

President. — Before proceeding to the vote on the motion for a resolution as a whole, those who wish to give explanations of vote may have the floor for not more than three minutes per speaker.

I call Mr Berkhouwer on a point of order.

Mr Berkhouwer. — (F) Madam President, in view of the situation we find ourselves in now that the amendments have been voted on, my group requests a suspension of the sitting for three-quarters of an hour or half an hour before the final vote.

(Mixed reactions)

President. — I call Mr Klepsch.

Mr Klepsch. — (D) Madam President, I must point out that whenever in such a situation a group has asked for a suspension of the proceedings, the request has always been granted. That is the tradition of the House. I would only ask to limit the length of time: the suspension should last no more than 30 minutes.

President. — Do you really need thirty minutes, Mr Berkhouwer? Would not a quarter of an hour be enough?

Mr Berkhouwer. — (F) Let us say twenty minutes, until six o'clock, Madam President.

President. — The proceedings will therefore now be suspended until 6 p.m. precisely.

The House will rise.

(The sitting was suspended at 5.40 p.m. and resumed at 6.05 p.m.)

President. — The sitting is resumed.

On account of certain difficulties over plane timetables, the chairman of the Socialist Group requests that the explanations of vote be taken not before but after the vote on the motion for a resolution as a whole.

(Mixed reactions)

Since this request does not meet with the general agreement of the House, we shall proceed immediately to the explanations of vote.

I call Mr Delatte.

Mr Delatte, rapporteur. — (F) Madam President, I am the rapporteur. Twice today I have drawn your attention to the key points in this report, firstly the co-responsibility levy and secondly prices, and twice the Parliament has proved incapable of expressing itself clearly on these two points, leaving the matter in the hands of the Commission. In this Parliament, then, there are large groups with opposite opinions, this is why we have been unable to reach any agreement. By leaving the decisions to the Commission's judgment, after having voted in various amendments which remove any coherence from the report, leaving it with neither soul nor political authority, Parliament has, I am sorry to say, evaded its responsibilities and has not made its mark at all.

However, I think that there is in this Parliament a majority in favour of a price increase of more than 2.4 %, as we saw during the vote on paragraph 73. There is also, as we have seen from time to time, a majority in favour of the co-responsibility levy. To the extent that the amendments which have been voted in remove any coherence from this report, I personally consider — although I should not say so in my capacity as rapporteur — that it should be rejected and I shall vote against it.

(Applause from various quarters on the right)

President. — I call Mr Arndt to speak on behalf of the Socialist Group.

Mr Arndt. — (D) Madam President, speaking on behalf of the majority of the Socialist Group, I was pleased to note at the outset of the discussion that we are concerned with continuity and credibility. I must disagree with the rapporteur and say that the most important amendments which have just found majority support here are quite consistent with what the Parliament decided in November and December.

(Applause from certain quarters on the left)

Those amendments have been kept, and what the Parliament has decided on amounts to putting a brake on the production of surpluses. In many areas, it means taking into account the position of the Third World countries. I think we are quite right not to fix prices, because everyone must admit, if he is honest with himself, that fixing prices across the board will not be in the interests of the common agricultural policy. I think we have kept to the framework of the Budget, with a few possible exceptions, and if there are still a fair number of things in the report which are not consist-

Arndt

ent with the Socialist Group's position, I can nonetheless confirm that the main points which we put forward have now been included in the report and we are able to approve it in its present form. I can speak both for myself and for many of my colleagues.

(Applause from certain quarters of the Socialist Group)

President. — I call Mr Klepsch to speak on behalf of the Group of the European People's Party (CD).

Mr Klepsch. — *(D)* Madam President, I would like to make a few observations on behalf of my group. In the Delatte report, the Committee on Agriculture proposed to the Parliament the application of the so-called objective method for settling prices, which means a rise of 7.9%. My group was and is basically in agreement with the application of the objective method but believes that the position on the various markets should be taken into account at the same time. We made this clear in an amendment specifying that in our view the average price increase ought to be at least 5% in order to prevent the discrepancy between the income of the agricultural sector and that of other sectors becoming greater.

We are sorry that the majority of this House has not adopted our view and that we have failed to work out a common position with a definite figure. This confronted us with the risk of voting on a resolution — and possibly having to reject it — without having made any statement on price policy. This led us in the end to agree to the wording of the Barbarella amendment, for, given the sequence of the voting, it was obvious that our amendment had been superseded if the Barbarella amendment was accepted. We know how the voting went, that there was no majority in favour of 5% only because two large groups in this House were bent on securing acceptance for 7.9%. I am just pointing out that our acceptance of the Barbarella amendment must not be allowed to obscure our basic position.

Secondly, we feel that measures to check the production of surpluses, especially in the milk sector, are urgently called for, as we have already made clear in the debates on the 1980 Budget. We have tried to make acceptable suggestions, first with a group amendment, then with various individual amendments, all, however, with the same aim — that just described — and not so very different in their methods. The Parliament followed none of these models nor any other presented here. This means that it has not taken up a position on the Commission's proposals for the introduction of a super-levy. Silence is consent. We did not want this super-levy in the form proposed by the Commission, and so we submitted different proposals here in this House, but they did not elicit majority support either. With the exception of these two, admittedly very essential, points — instead of which we now have a somewhat vague formulation — the

resolution reflects our position. We had already made our mark on a significant proportion of this resolution in the Committee on Agriculture and here in plenary sitting we have made a contribution to other passages too through numerous votes.

I am coming to the end of my speech, Madam President. My group laments the fact that in three days of debate we have achieved so little, and we hope that in future such debates will be better prepared so that there is greater certainty beforehand as to its results. My group agrees with the content of the resolution but is sorry that no real solution has been found on the two points I have raised, which does not represent a very satisfactory result for the Parliament.

(Applause from certain quarters of the Group of the European People's Party)

President. — I call Mr Scott-Hopkins to speak on behalf of the European Democratic Group.

Mr Scott-Hopkins. — Madam President, speaking on behalf of my group, I believe that we have as a parliament just about managed to retain our credibility when we passed the Barbarella amendment. It was a very close thing. This is not the time to go into all the regrets that one has, but I obviously regret that we have not managed to make this House realize that we have got to be consistent, otherwise we lose all credibility, not only here but outside this House. If we vote for large increases in agriculture after having said that we did not want them in our debates on the budget in November and December, we lose our credibility. It is a matter for regret that we have not dealt with the surplus position of those products which are in surplus. We haven't. We ran away from taking a final decision on it: I regret that and I think the House as well will regret it in the months and years ahead. As regards the super-levy and the co-responsibility levy, there again I regret that we did not come to a definitive conclusion.

As it is, Madam President, we have left a great deal not only to the Council but to the Commission. The final paragraph of the Barbarella amendment does, I think, give the Commission the ability now to put forward and to push forward their proposals to the Council. I only hope that the Council will take the decisions and draw the conclusions which they should do from the various debates which have gone on in this House. I do not think there is any more than one way of interpreting that particular amendment. It means that we are adhering to the decisions we took in November and December as a joint budgetary authority. It also means that we are supporting the criteria the Commission have adopted in presenting their proposals to us. There is no doubt that that is what it is: 2.4%.

(Protests)

Scott-Hopkins

And let us say that is why my group reluctantly find themselves in a position to support this report in the final vote.

(Applause from certain quarters on the right)

President. — I call Mr Marchais to speak on behalf of the Communist and Allies Group.

Mr Marchais. — *(F)* Madam President, ladies and gentlemen, we really do have it in for agriculture and the French peasants, both here in this Parliament and in the Commission and the Council of Ministers! The income of our hard-working farmers has been falling for six consecutive years. The exodus from rural areas continues. We are not going to have enough farmers to make the most of France's farming potential. This is already the case in some areas: the export deficit in agricultural products is as high as 19 thousand million francs. The compensatory amounts continue to penalize our agriculture and benefit others, notably the Germans. In this light, the proposals put forward by the Commission and taken up by the reactionary and Socialist majority in this Parliament are tantamount to a provocation to French farmers.

(Exclamations and laughter)

We reject the ludicrous price increase proposed by the Commission, which would have the effect of lowering the real income of farmers working in our country by 10 % and would mean sanctioning a seventh year of falling incomes. We reject the tripling of the co-responsibility levy on milk, the super-levy of 84 % on increases in milk production and the ending of intervention on beef and veal; and we add that if Great Britain persists in her intolerable demands she will have to leave the European Economic Community.

(Applause from certain quarters on the far left)

So we shall vote against these unacceptable proposals.

Similarly we are opposed to the Community plan on sheepmeat, which would entail the disappearance of 150 000 French producers, and we are opposed to the opening of the Common Market to Greece, Spain and Portugal, whose demands would only add to the blows already suffered by French farmers, especially those producing wine, fruit, vegetables and tobacco. One Mrs Thatcher is quite enough for any one!

(Laughter)

In voting against these annihilating proposals, we know that we are fighting side by side with the French farmers. We must make the French Government use its right of veto against these proposals. The aims and methods of France's agricultural policy must be

decided in France and nowhere else, and we will do all we can to make sure that this is what happens!

(Applause from certain quarters on the far left)

President. — If the House agrees, I shall now close the list of speakers for explanations of vote.

I call Mr Messmer to speak on behalf of the Group of Progressive Democrats.

Mr Messmer. — *(F)* Madam President, the Group of European Progressive Democrats has been consistent in its proposals and its voting during this debate: we wanted annual agricultural prices to be fixed at an adequate level and so we accepted the Committee on Agriculture's proposal of a 7.9 % increase. We wanted Community preference to be respected. As the debate draws to a close, Parliament has still not committed itself to a figure, which leaves the Commission at liberty to settle on proposals which we find unacceptable, even if a chance majority appears to be resigned to them by the fact that they voted for the Barbarella amendment.

Many of the amendments adopted by a majority in the Assembly are likely to weaken Community preference. Others, aimed at strengthening it, have been abandoned. Aware that this report, as it now is, will not help to solve the grave difficulties which beset agriculture, the Group of European Progressive Democrats will vote against its adoption.

(Applause from the Group of European Progressive Democrats)

President. — I call Mr Berkhouwer to speak on behalf of the Liberal and Allies Group.

Mr Berkhouwer — *(NL)* Madam President, I very much regret that a deputy of the French Communist Party should have brought the debate to this low point, with slogans such as 'Thatcher, go home!' like those we were reading about in this morning's papers. We could say, 'Marchais, go home!' but we are not going to. We are glad to range ourselves alongside David Owen, who wrote in last week's *Now*: 'The balance of our national interest still firmly favours our continued membership'. As I understand it from this prominent Socialist, there is therefore no possibility of Great Britain's leaving the Community. I wish to say, Madam President, that as a European Liberal I consider the presence here of British parliamentarians, both Socialists and Conservatives, to be more valuable than the group which Mr Marchais represents.

(Applause from the European Democratic Group)

Berkhouwer

Mr Delatte has already dealt with my group's opinions. We thought we were being presented with a beautiful suckling pig; but, alas, it has been stripped down to a skeleton, and we have no desire to consume a skeleton. My group will therefore vote unanimously against the report as it now stands. If it is the case that all the farmers who demonstrated here yesterday — and may we state publicly, Madam President, that we admired your behaviour, going among them and talking to them —

(Applause from the right)

... that all the farmers in Europe now do not know what is going on, as we are not giving them any definite figures, that is very regrettable. But I firmly believe that the French farmers, insofar as French farmers are involved, should know where the French villains in the piece are.

My group will therefore vote against this skeleton which we have before us.

President. — I call Mr Blaney.

Mr Blaney. — Madam President, in the Committee on Agriculture, on whose behalf Mr Delatte produced the report, I voted for this report. I must say it was with a great deal of reluctance that I did so, but my thought was that if we did not have a report — and we might well not have done so since, as you know, the voting was 17 for, 10 against and 5 abstentions — there would be little point in our meeting here this week. I wasn't satisfied with it then and I must say that I am not satisfied with it now. Nevertheless, I will support the report as amended, but again only for the purpose of giving the Commission a guideline — on some matters at any rate.

We have studiously avoided taking any decision on the matter of the greatest importance, and that was the question what percentage increase, if any, was to be granted to our farmers this year. I say 'avoided' deliberately, because the obvious tactics here today were not to face the task of making a decision that could be given to the Commission to say here is what Parliament thinks after having debated the subject. Rather do we come with a rather woolly resolution that has the effect, because of procedural operations in this Parliament, of wiping out all other opportunities of making a decision on the really crucial issue whether 7.9% should or should not be considered by the Commission as the overall, all-round increase awarded to our farmers in a year which is the third successive year that they are facing, not an increase as all other sectors have been getting, but in fact a cut in their incomes. I would ask those who today have manipulated and manoeuvred and avoided taking the decision that would have been of some help to the Commission, what they would say if they were asked to take a cut in their incomes for the third time in three successive years.

And what of Article 39 of the Treaty of Rome, which this morning was inserted by way of amendment at the very kick-off — and, I thought, very appropriately so? That article contains what we have all believed down the years since the establishment of this Community, and that is that agriculture and the farmers of the Community would be given parity of incomes with other sectors of our Community. Do we just pass that today and then run away from it, as we appear to have done? I do not think we can have it both ways. I think that the farmers who have demonstrated and are demonstrating have every reason to do so, even if one might decry in some measure the excesses that may have taken place.

I will finish by saying that I am totally disillusioned by the hypocrisy I have witnessed here, not just today but culminating today, the hypocrisy of those who say we go for the Treaty of Rome, we believe in the Community and Article 39, and then throw it out of the window.

President. — I call Mr Glinne.

Mr Glinne. — *(F)* Madam President, a very substantial majority of the Socialist Group will vote in favour of the motion for a resolution which our debate has produced, basically because this approval is a logical consequence of the decision taken in December by four-fifths of our Parliament.

As regards the culminating point of the discussion, the adoption of Amendment No 71, from Mrs Barbarella and others, I would like to put right a telling and typical omission on the part of Mr Marchais and underline the fact that the authors of this amendment belong of course to the Communist Group.

We voted in favour of Mrs Barbarella's amendment because it includes the undertaking to guarantee a fair income for farmers. But then on this point Mrs Barbarella's amendment is absolutely identical with, or at least similar to, Amendments Nos 178 and 194, which the Socialist Group tabled, essentially with the lot of small farmers in mind. We also voted in favour of Mrs Barbarella's amendment because it supports increases in expenditure, allowing expenditure to grow within the limits compatible with a sound balanced budget and complying with the criteria underlying the Commission's proposals.

In short, Madam President, we have adopted this attitude because we believe that agricultural price increases alone cannot give the common agricultural policy the boost it needs. I trust the Parliament will remember my earnest request of yesterday that they should devote thorough debates in the coming months to the working out of a new common agricultural policy.

President. — I call Mr Kirk.

Mr Kirk. — (DK) Madam President, I must say that I have given very careful thought to how I should vote on this report. I feel there are a lot of good things in it, and I approve of many of the amendments that have been adopted. But, as some of the previous speakers have said, we have now unfortunately got ourselves into the situation in regard to the price proposals of failing to give the Commission and Council any clear decision.

I would like to point out that a majority in the House has adopted the paragraphs in which we deplore the fact that, when fixing the agricultural prices for 1980-81, the Commission has not taken sufficiently into account the results of the objective method, which it has itself put at 7 %. I take it, therefore, that a majority in this Parliament believes that the farmers should have reasonable price increases. Moreover, if a majority of Members deplores the fact that the Commission proposes an average increase of only 2.4 % and if a majority finds that figure unacceptable, then I also must assume that the Council should approve considerably larger increases.

The last important point is, of course, paragraph 74, where Mrs Barbarella's amendment has been adopted.

As we have heard from the previous speakers, this can be seen in many different ways: I think it is wrong that Parliament has been unable to adopt a definite percentage and give it its unequivocal endorsement, and the only conclusion I can draw for myself, as I said earlier, is that I should abstain from voting. I believe that there is a majority in favour of substantial price increases for farmers in 1980-81, but, since we have been unable to fix a figure and inform the Council accordingly, I shall not vote, but leave it to the other Members to see if they can form a majority one way or another.

President. — I call Mrs Barbarella.

Mrs Barbarella. — (I) Madam President, I would like to say on behalf of the Italian Communist and Allies Group that we do not share the assessment of the Delatte report nor the dissatisfaction expressed by some of our colleagues. We, for our part, are convinced that the vote on agricultural prices reflected a balanced position on the part of the Parliament, on the one hand stressing the need to control agricultural spending in the spirit of the decisions taken by our Parliament last December, but also, and above all, expressly inviting the Council and the Commission to take greater account of the need to guarantee farmers adequate incomes. I should like to underline this last point most forcefully, Madam President.

Our decision represents a clear invitation to improve the Commission's proposal. Many have expressed the

wish that Parliament should not decide on a specific figure, and this solution seems to be the most prudent and the best balanced. We feel it will give Parliament the greatest measure of credibility and a stronger negotiating position in its dealings with the Council. It is a solution which criticizes the Commission's proposals for not going far enough to meet the increases demanded by the producers, but which at the same time urges that decisions should be avoided which further upset the balance of the common agricultural policy and thus jeopardize the very existence of the Community, of which the common agricultural policy represents such a large component.

In this connection we feel that, in any case, it is essential to give a further clear indication of our willingness to move towards a reshaping of the common agricultural policy by supporting our proposal to establish a close link between price policy and structural policy and by inviting the Council to adopt the new prices together with the Commission's new proposal on structures. Since the questions of prices and structures are already before the Council, the latter is, in our view, duty bound to decide on both questions at the same time.

The resolution on which we are about to vote contains a number of points with which we do not agree, as we have already made clear in our opening remarks. Since, however, Parliament has adopted what we regard as a balanced and wise position on a basic issue, the Italian Communist Group will vote in favour of the resolution.

(Applause from various benches on the left)

President. — I call Mr Pflimlin.

Mr Pflimlin. — (F) Madam President, a moment ago Mr Klepsch outlined the reasons why most of the members of our group will vote in favour of this report. But, like Mr Klepsch, I must point out that there are nonetheless a few members of the group who will vote against it. Why? Because we believe — and we agree here with what Mr Delatte had to say as rapporteur — that the main object of our debate and of this extraordinary part-session was to enable our Parliament to give an opinion on the very important question of agricultural prices. It is perfectly true that Mr Delatte's report contains many other interesting and important items, all of which we voted for; but there was, after all, an expectation, both on the part of farmers and of public opinion in all the member countries, that our Parliament would take up a clear and unequivocal position on the question of prices.

We have not managed to do so. The amendments tabled by Mr Bangemann and Mr Klepsch, for which I voted together with the rest of my group, represented a compromise, as the proposed 5 % rate was far below the 7.9 % which figured in the Committee on Agri-

Pflimlin

culture's report. I must admit that I, for one, had hoped that this proposal would meet with majority approval in the Parliament. This proved impossible, for reasons which I will not go into. I very much regret that this was so. In these circumstances, I do not feel able to support the text which has emerged from our debates. I am very sorry that so many interesting and often very elevated speeches should have produced a negative result.

But to my mind nothing is worse than ambiguity. We must give a clear answer to the question of agricultural prices. If we cannot do this, there is no point in adopting a report. I find myself in the curious position of voting the same way as Mr Georges Marchais. This is a coincidence, and I wish to state clearly that my motives are totally different from those of Mr Marchais. At a time when the European Community is going through a critical phase, when the clash of interests assumes a rather spectacular and disturbing form, he has come here to add fuel to the fire, trying to stir up chauvinist reactions. This is not true of us. I believe that this Parliament's noblest task is rather to try to further mutual understanding among all the representatives of member countries here and the different political groups, who, quite legitimately, have different preoccupations. It is only to be expected that in a democratic debate we should diverge when it comes to voting. But, my friends, let us endeavour to prevent this Parliament from aggravating the disagreements which are threatening the unity of Europe. Let us rather make an effort to understand each other and seek reasonable solutions which cater for our own legitimate interests, whilst bearing in mind that we are here above all to serve the common interests of Europe.

(Applause from certain quarters in the centre and on the right)

President. — I call Mr Damseaux.

Mr Damseaux. — *(F)* Madam President, I shall vote against the report for two main reasons. The first is that I find it extremely unfair that the Parliament, under the Commission's influence, should attack farmers in a way it would never dare attack any other social category, by refusing a legitimate increase of at least 7.9 % in agricultural prices.

The second is that the report has been wrecked and won't solve any major problems. I find it deplorable that this Parliament, which often quite justifiably criticizes the Council for its impotence, should itself be incapable of producing clear solutions to replace the Commission's proposals.

President. — I call Mr Lalor.

Mr Lalor. — Madam President, I want to say that we in the Group of European Progressive Democrats just

cannot support this amended report. I want to join with my colleague Mr Messmer in saying this, and I am saying it on behalf of the Irish section of this group. We are in the unique position that nobody in our group has to apologize for any other group member voting against the common agricultural policy. We are all united here in backing the farming communities of Europe, we are fully with them, and this has been an extremely disappointing day from my point of view. As I see it, Parliament has been taken over here by the anti-farming consumer lobby, which unfortunately is aided and abetted by the Commission.

(Mixed reactions)

We have listened to the Conservatives talking all day; I have three minutes and I want to make my point.

The situation here is that we in this group voted today against the 5 % increase simply and solely because it was inadequate to meet the requirements of the farmers of this Community, who have been dropping very, very seriously back in their incomes over the last three years. I know that we have been criticized at home for not having backed the 5 % increase: 7.9 % was the minimum that the farmers were justly entitled to, 7.9 % is what they should have got 7.9 % is what I hope the Council will eventually see their way to being able to give despite the opposition that has developed here from the Commission. I want to say that I am very, very disappointed with Mr Gundelach in this regard — a Dane with a farming background. I am sorry he is not here to listen to me, but I am afraid that he is being controlled and steered and manoeuvred by the President of the Commission, who is pandering to both sides, both the Socialists and the Tories here in this House.

(Applause from certain quarters of the Group of European Progressive Democrats)

President. — I call Mr Josselin

Mr Josselin. — *(F)* Madam President, we are dealing with such a complex matter, involving such diverse interests, that we were well aware that it would be difficult for the Parliament to offer a definite answer to the questions raised by the Delatte report and by the Commission's proposals. But even the worst pessimists amongst us could not have envisaged the disorder to which this vote would give rise this afternoon. We have witnessed here and there several unexpected alliances, which I am tempted to call unnatural, and we have seen contradictions. For in fact paragraphs 74 and 75 gave us the opportunity to cast two quite contradictory votes. I deplore the fact that some of us should have exploited agriculture as a weapon against Europe, and I felt that somebody should say so.

Since last July, the French Socialists have taken the view that to retire timidly behind their frontiers might

Josselin

be useful demagogically but would not serve the best interests of French agriculture. We made proposals, which we laid before the Parliament again at the part-session on the Budget in December, thus demonstrating our willingness to believe that there is hope for the common agricultural policy, that it should be worked on so as to promote solidarity among farmers *vis-à-vis* other sectors. We really should dispel the myth of the unity of agriculture. We also called for greater economic coherence, and this brings up the whole problem of planning and quotas. But it goes without saying that for these proposals to have been adopted a political will was needed, which, I am sorry to say, does not exist in this Parliament.

Ladies and gentlemen, our position on the co-responsibility levy is consistent: we are against it unless it is to include exemptions and gradual implementation, and it is precisely these things which were rejected. We are also opposed to the super-levy, because it is aimed at situations already obtaining in practice. As regards prices, we know full well that 7.9 % reflects the real needs of farmers, at least in our country, for we are resolved to defend their interests. In this connection, I am sorry that Mr Delatte and his Giscardian friends did not see fit to go as far as 7.9 % although they had no qualms about proclaiming at home that French farmers needed this amount.

If, rationally, we are pessimists, in our hearts we are optimists. We hope that the report which the French Socialists have drawn up, of which Pisani is the major signatory, will give rise to further thought on the subject and further developments. Perhaps it will give this Parliament the opportunity to show that it is capable of assuming the immense responsibility of providing European agriculture with the dynamism and according it the justice which make it the factor for peace and balance in the world which Georges Sutra spoke of yesterday. We shall vote against Mr Delatte's report.

(Applause from certain quarters of the Socialist Group)

President. — I call Mr Romualdi.

Mr Romualdi. — *(I)* Madam President, over the last two days we have all been urged, by loud demonstrations and long processions representing millions of producers and farmers, to take a responsible view of the situation and to realize the importance of the decisions before us.

Following the negative statement made by the rapporteur, Mr Delatte, we should ask ourselves if we have really done our duty and if we have really been responsible.

Of the assessments made of the agricultural situation in the nine Member States, particularly as regards

compensatory imports and surpluses, some, we feel, are correct and others not. Take sugar for example: Mr Gundelach believes there is a large surplus, while others, including ourselves, do not share this opinion. The same is true of a certain type of rice, which my friend Mr Petronio talked about yesterday and which is referred to in the Delatte resolution. It is also true of certain Mediterranean fruits and vegetables.

There are, of course, marketing difficulties for these products, but no problems as regards demand from an increasingly starving world which needs to improve the quantity and quality of what it consumes.

After hearing these contradictory views, we have decided to leave it to the Council to fix prices, an exercise which cannot, in our opinion, afford to ignore objective assessments or methods — that is, methods which take account of all the components, without exception, which determine the market price.

Faced with the — undoubtedly excessive — proposal for price increases put forward by the Committee on Agriculture, everyone urged Parliament not to contradict itself: now we have approved the Barbarella amendment, which leaves the fixing of price-levels to the Council, we have escaped this danger, even though we cannot avoid others. We shall vote in favour, while asking you to bear in mind that agriculture cannot suddenly be switched from a system based on high levels of protection to one of *laissez-faire* without provoking a collapse. We cannot, it is true, forget all else for the sake of agriculture; but it is equally true, as we are now also aware, that we cannot stabilize our budget or promote other major policies such as the regional, social, development aid, research and industrial restructuring policies at the expense of agriculture.

We need to expand our budget. There are many ways of doing so and, in our opinion, all are possible without increasing, or finding new forms for, the Community's own resources. Unless we do so, our speeches may well remain simply words.

President. — I call Mr Coppieters.

Mr Coppieters. — *(NL)* Madam President, I shall vote against for two very clear reasons. Firstly, by hiding behind the Barbarella text, we have very clearly evaded our responsibilities. If we had followed the rapporteur's proposal when the basic text was discussed, we could have done what we are now no longer able to do. I regard it as a manoeuvre so that we can speak out clearly on price increases. As a result, we have betrayed the small farmers of our various countries for a second time. Nor am I prepared to join in the chorus against Mr Marchais: we have indeed betrayed the small farmers. And if the procession of farmers were to file past now, there would be even

Coppieters

more Members running inside in fear than there were yesterday.

(Applause from certain quarters of the extreme left)

Secondly, in among all this big talk about Europe, we have experienced a number of Franco-British skirmishes which were not really particularly European. There may be some apparent harmony between our position on the budget and our behaviour today, but we should not deceive ourselves. The Community's agricultural policy is, particularly for the small farmers, a disaster, a twofold opportunity missed. One opportunity was missed in that they started from the wrong premise, to which they are still adhering — i.e. that there is no future for small farms. You should read the reports and then you would discover that 15 % of the large-scale farms account for 80 % of the milk and butter surpluses. The Commission submits no alternative, as it cannot give us a green book.

The second missed opportunity lies in the lack of any structuring — structuring which considers not only the nature of holdings but also the nature of regions. Is it not disgraceful that in the report on the 1979 agricultural situation we find not a single regional figure? Then people say that there should be a common policy! I am going to vote against this disaster and against these appearances we are trying to maintain. I repeat: it is not just because of the small farmer left with his heavy debt, possibly to some Christian financial institution; it is also because we have ducked our responsibilities on the most important point. The key point were the price increases, and those you were afraid of.

President. — I call Mrs Castle.

Mrs Castle. — Madam President, as I listened to Mr Marchais' remarks earlier, I thought to myself that if anybody ought not to be in the European Community it is he. I have never listened to a speech of more narrow nationalism or short-sighted selfishness, and it is people like Mr Marchais who are undermining the whole Community and threatening its very survival, not people like myself!

(Applause from the centre and from the right)

Madam President, my British Labour colleagues and I are, of course, extremely disappointed that we did not persuade this Parliament to accept a price-freeze even on goods in surplus, so that the Community and indeed the Commission have been less courageous this year than they were last, but we count our blessings. At least the attempts to move right above the Commission's price-range to 5 % or even 7.9 % have been rejected by this Parliament, and nobody can get away from that.

(Applause from certain quarters on the right)

That is the lesson and the message that the Commission must take back, and the Council must listen to it. That is what we have said. It is no good juggling with the arithmetic: that is a fact.

It is also a fact that in adopting Mrs Barbarella's amendment we have tied ourselves firmly to the financial objectives we set ourselves as a parliament last year.

(Applause from certain quarters on the right)

For that reason, Madam President, my group will vote for the report.

(Applause from various quarters)

President. — I call Mrs Martin.

Mrs Martin. — *(F)* Madam President, I would like to give this explanation of vote in the name of the French Liberals.

We came here to express our support for an increase in agricultural prices capable of meeting the expectations of the European producers who came to voice their problems and difficulties yesterday. This is borne out by the fact that our rapporteur originally called for an increase of 7.9 %, which the Parliament has rejected.

It is indeed a strange paradox that this Parliament, after asserting its competence in domains as important as the budget or agriculture, should prove incapable of coming to any clear decision on such an important vote. For our part, we were prepared to take conciliatory steps to reach a consensus, because our farmers will not be helped by words and speeches — fine and demagogic though they may be — but only by a responsible vote. Since this proved impossible and since the report has become devoid of all substance because of the various amendments, particularly those concerning prices and the super-levy, I shall vote against it along with my colleagues.

(Applause from certain quarters of the Liberal and Democratic Group)

President. — I call Mr Pannella.

Mr Pannella. — *(I)* Madam President, perhaps there is someone in our Assembly who has the courage to say that with this discussion and this vote on our — and hence on your — agriculture, something different is going to happen?

Who among you believes that, as a result of the infamous laws to which our agriculture and the agricultural policy are subject, ever more millions of people in the world will not continue to die?

Pannella

Who among you, who is not an exploiter of farmers and the workers of the soil, believes that the money — however much or little it may be — given to agriculture does not go into the pockets of the farmers themselves, as has always been the case over the last twenty years?

It doesn't really matter whether the increase is of 2, 5, 7 or 9 %, since by giving 2 or 8 % you are putting it into the thieving hands of the multinationals, anti-agricultural technology and a loose coalition of classes opposed to the agricultural and industrial worker.

I am not the 'spare wheel' of the Christian Democrats as Georges Marchais is for the policy of Giscard d'Estaing. I will not say that things are better in Rome. I would simply say that the demagogy of those, Comrade Marchais, who are now rediscovering the 'social traitors', takes us back to the situation of the 1930s, a situation which may make Comrade Marchais smile but which will certainly bring tears to the eyes of the workers and Communists, be they French or Italian.

Comrade Marchais, you shamelessly attack a majority whose nuclear and industrial policy you support and with whom you share daily the gravest responsibility. You talked in Paris of the existence of a gang of two or three. If there is a gang, you are part of it and in the worst possible sense: at Plogoff and Malville! The French peasants know this, and sooner or later they will learn to do without your demagogy in the same way as they should do without the opportunism of the others!

(Cries from various quarters on the extreme left)

Madam President, it is for these reasons and in order to protest against a procedure which debases and degrades the debates of our Parliament — in line with our European convictions and our beliefs concerning the battle to stop agriculture being 'killed off' in the same way as it in turn 'kills off' millions of people in the world — that we shall vote against this agreement — I do not know whether to regard it as European- or Italian-style — which is a mixture of insincerity, hypocrisy and incompetence.

President. — I call Mrs von Alemann.

Mrs von Alemann. — *(D)* Madam President, ladies and gentlemen, for the first time in my career as a Member of Parliament I am going to do something which I would normally hesitate to do. I am going to abstain from the voting as a protest. I am protesting against the fact that this House, having assumed the responsibility for making decisions together with the Commission and the Council of Ministers, should meet and coolly announce in its majority: We now leave the decision to the Council and the Commission. Let me make this quite clear. I cannot accept, as for example

Mr Arndt does, that things are for the best as they are — let the Commission decide. On the other hand, I cannot vote against the report, because I should not like to give the impression that I was in favour of 7.9 %. I would have agreed to a 5 % increase, but not to 7.9 %. I am speaking only in a personal capacity, and I urge my colleagues to consider seriously whether it is right, after an extraordinary part-session and a three-day debate, to leave the final decision on such an important point to the Commission and the Council. This is not in keeping with my idea of the responsibilities of a Member of Parliament.

(Scattered applause from the centre and the right)

President. — I call Mr Bonde.

Mr Bonde. — *(DK)* Madam President, if I, as an anti-EEC Member, were honest, I would congratulate this House on its failure to reach an unequivocal decision. Never before have so many spent so much taxpayers' money to make such fools of themselves — and the money has yet to be approved! Because this part-session is being paid for on credit. We do not have money for our daily allowances and travel expenses, we have overshot the budget by 5 % and we are behaving like common kites. And now we are going home with nothing achieved. We are like the man who has spent the night at a nightclub and wakes up with an overdraft and a hangover, but in our case there was no pleasure to compensate.

It is not for me to criticize the outcome, because in this way we are leaving the decision to the Council, where each of our countries has the right of veto. I am sure, Madam President, that the decisions taken there cannot be feebler than those of this Parliament. I should like to say on behalf of the Danish People's Movement against the Community that we shall abstain from voting — not because we do not have our own views on how things should be, but because we think that the decisions are a matter for the Council. Results in this House would be quite different if we were to introduce deciding by lot instead of majority voting, for then even reasonable proposals would have a reasonable chance of being adopted!

President. — I shall give the floor to Mr Galland and then to Mrs Nielsen, but only for a single sentence, since their group has figured largely among the speakers listed.

I call Mr Galland.

Mr Galland. — *(F)* Madam President, I cannot possibly, in one sentence, give an explanation of my vote in my capacity as the UDF's national secretary for European affairs. So I shall give my explanation of vote to the Press!

President. — I call Mrs Nielsen.

Mrs Tove Nielsen. — (DK) Madam President, the reason why I shall abstain from voting is that I deeply regret that this House has not found it possible to fix a definite figure for the price increase. I had hoped for 7.9 % and, if that was not possible, I would have opted for 5 %. I am sorry that we have not agreed on a specific price increase, but the reason why I am abstaining is that I recognize that, with our vote today, we shall have avoided the worst aberrations and also introduced some good amendments. But I deplore the fact that we are now sending the ball back into the Council's court. I consider Parliament's most important task was to fix a definite increase.

President. — I put the motion for a resolution as a whole to the vote.

The resolution is adopted.

(Applause)

Mr Maher and Mr Bersani have also asked to give an explanation of vote. I can give them the floor now so that their explanations of vote figure in the report of proceedings.

I call Mr Maher.

Mr Maher. — I apologize for coming in, because so much has been said already. We may fool ourselves into thinking that we have made a clear decision, but we shall not fool the people of Europe. The people of Europe know that we have made no decision, so for God's sake let us be honest!

To say that we guarantee a reasonable income to farmers is nonsense. By whose criteria is the income reasonable? Would the people who represent workers be prepared to accept it if their employers said to them, 'We will give you a reasonable income'? Would that be enough? Would they have to have it spelled out in money? Of course they would. So it is nonsense to say that we give them a reasonable income.

I am sorry, Madam President, that this Parliament has lost credibility. We have to try and get it back in the next twelve months by getting down to work and preparing our own policies, and supporting them against the Council and the Commission if necessary.

We made the mistake, I think, of rejecting the budget in December, but we have to live with it now: we reacted to what the Council and the Commission were doing. We did not give ourselves time to get to work on our own policies, because they are the policies that will be worth defending.

(Applause from certain quarters on the right)

President. — I call Mr Bersani.

Mr Bersani. — (I) Madam President, I would like to give, on behalf of my Italian colleagues in the Group of the European People's Party, a brief explanation of the reasons why we voted in favour.

There are basically four reasons. First, we felt that, even though there were ambiguities and obscurities, the basic principles of the vote had been left intact. Secondly, so far as the basic issue of a fair income was concerned, the vote on the Barbarella amendment followed the vote on paragraph 73, which was adopted thanks to the vital support of the Group of the European People's Party. This paragraph says that the Commission's proposal for an average increase of 2.4 % is unacceptable. If we therefore link this statement with that in the Barbarella amendment, it is obvious that our Parliament wished to give a clear indication that it was in favour of a figure around 5 %. Thirdly, the present vote is consistent with the vote in December; and, fourthly, out of a sense of responsibility we absolutely refuse to see, for the first time in Parliament's history, an entire part-session turn into a demonstration of Parliament's inability to reach decisions.

These are the basic reasons why we decided to vote in favour.

3. *Monetary compensatory amounts and unit of account* (vote)

President. — The next item is the vote on the motion for a resolution contained in the *Früh report* (Doc. 1-38/80): *Monetary compensatory amounts and unit of account*.

I put the motion for a resolution to the vote.

The resolution is adopted.

4. *Conservation and management of fishery resources* (vote)

President. — The next item is the vote on the motion for a resolution contained in the *Woltjer report* (Doc. 1-39/80): *Measures for the conservation and management of fishery resources*.

I put the motion for a resolution to the vote.

The resolution is adopted.

5. *Dates of the next part-session*

President. — There are no other items on the agenda. I thank the representatives of the Council and Commission for their contributions to our work.

The enlarged Bureau proposes that our next sittings be held at Strasbourg during the week from 14 to 18 April 1980.

Are there any objections?

That is agreed.

6. *Approval of the minutes*

President. — Rule 17 (2) of the Rules of Procedure requires me to lay before Parliament, for its approval, the minutes of proceedings of this sitting, which were written during the debates.

Are there any comments?

The minutes of proceedings are approved.

I call Mr Pannella.

Mr Pannella. — (*F*) Madam President, as you are no doubt already well aware of my views on the political situation and the behaviour of our Parliament, it only remains for me to thank you — a task which gives me great pleasure — for the masterly manner in which you have conducted the proceedings, in a political climate which, I regret to say, I find deplorable.

President. — Thank you.

7. *Adjournment of the session*

President. — I declare the session of the European Parliament adjourned.

The sitting is closed.

(*The sitting closed at 7.25 p.m.*)

ANNEX

AMENDMENTS ON THE REPORT

**drawn up on behalf of the Committee on Agriculture
on the proposals from the Commission of the
European Communities to the Council**

- I. concerning changes in the Common Agricultural Policy
to help balance the markets and streamline expenditure
(Doc. 1-610/79)**
- II. on the fixing of prices for certain agricultural products
and on certain related measures (Doc. 1-807/79)
and on the monetary compensatory amounts**

**Rapporteur: Mr C. DELATTE
(Doc. 1-37/80)**



Amendment No 1
tabled by Mr Cohen on behalf of the Committee on Development and Cooperation

MOTION FOR A RESOLUTION

Paragraph 14

This paragraph to read as follows:

'14. Considering that it is necessary to implement an overall policy for imports of fats and protein products, having regard also to the interests of the developing countries;'

* * *

Amendment No 2/rev.
tabled by Mr Cohen on behalf of the Committee on Development and Cooperation

MOTION FOR A RESOLUTION

Paragraphs 35 to 45

Delete these paragraphs and replace them by the following text:

'35. Considers a limitation of overproduction in the sugar sector to be necessary but also feels that, for the current marketing year, this limitation should be achieved by maintaining the A quota and abolishing the B quota;'

* * *

Amendment No 3
tabled by Mr Cohen on behalf of the Committee on Development and Cooperation

MOTION FOR A RESOLUTION

Paragraph 48

This paragraph to read as follows:

'48. Considering that imports of beef and veal from certain developing countries, in particular the ACP countries, must not be jeopardized;'

* * *

Amendment No 4
tabled by Mr Cohen on behalf of the Committee on Development and Cooperation

MOTION FOR A RESOLUTION

Paragraph 58 (a) (new)

Add the following paragraph after paragraph 58:

'58 (a). Considering the interest of a great many developing countries in exporting fresh and processed fruit and vegetables, and considering also that this aid must not be allowed to prejudice the possibilities open to these countries for exporting;'

Amendment No 5/cor.
tabled by Mr Diana, Mr d'Ormesson and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

Add the following paragraph after paragraph 21:

'21 (a). In order to discourage the increase in the surpluses of those derivatives of milk, i.e. butter and milk powder, which are in structural surplus, and in order to encourage diversification in the dairy sector towards products for which outlets exist on the Community and external markets;

whereas the *supplementary levy* as proposed by the Commission, is not only difficult to apply but also incompatible with the objectives indicated above;

considers that instead of imposing a supplementary levy on all quantities of milk produced in excess of the 1979 figures, it would be preferable to introduce a levy of a similar amount on products placed in intervention (butter and milk powder) in excess of the average quantities placed in intervention in the previous 3 years.'

* * *

Amendment No 6
tabled by Mr Barbagli and Mr Colleselli

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

Add the following paragraph after paragraph 21:

'21 (a). Considers that the supplementary levy, as proposed by the Commission, should, given its great drawbacks, be replaced by a levy of an adequate amount on dairy products (butter and milk powder) placed in intervention.'

* * *

Amendment No 7
tabled by Mr Diana, Mr Dalsass, Mr Barbagli, Mr Colleselli and Mr Ligios

MOTION FOR A RESOLUTION

Paragraph 74

This paragraph to read as follows:

'74. Calls upon the Commission to propose to the Council an average increase in agricultural prices calculated in accordance with the results of the objective method, proposing such corrections to the method as may be necessary and putting forward specific proposals for products which are in structural surplus.'

* * *

Amendment No 8
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 85 (a) (new)

Insert the following new paragraph after paragraph 85:

- '85 (a). Requests that for the next marketing year the premium on the birth of calves paid in Italy should be maintained since it has proved to be of undoubted effectiveness by bringing about an increase in the Italian livestock herds and also an increase in the average weight of animals sent for slaughter;'

* * *

Amendment No 9
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 86 (a) (new)

Add the following new paragraph after paragraph 86:

- '86 (a). As regards *durum wheat* proposes that the intervention price be increased by the same amount as the target price since no increase has been proposed for aid to production;'

* * *

Amendment No 10
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 86 (a) (new)

Insert the following new paragraph after paragraph 86:

- '86 (a). Invites the Commission to maintain for the next marketing year the reduction in the levy on imports of maize by sea to Italy in order to offset the higher port costs, and to increase the amount of the reduction;'

* * *

Amendment No 11
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 23

This paragraph to read as follows:

- '23. Approves the Commission's proposal on the extension of the system of conversion premiums but rejects the extension of the system of non-marketing premiums and the introduction of a new premium for the rearing of nurse cows since it considers the latter to be unnecessary and expensive systems of supporting milk production.'

Amendment No 12
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 24

Delete this paragraph.

* * *

Amendment No 13
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 27 (a) (new)

Insert the following paragraph after paragraph 27:

'27 (a). Urges the Commission to submit at the earliest possible date a proposal for the introduction of a levy designed to improve the relationship between the prices of butter fats and fats of vegetable origin.'

* * *

Amendment No 14
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 21

This paragraph to read as follows:

'21. Calls upon the Commission to amend its proposal relating to the co-responsibility levy as follows:

- (a) total exemption for small producers whose annual deliveries to dairies do not exceed 60 000 litres;
- (b) total exemption for mountain and less-favoured areas;
- (c) application of a progressive levy based on total deliveries to dairies:
 - 1 % of the guideprice for annual deliveries of between 60 000 and 150 000 litres
 - 2 % for deliveries of between 150 000 and 200 000 litres
 - 2.5 % for deliveries in excess of 200 000 litres.'

* * *

Amendment No 15
tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

Add the following new paragraph after paragraph 21:

'21 (a). Endorses the reasons for which the Commission has put forward a proposal concerning the supplementary levy; considers however that the present proposal is extremely discriminatory in that it consolidates the position of the producers responsible for surpluses and has a punitive effect on small producers who need to expand their output to achieve an economically viable scale;

therefore calls upon the Commission to amend its proposal by adopting the following progressive supplementary levy:

- deliveries to dairies below 150 000 litres: total exemption;
- supplementary levy applicable to deliveries in excess of 99 % of 1979 deliveries as follows:
 - 50 % of the guideprice on deliveries of between 150 000 and 250 000 litres;
 - 80 % of the guideprice on deliveries in excess of 250 000 litres.'

* * *

Amendment No 16

tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 22

This paragraph to read as follows:

'22. Considers that the proceeds of the levy and supplementary levy and the amounts saved for the EAGGF Guarantee Section through the various measures adopted should be used within the agricultural sector to finance conversion and structural reforms in general and not merely to finance expenditure in the dairy sector.'

* * *

Amendment No 17

tabled by Mr Ligios, Mr Barbagli, Mr Colleselli and Mr Costanzo

MOTION FOR A RESOLUTION

Paragraph 60

This paragraph to read as follows:

'60. Considers that the technical adjustments to the basic regulation rendered necessary by the excessive production last year must result in the fixing of a lower ceiling on production eligible for Community aid and not in a reduction in the overall amount of the aid granted in each case.'

* * *

Amendment No 18

tabled by the Committee on Budgets

MOTION FOR A RESOLUTION

Paragraph 16

Delete this paragraph.

* * *

Amendment No 19
tabled by the Committee on Budgets

MOTION FOR A RESOLUTION

Paragraph 17 (a) and 17 (b) (new)

Insert the following paragraphs after paragraph 17:

- '17 (a). Considers that the measures proposed by the Commission of the Communities are concomitant with the need referred to above to limit the cost of the agricultural policy provided that they prove capable of effectively limiting surpluses;
- 17 (b). Points out that, in its resolution of November 1979 on the 1980 budget, Parliament had established a link between revenue raised by the coresponsibility levy on the one hand and expenditure on structural policy on the other.'

* * *

Amendment No 20
tabled by the Committee on Budgets

MOTION FOR A RESOLUTION

Paragraph 6 (a), 6 (b) and 6 (c) (new)

Add the following 3 paragraphs after paragraph 6:

- '6 (a). Shares the view that the general economic situation justifies a stringent agricultural prices policy;
- 6 (b). Considers that such a policy accords with the positions recently adopted by Parliament on the need to curtail agricultural expenditure in cases where there are structural surpluses;
- 6 (c). Considers that the legitimate objective of preventing increases in production costs from being passed on to agricultural producers alone could primarily be attained by means of a more adequate structural policy designed to encourage efficiency and modernization of farms, while respecting budgetary constraints.'

* * *

Amendment No 21
tabled by the Committee on Budgets

MOTION FOR A RESOLUTION

Paragraphs 72 to 75

Delete these paragraphs and replace by the following:

- '72. Considers that the savings possible in the 1980 financial year constitute a first important step towards curtailing agricultural expenditure from the Guarantee Section of the EAGGF in

respect of structural surpluses, and this in full conformity with the positions adopted by the European Parliament last December when it decided to reject the draft budget for the current year;

73. Notes that the financial implications of the proposals put forward by the Commission to control structural surpluses accord with the guidelines laid down by the European Parliament in its resolutions of 7 November and 13 December on the draft budget for 1980, thus confirming those guidelines;
74. Hopes that in fixing the prices of agricultural products and deciding on the related measures, the Council will also respect these guidelines;
75. Is of the opinion that the agricultural decisions must be treated as a package and that in consequence:
- the level set for the prices must depend on the savings which can be made in respect of surpluses and subsidies;
 - the budgetary and financial implications will accord with the resolutions referred to above;
- 75 (a). Recommends that the Council should restore the balance of the markets and thus ensure equitable earnings for farmers.'

* * *

Amendment No 22
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection

MOTION FOR A RESOLUTION

Paragraph 25 (a) (new)

Insert the following new paragraph after paragraph 25:

- '25 (a). Regrets that the Commission wants to limit its cheap butter scheme to the subsidy scheme applied solely in Ireland, Denmark and Luxembourg (formula A); calls upon the Council to take the decision to continue formula B (special measures for the disposal of intervention butter) before the start of the new financial year as part of the total package;'

* * *

Amendment No 23
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection

MOTION FOR A RESOLUTION

Delete paragraph 57.

* * *

Amendment No 24
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and Consumer Protection

MOTION FOR A RESOLUTION

Delete paragraph 61.

Amendment No 25
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and
Consumer Protection

MOTION FOR A RESOLUTION

Delete paragraph 68.

* * *

Amendment No 26
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and
Consumer Protection

MOTION FOR A RESOLUTION

Delete paragraph 69.

* * *

Amendment No 27
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and
Consumer Protection

MOTION FOR A RESOLUTION

Paragraph 97 (a) (new)

Insert the following new paragraph after paragraph 97:

'97 (a). Notes that the Community's agricultural imports from developing countries are stagnating, while at the same time agricultural exports to those countries are increasing and, against that background, calls upon the Commission to reconsider the common agricultural policy from two points of view: (a) effects on the developing countries and (b) increased protection of the Community market against cheap world market suppliers.'

* * *

Amendment No 28
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and
Consumer Protection

MOTION FOR A RESOLUTION

Paragraph 97 (b) (new)

Insert the following new paragraph after paragraph 97:

'98 (b). Calls upon the Commission to attach greater importance than hitherto to the consequences of further intensification, rationalization and industrialization of agriculture for the biological equilibrium in nature and the environment.'

Amendment No 29
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and
Consumer Protection

MOTION FOR A RESOLUTION

Paragraph 97 (c) (new)

Insert the following new paragraph after paragraph 97:

'97 (c). Expects from the Commission a report on the conference of the environment ministers of the 21 member states of the Council of Europe which took place from 18-20 September in Berne on the subject 'The compatibility of agriculture and forestry with the conservation of the environment'; also expects information from the Commission on the measures it proposes to take following that conference;

* * *

Amendment No 30
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and
Consumer Protection

MOTION FOR A RESOLUTION

Paragraph 97 (d) (new)

Insert the following new paragraph after paragraph 97:

'97 (d). Reminds the Commission of its promise in last year's prices debate to provide Parliament and the general public with comprehensive and easily understandable information on existing national aid in the agricultural sector in the form of a 'green paper' and to take firm action with respect to the Council and the Member States to phase out such national aid which is in conflict with Community measures;

* * *

Amendment No 31
tabled by Mrs Seibel-Emmerling on behalf of the Committee on the Environment, Public Health and
Consumer Protection

MOTION FOR A RESOLUTION

Paragraph 74

Paragraph 74 to read as follows:

74. Calls on the Council to refrain from taking any decisions which could jeopardize the objectives of the Commission's proposals which are to remedy the lack of balance on some agricultural markets and to reduce CAP expenditure;

* * *

Amendment No 32
tabled by Mr Woltjer and Mr Cohen

MOTION FOR A RESOLUTION

Paragraph 45 (a) (new)

Add the following new paragraph after paragraph 45:

'45 (a). Having regard to the appeal by the developing countries to the food producing countries, including the EEC, and having regard to the need to limit sugar production in order to effectively give the sugar-exporting developing countries the right to sell their product on our market without the EEC then having to resell on the world market with the aid of refunds, is of the opinion that in fixing the prices of sugar and feed grains, the price relationship which is fixed between these two products must serve as an incentive for the cultivation of feed cereals of the requisite quality and in such a way that the increase in food aid by way of cereals requested by the FAO can be met.'

* * *

Amendment No 33
tabled by Mr Vernimmen and Mr Colla

MOTION FOR A RESOLUTION

Paragraph 68

Delete this paragraph.

* * *

Amendment No 34
tabled by Mr Wettig and Mrs Castle

MOTION FOR A RESOLUTION

Paragraph 20

This paragraph to read as follows:

'20. Requests the Commission to examine possible ways of ensuring reasonable family incomes for small farmers by means of direct income subsidies.'

* * *

Amendment No 35
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 22

This paragraph to read as follows:

'22. Considers that the revenue on the levy and the supplementary levy should be spent on measures to promote the consumption of milk products *and to support farmers who leave agriculture or switch to other forms of production;*'

Amendment No 36
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 29

This paragraph to read as follows:

'29. Believes that Community exports of dairy products should be promoted for high quality products in respect of which it has a natural advantage instead of for butter and skimmed milk powder;'

* * *

Amendment No 37
tabled by Mrs Castle and Mr Woltjer

MOTION FOR A RESOLUTION

Paragraph 30

Delete.

* * *

Amendment No 38
tabled by Mrs Castle and Mr Wettig

Paragraph 35

This paragraph to read as follows:

'35. Supports the Commission's proposals to limit production in the sugar sector but believes in the interests of efficiency that this year's proposals should be confined to the total abolition of the B quota and maintenance of the A quota;'

* * *

Amendment No 39
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 36

Delete.

* * *

Amendment No 40
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 37

Delete.

* * *

Amendment No 41
tabled by Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 32

This paragraph to read as follows:

'32. Accepts the Commission's proposals on the phasing-out of aids to starch production, but calls on it to ensure that the procedures adopted are flexible in order to avoid a serious crisis in certain industries;'

* * *

Amendment No 42
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 61

This paragraph to read as follows:

'61. Supports the Commission's proposals;'

* * *

Amendment No 43
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 62

Delete.

* * *

Amendment No 44
tabled by Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 90

This paragraph to read as follows:

'90. Requests that the CAP be supplemented by introducing a common organization of the markets *without intervention measures* for potatoes, (rest unchanged);'

* * *

Amendment No 45/rev.
tabled by Mr Caillavet

MOTION FOR A RESOLUTION

Paragraph 90 (a) (new)

Add the following paragraph after paragraph 90:

'90 (a). Considers in particular that the future common organization of the market in sheepmeat should be similar to that which at present governs the market in beef and veal, making provision especially for the unbinding of import duties and the institution of a tariff quota for the Community's traditional suppliers;'

* * *

Amendment No 46
tabled by Mr Caillavet

MOTION FOR A RESOLUTION

Paragraph 12

Amend this paragraph as follows:

'12. Pending the necessary review of the common agricultural policy on the basis of the Stresa principles, calls on the Commission . . . ;'
(rest unchanged).

* * *

Amendment No 47
tabled by Mr Caillavet

MOTION FOR A RESOLUTION

Paragraph 56

This paragraph to read as follows:

'56. Asks for the problem of manioc to be examined in the context of that of cereals *and for a levy to be imposed on imports of substitute products for animal feeds;*'

Amendment No 48
tabled by Mr Caillavet

MOTION FOR A RESOLUTION

Paragraph 61 (a) (new)

Add the following paragraph after paragraph 61:

'61 (a). Also hopes that the countervailing charge will be imposed immediately the reference price is no longer attained;'

* * *

Amendment No 49
tabled by Mr Caillavet

MOTION FOR A RESOLUTION

Paragraph 84 (d) (new)

Add the following indent after indent (c):

'84 (d). Impose the same excise duty on all alcoholic beverages of one degree or more per hectolitre;'

* * *

Amendment No 50
tabled by Mr Caillavet

MOTION FOR A RESOLUTION

Paragraph 83 (a) (new)

Add the following paragraph after paragraph 83:

'83 (a). Wishes European equalization funds to be set up so as to assist exports of Mediterranean products to third countries, particularly developing countries, in times of crisis;'

* * *

Amendment No 51
tabled by Mrs Martin

MOTION FOR A RESOLUTION

Paragraph 14 (a) (new)

Add the following paragraph after paragraph 14:

'14 (a). Insists that the Commission should submit at the earliest opportunity a proposal for the introduction of a levy to establish a better price relationship between butterfat and vegetable fats;'

Amendment No 52
tabled by Mr Louwes

MOTION FOR A RESOLUTION

Paragraph 46

Add at the end of this paragraph:

'46. . . . *with a status reflecting its position in the world market and its own particular situation;*

* * *

Amendment No 53
tabled by Mr Barbagli, Mr Colleselli, Mr Costanzo and Mr Ghergo

MOTION FOR A RESOLUTION

Paragraph 7:

Delete this paragraph.

* * *

Amendment No 54
tabled by Mr Barbagli, Mr Colleselli, Mr Costanzo and Mr Ghergo

MOTION FOR A RESOLUTION

Paragraph 21

indent (c) (new)

Add the following indent after indent (b)

'21 (c). providing for a progressive coresponsibility levy on quantities in excess of 60 000 litres:

60 000 to 150 000 litres:	1 %
150 000 to 250 000 litres:	1.5 %
250 000 to 350 000 litres:	2 %
over 350 000 litres:	3 %

* * *

Amendment No 55
tabled by Mr Barbagli, Mr Colleselli, Mr Costanzo and Mr Ghergo

MOTION FOR A RESOLUTION

Paragraph 24

After:

'existing premium systems'

add:

'and in particular calving premiums'.

Amendment No 56
tabled by Mr Clinton

MOTION FOR A RESOLUTION

Paragraph 21

This paragraph to read as follows:

- '21. Requests the Commission therefore to amend its proposal by:
- (a) exempting from any levy those producers whose annual volume of production does not exceed 60 000 litres;
 - (b) exempting mountain areas and less favoured areas from any levy;

* * *

Amendment No 57
tabled by Mr Clinton

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

After paragraphe 21 add the following new paragraph:

- '21 (a). Requests the Commission to delete any proposal for a supplementary levy;

* * *

Amendment No 58
tabled by Mr Clinton

MOTION FOR A RESOLUTION

Paragraph 22

This paragraph to read as follows:

- '22. Considers that revenue from the levy (*delete four words*) should be spent ... (the rest unchanged);'

* * *

Amendment No 59
tabled by Mr Clinton

MOTION FOR A RESOLUTION

Paragraph 23

This paragraph to read as follows:

- '23. Approves the Commission's proposals to extend the non marketing and conversion premiums for a further period; *considers that in order to attract producers away from milk production, the suckler premium should be at least 90 ecu*, and rejects the limitation of *this premium* to the first fifteen cows;'

Amendment No 60
tabled by Mr Clinton

MOTION FOR A RESOLUTION

Paragraphe 90

This paragraph to read as follows:

- '90. (a). Requests that the CAP be supplemented by introducing a common organization of the markets in potatoes, *(delete two words)* ethyl alcohol of agricultural origin and table olives;
- b). *Urges the immediate introduction of a common organization of the market in sheepmeat, with a full support system, similar to that which applies in the beef and veal sector;*

* * *

Amendment No 61
tabled by Mrs Barbarella, Mr de Pasquale, Mr Bonaccini and Mr Ceravolo

MOTION FOR A RESOLUTION

Paragraphs 21 (a) and 21 (b) (new)

Insert the following two new paragraphs after paragraph 21:

- '21 (a). Acknowledges the need to introduce a supplementary levy but considers that, to be effective, it should take the form of a levy on milk and cheese products going into intervention; 21 (b). Is nevertheless of the opinion that, in order to tackle the problem of milk surpluses at the root, the cyclical measures to limit production should be accompanied by a fundamental programme of reorganization for the sector which will encourage conversion to other products;'

* * *

Amendment No 62
tabled by Mrs Barbarella, Mr de Pasquale, Mr Bonaccini and Mr Ceravolo

MOTION FOR A RESOLUTION

Paragraph 22

Reword this paragraph as follows:

- '22. Urges that the revenue from the co-responsibility levy and the supplementary intervention levy should be used to finance the programme to reorganize the milk and cheese sector and for structural and infrastructural reforms in general;'

* * *

Amendment No 63
tabled by Mrs Barbarella, Mr de Pasquale, Mr Bonaccini and Mr Ceravolo

MOTION FOR A RESOLUTION

Delete paragraphs 72 and 73

Amendment No 64
 tabled by Mrs Barbarella, Mr de Pasquale, Mr Bonaccini and Mr Ceravolo

MOTION FOR A RESOLUTION

Paragraph 75 (a) (new)

Add the following new paragraph:

'75 (a). Considers it essential that the new proposals on structural reform be adopted together with the new agricultural prices and the measures to bring the markets back into equilibrium;'

* * *

Amendment No 65
 tabled by Mr Barbagli, Mr Giavazzi, Mr Colleselli, Mr Costanzo and Mr Ghergo

MOTION FOR A RESOLUTION

Paragraph 21 (d), (new)

Add the following to paragraph 21:

'21 (d). the following rates of supplementary levy applicable to producers of quantities in excess of 250 000 litres per year:

250 000 to 300 000 litres:	15 %
300 000 to 350 000 litres:	20 %
over 350 000 litres	25 %'

* * *

Amendment No 66
 tabled by Mr Kirk

MOTION FOR A RESOLUTION

Paragraph 21, subparagraph (a)

In this subparagraph, replace the figure '60 000' by '15 000'.

* * *

Amendment No 67
 tabled by Mr Kirk

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

After paragraph 21, add the following new paragraph:

'21 (a). Believes that a supplementary levy should be introduced only if Community milk production exceeds the average of the best two years' production in the preceding five years;'

Amendment No 68
tabled by Mr Kirk

MOTION FOR A RESOLUTION

Paragraph 23

This paragraph to read as follows:

'23. Approves the Commission's proposals to extend the conversion premiums for a further period, but rejects the limitation of the suckler premium to the first fifteen cows as being discriminatory;

* * *

Amendment No 69
tabled by Mr Klepsch
on behalf of the Group of the European People's Party (C-D Group)

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

After paragraph 21, add the following new paragraph:

'21 (a). Rejects the Commission's proposal to impose a superlevy at dairy level in this form; proposes instead the introduction, for a limited period of time, of a stabilization levy to be paid by producers on the quantity of milk in excess of their production figure for 1979; this levy should be graduated as follows:

- for producers whose output is between 60 000 and 120 000 litres per year, 20 % of the guide price for milk,
- for producers whose output is between 120 000 and 180 000 litres per year, 40 % of the guide price for milk,
- for producers whose output exceeds 180 000 litres per year, 60 % of the guide price for milk;

mountain areas and, as the market situation eases, other less favoured areas are to be exempt from this measure;'

* * *

Amendment No 70
tabled by Mr Kirk

MOTION FOR A RESOLUTION

Paragraph 71 (a) (new)

After paragraph 71, add the following new paragraph:

'71 (a). Believes that an increase in agricultural prices, which covers the increased production costs of farmers, is necessary to enable the Community to eliminate existing national aid schemes and avoid the introduction of new schemes in agriculture and further disruption of the market;'

* * *

Amendment No 71
tabled by Mrs Barbarella, Mr de Pasquale, Mr Bonaccini and Mr Ceravolo

MOTION FOR A RESOLUTION

Paragraph 74

Reword this paragraph as follows:

- '74. Considers that the following factors must be fully taken into account when fixing agricultural prices for the next marketing year:
- (a) the need to guarantee farmers a fair income,
 - (b) the need to assess what savings can be achieved by the measures to bring markets back into equilibrium,
 - (c) the need to contain the increase in expenditure within limits compatible with a sound balanced budget and complying with the criteria underlying the Commission proposals;

* * *

Amendment No 72
tabled by Mr Blaney

MOTION FOR A RESOLUTION

Paragraph 17 (a) (new)

After paragraph 17 add the following newparagraph:

- '17 (a). Calls on the Commission to make proposals as soon as possible for replacing the co-responsibility levy and the proposed super-levy by a two-tier price system whereby an initial part of each farmer's milk production (e.g. 60 000 litres) is eligible for a higher guaranteed price;

* * *

Amendment No 73
tabled by Mr Blaney

MOTION FOR A RESOLUTION

Paragraph 23

This paragraph to read as follows:

- '23. Approves the Commission's proposals to extend the non-marketing and conversion premiums for a further period, but hopes that these premiums will be strengthened; *calls on the Commission to extend the suckler premium to the first thirty cows; considers that the suckler premium should be set at not less than 50 pounds per cow;*

* * *

Amendment No 74
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 18

This paragraph to read as follows:

- '18. Proposes that the basic coreponsibility levy be maintained at 0.5 % since any increase in the levy would be passed on to the consumer;

Amendment No 75
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 68

This paragraph to be deleted.

* * *

Amendment No 76
tabled by Mr Curry and Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 16

This paragraph to read as follows:

'16. Welcomes the Commission's attempt to bring CAP spending within budgetary limits, but urges it to intensify its attempts to coordinate the use of other Community policy instruments to respond more completely to the needs of rural areas and the possible repercussions of tight budgetary control;'

* * *

Amendment No 77
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraphs 73 and 74

Replace these paragraphs by the following single paragraph:

'73. Approves the Commission's proposal for an increase for products which are not in surplus, but calls for a freeze on common prices of products which are in structural surplus, in particular milk and dairy products, olive oil, wine and sugar;'

* * *

Amendment No 78
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 75

This paragraph to read as follows:

'75. Takes the view that reducing positive MCAs by the sole means of increasing common prices would risk placing intolerable inflationary strains on the economies of certain Member States, which could have as a consequence the opening of new gaps between market rates and green rates;'

Amendment No 79
tabled by Mrs Kellett-Bowman and Miss Brookes

MOTION FOR A RESOLUTION

Paragraph 24

At the end of this paragraph, add the following:

'24. . . . in regions where this can satisfactorily be policed;'

* * *

Amendment No 80
tabled by Mrs Kellett-Bowman and Miss Brookes

MOTION FOR A RESOLUTION

Paragraph 15 (a) (new)

After paragraph 15, add the following new paragraph:

'15 (a). Notes that, following the policy of restraining price increases in the dairy sector over the past two years, the rate of expansion in Community milk production is slowing down;'

* * *

Amendment No 81
tabled by Mr Howell

MOTION FOR A RESOLUTION

Paragraph 11 (a) (new)

After paragraph 11, add the following new paragraph:

'11 (a). Having regard to the motion for a resolution on the common agricultural policy (Doc. 1-245/79) tabled by Mr Curry on behalf of the European Democratic Group, calls on the Commission to undertake a second 'stock-taking' of the common agricultural policy, including a thoroughgoing review of the past performance of the policy, and providing a blueprint for its future development;'

* * *

Amendment No 82
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 13

This paragraph to read as follows:

'13. Considering that, although the social and economic repercussions of measures designed to stabilize milk production at a level nearer to consumption must be recognized, the Community must develop policies which take account of differences in agricultural structures and do not discriminate against any particular type of structure;'

Amendment No 83
tabled by Mr Purvis

MOTION FOR A RESOLUTION

Paragraphs 73 and 74

Replace these paragraphs by the following single paragraph:

'73. Approves the Commission's proposal for an average increase of 2.4 %;

* * *

Amendment No 84
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Preamble

At the end of the preamble, add the following new indent:

'— having regard to existing trading relationships as agreed under GATT arrangements;

* * *

Amendment No 85
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 19

Amend this paragraph as follows:

First indent: delete the word 'small'

Second indent: delete the words 'and social'

add a third indent to read:

'— regions which are not in structural surplus, especially Italy, the United Kingdom, and Belgium;

* * *

Amendment No 86
tabled by Mr Boyes, Mrs Clwyd, Mr Caborn, Mr Megahy, Mrs Buchan

MOTION FOR A RESOLUTION

Paragraph 74

This paragraph to read as follows:

'74. Calls on the Commission to propose to the Council an average decrease of 1 % in farm prices; the decrease will be achieved by using the following mechanism: all prices to be frozen except where products are in surplus, where cuts should be made; the decrease in prices of products in

surplus should be determined by the Commission in such a way that the average decrease of 1 % in prices is achieved; the incomes of smaller farmers should be protected by direct income aids;'

* * *

Amendment No 87
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 14

Reword this paragraph as follow:

'14. Considering that it is necessary to introduce an overall policy on oils and fats and protein products which takes into account the needs of the developing countries;'

* * *

Amendment No 88
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 16

This paragraph to read as follows:

'16. Welcomes the fact that the Commission proposals follow the view expressed by Parliament with regard to the need to contain agricultural expenditure;'

* * *

Amendment No 89
tabled by Mrs Castle and Mr Wettig

MOTION FOR A RESOLUTION

Paragraph 13

This paragraph to read as follows:

'13. Considering that any measure designed to create a balance on the market should allow as a matter of priority for its social and economic repercussions on small and medium-sized producers and on less — favoured regions;'

* * *

Amendment No 90
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 22

This paragraph to read as follows:

'22. Considers that the revenue from the coresponsibility levy should be spent exclusively on measures to promote the consumption of milk and milk products on the internal market;'

* * *

Amendment No 91
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 25 (a) (new)

After paragraph 25, add the following new paragraph:

'25 (a). Calls for the maintenance of existing measures to encourage consumption of dairy products, in particular the various consumer butter subsidies;'

* * *

Amendment No 92
tabled by Mr Kirk
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 27 (a) (new)

After paragraph 27, add the following new paragraph:

'27 (a). Urges the Commission to fix quality standards for milk payments on the basis of bacterial content and protein content;'

* * *

Amendment No 93
tabled by Mr Purvis

MOTION FOR A RESOLUTION

Paragraph 61

After the word 'strawberries'

Insert the word 'raspberries'.

* * *

Amendment No 94
tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron and Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 1 to 12

Replace paragraphs 1 to 12 by the following paragraphs:

1. Considering that those who created the common agricultural policy said that it should bring development and prosperity to farmers and raise the standard of living of all farmers in the Member States;
2. Considering that after twenty years in which the common market has been in existence, French agriculture in particular is in an extremely serious situation; and that the fall in agricultural incomes, the drift from the land, the disappearance of thousands of farms, the laying to waste of regions and the volume of debt are reaching intolerable levels;
3. Considering that French laws on agriculture have brought about and aggravated this crisis;
4. Considering that it is outrageous to claim that today there is too much milk, too much butter, too much meat, too much wine, etc. in France and in the Community when the World Bank announces that there are 800 million people in absolute poverty, including a very high proportion of children and old people, and that millions of people in our country do not have sufficient means to feed themselves properly;
5. Considering that present plans for reviewing and adapting the CAP are not in any way directed towards the development necessary in agriculture to provide food and regional and economic balance in France in particular;
6. Considering that the present aim of all these proposals is to force French agriculture into the world market in order to exert pressure on prices and on farmers' incomes and thereby to meet the multinational companies' need for redeployment;
7. Deplores and rejects an unacceptable and provocative price policy which is dedicated to destroying tens of thousands of farmers and creates a dangerous situation in which investments and the necessary agricultural financing are no longer guaranteed;
8. Deplores and rejects the Commission's proposals, particularly those on the structure of levies, supplementary levies and limits on production;
9. Deplores and rejects the proposal for a Community regulation on sheepmeat which would mean the disappearance of the 150 000 producers in France;
10. Deplores and rejects the GATT agreements which represent a first step towards forcing the agriculture of the Member States into the world market and eliminating the principles on which the CAP was based;
11. Deplores and rejects the proposals for enlargement of the Community to the three applicant countries, Greece, Spain and Portugal;
12. Strongly and actively supports the farmers who are fighting in opposition to this policy;
13. Vehemently demands that the commitments entered into and the principle of developing production to bring prosperity to farmers and regions should be respected and that there should be no further transfer of sovereignty;
14. Calls for levies to be imposed on imports of butter from New Zealand and of oils and vegetable fats from the United States;
15. Demands that monetary compensatory amounts be totally abolished at once;
16. Emphasises that the interests of farmers, workers and consumers as a whole are dependent on the development of French agriculture in particular;
17. Stresses that such a policy must be based on guaranteed prices and a sufficient income for family holdings first and foremost;
18. Declares that France's agricultural policy should be decided not in Brussels but in Paris;

* * *

Amendment No 95

tabled by Mr Pranchère, Mr Maffre-Bauge, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Verges, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 13 to 34

Replace these paragraphs by the following paragraphs:

13. Considering that there are no milk surpluses in France;
14. Considering that the average cost by producer of supporting the market is, in France — the major producer of the Community —, half as high as in the FRG, four and a half times lower than in Great Britain and seven times lower than in the Netherlands;
15. Considering that the large 'milk factories' and the industrial farming establishments in the North of Europe and the FRG benefit disproportionately from the unfair system of monetary compensatory amounts, while the small and medium-sized dairy farms, particularly in France, will be the first to be affected by the tripling of the coresponsibility levy and by the supplementary levy of 84 % which will be imposed on those increasing their production;
16. Considering that such measures will lead to the irrevocable disappearance of thousands of small and medium-sized holdings;
17. Deplores the most recent proposals and measures taken by the Commission (abolition of the premiums for dairy cows and heifers) and strongly demands the total and immediate abolition of the coresponsibility levy and the supplementary levy;
18. Demands that the price of milk be fixed so as to ensure a reasonable income for small and medium-sized holdings and to guarantee an increase in production;
19. Stresses that the problems on the dairy market are also largely due to imports of large quantities of oils and vegetable fats virtually free of duties or levies;
20. Demands that a levy on these products be introduced;
21. Urges that the unfair advantages from which American and New Zealand imports benefit be abolished and that the principle of Community preference be respected;
22. Considers it necessary to implement a policy for developing the production of proteins and vegetable fats from products such as soya, colza, sunflowers, field beans, etc.;

Delete paragraphs 23 to 24.

* * *

Amendment No 96

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron and Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 35 to 47

Replace these paragraphs with the following:

35. Considering that the French sugar industry is competitive, exporting half of its production, and that the sugar policy is not expensive;
36. Considering that the aim of Community policy is to restrict exports, even though there is unsatisfied demand in the world;
37. Considering that the limitation of production has already led to the closing of a large number of sugar refineries and the laying-off of millions of workers;
38. Rejects these limitations on production;
39. Declares its support for a genuine policy of exporting sugar;
40. Considers that the national allocation of quotas and levies on these quota (A and B) should help small and medium-sized producers;
41. Demands that the present sugar quotas for overseas departments and developing countries in tropical zones subject to cyclones be maintained so as to provide sufficient income for these countries for which sugar is an essential resource;

Delete paragraphs 42 to 47.

Amendment No 97

tabled by Mr Verges, Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Paragraph 47 (a) (new)

After paragraph 47, insert a new paragraph, worded as follows:

- '47 (a). Insists that the standard price per 100 kg of beet sugar and of cane sugar should apply at the factory gate in all the territories of the countries of the Community, including the French overseas departments.'

* * *

Amendment No 98

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 48 to 53

Replace these paragraphs by the following paragraphs:

- '48. Considering that there is no surplus of beef, veal or pigmeat in Europe;
49. Considering that the quotas of beef and veal open to third countries in 1979/1980 total 465 000 tonnes of which a large part is levy-free or subject to an inadequate levy and these imports are responsible for a national surplus of 650 000 tonnes;
50. Is of the opinion that it is necessary to develop French production in particular;
51. Demands market controls and a ban on imports of beef and veal which are levy-free or subject to an inadequate levy;
52. Regards permanent price support to guarantee adequate earnings, mainly for the benefit of small and medium-sized farmers, as absolutely essential;
53. Insists that taxation of foreign products (particularly manioc) and the abolition of compensatory amounts will assist meat production, particularly in France.'

* * *

Amendment No 99

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 54 to 56

Replace paragraphs 54 to 56 by the following paragraphs:

- '54. Considering that particularly the small and medium-sized family farms in France are faced by a decline in earnings and that they would be gravely affected if prices were fixed at an extremely low level in relation to production costs and inflation since the widest gap between farm prices and production costs are found in France;
55. Considering that imports of manioc in particular are to the detriment of national produce such as maize and feedgrains;

56. Regards it as absolutely essential to ensure that prices offer a reasonable return to family-run farms;
57. Demands an immediate levy on imports, particularly of manioc;
58. Is of the opinion that cereals must constitute a major part of aid to Third World countries and that therefore the world wheat price in trade with developing countries must be fixed at a level low enough to facilitate purchases by Third World countries; is further of the opinion that export refunds must offset the difference between this world price and the price in Europe;
59. Considers that the food aid policy should be financed in the same way as for dairy products by national taxation of the major agri-foodstuff, financial and oil companies;

* * *

Amendment No 100

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 57 to 61

Replace these paragraphs by the following paragraphs:

57. Considering that the fall in producer prices and stagnation in sales of fruit and vegetables represents a disaster for producers in the South of France, Brittany and other regions;
58. Considering that their earnings have been cut to an extent which vindicates their anger and opposition to unjustified imports;
59. Considering that the quality and quantity of French produce in no way justifies the present policy which is responsible for confusion and the destruction of produce and that there is a shortage in France and the countries of the Community as a whole of fruit, vegetables and citrus fruits;
60. Considering that at the same time consumer prices are not falling but that on the contrary French workers and the whole of the French population in particular are paying more and more for fruit and vegetables;
61. Demands import restrictions in France and respect for the principle of Community preference;
62. Demands an immediate guarantee of a fair price offering a reasonable return to producers;
63. Rejects Community enlargement in order to prevent the sacrifice of a large number of major French farm products such as Corsican citrus fruits, salad produce, olive oil and all early vegetables in general;
64. Is of the opinion that controls on price formation could prevent unjustified profit margins being set by profiteering wholesalers;
65. Considers that there is a case for developing a French agri-foodstuff industry largely based on this sector;

* * *

Amendment No 101

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

After Section E (Fruit and Vegetables) add a new Section F:

Wines and Alcohols

62. Considering that wine imports into France account for 10 million hectolitres (1978/1979 marketing year);

63. Considering that imports from Italy are in excess of eight million hectolitres while 20 000 hectares of table wine vineyards have been destroyed over a period of four years;
64. Considering that the Commission has a grubbing-up plan (for 1979/1985 which will affect 100 000 hectares of Community vineyards, of which nearly 35 000 are in the Mediterranean regions of France, which means that eventually tens of thousands of hectares will be erased from the map;
65. Considering that no measures have been taken to control planting and genuinely to organize the markets;
66. Considering that the accession of Greece, Spain and Portugal to the EEC would worsen the already critical situation of thousands of wine-growers;
67. Considering that major French wine research centres have been closed to make way for a single research body in the Federal Republic of Germany;
68. Demands an immediate and total stop to the grubbing-up plans and better control of new plantings;
69. Objects categorically to the enlargement of the Community;
70. Demands that imports into France from within and outside the Community which do not complement French production in terms of quality and quantity should be discontinued and blocked; given the exceptional situation, exceptional measures must be taken in respect of these imports, whatever their origin;
71. Insists on a guaranteed and remunerative minimum price, below which imported wines may not cross the frontier;
72. Requests that Member States with high excise duties should reduce them to the lowest rate levied by the other states;
73. Considers that the consumption of table wines must be increased in this way, especially in countries where such consumption is restricted only by excise duties;
74. Considers that trade deflections must be avoided by strengthening controls on the production and movement of wines;
75. Believes in the need for a policy in respect of quality (30 % of the volume of imports into France are accounted for by wines of a strength of only 9.5 degrees and are in no way conducive to a policy of quality) and the need to encourage the French policy of oenological research, in particular by the work of INRA;
76. Demands compliance with the French designations (AOC and VDQS) and the guarantee of quality they represent;
77. Considers that, as regards grape alcohols and natural sweet wines, France must adhere to its national system, mainly because of the alcoholic strength, given that control of alcoholic strength provides permanent control of production and composition, and considers that this system is also the only way of producing meaningful statistics, combating fraud and guaranteeing product quality;

* * *

Amendment No 102

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 62 to 75

Replace these paragraphs by the following:

- '62. Considering that the Commission's price proposals are totally unacceptable;
63. Considering that in France these proposals would lead to a seventh year of falls in agricultural incomes;
64. Considering that this policy of low incomes is now producing a serious situation in which productive investment and agricultural finance are no longer assured and which is leading to a dangerous increase in non-payments, bankruptcies, and postponements of annual payments;

65. Considering that the profound dissatisfaction of family farmers in particular and farm-workers in general in France and in every other Community country is justified;
66. Considering that the guarantee of an adequate agricultural price is vital to the survival of small and medium-sized family holdings in particular and to the development of agriculture as a whole;
67. Supports the justified demands of the farmers;
68. Demands that agricultural prices be fixed taking full account of the rate of inflation and the trend in production costs for each country, for example 13 % in France;

* * *

Amendment No 103

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Paragraphs 91 to 97

Replace these paragraphs by the following paragraph:

- '91. Demands the total and immediate abolition of monetary compensatory amounts, which quite unfairly penalize French family farmers in particular, and further lowers their incomes to the benefit of hard-currency countries such as the Federal Republic of Germany;'

* * *

Amendment No 104

tabled by Mr Pranchère, Mr Maffre-Baugé, Mr Martin, Mr Baillot, Mr Fernandez, Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Marchais, Mr Ansart, Mr Gremetz, Mr Piquet, Mr Vergès, Mrs Hoffmann, Mr Damette, Mr Denis, Mr Frischmann, Mr Chambeiron, Mr Wurtz

MOTION FOR A RESOLUTION

Chapter IV (new)

After Paragraph 97, add a new chapter and four paragraphs, worded as follows:

'IV. *Enlargement*

98. Considering that the reasons put forward to justify enlargement of the Community by the accession of three new applicant countries, Greece, Spain and Portugal, are unacceptable and merely used as excuses for a bad policy;
99. Considering that this enlargement will have extremely serious consequences — as the Commission itself admits — and will ruin entire productions and regions;
100. Considering that this enlargement will also have very serious consequences for the applicant countries;
101. Considers the plans for enlargement unacceptable and demands that they be revoked immediately;

* * *

Amendment No 105

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debre, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malene, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 96

In line four, replace:

'between 1.5 and 2.5 points' by: 'at least 4 points'

In lines 5/6, replace:

'0.6 points' by: '1 point'

In line 6, replace:

'four years' by 'two years'.

* * *

Amendment No 106

tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 17

This paragraph to read as follows:

'17. Considers that the Commission's proposals are weakened by the many exceptions to the measures planned.'

* * *

Amendment No 107

tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 19

Add the following new (third) indent:

'— efficient farmers which will be detrimental to consumers;'

* * *

Amendment No 108

tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 21

Delete this paragraph.

* * *

Amendment No 109

tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 22

This paragraph to read as follows:

'22. Considers that the revenue from the levy and the supplementary levy should be spent on *structural improvements* and the promotion of the consumption of milk products on the internal and external markets;'

* * *

Amendment No 110
tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 23

This paragraph to read as follows:

'23. Approves the Commission's proposals to extend the non-marketing and conversion premiums for a further period;' (*rest deleted*).

* * *

Amendment No 111
tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 24

Delete this paragraph.

* * *

Amendment No 112
tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 68

This paragraph to read as follows:

'68. Considering that any increase in producer prices will gradually be passed on fully to consumers in general, but will hit those groups which are in the weakest position hardest',

* * *

Amendment No 113
tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 90

This paragraph to read as follows:

'90. Requests that the CAP be supplemented by introducing a common organization of the markets in potatoes *and* sheepmeat;' (*rest deleted*).

* * *

Amendment No 114

tabled by Mrs Cresson, Mr Sutra, Mr Josselin, Mr Faure, Mr Pisani

MOTION FOR A RESOLUTION

Paragraph 21

This paragraph to read as follows:

'21. Stresses the importance of the exemptions provided for by the Commission in its proposals, in particular

(a) a graduated coresponsibility levy

from	60 000 litres:	0 %
	60 000 to 150 000 litres:	0.5 %
	150 000 to 250 000 litres:	1 %
	250 000 to 350 000 litres:	1.5 %
	over 350 000 litres:	2 %

(b) exemption of mountain and less-favoured areas from any levy;

* * *

Amendment No 115

tabled by Mrs Cresson, Mr Josselin, Mr Pisani, Mr Faure, Mr Sutra

MOTION FOR A RESOLUTION

Title C (a) (new)

After paragraph 53, insert the following new title:

C (a) *Sheepmeat*

'53 (a). Calls for the introduction of a European regulation with a guide price and deconsolidation of customs duties at the frontiers. This regulation should be based on the existing regulation for beef and veal and accompanied by the introduction of a tariff quota;

* * *

Amendment No 116

tabled by Mrs Cresson, Mr Pisani, Mr Sutra, Mr Faure, Mr Josselin

MOTION FOR A RESOLUTION

Paragraph 54 (a) (new)

After paragraph 54 insert the following new paragraph:

‘54 (a). *Proteins*

- considering that the principle of the EEC’s self-sufficiency in food has been persistently ignored in recent years;
- considering that the EEC is seriously lacking in proteins and animal feedingstuffs in general;
- considering that this situation, which places a heavy burden on the EEC budget, is politically dangerous since it encourages speculation, dumping and possibly the imposition of embargos;
- considering the serious unemployment situation in the Community and the consequent need to create jobs in farming in sectors where there is no over-production and where there is serious under-production;
- considering that current prices of soya are kept artificially low, thereby blocking the necessary EEC protein production policy, by the granting of an export premium on the Chicago market and price support for soya oil;
- considering that European prices of plant products are practically double American prices whereas European prices of animal products are very close to American prices;
- considering that Europe imports maize and soya and sells wheat at subsidised prices;
- calls for the urgent definition of a genuine common agricultural policy in the natural and industrial protein sector;
- proposes that, to begin with, the Community should aim to produce 30 to 50 % of its requirements;
- *proposes that this be achieved by:*
 - encouraging, with the aid of price incentives, the cultivation of oleaginous plants (colza, sunflower, soya) and protein-producing plants (peas, field beans, lupins);
 - encouraging, by means of payments based on quality, the use of cereals with a high protein content, since a 1 % protein increase in cereals represents the equivalent of 400 000 tonnes of soya;
 - facilitating the utilization of by-products and in particular whey from cheese production;
 - increasing and making better use of our fodder production, cultivating more legumes, encouraging the use of modern storage techniques and other natural drying techniques, thereby reducing oil consumption;
 - making more sparing use of proteins, encouraging Member States to bear this in mind when deciding on their animal production;
 - developing industrial production of nitrogen and making better use of existing production (e.g. 1 000 kg of enriched wheat + 1 kg of lysin corresponds to 850 kg of maize + 150 kg of soya; 1 % of French oil consumption would suffice to produce an amount of proteins equivalent to current soya imports);
 - encouraging soya production in the countries of the Third World linked to the EEC by agreements since the EEC has nothing to sell in exchange for its purchases from the United States or Brazil;’

* * *

Amendment No 117

tabled by Mrs Cresson, Mr Josselin, Mr Pisani, Mr Sutra and Mr M. Faure

MOTION FOR A RESOLUTION

Paragraph 56 (a) (new)

After paragraph 56, add the following new paragraph:

- ‘56 (a). Calls for the introduction of a levy on imports of products which can be used as animal feedingstuffs in order to discourage the producers of feedingstuffs from making excessive use of soya;’

Amendment No 118
tabled by Mr Sutra and Mr Gatto on behalf of the Socialist Group

MOTION FOR A RESOLUTION

F: Wine (new)

After paragraph 61, insert the following new heading and paragraph 61 (a):

F: Wine

61 (a). Advocates that the performance guarantee in respect of long-term storage contracts be established on a permanent footing;

* * *

Amendment No 119
tabled by Mrs Cresson, Mr Pisani, Mr Josselin, Mr Sutra and Mr M. Faure

MOTION FOR A RESOLUTION

Paragraph 95 (a)

The two indents of this subparagraph to read as follows:

- in one year in the case of negative MCAs,
- in one year in the case of positive MCAs, on the understanding that the phasing-out process must not result in lower agricultural prices expressed in national currency and must not have an adverse effect on producers' incomes in the countries concerned;

* * *

Amendment No 120
tabled by Mrs Cresson, Mr Sutra, Mr Josselin, Mr Pisani and Mr M. Faure

MOTION FOR A RESOLUTION

Paragraph 96

This paragraph to read as follows:

'96. Regrets that the Commission's proposals for the 1980/81 marketing year are so modest; takes the view, given the trend in farm incomes in the Member States, that a reduction of between 2.5 and 3.5 points according to product could have been made in Germany and one of at least 1 point in the Benelux countries;

* * *

Amendment No 121
tabled by Mrs Cresson, Mr Sutra, Mr Pisani, Mr Josselin and Mr M. Faure

MOTION FOR A RESOLUTION

Paragraph 43

This paragraph to read as follows:

'43. Regrets the fact that the policy based on quotas has not been replaced by a more flexible policy based on actual quantities, which would ensure higher incomes for small and medium-scale

producers; if quotas are maintained, feels that a moderate levy on the A quota and a heavier levy on the B quota are essential;

* * *

Amendment No 122
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Replace paragraphs 1 to 12 with the following five paragraphs:

- Considers that it is vitally important for the Community that the common agricultural policy be maintained and extended in strict accordance with Article 39 so that the operation of efficient family farms may ensure both a reasonable income for producers and stable supplies at reasonable prices for consumers. The agricultural policy can thereby continue to play a substantial part in the Community's continuing progress toward closer cooperation;
- Is therefore convinced of the need for price increases closer than those proposed by the Commission to increases in agricultural production costs and in incomes of other socio-economic groups;
- Urges the Commission to adhere to the concept of the agricultural policy pursued so far and to seek remedies to the regional and social problems faced by farmers in certain areas within the contexts of regional and social policy;
- Considers also that further progress must now be made towards full unity of the market, partly by restoring it in monetary terms by abolishing the monetary compensatory amounts, and partly by the Commission's submitting a plan to abolish the national support arrangements, and by the subsequent adoption of that plan;
- Is also of the opinion that the Community's agricultural policy can and must provide the means to make a greater contribution to alleviating the problem of world hunger;
- Is moreover convinced that the Community's agricultural industry can still do much to raise the nutritional quality of food available in the Community;

* * *

Amendment No 123
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Paragraph 20

Delete this paragraph.

* * *

Amendment No 124
tabled by Mr Brøndlund Nielsen

MOTION FOR A RESOLUTION

Paragraph 19

Delete this paragraph.

Amendment No 125
tabled by Mr Brøndlund Nielsen

MOTION FOR A RESOLUTION

Paragraph 17

Delete this paragraph.

* * *

Amendment No 126
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Paragraph 15

Delete this paragraph.

* * *

Amendment No 127
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Paragraph 13

Delete this paragraph.

* * *

Amendment No 128
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Paragraph 34 (a) (new)

Insert the following new paragraph after paragraph 34:

'34 (a) Calls on the Commission to guarantee the quality of dairy products and to use its revenue and expenditure policy as one means of achieving this aim.'

* * *

Amendment No 129
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Paragraph 27

After the words '... new products';

Add the following:

'and their use in providing nourishment for the world's starving'.

* * *

Amendment No 130
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Paragraph 21 to read as follows:

'Rejects the Commission's proposed exemption for producers of less than 60 000 litres since the objective of this proposal is one that should form part of the regional and social policy;

* * *

Amendment No 131
tabled by Mr Nielsen

MOTION FOR A RESOLUTION

Paragraph 90 (a) (new)

Insert the following new paragraph after paragraph 90:

'90 (a) Calls on the Commission to submit a table showing and comparing the conditions pertaining in the various countries in respect of public support and taxation of agriculture, e.g. indirect taxation, income tax and land taxes, book-keeping requirements, support regulations and loan and interest concessions;

Also calls on the Council and Commission to harmonize these occupational conditions without delay.'

* * *

Amendment No 132/rev.
tabled by Mr Maher

MOTION FOR A RESOLUTION

After paragraph 75, add a new paragraph 75 (a):

'75 (a) Considers that, since these prices are not farm gate prices, account must be taken of the increase in costs arising outside the farm gate so that it can be clearly determined what the net increase will be for the farmer.'

* * *

Amendment No 133
tabled by Mr Maher

MOTION FOR A RESOLUTION

After paragraph 21, add a new paragraph 21 (a):

'21 (a). Takes the view that, since imported fats, oils and dairy products are one of the main causes of the problem in the dairy sector, a tax on these products, together with the co-responsibility levy, could eliminate the need for the super-levy;

* * *

Amendment No 134
tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 43

In this paragraph replace the word 'Inopportune' with 'reasonable'.

* * *

Amendment No 135
tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 54

Delete this paragraph.

* * *

Amendment No 136
tabled by Mr Klepsch
on behalf of the Group of the European People's Party (C-D Group)

MOTION FOR A RESOLUTION

Paragraph 74

This paragraph to read as follows:

'74. Calls for a realistic increase in agricultural prices, on the basis of the results of the 'objective method' and of the market situation, of an average of at least 5 %, to avoid any further widening in the present incomes gap between the agricultural sector and other sectors;

* * *

Amendment No 137
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 48

This paragraph to read as follows:

'48. Considering that imports of beef and veal under preferential arrangements are an essential part of the Community's support for the economies of developing countries, and that they also meet the needs of the Community's own processing industries;

Amendment No 138
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 51

This paragraph to read as follows:

'51. Accepts the Commission's proposal to suspend intervention during certain months, subject to intervention still being possible on a regional basis to prevent disruption of the market, and subject to satisfactory means of preventing speculation being introduced;'

* * *

Amendment No 139
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 50

This paragraph to read as follows:

'50. Approves the Commission's proposal laying down a Community scale for the classification of adult bovine animal carcasses; requests that only the poorer quality carcasses be taken off the market into intervention, leaving the better quality meat available for consumers;'

* * *

Amendment No 140
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 53 (a) (new)

Add a new paragraph after paragraph 53:

'53 (a) Insists that the Commission propose the continuation of the variable beef premium, since this is an invaluable measure in encouraging consumption and maintaining stability of the market;'

* * *

Amendment No 141
tabled by Mr Scott-Hopkins
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 34

Delete the words

'... milk or ...'.

Amendment No 142
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 58

This paragraph to read as follows:

'58. Considering that aid for processing has enabled producers to obtain a pre-fixed minimum price and manufacturers to plan production, and has helped Community processed products to withstand low-price competition from third countries; considering, however, that the Commission must exercise firm control over the extension of aid, so that production is geared to the quantities and quality of raw materials required by the further processing industry;

* * *

Amendment No 144
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 84

This paragraph to read as follows:

'84. As regards wine in particular, which is one of the major resources of the Mediterranean regions of the Community, points out that it would be advisable to seek ways of encouraging winegrowers to aim for quality production, promote exports to third countries, and boost consumption within the Community, which do not involve any increase in the budgetary appropriation in this sector;

* * *

Amendment No 145
tabled by Mr Provan
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 90

Delete this paragraph.

* * *

Amendment No 146
tabled by Mr Hord

MOTION FOR A RESOLUTION

Paragraph 29

At the end of this paragraph, add the following:

'29 . . . without charge on the Community Budget;'

Amendment No 147
tabled by Mrs Gredal, Mrs Groes and Mr Fich

MOTION FOR A RESOLUTION

Paragraph 89

Delete this paragraph.

* * *

Amendment No 148
tabled by Mr Jonker

MOTION FOR A RESOLUTION

Paragraph 74

Replace the phrase: 'an average increase of at least 7·9 % in farm prices'
by

'an average increase of 5 % in farm prices'.

* * *

Amendment No 149
tabled by Mr Jonker

MOTION FOR A RESOLUTION

Paragraph 18

Amend this paragraph as follows:

'... reducing budget expenditure: *this levy should be set at 2 % and the existing exemptions maintained. This 2 % should be used partly for the development of new dairy products and for the identification of new export markets;*'

* * *

Amendment No 150
tabled by Mr Jonker

MOTION FOR A RESOLUTION

Amend this paragraph as follows:

'23. Considering that a supplementary levy is necessary to eliminate the surpluses, under the following conditions:

- (a) small-holdings must be exempted from the supplementary levy (fixing of a delivery threshold),
- (b) this supplementary levy must be differentiated according to:
 - the increase in the quantity supplied,
 - the quantity offered by the intervention agencies over a fixed period of reference, for example over the last three years;

Amendment No 151

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 61 (a) (new)

After paragraph 61, at the beginning of section II A on agricultural prices, add the following new paragraph:

'61 (a) In order to help control the prices of products in structural surplus, calls for a freeze in the price of milk and dairy products;'

* * *

Amendment No 152

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 22

This paragraph to read as follows:

'22. Considers that the revenue from the levy and the supplementary levy should be spent on direct aids to farmers and on structural reform;'

* * *

Amendment No 153

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 28

This paragraph to read as follows:

'28. Believes that it is essential for the Community's trade relations in the world that adequate access be maintained for New Zealand's dairy products;'

* * *

Amendment No 154

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraphs 74 and 75

Replace these paragraphs with the following single paragraph:

'74. Rejects, however, any increase in price for products in structural surplus;'

Amendment No 155

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 5 (a)

This paragraph to read as follows:

- 5 (a) Considering that the important role which Europe can and must play in the elimination of world malnutrition should be geared to the needs of those suffering from malnutrition and not the desires of European farmers;

* * *

Amendment No 156

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraphs 48 to 53

Replace these paragraphs with the following single paragraph:

- '48. Considering that the problems of the beef and veal sector call for a review of Community policies and the maintenance of the beef premium scheme to overcome them, in view of the need to maintain trade relations with the rest of the world;

* * *

Amendment No 157

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 4

At the end of this paragraph, add the following:

- '4. . . .; considering also that trade in agricultural products is vital to the strengthening of relations between Europe and the developing world;

* * *

Amendment No 158

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraphs 91 to 98

Replace these paragraphs with the following single paragraph:

- '91. Invites the Commission to present proposals for the national financing of MCAs when their effect is to increase the price level for surplus products;

Amendment No 159

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 20

This paragraph to read as follows:

'20. Considers that the co-responsibility levy should:

- allow those who so desire to arrive at a proper production level which, together with direct income payments to smaller producers, will help to maintain the income earned by a family farm at an acceptable figure,
- bring milk production under control;'

* * *

Amendment No 160

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 61 (b) (new)

After paragraph 61, at the beginning of section II A on agricultural prices, add the following new paragraph:

'61 (b). In order to help control the prices of products in agricultural surplus, calls for a freeze in the price of butter;'

* * *

Amendment No 161

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 30

Delete this paragraph.

* * *

Amendment No 162

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 61 (c) (new)

After paragraph 61, at the beginning of section II A on agricultural prices, add the following new paragraph:

'61 (c) In order to help control the price of products in structural surplus, calls for a freeze in the price of sugar;'

Amendment No 163

tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraph 74

This paragraph to read as follows:

'74. Calls on the Commission to propose to the Council a cut of 1 % in farm prices, which is to be achieved by:

- freezing all prices,
- cutting prices of commodities in structural surplus.

Is of the opinion that the decrease in prices of products in surplus should be determined by the Commission in such a way that the average decrease of 1 % in prices is achieved; believes that the income of smaller farmers should be protected by direct income aids;

* * *

Amendment No 164

tabled by Mr Gallagher, Mr Balfe, Mr Boyes, Mr Enright, Mr Griffiths, Miss Quin, Mrs Castle, Mr Caborn, Mr Rogers, Mr Collins, Mrs Clywd, Mr Megahy, Mr Adam and Mr Seal

MOTION FOR A RESOLUTION

Paragraph 61 (a) (new)

After paragraph 61, at the beginning of the section on prices, add the following new paragraph:

'61 (a) In order to help control the prices of products in structural surplus, calls for a freeze in the price of beef;

* * *

Amendment No 165

tabled by Mr de Keersmaecker

MOTION FOR A RESOLUTION

Paragraph 14 (a) (new)

After paragraph 14, add the following new paragraph:

'14 (a) Asks the Commission to put forward specific proposals for the implementation of an overall policy on fats within the context of the related measures proposed by the Commission for the 1980-1981 marketing year;

* * *

Amendment No 166/rev.

tabled by Mr de Keersmaecker

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

After paragraph 21, add the following new paragraph:

'21 (a) Stresses the serious disadvantages of the supplementary levy as proposed by the Commission and therefore rejects this levy;'

* * *

Amendment No 167

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss de Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 97

Reword the end of this paragraph as follows:

'in order to achieve their immediate abolition.'

* * *

Amendment No 168

tabled by Mr de Keersmaecker

MOTION FOR A RESOLUTION

Paragraph 37

This paragraph to read as follows:

'37. Considering that the producers of B sugar fund *most* of the expenditure entailed by the export of Community sugar;'

* * *

Amendment No 169

tabled by Mr de Keersmaecker

MOTION FOR A RESOLUTION

Paragraph 46

This paragraph to read as follows:

'46. Asserts that the Community should join the International Sugar Agreement as soon as possible *on appropriate terms*.'

* * *

Amendment No 170

tabled by Mr de Keersmaecker

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

After paragraph 21, add the following new paragraph:

- '21 (a) Asks the Commission to allow exceptions for dairy undertakings
- dependent on the land in predominantly milk-producing regions,
 - which have restocked their dairy herds following an epidemic or total or partial decimation,
 - run by young, recently established farmers who submit or have submitted a development plan;'

* * *

Amendment No 171
tabled by Mr Price

MOTION FOR A RESOLUTION

Paragraph 74

This paragraph to read as follows:

- '74. Calls on the Commission to propose an increase of 7.9 % in farm prices except for those products which are in structural surplus, the price of which should remain unchanged;'

* * *

Amendment No 172
tabled by Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraph 18 (a) (new)

After paragraph 18, add the following new paragraph:

- '18 (a) Supports the Commission's proposal to impose a super-levy on milk production in excess of 99 % of 1979 output and proposes that it should operate in the form of a levy on dairy products which are placed in intervention;'

* * *

Amendment No 173
tabled by Mr Curry

MOTION FOR A RESOLUTION

Paragraph 90 (a) (new)

After paragraph 90 add the following new paragraph:

- '90 (a) Expresses its alarm that the proposed increases in the olive oil sector may have serious budgetary consequences following the accession of Greece to the Community;'

* * *

Amendment No 174
tabled by Mr Woltjer on behalf of the Socialist Group

MOTION FOR A RESOLUTION

*Proposal for a regulation**Paragraph 29 (a) (new)*

Insert the following new paragraph after paragraph 29

- '29 (a) The regulations on conversion and cessation of farming activities must be made more effective, making greater allowance for tax measures in the various countries. This would be possible, e.g. by:
- paying the conversion premium over a period of 5 or 10 years at the choice of the participants;
 - reviewing the premium for the cessation of farming to enable older farmers to cease their activities under more favourable conditions.'

* * *

Amendment No 175

tabled by Mr Woltjer, on behalf of the Socialist Group

MOTION FOR A RESOLUTION

*Proposal for a regulation**Paragraph 25 (a) (new)*

Add the following new paragraph after paragraph 25:

- '25 (a) Calls for the introduction of measures in respect of the processing industry to encourage it to sell its products on the market rather than offer them for intervention.'

* * *

Amendment No 176

tabled by Mr Woltjer on behalf of the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 18

Replace paragraph 18 by the following paragraph:

'Wishes to amend the Commission proposals concerning an increase in the present co-responsibility levy as follows:

- no levy on production up to 200 000 litres,
- 0.5 % on production from 200 000 to 300 000 litres,
- 1 % on production from 300 000 to 400 000 litres
- 2 % on production over 400 000 litres;

Is of the opinion that the abovementioned progressive rate of levy represents a step towards an effective policy to assist small and medium-sized undertakings.'

* * *

Amendment No 177

tabled on behalf of the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 9

Replace this paragraph by the following:

'9. Is of the opinion that the price policy has proved ineffective as an instrument to guarantee farmers' earnings on the one hand and at the same time regulate levels of production:

On the one hand it is a question of dealing with structural surpluses and on the other hand with a decline in farmers' earnings in relation to the development of earnings in other sectors;

regulation of levels of production should therefore be imposed directly in the form of production quotas where surpluses exist.'

* * *

Amendment No 178
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 73

Replace this paragraph with the following:

'73. Is of the opinion that the following principles ought to be applied when fixing the agricultural prices:

1. the income from small and medium-sized farms should be made more commensurate with incomes in other economic sectors,
2. expenditure from the agricultural guarantee fund should not substantially alter the financial framework of the Commission's proposal;

* * *

Amendment No 179
tabled by the Socialist Group

MOTION FOR A RESOLUTION

*Proposal for a regulation**Paragraph 21*

Replace this paragraph with the following:

'21. (a) Approves the scheme proposed by the Commission to control production in the milk sector, but wishes to see this scheme worked out in greater detail with regard to:

- the regulation of production limitations per farm so that the factories will not be able to apply a mixed price system,
- a differentiation of production limitations per country as follows:
 1. a reduction to 98 % of 1979 production in Denmark, Federal Republic of Germany, France and the Netherlands,
 2. a reduction to 99 % of 1979 production in Belgium and the United Kingdom,
 3. maintenance of 1979 production in Italy and Ireland and in the problem areas indicated by the Commission;
- careful supervision to prevent any disturbance of the common market. This supervision should be exercised particularly stringently in those countries where production has to be cut;
- a directive laying down criteria for the allocation of production capacity freed by reconversion and cessation of farming;

(b) these criteria should be such that:

- young farmers will be given the chance to modernize their farms,
- farms with more than 40 cows will not be considered,
- there will be a closer connection between the number of cows kept and the size of the farm (production linked to land);'

* * *

Amendment No 180
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraphs 35 to 45

Delete these paragraphs and replace with the following:

- '35. Considers a limitation of overproduction in the sugar sector to be necessary, but is of the opinion that this limitation should be brought about by maintaining the A quota and abolishing the B quota;'

* * *

Amendment No 181
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 1

This paragraph to read as follows:

- '1. Considering that, in order to maintain the continuity and credibility of the common agricultural policy, it is essential to solve the problem of surplus production;'

* * *

Amendment No 182
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 2

This paragraph to read as follows:

- '2. Considering that the common agricultural policy should ensure regular supplies for European consumers by protecting them against sharp rises in the prices of agricultural products on world markets and against the risk of shortages;'

* * *

Amendment No 183
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Subparagraph 5 (c) (new)

After subparagraphs 5 (a) and (b), add the following new subparagraph:

- (c) bearing in mind the political necessity of not competing against the developing countries on the world market.'

* * *

Amendment No 184
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 7

This paragraph to read as follows:

- '7. Is of the opinion that these proposals are suitable to bring about improvements in the common agricultural policy, which are necessitated by the internal contradictions inherent in it;'

* * *

Amendment No 185
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 9

This paragraph to read as follows:

- '9. Considers the current negotiations on agricultural prices and measures to restore balance on the markets must be used as an opportunity to work out a strategy for the reform of the production aspects and structures of European agriculture;'

* * *

Amendment No 186
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 11

Delete this paragraph.

* * *

Amendment No 187
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 12

Delete this paragraph.

* * *

Amendment No 188
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 13

In this paragraph, replace the words 'as a matter of priority' be also';

* * *

Amendment No 189
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 21

This paragraph to read as follows:

'21. Regards a graded levy as better than the Commission's proposals for helping smaller and medium-sized firms; this graded levy should be as follows:

0	—	60 000 L	0
60	—	200 000 L	0.75 %
200	—	400 000 L	1.50 %
over		400 000 L	2 %;

* * *

Amendment No 190
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 23

Delete the last part of the paragraph beginning:
'rejects the limitation ...'

* * *

Amendment No 191
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 25

Delete the last part of the paragraph beginning 'and in particular the free distribution of milk in schools...'

* * *

Amendment No 192
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 30

Delete this paragraph.

* * *

Amendment No 193
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 33

Delete this paragraph.

* * *

Amendment No 194
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 74

This paragraph to read as follows:

'74. Calls on the Council to take into account the following principles when fixing agricultural prices:

- (a) the income of small and medium-sized farmers should not get seriously out of step with incomes in other sectors of the economy;
- (b) expenditure in the EAGGF guarantee section should not significantly differ from the financial framework proposed in the preliminary draft budget put forward by the Commission;

* * *

Amendment No 195
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 90

Delete this paragraph.

Amendment No 196
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 91 to 97

Replace these paragraphs by the following single paragraph:

III. *Monetary compensatory amounts*

'91. Believes the Commission's proposals to be insufficient and considers that they will not enable the undertakings given by the Council when the European monetary system was established as regards the rapid dismantling of the monetary compensatory amounts to be met;'

* * *

Amendment No 197
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 51

This paragraph to read as follows:

'51. Rejects the Commission's proposal to suspend intervention during certain months;'

(remainder deleted).

* * *

Amendment No 198
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraph 54

Delete this paragraph.

* * *

Amendment No 199
tabled by the Socialist Group

MOTION FOR A RESOLUTION

Paragraphs 57 to 61

Delete these paragraphs.

* * *

Amendment No 200
tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 35

Delete this paragraph.

* * *

Amendment No 201
tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 36

Add:

'but recognizes that the Commission's proposal would not have this effect;'

* * *

Amendment No 202
tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 38

Replace 'and that many jobs would be lost as a result' by 'and that some seasonal jobs would be lost as a result'.

* * *

Amendment No 203
tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 39

Replace 'and increasing demand' by

'deliberately engineered by ACP producers by voluntarily cutting their own quotas in a brave attempt to resist the challenge of EEC dumping;'

* * *

Amendment No 204
tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 40

Delete this paragraph.

Amendment No 205
 tabled by Mr Seal, Mrs Castle, Mr Caborn, Mr Adam, Mr Megahy, Mrs Clywd, Mr Balfe, Miss
 Quin, Mr Griffiths, Mr Enright, Mr Gallagher, Mr Boyes, Mr Key and Mr Rogers

MOTION FOR A RESOLUTION

Paragraphs 62 to 72

Delete these paragraphs.

* * *

Amendment No 206
 tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 36

This paragraph to read as follows:

'36. Considering that it would be unfair to make European sugar beet producers pay the price of the Community development aid policy introduced under the Lomé Convention *and reaffirming the Community's obligation to continue the purchase of not less than 1.3 m tonnes of ACP sugar annually, but recognizes that the Commission's proposal would not have this effect;*

* * *

Amendment No 207
 tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 44

Delete this paragraph.

* * *

Amendment No 208
 tabled by Mr Tyrrell, Mr Fergusson and Mr Turner

MOTION FOR A RESOLUTION

Paragraph 43

This paragraph to read as follows:

'43. Supports the principle of the Commission's cuts in the overall EEC quota of beet sugar in circumstances where there is a surplus in sugar production;

* * *

Amendment No 209
 tabled by Mr Bangemann
 on behalf of the Liberal and Democratic Group

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

Add the following paragraph after paragraph 21:

- '21 (a). Recommends the following taxes in respect of farms which increase their output over that of the preceding year:
- (a) For farms producing up to 150 000 litres of milk a year, a supplementary levy on their entire production equal to 1 % of the target price;
 - (b) for farms producing in excess of 150 000 litres of milk a year, a supplementary levy equal to 25 % of the target price in respect of production increases from one year to another, and equal to at least 1 % on their entire output.'

* * *

Amendment No 210
tabled by Mr Bangemann
on behalf of the Liberal and Democratic Group

MOTION FOR A RESOLUTION

Paragraph 74

This paragraph to read as follows:

- '74. Calls for a realistic increase in agricultural prices, on the basis of the results of the 'objective method' and of the market situation, (of an average of at least 5 %) to avoid any further widening in the present incomes gap between the agricultural sector and other sectors.'

* * *

Amendment No 211
tabled by Mr Scott-Hopkins and Mr Curry
on behalf of the European Democratic Group

MOTION FOR A RESOLUTION

Paragraphs 43 and 44

Replace these paragraphs by the following single paragraph:

- '43. Requests the Commission to maintain the A quotas unchanged for the 1980 marketing year, but to reduce the B quota on an equitable basis; reaffirms the commitment to its policy of aiding developing countries by purchasing not less than 1.3 m tonnes per year of their cane-sugar.'

* * *

Amendment No 212
tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lator, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Preamble

Add the following recital before the first recital:

'— Having regard to Article 39 of the EEC Treaty'

Amendment No 213

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

*Proposal for a regulation**General considerations*

Add the following paragraph before paragraph 1:

'Considering that the major principles of the common agricultural policy must be upheld — a single market, Community preference and financial cooperation — while ensuring that this policy remains adaptable and takes account of the basic characteristics of European agriculture,'

* * *

Amendment No 214

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 4 (a) (new)

Add the following paragraph after paragraph 4:

'4 (a) Considering that the gap between world food needs and the production level necessary to meet them, far from narrowing, is widening in a disturbing manner';

* * *

Amendment No 215

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 12

Replace the word 'review' by the words
'improvement and strengthening'.

* * *

Amendment No 216

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Proposal for a regulation

A. Milk Products

Insert the following paragraph before paragraph 13:

- '12 (a) Considering that the existence of milk surpluses in the European Community is largely the result of:
- (a) The unusual degree of competition faced by fats of animal origin from fats of vegetable or marine origin, which, although for the most part from outside the Community, are not subject to any levies;
 - (b) imports on preferential terms of products from New Zealand;
 - (c) the lack of an export policy capable of establishing the basis for a genuine market for dairy products;'

* * *

Amendment No 217

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

A — Milk Products

Insert the following paragraph before paragraph 13:

- '12 (b) Considering that the increase in milk production is largely due to the combined results of positive compensatory amounts and patterns of animal feeding based on soya and other imported substitutes;'

* * *

Amendment No 218

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

A — Milk Products

Insert the following paragraph before paragraph 13:

- '12 (c) Considering the need to halt the development of patterns of animal feeding based on imported products (which prevents the use of Community cereals which are expensive to export) before introducing new measures for the conversion of dairy farms.'

* * *

Amendment No 219

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

A. Milk Products

Insert the following paragraph before paragraph 13:

'12 (d) Considering that the costs of the milk market support policy could be reduced by better market management and the imposition of levies on imported substitutes;'

* * *

Amendment No 220

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 13

This paragraph should read as follows:

'13. Considering that all measures to guide milk production must take account of the repercussions on the earnings of small and medium-sized producers and on the least-favoured regions as well as the need to avoid holding up increases in productivity;'

* * *

Amendment No 221

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 13 (a) (new)

After paragraph 13 insert the following paragraph:

'13 (a) Considering that any policy of supplementary co-responsibility levies resulting in quotas must be rejected and that application of the co-responsibility levy as it functions at present can be continued only if it is linked with the adoption of a dynamic export policy and an overall policy on oils and fats;'

* * *

Amendment No 222

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 16

Replace the word 'occasionally' by 'too often'.

Amendment No 223

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 17 (a) (new)

After paragraph 17 insert the following paragraph:

'17 (a) Urges that, in accordance with the principle of Community preference, the *current* compulsory financial contribution of producers to the organization of the dairy market be linked to the actual implementation of an overall policy on oils and fats, involving, in particular, levies on imports of oils and fats.'

* * *

Amendment No 224

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 18

This paragraph to read as follows:

'18. Stresses the exclusively budgetary nature of the co-responsibility levy which with the Commission's recent proposals would have unacceptable effects on producers' incomes.'

* * *

Amendment No 225

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 18 (a) (new)

Insert the following paragraph after paragraph 18:

'18 (a) Expresses its profound misgivings as regards the co-responsibility levy as currently applied and of which the shortcomings have outweighed the advantages in practice.'

* * *

Amendment No 226

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 20

Replace the first line by:

'20. Considers that the Community's dairy policy should: (rest unchanged);'

* * *

Amendment No 227

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 21

Reword this paragraph as follows:

- '21. Considers that the Commission's proposal should have made provision for:
- (a) an exemption from any levy on the first 60 000 litres from any farm,
 - (b) an exemption from any levy on the first 80 000 litres from any farm in less-favoured areas,
 - (c) an exemption of hill and mountain areas from any levy,
 - (d) the repayment of the levy to producers in proportion to their efforts to export to third countries and in line with the results they achieve;'

* * *

Amendment No 228

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 21 (a) (new)

Add the following paragraph after paragraph 21:

- '21 (a) Is of the opinion that the supplementary levy is unacceptable because it is a serious encroachment on the principle of the common agricultural policy to the extent that it introduces an unfair Malthusian quota system that inhibits the development of regions and farms which have a productive potential;'

* * *

Amendment No 229

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 22

Reword this paragraph as follows:

- '22. Considers that a larger proportion of the resources allocated to supporting the milk market should be allocated to measures for the enlargement of the internal market and capturing external markets;'

Amendment No 230

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 28 (a) (new)

Add the following paragraph after paragraph 28:

'28 (a) Demands the cessation of other infringements of Community preference and, in particular, the possibility of procuring certain products without paying the Community levy at the normal rate.'

* * *

Amendment No 231

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 29

Reword this paragraph as follows:

'29. Calls for the implementation at long last of a dynamic and ambitious policy to export dairy products towards countries which are able to pay and a large-scale and imaginative food aid policy for the benefit of countries which are not able to pay; this policy should result in the creation of new markets by stimulating new food habits and by implementing an appropriate investment policy.'

* * *

Amendment No 232

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 60

Reword this paragraph as follows:

'60. Considers that if technical adjustments are required to the basic regulation, they must be made to improve the operation of the aid system and not to cut it back.'

* * *

Amendment No 233

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 73

Add at the end of paragraph 73

'73. ... and in complete contradiction with the latter's frequently reaffirmed intentions;'

* * *

Amendment No 234

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 75 (a) (new)

Add the following paragraph after paragraph 75:

'75 (a). Regrets that the Commission has lost sight of one of the essential roles of price policy which is to guide production;'

* * *

Amendment No 235

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 75 (b)

Add the following paragraph after paragraph 75:

'75 (b) Hopes that the Council will modulate the price increases to reflect a fair scale of priorities in favour of animal produce of which there is a shortage and of all produce that is in short supply;'

* * *

Amendment No 236

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 89 (a) (new)

Add the following paragraph after paragraph 89:

'89 (a) Asks the Commission to give greater attention to small-scale local types of production which together represent an economic and social benefit to Europe and which should be the subject of specific measures such as those adopted for prunes;'

Amendment No 237

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 90

Add the following at the end of paragraph 90:

'90. . . . and that in the meantime the existing national organizations be maintained;'

* * *

Amendment No 238

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 90 (a) (new)

Add the following paragraph after paragraph 90:

'90 (a) Calls for a Community regulation on sheepmeat on the same basis as the regulation on beef and veal;'

* * *

Amendment No 239

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 95 (a)

- first indent: replace 'in two years' with 'immediately';
- second indent: replace 'four years' with 'two years';

* * *

Amendment No 240

tabled by Mr Buchou, Mr Davern, Mr Ansquer, Mr Chirac, Mrs Chouraqui, Mr Cronin, Mr Debré, Mr Deleau, Miss De Valera, Mrs Dienesch, Mr Druon, Mr Flanagan, Mr Gillot, Mr Labbe, Mr Lalor, Mr de la Malène, Mr Messmer, Mr Nyborg, Mr Poncelet, Mr Remilly, Mrs Weiss

MOTION FOR A RESOLUTION

Paragraph 95 (a) (new)

After paragraph 95 add the following paragraph:

- '95 (a) Considers that monetary compensatory amounts for milk and milk products must be abolished at the latest when fixing prices for 1981 and that, in the meantime, measures which might be taken in the milk sector should take account of the disadvantage suffered at present by weak-currency countries, which means in particular that the level of the co-responsibility levy should be adjusted in line with the monetary compensatory amounts in each of the countries of the Community;

* * *

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