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IN THE CHAIR: MR BERKHOUWER

President

(The sitting was opened at 2.30 p.m.)

President. — The sitting is open.

1. *Resumption of session*

President. — I declare resumed the session of the European Parliament adjourned on 17 September 1974.

2. *Apologies*

President. — Apologies for absence have been received from Mr Kater and Mr Emile Muller who regret their inability to attend the next sittings.

3. *Resignation of a Member of the European Parliament*

President. — I have received from Mr Wiel-draaijer a letter dated 19 September 1974 in which he resigns his membership of the European Parliament.

This resignation is duly noted.

4. *Appointment of a new Member of the European Parliament*

President. — By letter of 19 September 1974 the President of the German Bundestag informed me that at its sitting of 18 September the Bundestag had nominated Mr Bayerl to replace Mr Schachtschabel as a Member of the European Parliament.

Pursuant to Rule 3 (1) of the Rules of Procedure the Bureau has verified Mr Bayerl's credentials

and satisfied itself that they comply with the provisions of the Treaties.

It therefore asks the House to ratify this appointment.

Are there any objections?

The appointment is ratified.

On behalf of Parliament I welcome the new Member warmly.

(Applause)

5. *Commission statement on current problems in the Community*

President. — The first item on today's agenda is the statement by Mr Ortoli, President of the Commission of the European Communities, on current problems in the Community.

In view of the extremely serious situation facing the Community at this time, the Bureau decided at an extraordinary meeting this morning that an initial debate lasting approximately two hours should follow this statement as a forerunner to the more comprehensive debate on the same subject to be held during the October part-session.

We shall ask the two other political institutions of the Community to see to it that as many of their members as possible attend, and we thus hope that in October not only the President but also other members of the Council will take part in the debate.

It is obvious that this debate will necessitate a number of important changes to our agenda.

I shall present Parliament with more precise proposals in the course of the afternoon.

I call Mr Ortoli.

Mr Ortoli, President of the Commission of the European Communities. — (F) Mr President, ladies and gentlemen, all our plenary sitting

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and committee meetings, all our debates on the state of the Community, which are by now almost a tradition, testify to the fact that ever since the energy crisis began both you, Parliament and we, the Commission, have been worrying about the situation Europe is in and seeking the key to revival. As hinted at during our July debates, in which the President of the Council of Ministers took part, there has been a certain awakening to reality, and the autumn before us should be one of initiatives aimed at giving the Community a new boost.

No decisions were taken at the Paris dinner which was merely the starting point for reflection, but the prospect of an official meeting of Heads of State and Government is getting stronger and the coming weeks may be decisive for the short-term, and perhaps also the long-term future of Europe.

We are now in a period of reflection and this reflection will have to extend throughout our institutions. But, without wishing here and now to state definitive conclusions on the Commission's behalf, I can say that within our Community political debate is today assuming special importance and will no doubt demand clear answers.

Before making a few remarks on this, however, I should like to stress—as I have previously stressed before this House—the close link between the success of any attempt at political revival and the achievement of rapid progress in specific, concrete fields, which would be a practical demonstration of the strength of our intentions. The differing situations and divergent developments in the Member States have hampered progress towards economic and monetary union, but make it all the more necessary to pursue joint action to cope with two enormous problems which, given the sombre prospects for the international economy, none of our States can sidestep or cope with alone and in which, in view of our close interdependence, the failure of some might mean the failure of us all. I am referring to inflation and the sudden appearance of considerable balance of payments deficits. We should be pleased that in these matters joint consultation has been stimulated and strengthened, thanks to initiatives taken by the Commission.

We must, however, pursue and intensify our efforts in several directions, since a more positive awakening to the effects of national policies on the other countries of the Community will lead to their being dovetailed into common objectives, which implies that the policy of each Member State must not only not conflict with but actively support and sustain the policies of the other States.

Secondly, joint mechanisms must be established to contribute, where necessary, to the success of national policies which are in the interest of everyone. One aspect of this is the setting up of a system of Community loans, which should not be understood simply as a gesture of solidarity. To make such policies a success, in other words to avoid a return to protectionism, admittedly implies solidarity but is also in the best interests of us all. The task of defining a common strategy towards the outside world—I almost said *with* the outside world—to combat economic and monetary disturbances shows us in fact that the extent of our difficulties is such that consultation and coordinated or joint action are necessary not only at European level but at international level and with the United States and Japan in particular. But, if I may say this just as bluntly, the Community as such must increasingly make its presence felt in the dialogue now taking shape. It must, if we are to act as a coherent body, and it is the duty of the institutions to tackle this problem and find a solution to it.

You will perhaps be surprised that at a time when questions are being asked first and foremost about the entire political future of the Community, the President of the Commission, who is going to speak to you about this political future, has chosen to talk first about a number of individual problems which are confronting us and which we have to tackle. This is because I am convinced—and I believe you share this conviction—that there is an absolute, undeniable link between the manifestation of political intentions and their translation into practical effect.

I have listed three areas in which I believe we must go ahead with action on economic and monetary matters. I attach special importance to these three areas because in each of them it will be possible to express a European policy on a scale quite different from the one we know today. When I say that our policies must be made compatible with each other, that means that there are not only national disciplines and national interests. It means that over and above the action which each country is pursuing, no matter how judicious it may be, it must realize that it is also acting on behalf of all the others and that one cannot have policies—apt though they may be to resolve local problems—which might conflict with a common European interest which takes precedence over individual interests. This is my first idea.

The second idea, which I centre on the problem of solidarity—as I said, it is not just solidarity but the common interest as well—is the fact that if we really think the economic and social health of our countries—i.e. Europe—is some-

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thing essential, we must organize things in such a way as to allow policies to be properly fulfilled. When a State embarks on a major endeavour, when this endeavour runs up against the limitations inherent in the difficulties of the situation, Europe must be at hand to say: all right, you are going ahead and you are right, but to protect your efforts against possible failure your friends are here, not just as friends, but as partners, as people involved in action for which we are jointly responsible and jointly dependent on the results achieved by each of us. If any one of us in Europe suffers hardship, we shall all suffer, and this is a dominating political thought whose practical conclusions we should also draw. This is why, with your support, we have been so insistent for months now that these problems should be tackled jointly and that some kind of mechanism should be developed to overcome our difficulties.

Thirdly and lastly, relations with non-Community countries, a point I believe we should be quite clear on today. Obviously it makes no sense to talk in the same breath of an inward-looking European interest and the desire for action in conjunction with other countries. Where problems of a world-wide scale are involved we must all work together. The Commission's position on this point is therefore quite clear: it is in our interest, in these times of economic and monetary instability, to cooperate actively with those who face the same problems and may help us to solve them. What I said about cooperation between Member States, about the necessity of not making policies which seem reasonable but in fact conflict with each other, also applies at the very highest level. But I would ask that this common position, this common attitude with regard to major problems should not only develop, but gradually make itself felt outside the Community.

There is a second priority which is in my view just as clear: the energy problem. Thanks to the adoption of a resolution by the Council the way is now open for a common policy, whose foundations we proposed months ago.

This common policy is late arriving but is still essential. It is feasible but demands real political determination and more than just token measures. The Commission will do everything within its power to ensure that substantial decisions are taken at meetings of the Council of Ministers where the energy problem is on the agenda. Here too I speak not only of what we hope to do, but of what we have done already. We have proposed a whole package of ideas and actions and I hope that basic discussion will begin and that we can get started towards the progress which was promised at Copenhagen,

which we hoped for in July, and which now seems to have some chance of being achieved, following the latest decision by the Council of Ministers.

A third priority is regional policy. It is inconceivable that Europe should wish to get back on the rails and at the same time neglect a policy which aims to facilitate progress towards economic and monetary union and to provide our Community with lasting stability.

It has not been my purpose here today to draw up a list of actions: if it had, it would have been necessary to include many others. But I wanted to stress, by means of these three examples, that even without awaiting the political developments which are necessary, there are fields in which action is both essential and possible and would be stirring proof of Europe's ability to progress. My point was that no notion of marking time fits in with the needs of Europe today. My point was that it is not enough, in addition to strengthening our institutions, to seek merely to consolidate past Community achievements, even though we must remain especially vigilant in this respect: I am referring here to the Common Agricultural Policy.

As regards the latter, I must reiterate that the Commission, which sees in it one of the few strong points in the European edifice, will not cease to defend it. But the Commission has also repeated untiringly that it is a real, living policy, in other words a continuous creation within the framework of major objectives. A year ago we even took the step of encouraging reflection within Community bodies on the state of the agricultural policy. It led to nothing at the time. It was doubtless an imperfect memorandum, but one which suggested the opening of a constructive debate, and this constructive debate has only taken place here in this House.

I therefore hope, and despite these setbacks, I believe that the initiatives to be taken, far from distracting Europe from its immediate tasks, which are both enormous and pressing, will on the contrary enable it to perform them quickly, better and with a renewed sense of political purpose.

Having made these preliminary remarks, I should now like to come back to the problems of political and institutional action on which reflection has begun on all sides. In this debate Europe is faced with the question of its whole future and its future institutions, or in other words, the question of the transformation of all relationships between the Member States into a European Union. We must continue this debate for it is an essential one. But this same debate raises a more immediate question and one which

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is gradually coming into the limelight. After fifteen years it is worthwhile asking ourselves whether the institutions in their present form enable us to make Europe work and progress suitably. The current frenzy of reflections, criticisms, ideas, all born of Europe's present predicament and of the will to explain and overcome it, revolves around this central theme, about which I think I should here and now make a few remarks and state certain convictions.

This kind of analysis is very helpful, but we must not allow ourselves to be distracted from essentials. However tempting such an explanation may be, in view of its convenience and popular appeal, the present state of Europe is not the result of bad institutional design. The main causes of the malaise are quite different.

Serious reflection will be necessary if we are at last to overcome it. These causes may firstly be found in the gradual and sometimes unwitting substitution of the idea of cooperation for the idea of the Community, in other words in the refusal to transfer powers and to accept the constraints imposed by Community machinery. In the midst of storms or controversies the common policies remain the heart, the strength and even the reality of Europe. This is the Community's prime capital asset, which everyone rightly wants to defend. The development of intergovernmental action, which is sometimes useful and often gives an illusion of progress in that after all something is being done, would give Europe an ambiguous and unsound structure and leave it powerless to achieve the ambitions it parades.

A second cause can be found in the jamming of decision-making processes, which goes beyond the difficulties encountered within the Council of Ministers, since the idea of forced compromise, of compulsory unanimity hangs over all our endeavours right down to questions of detail, down to the level of the most humble expert.

A third cause is political failure, reflected in the inability to take definite decisions on certain matters which required not so much inspiration, ingenuity and talent on the part of those I shall call the 'proposers', i.e. the Commission, but rather a fundamental agreement on objectives and political determination on the part of the 'deciders', i.e. the Member States. I am thinking here of the energy policy, which may perhaps get going, and I am also thinking of regional policy.

I therefore reject the idea that the debate should change course and that the problem of Europe should be decided by the respective roles of the Commission and the Council of Ministers at

institutional level. The balance intended by our Treaty is not a definitive balance. I am convinced of this, although I know too that we cannot achieve a democratically controlled government. This, however, is no reason to take other retrograde steps, to weaken the element of independence, Community consciousness and mutual guarantees in this Europe composed of large and small states together, and lastly the objective impetus which the Commission provides. No lasting progress in Europe is possible without strong institutional structures; this rules out the shifting of responsibilities to inter-governmental mechanisms.

Similarly, Europe's shilly-shallying or hesitations cannot be put down to love of red-tape. I almost wish they could; how much easier it would make things! Unfortunately, however, the number of Community officials is quite normal considering the extent of the tasks facing a Europe which is implementing several common policies and is, we hope, still alive and kicking. It is quite normal for a Europe which works in six languages and which must give a satisfactory content and legally correct form to all its proposals.

As for the danger of fragmentation, of excessive taste for detail and rules, I solemnly repeat that the Commission over which I preside has refused to succumb to it. I have stated before you, as have my colleagues, that we only want common rules and regulations where they are necessary to achieve our major objectives. We have withdrawn certain proposals, we have amended others, we have held discussions with the various countries with a view to simplifying formalities. Indeed, in this very Parliament and with you, we have asserted this policy. I am proud that we have brought about this reversal of trends and we shall continue along these lines. So let us be given credit for it!

Finally, I cannot accept criticism of the fact that we have asked for funds to be earmarked in the budget for policies which the Member States have undertaken to develop together. I wish as much as anyone else for tough measures beneficial to our economies and our peoples. But, as every political leader knows, austerity imposes the need to define priorities which, I believe, you did only yesterday. I would ask that the development of Europe be numbered among these priorities. We must therefore tackle the real issues.

We must also answer three questions.

The first question concerns better efficiency of the Council. This must become a veritable Council of government, dealing with essentials, debating policies, fully assuming its Community role, and directed by a president who has a

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greater say in how matters are conducted. I hope to see this development, and the Commission can only gain from it, since the institutions will work properly as a result.

The second question is that of the top-level role which Heads of State and Government wish to play and will play in the development of Europe, a role of political leadership, but one which must respect the full powers and responsibilities of the institutions.

The third question is that of the stronger, more distinguished position which this House must occupy in the Community, and the priority which must be given to solving budgetary problems. You are resuming your work at a time when Europe is asking itself questions about its very existence.

My intention today has been to put over a few reflections. The thread of these reflections must be easy to see. We have before us the opportunity of doing great things, and in the immediate and more distant future there are real problems: the last three, which I have just mentioned, and the first three, of which I reminded you, are very real problems. I hope that thought will be given to them, I also hope that, once again, at a time when Europe is pondering over its own existence with a view to progressing, we shall pause today to take stock. Let us have fuller debates. We are going to have one now. In this short introduction I have tried to put over a certain number of the Commission's reactions, ideas and suggestions. I hope we shall also have another debate with the Council, in which we can deliberate together on the present and future state of Europe. Let us therefore welcome his new manifestation of political intent. Let us, that is the Commission and Parliament, who have demanded this manifestation, get ready at the same time to play our part in ensuring that in this difficult, and at the same time favourable situation, a strong, ambitious Europe will emerge as a reality.

(Loud applause)

President. — Thank you, Mr Ortoli.

I have been informed by the Commission that Mr Lardinois, Member of the Commission of the European Communities, also wishes to make a statement on agricultural problems. The statement will deal with certain political aspects which are of importance in the light of our debate on Monday of last week. The Commission has proposed that Mr Lardinois should be permitted to make his statement immediately after Mr Ortoli so that we can deal with both statements in a single debate. I have the impression, however, that Parliament would prefer to devote

a separate debate to Mr Ortoli's statement on the general political situation in order to give it proper consideration. I therefore propose a separate debate, which I see the Commission also finds acceptable.

Are there any objections?

The proposal is adopted.

I call Mr Alfred Bertrand to speak on behalf of the Christian-Democratic Group.

Mr Alfred Bertrand. — *(NL)* Mr President, I should first like to thank Mr Ortoli on behalf of the Christian-Democratic Group for his initiative in presenting us with a general survey of the present situation in the Community at the beginning of this new Parliamentary session. I feel that the diagnosis which he has just made here and a few days ago elsewhere, is generally in agreement with the feelings in this Parliament. We are grateful to Mr Ortoli for giving Parliament the opportunity of holding a preliminary discussion on current political developments within the Community. I believe that in discussing these problems we must be clear in our minds about what must be allowed to continue normally in accordance with the Treaties and the development of the institutions. Our impression is that a number of Heads of Governments now appear to be genuinely concerned about present developments and wish to bring about changes in the existing system. It is apparent from the statements made repeatedly by certain Heads of Governments that they want something new, that they understand that the present stagnation cannot continue and that Europe must advance in a new direction. But we also have the strong impression that the mountain of problems confronting these Heads of Government today is so enormous that they do not really know where to begin, and for this reason are tending rather to seek pragmatic solutions to particular problems. This strikes me as the essential feature of the crisis facing us at the present moment. The Christian-Democratic Group, therefore, wishes first of all to support the Commission in this debate by insisting that the existing Treaties must be fully maintained and applied. If this is to be done the strengthening of the existing institutions must be given priority and I feel that this is a politically essential decision which must be made during the coming weeks and months. I have been following developments since 1 January very closely and I have noticed that every time a problem has arisen the Commission has made use of its powers and right of initiative and has submitted timely and concrete proposals to the Council.

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It made proposals to the Council at the end of last year for a Community energy policy aimed at combating the energy crisis.

It made timely and immediate proposals on the development of the regional policy with a view to eliminating discrimination throughout the Community.

It made timely and immediate proposals for the gradual systematic and pragmatic introduction of economic and monetary union as an essential instrument for combating inflation and achieving a greater degree of solidarity.

We have seen, however, that all these proposals remained with the Council, that no decisions were made and that the necessary conclusions were not drawn. We have also seen—and this is what we find so disturbing—that intergovernmental talks on the same problems have been held bypassing the Community institutions, and that attempts have been made to conclude certain agreements, and in some cases to find solutions, at an intergovernmental level.

I should like to emphasize to Parliament that the continual changes in Heads of Governments which we are witnessing today represent a serious threat to the development of Europe. We must all have noticed that of the nine persons who approved an excellent and ambitious programme on 19 and 20 October 1972 in Paris—less than two years ago—not one is still in office. Everyone must have noticed that of those taking part in the Copenhagen Summit, a mere nine months ago, only two of those who made certain decisions are still in office. Seven new faces have appeared in the meantime. There is a very real possibility that some Heads of Government may be ignorant of the agreements made and will form, as it were, a third generation in the building of Europe which will approach the problems in a completely different way. This is a very dangerous situation.

Thus our first wish is that the existing Treaties be applied in their entirety, starting with the strengthening of the institutions, so that as Mr Ortoli stressed, there can be a real and firmly-based development in the decision-making processes of the Community.

Secondly, the Christian-Democratic Group will of course insist on the implementation of the decisions made at the Paris Summit, insofar as we are able to influence the national parliaments and the European Parliament and to apply pressure on our political allies in the various governments. We will not permit future summit meetings to ignore previous decisions, sweeping them to one side and saying, 'We can no longer carry out the resolutions made at the end of

1972 as they stand, let's just forget them; and let's just forget the final report on European Union in 1975 too'. That we cannot accept! We insist that political decisions made by heads of governments must be respected and implemented. Otherwise there is a serious loss of credibility. I feel that these general attitudes should be stressed emphatically in the prelude to this debate.

Thirdly, the Christian-Democrats agree that it is a good thing for heads of governments to keep regularly in touch with one another. We have nothing against them doing so over a good meal, since this may enable them to discuss a number of problems freely and without constraint and without having to make any immediate decisions. But we insist that the Commission should also be represented at such intergovernmental talks between the heads of the nine governments, and that the representative should make his presence felt. He must be able to take part in the discussions, so that the anxieties and opinions of the Community with regard to national problems can also be voiced. Mr Ortoli said this in diplomatic terms, but we understood him very well and shall give him our full support.

Given these conditions we can agree to regular discussions being held between the Heads of Government so that they can get to know each other and be in a better position to weigh up the difficulties. On these terms, the Christian Democrats are in favour of the Summit Meeting which is to be organized in the near future. We agree to a new Summit Meeting between nine new Heads of Government who have hitherto never taken part in such talks in this capacity, but we also hope that this Summit Meeting will be carefully prepared, and that it will adopt a clearly defined agenda, in contrast to what happened on the last occasion. The items on the agenda must be such that they can form the object of an extensive discussion followed by a clear decision. Subject to these conditions, we Christian Democrats agree to the forthcoming Summit Meeting. However, we should like to take the opportunity here of explaining what items we feel must be included on the agenda. We consider that first and foremost the forthcoming Summit should make a final decision to revise and adapt the decision-making procedure in the Council in accordance with the terms of existing Treaties. We have already stressed the urgency of such a revision on numerous occasions. The Council must return to the letter and the spirit of the Treaty of Rome, and take most of its decisions by a majority vote. The cases in which this can be done should also be clearly defined. Secondly, the Council should finally decide in favour of a resolution by the Heads of Government at the Summit Meeting to

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grant Parliament the budgetary powers before 1 January. This is a priority demand which we will not withdraw.

If this demand is not met, and the Council shows that it does not intend to fulfil its agreement with us, then we as Christian Democrats will not shrink from creating awkward situations at Community level to make it clear to the public that we refuse to go on unless people abide by their agreements. Thirdly, the Summit Meeting must get down to brass tacks on the question of the step-by-step introduction of the Economic and Monetary Union. The decisions made at the 1972 Summit must now be put into practice. This is not the time to discuss special problems—rampant inflation with its repercussions on the purchasing power of the public at large, on employment and on monetary relations, can only be slowed down by a gradual and pragmatic introduction of economic and monetary union, and the creation of a decision-making centre which would impose the necessary monetary decisions on the Member States at European level with a view to finding a Community solution to this problem.

I will not go into details now, but when we hear that the rate of inflation in the Member States is between 7 and 27%, it should be clear to everyone that the situation in the Community is threatening to become insoluble in the coming months and years. For this reason we advocate that the movement towards economic and monetary union should be accelerated.

The Summit Meeting should also make a definitive statement on the creation of the Regional Fund. Mr Ortoli has said—and he has our full backing on this—that a common energy policy is urgently needed, not only as regards supply, but also as regards changing attitudes to the use of a number of sources of energy. The energy item at present represents a serious threat to the balance of payments in a number of Member States. I have already heard it said that Member States who are trying to economize on energy should not be asked to pay deficits in the balance of payments of countries which belong to the same Community but which are not making any attempts to cut down energy consumption. All this underlines the pressing need for a common energy policy. For this reason the Summit should also consider the question of a Community policy on companies which is essential, in view of the financial, monetary and economic problems, if the face of Europe is to appear more human than hitherto.

We also hope that the Summit will decide in favour of broader and deeper political cooperation, and that it will lead to a real European

identity at the intergovernmental level. Mr Ortoli has already alluded to this in his diplomatic manner. We can only tackle the major world issues if the Community speaks with one voice. I am referring not only to our relations with the United States, and with the third world, but also to our relations with the new 'fourth world', the rich Arab States and the countries supplying raw materials who use the sources of energy to exert political pressure on certain parts of the world. All these elements make increased political cooperation with regard to foreign policy essential. We are in favour of the idea of setting up a permanent secretariat for the continuous preparation, development, monitoring and coordination of political cooperation in the field of foreign policy. Such a body, however, should form part of the existing Community institutions, and not become a new means of reinforcing intergovernmental cooperation. We must make our position clear on this point.

Finally, we expect the Summit to give a preliminary indication of the way in which Paragraph 16 of the Paris Summit communiqué is to be put into effect. Mr Ortoli said that by virtue of Paragraph 16 we have the task of creating a single European Union out of the various relationships between the Member States. We as representatives of the institutions must issue a report on this. This has not yet happened. The Commission has developed a concept of what the European Union should be. The Council subsequently concocted 56 questions so as to hold everything up and to get everyone confused. I feel justified in describing this list of questions in this way, for if there was ever an initiative designed to make future European Union impossible, it was this list of 56 questions which a Council Working Party sent to the various governments after these same governments had decided in favour of European Union at the Paris Summit. Now they are being asked what this European Union should consist of.

Parliament has taken the initiative of drawing up a draft report on this subject. The Summit Meeting should also make a decision on the future of the European Union. We should like to see the year 1980 confirmed as the target date for the Economic and Monetary Union.

I can thus sum up the position of the Christian Democrats as follows: the Treaties must be upheld and fully applied; the decisions taken at the 1972 Summit should be upheld and the series of problems which I have mentioned should take priority and be decided on at the Summit, i.e. the strengthening of the institutions, an effective decision-making procedure

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for the Council and an extension of the budgetary powers of the European Parliament. The Commission can rely on the support of the Christian Democrats on these issues.

(Applause)

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

Mr Spénale. — *(F)* Mr President, I should like to say first of all that we did not come to this debate with a fully prepared speech. We wanted to hear Mr Ortoli first and we hope that an organized debate on all of these problems will be held as soon as possible, with the fullest possible participation of the Council and the Commission. I think, however, that this statement on the state of the Community was a very timely one, since this is a period in which considerable disturbances have occurred, even among highly centralized national structures, and are felt all the more keenly in a Community which itself operates on many different levels. These disturbances are inflation, of course, balance of payments deficits, of course, and the effect all this has on policies which we thought were firmly established, such as the agricultural policy, and which have repercussions on the everyday life of the people in our Community, and of our own officials who are finding themselves in unforeseen circumstances as a result of monetary developments. There are problems of all sorts and we are being shaken from all sides.

As regards Mr Ortoli's speech, in which he told us what the Commission intends to do to overcome all these problems, I must say that on the whole I can endorse it. He said he hoped our difficulties would not lead us back to protectionism. That is obvious. We want as a Community to remain outward-looking and not closed in upon ourselves. Equally obviously, this constrains us at the same time to collaborate more in defining common policies for our external relations in all fields, economic, political and others. We are all for this, but we believe that here we really have a great deal of progress to make, since neither the Davignon procedure nor any other form of collaboration is going to tell us whether we are already on the right road.

Mr Ortoli also told us that we need to assert firm political intentions which can also be put into practice, firstly in that each country ought to show consideration for the other countries in the Community and conduct compatible policies—this is the expression I believe he used. I think we can subscribe to that. I think we can also subscribe to the idea that, if a Com-

munity country is sick, we are all a little sick, which means that we need a good social policy and a good regional policy, but it is not enough to say so, for though we have published reams and reams of speeches on regional policy and social policy, we are still wondering, in the case of regional policy, whether we are going to be able to spend a single penny next year on implementing it. As far as non-Community countries are concerned, we also need to act as countries collectively responsible for a large number of policies in respect both of the industrialized countries and of third world countries, towards which we have growing obligations. He spoke about energy. I shall not go over what he said: I am in agreement with it.

He spoke finally about the Community institutions. I believe the institutions are very important at the present time. The institutions are the frame which holds our house together. But I think what many of our institutions lack is basic stability. In the Council there have been times when all the governments in the Community have changed within the space of one or two months. And I am reminded of Pierre Uri's article in 'Le Monde' which said that the Community, which had build everything on the principle of government action within the Council, was incapable even of tackling the problems because all its members were now temporaries. It would be highly advisable for some thought to be given to this question of providing the Council, and the European Parliament too, with a stable structure. I have been here for ten years now. I do not think the composition of this House has ever been the same for two sittings in a row, and this raises the question of the way in which we are elected, the scrapping of the double mandate and the stability of this House, if we too are to do an effective, consistent and responsible job. Mr Ortoli, you have explained how hard it is for us to generate a real Community, owing to the difficulty involved, for the Council most of all, in making the transition from cooperation to a true Community spirit.

At this juncture I should like to stress the importance of language. I have gained the impression lately that, in France, there has been a desire to do more, at least in word, for the progress of the Community and there has even been talk of the transfer of sovereignty. I am glad of this, but I do not like the language used. I would rather we spoke of the joint exercise of certain powers. This is quite different; putting it like this will arouse far less opposition; we shall continue to remain responsible for our own affairs, while sharing this responsibility with others who are willing to

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share theirs with us. This is the essence of the spirit of the Communities.

Yes, language is very important, since if we speak of 'joint exercise', we shall cause far fewer psychological problems for those who are still retain a nostalgia for the past and nationalism. I think we should pay attention to this side of things.

Thank you for talking about the budget, the means of implementing our policies, and about the fixing of priorities. Yesterday a Parliament delegation went to the Council to put forward our thoughts on the 1975 budget and to defend those of its items which would assist regional policies, social policies, proper aid to the third world, in short, everything which would make the 1975 budget a complete reflection of fundamental political choices and not just an instrument in the management of day to day, humdrum business.

You expressed the wish that the European Parliament should occupy a stronger, more distinguished position, particularly in the matter of budgetary powers. I am glad that you mentioned this; I shall bear it in mind and I assume that as a result the Commission is ready to join our struggle to obtain these budgetary powers. In passing, I would like to ask you the following question: four years ago the Commission promised to draw up in 1974, i.e. now, certain proposals relating to the legislative powers of the European Parliament. I know that a lot of water has flowed under the bridge since then, I know that the Community has expanded, but we already knew that would happen at the time and the Commission was fully aware of what it was doing when it promised to table proposals on the legislative powers of Parliament in 1974. I should like to remind it of its promise and should be glad to know how far it has got in its deliberations and drafting of its proposals.

You seemed relatively optimistic, despite present difficulties: you seemed confident about the outcome of future summits. I hope you are right, but does the action taken as a result of previous summits justify this optimism? Or have you some indication, which you could then tell us about, of an appreciable change in the attitude of the Heads of State and Government, on the one hand, and the Council on the other?

The declarations of Heads of State and Government are usually satisfactory. But the practical confirmation of these declarations, namely the Council decisions which ought to follow, are less satisfactory; there would not appear to be any feedback of action between the Summits and the Council, so we wonder whether recent

signs of special respect for interinstitutional mechanisms really justify our thinking today that we have much more chance of seeing summit decisions a) being taken along the lines we would like and b) being followed through?

In any case, and this will be our conclusion, I think all these problems are now being raised at the same time and in the most difficult circumstances. To solve them we shall certainly need considerable political dedication, stable institutions and, in particular, interinstitutional cooperation which will include them all. Does collaboration between the Council and the Commission take place at the proper level? Can we take decisions together and fight for them together? If we do not have the full cooperation of the Council and if you are resolved to fight for the ideas you have expressed today, I can tell you that you will have the unconditional support of the Socialist Group in order that, in your own words, a strong, ambitious Europe can emerge as a reality.

(Applause)

President. — I call Lord Gladwyn to speak on behalf of the Liberal and Allies Group.

Lord Gladwyn. — Mr President, I do welcome the opportunity to say a few words on behalf of the Liberal and Allies Group as regards its attitude towards what has been said by the President of the Commission. I do not know whether I shall entirely reflect the views of all my colleagues for I have not had an opportunity to consult them. But I hope they will not dissent.

I think we can all agree that Mr Ortoli's speech was an admirable one. It was extremely eloquent. What he said should have the approval of all of us—the objectives we still have and the principles which should guide us—as, indeed, his diagnosis of our present ills, which really comes down to the problems of national interests in the Council. Unfortunately, it does not get us very much further as to what we should immediately do as parliamentarians in this Parliament. I have indeed no doubt whatever that the Commission is doing what it can do. It is our friend. Its ideals are our ideals. It keeps on doing what it can do but its powers are extremely limited. The Commission has also been recently quite unjustly criticized as being too top-heavy and too much bureaucratized and so on. There may be something in these criticisms, but they are not the essential ones. After all, the Commission stands for a united Europe and is doing what it can under the terms of the treaty to bring it about. There is no doubt about it. Mr Ortoli can rest assured that in what he said he has the support and the sym-

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pathy of all of us, particularly, I may say, the sympathy.

It is evident that the reason why we are in the present *impasse* so far as the construction of Europe is concerned, the reason why we cannot agree on any European policy in any sphere at the moment, the reason for all that, the blame if you like, for one reason or another, does rest with the Council. It rests purely with the Council and it rests with nobody else. What is the position? The Council, as far as we can understand it, now seems to have largely abandoned most of the objectives of the 1972 Summit which we all here found so encouraging—which all Europeans all over Europe found so encouraging. They seem, I say, to have abandoned a great many, if not all, of those objectives, anyhow the long-term objectives. There is thus apparently no immediate prospect of achieving the next step towards a common monetary policy or to the construction of a reasonable regional policy. A small step, as Mr Ortoli said, a very small step has been taken towards the construction of a common energy policy, but that is all. Above all, as I said the Council does not seem to wish to proceed with the programme for political union, which was the main feature of the 1972 Summit.

What is the point of us parliamentarians proceeding with schemes such as Mr Bertrand's admirable project for eventual political union by stages, or for some political powers for this Parliament, now being investigated, I think, by Mr Kirk, or for direct elections on the lines proposed by Mr Patijn, when it is pretty obvious that the Council, in this present mood, is not going to give any effect to them, is not likely to discuss them with us, or even to consider them at all. So what is the use? The latest informal Summit, if we may call it that, appears to have been a simple exchange of ideas. Evidently it resulted in nothing in the way of new proposals, even vague proposals, for the future. From rumours which have percolated into the press, whether they are justified or not, we learn that the big idea now is to allow the Council to proceed 'pragmatically' and to function, if it is going to function at all, without much, if any, regards for the views and the proposals of the Commission. It is apparently going to be a new type of practical, pragmatical Council without any general rules to guide it, acting on its own without any advice save for that of the national bureaucrats. It seems, too, I repeat, that at that meeting or in conjunction with it, the Commission was quite unjustly criticized. Parliament should be indignant about this and say that as far as it is concerned, the Commission is not only doing a valuable job but is performing all its functions as it should

function under the Treaty. In other words, the Ministers seem to have agreed not only to throw over the long-term proposals of the 1972 Summit but also, and we must face this fact, to abandon many, if not all, of the basic provisions of the Treaty of Rome.

This is obviously a grave, and I should have thought a very grave, development. Yet it appears to be a fact. So what can this still largely powerless Parliament do, in a practical way, to influence the Ministers and to persuade them, if possible, to change their present apparent intention and reform their ways? What can we do in a practical way? I do not know if my colleagues would agree to this, but perhaps by putting forward no very long-term or idealistic proposals, but rather by recommending certain positive but limited reforms which the Ministers, even in their present disillusioned, disabused and 'pragmatical' mood might be likely to accept. What would these be? They might include the following: In the event of an *impasse* in the Council, which is all too likely nowadays, that is to say a failure of the Council to agree on any large of far-reaching decision, they might agree to have a public debate. This should show who exactly are objecting to this proposal or to that, and bring it out into the open, instead of its being dealt with in state secrecy on a basis of national interest and nothing else.

And then, if they could not even agree to this, the Council might take part in a debate in this Parliament on the outstanding matter which is dividing the Council. They might come here and argue the case. If they should agree to this, it would give Parliament an enormous increase in prestige and would in practice satisfy many of the demands of a political nature which we are making for this Parliament. If only they would agree to that. And why not? Why not have the debate on a great issue in Parliament rather than cooping it up in the Council, where it, so to speak rots, and nothing is done? Have it out. Lance the abscess. Discuss it with the parliamentarians in the last resort. Why not? If we put that up calmly as a solution to the Ministers, it is possible that in a few months time, when the situation gets absolutely desperate, as it will, they might even agree.

Finally, the question of regular Summits. I know what Mr Spénale said. I listened to him. I agreed with him very largely. Regular Summits are not the cure for everything, but if the Ministers are to take these problems seriously, when an important decision has defeated the Ministers, there should in theory then be Summit meetings at fairly regular intervals to deal with this particular point only. Perhaps if that

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occurs after a debate in Parliament, the Ministers at the highest level would be conscious of their responsibilities and have to take decisions—unless they were to say, 'We can't decide, the whole thing is nonsense—Europe is no more'. Only they might hesitate before taking such a decision on one definite issue. Let us therefore recommend such a procedure to the Ministers. No doubt many of the parliamentarians here assembled could think of other reforms more substantial or easier to get across to Ministers. Something we might even discuss in the Political Affairs Committee is an immediate proposal to the Minister for overcoming immediate hesitations and difficulties.

I must say, Mr President, I had thought until recently that the appalling situation in which we now all find ourselves would have resulted, before now even, in increased European unity—the nine Members of the Community being, as it were, forced together by the pressure of economic events. I am afraid it hardly looks as if this was the case. What may happen at the end of the year when, as I say, the situation will obviously become absolutely desperate, is another thing. Then it is conceivable that the Ministers will take this small step forward. Then we would be over the divide, and other things would follow. Then they would have to work with the Commission in accordance with the Treaty. They would finally have to end up with some kind of qualified majority voting. That is possible, but, I repeat, they will have to take first steps first, and we may perhaps help them by putting forward these practical proposals—help them get over the divide.

I need hardly say that I continue to believe, and believe passionately, in a real interchange of views between the Council and Parliament on the whole nature of the political union to be achieved in 1980. The Ministers have not, as yet, abandoned that as an ideal date, as far as I understand. Such an interchange—a profitable interchange of views—is indeed essential, but I doubt very much whether the Ministers in their present mood are prepared for it. So let us get on with our long-term plans, realizing that they are not very topical at present and concentrate chiefly for the moment on simple proposals, practical proposals—which may help the Ministers to come together, which perhaps they still want to do in their *for intérieur*; who knows—they are after all only human. Perhaps by so doing, we shall be able to advance the cause of European unity rather further in the next few months.

(Applause)

President. — I call Lord Bessborough to speak on behalf of the European Conservative Group.

Lord Bessborough. — Mr President, I am sorry that from the United Kingdom there should be two Members of the House of Lords speaking. I very much regret that Mr Kirk is not present since he has been so active a member of the Political Affairs Committee and I am sure would have been most interested in the statement made by Mr Ortoli. I would like to take this opportunity of welcoming that statement and congratulating Mr Ortoli on the fervour with which he delivered it.

I recognize that this is very much of an extempore debate today. I have consulted some members of my group. Not all of them are present, but I think what I have to say will by and large be supported by them. In this respect I am somewhat in the same position as Lord Gladwyn.

I am very glad that we are to have a debate in October with the Council present, because clearly the body which has the greatest power within the Community at the moment is the Council of Ministers. But I welcome what Mr Ortoli said about an autumn of initiatives, and I hope we shall be seeing some initiatives. We look forward to an early meeting of Heads of Government when a new British Government has been established—whatever party or parties forms it. I might at this point say that I welcome a change of heart in certain sections of the Labour Government and Labour Party in regard to the European Community, and I hope that this change will spread throughout the party as a whole.

I liked what Mr Ortoli said about the energy crisis, inflation and the balance of payments deficit and above all his very useful phrase 'the dovetailing'—that was the way it was translated into English—of national policies. It seems to me that this is his main problem and the main problem of the Council.

I was interested in what he said about Community loans and the importance of solidarity and common understanding, and, above all, the link between the political will of the Community and the translation of that political will into practical measures. We must work toward compatible policies, and I was glad that he referred to regional policy and that there may be some hope of our having a regional policy in the future. I think it stands very high in our priorities, and I am glad that he said that we should continue the debate on European unity, but like him, I question whether the existing institutions are adequate to achieve this.

The question of unanimity hangs over us—as he said it is a pretty dark cloud; and I agree with him that we are not likely to establish today a democratically supervised government, but I

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was interested to hear him say that he thought that power should not reside purely in inter-governmental organizations. He referred to the better running of the Council. He referred to the strengthening of the role of Parliament and its budgetary powers, which all other speakers have spoken about.

I was glad that it was Mr Spénale who spoke for the Socialist group, and we welcome him in his capacity as chairman of that group. He has very great experience in these matters, and I am very pleased that it was he that attended yesterday's meeting with the Council. I think we should congratulate him on having done so.

Mr President, I would also like to refer to what the recently-published British Conservative Party manifesto says about Europe. It says that by far the most historic achievement of the last Conservative Government was to bring about British entry into the Community. Membership of the EEC brings us great economic advantages, but the European Community is not, as it says, merely a matter of accountancy. There are two basic ideas behind the formation of the Common Market: first, that having nearly destroyed themselves by two great European civil wars, the European nations should make a similar war impossible in the future; second, that only through unity can the Western European nations recover control over their destiny—a control which they had lost after two wars, the division of Europe and the rise of the United States and the Soviet Union. I can only tell you Mr President, that a central part of future Conservative policy will be to work realistically for closer European unity.

Only one other point. We have read recently certain very serious German criticisms of the functioning of the Commission, and I would be glad if Mr Ortoli would say something—perhaps a little more than he has done already—in answer to these criticisms. I would like in many ways to defend the Commission. I was glad to see the 'Economist' this week quoting a point which Christopher Soames made in a speech some months ago, that the Commission has a total staff of 7,000, of which only 2,000 are in the highest grades. It thus numbers some 1,600 fewer people than the Scottish Office. The population of Scotland, Mr President, is 5 million, and the population of the EEC is 250 million. I recognize that the comparison may not bear too much examination because we all have very considerable departments of state in each of our own countries, counting many more people than even the Scottish Office. But when you think that the Community with its small complement runs Europe's farming, its anti-trust law and state-aid system, its customs union, the

Coal and Steel Community, not to mention large statistical, economic, industrial, energy and company law departments, I take off my hat to the Commission and to the President himself.
(Applause)

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

Mr Yeats. — Mr President, I would like to use this occasion to thank those who have permitted us to have this preliminary exchange of views on the present state of the Community. In view of the very late stage at which this debate was decided upon it has not of course been possible for me to consult my group with regard to the standpoint that I should express on their behalf today. But nonetheless I can say that our group is certainly strongly in favour of the ideal of having a much more extended debate on this topic at the earliest possible stage, presumably in October.

Having said this much, however, I think I can say that our group strongly supports and approves of the approach described to us earlier this afternoon by Mr Ortoli. It seems to us to be a realistic approach for two reasons: in the first place, it sets out the basis of the action which our group believes to be necessary for the construction of ultimate European union. It sets out quite clearly the actions which need to be taken for the strengthening of the Community and the development and expansion of the common policies. It is clear to our group and, I think, to most others, that an essential part of these Community policies must be the achievement, at as early a date as is possible, of economic and monetary union. I think it is becoming increasingly obvious, as the full impact and implications of the energy crisis facing us become clear, that it would only be possible for the European Economic Community to face and deal with the problems that face all our countries in the context of united action in the field of economic and monetary union. The importance also of the common agricultural policy that we discussed at such length only a few days ago is, I think, obvious. No matter what may be felt in many quarters about the necessity for a revision and an improvement in these policies, they are none the less, and our group is strongly of this opinion, the cornerstone of the Community today. Mr Ortoli also referred to the question of regional policy, and there is no doubt that one of the greatest failures of the Community in the past year or so has been the utter impotence it has shown with regard to the framing of this regional policy. The fact is that, so far as one can see, not even a national

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sum will be set aside in the coming year for this policy.

In the second place, we find ourselves in agreement with the statements of Mr Ortoli because of his express reference to the concept of European union, which for our group is a prerequisite for the successful and continued working of the Community, in the economic and all other fields. There must be, we believe, the creation of a genuine political will in the capitals of the Member States in order to give the necessary impetus to the Community. In this perspective we are on the whole satisfied with the suggestions that Mr Ortoli has made with regard to the importance of the proper functioning of the Council and, in particular, with regard to the role of the Heads of States or Government. But we in our group are particularly anxious also to see the creation at an early moment of a political secretariat, because we feel that preparing for European union means the organizing between the Member States of the political cooperation that reflects their common resolve. And we believe that such cooperation can effectively create a common European identity at international level only if its objectives are pursued unremittingly and the Member States coordinate their efforts in liaison with the Community institutions. The Group of European Progressive Democrats stresses once again the need for a political secretariat to carry this out.

Finally, Mr President, I would again underline the necessity for a further and much more lengthy and adequately prepared debate on this subject of the political secretariat. We as a group certainly intend to bring this matter before Parliament in the coming months and I look forward to a further opportunity to discuss this matter.

(Applause)

President. — I call Mr Bordu to speak on behalf of the Communist and Allies Group.

Mr Bordu. — *(F)* Mr President, to begin this speech which, like the others of course, had to be prepared in a hurry, I should like to say that we parliamentarians have been elected by our peoples to decide in this House, and within the limits of our responsibilities, on our domestic policies and on foreign policy; the weight carried by our opinions and decisions, however, appears to be declining as the problems increase!

We are ill informed in our national parliaments and inadequately informed in this House too. The summits held are less and less forthcoming

and we have to read the press to snatch a few brief, and sometimes contradictory, sentences.

Europe is faced with great difficulties which are bound up with the difficulties faced by our countries individually. Our currencies, the economy, inflation and unemployment are disrupting trade relations and pressing heavily on social and working conditions; and we are told that the worst effects of inflation are still to come.

The 1972 Summit promised social prosperity, but we are now going through a period of austerity. Farms and small and medium-sized undertakings are on the verge of bankruptcy, wage earners, pensioners and savers are groaning under the burden of taxes and high prices whilst the big multinational companies are raking in huge profits.

In Europe itself imbalances between the countries are making themselves felt. The statement by Mr Ortoli, President of the Commission, does not change these facts one iota inasmuch as it does not supply the concrete conclusions one might have expected of the Elysée talks. Except for his few words on the need for a Europe equipped with effective mechanisms, the little concrete information he has given us will not help Parliament to make its due contribution to the drafting of a European policy geared to the satisfaction of men's needs, which is after all the logical purpose of our work.

Let us have a common policy by all means, but we would stress that Community development must be based on a sense of political purpose, whereas in present circumstances not even a broad-based cooperation is possible. How can we help wondering here about the oft-mentioned national self-interest, when the answer so obviously lies in the still vigorous concept of the nation, in the law of unequal development, which results in a kind of nationalism encouraged in turn by the pursuit of profit which, try as it may, fails to convince us of its philanthropic intent.

The people, that is our objective! A democratic and social Europe, that is our ambition! This is why we consider it both necessary and possible for Europe's democratic forces to pursue the objective of a Europe of the people, a social Europe, and to get used to thinking together about the growth of this Europe.

It is most certainly too easy a way out to blame the oil problem for our present difficulties. Europe's fate is certainly bound up with it, but in our opinion this does not exclude a certain amount of freedom when taking decisions and forming judgments. Thus the countries of Eu-

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rope are about to follow the example of the United States, ten years later, and make overtures towards the socialist countries, some of which offer great opportunities for far-reaching cooperation. In the same way, we might wonder how much longer we are going to go on talking about hunger in third world countries without having the funds to help them and contribute to their development if at the same time we are to put our relations with the oil-producing countries on a proper footing.

As for the matter of the Community institutions, why protest against the strengthening of the Council's powers? Everyone knows that all the difficulties which arise in this political or economic system, as in other systems too, make it necessary for powers to be centralized. This is a natural consequence of the laws of objectivity.

If we want to prevent this centralization, we must of course democratize and turn to the peoples, not just to ask them for sacrifices but to lay new responsibilities before them. A policy worked out undemocratically, without the assent of the parliamentarians, often without the assent of the people and against their interests, can only aggravate the current situation. The problem is therefore not, in our view, one of an interinstitutional quarrel; it results from a whole conception of this crisis which is shaking the so-called market economy. This is not a time for fine words. It is in fact remarkable to hear Mr Ortoli talking about a European partnership. The ambition of an integrated Europe was doubtless a bold one, but it is not within the laws of this system to overcome all the contradictions which actuate interest groups. So who can predict that transfers of sovereignty to the Community will be successful?

However, it would be possible to implement true cooperation in the interests of everyone for the major questions requiring joint efforts. True cooperation would be consistent with the idea put forward in this very House, i.e. that national policies should not conflict with the interests of Europe. The interests, we would add, of a truly democratic Europe, a Europe turned towards the world.

We hope that this Europe will become the joint property of the forces of progress, of all those forces which acknowledge themselves as such, since the ultimate goal for us is not just anything—it is a Europe where man as such will at last be respected.

In conclusion, it only remains for me to say that a major debate is of course still necessary, but we parliamentarians must be properly informed if we are to deliberate and debate meaningfully.

President. — I call Mr Lücker.

Mr Lücker. — (D) I should first of all like to thank Mr Ortoli for having accepted the European Parliament's invitation of 5 September and for being present in Parliament today for what is the prelude to a political debate—a debate which I consider to be essential for many reasons—and for displaying a political and personal understanding of the situation.

Mr Ortoli, you have clearly understood that this Parliament, at its first sitting after a politically eventful summer and on the threshold of an autumn which is becoming equally eventful, cannot leave Luxembourg without expressing its feeling, its fears and its hopes with regard to the state of the Community and possible future developments—if only in a brief debate such as this afternoon's.

I should like to continue by asking Mr Ortoli and his successors as President of the Commission to emulate the national governments—insofar as these genuinely adhere to the democratic spirit of their constitutions—and to appear before Parliament on important occasions to say something about their conclusions, their intentions and their actions. We have stated more than once in the past that the Commission's proper place is not at press conferences in Brussels, but here, in the European Parliament. Mr Ortoli, I should like to thank you for having acted in that spirit today.

Mr President, I hope I am not being indiscreet if I say that, this morning, as the result of certain reports, not only I myself, but many others in this House—and not only in my own Group—had certain fears which were reflected in a degree of nervousness in Parliament. We were afraid that you would not be present today for this debate and would not make the speech which you have just given us. Mr Ortoli, I was afraid that you were in the process of becoming resigned or even of giving up altogether—although I found this difficult to imagine, knowing your personality and your political commitment.

At the informal summit meeting which you attended in Paris, either you yourself chose to be silent, or this role was imposed upon you. You will appreciate that many of us were disturbed by this, especially since the second interpretation would be much more disturbing than the first, and there were very many indications that the second interpretation was correct. Now however, Mr Ortoli, you have relieved us of this fear, and I am glad that you have shown us, with this detailed speech, that not only are you fully aware of the present state of our

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Community, but you are still the combative President who, we feel, will be needed to do some plain talking during the next few weeks. Mr Ortoli, I should like to say that, if you show this fighting spirit for the real further development of Europe, you may rest assured that the great majority of those present here—perhaps even all of them—will be of a single mind with you.

May I comment on two things which you said—not without reason, I feel.

Firstly, at one point in your speech, you stated that the problem facing us with regard to the political institutions is the key to the further development of the Community. I can only agree with that, Mr Ortoli, and we are all concerned by this—as my colleague, Mr Bertrand, has already said. I should just like to repeat that, for some time now, we have been somewhat irritated—to put it mildly—by statements from persons in high positions—not only from the West German Chancellor, but also from persons in other countries—and, not because this was general, routine criticism of the Brussels bureaucracy or technology—although such persons should consider not only the mote in other people's eyes, but also the beam in their own, and set their own houses in order before starting to make criticisms at international level. I am certain that the Brussels bureaucracy is no worse and no better than the national bureaucracies, and I feel that, if there is any scope for criticism, the increase of approximately 41% in the budget for the Council of Ministers is out of all proportion to the 8% rise in the budget for the European Parliament. It is not just in the national capitals that there is enough to criticize, and this figure for the Council of Ministers—which I am sure the Budget Committee will be discussing—is an indication of what I am trying to say.

Mr President, what we are worried about lies on a different and more important plane, namely, the symptoms and indications—and these are evident from statements such as the one made recently by the West German Chancellor, in which he said that Europe must be built not by the European institutions, but by the governments. I ask you, therefore, is this the right way of looking at the job facing us? The two attitudes are contradictory. We are increasingly concerned about the trend towards intergovernmental cooperation in place of the European institutions—a trend which we feel bodes ill for the construction of Europe.

Metternich and his methods may have been all right in their day, but they are no use to us now—and in any case, we would at the very

least require another Metternich. This is only a comment, no more; each age has its own men and its own methods, and in this present day and age this system is of no further use to us.

This seems to me to be the background to your second point—that, as you pointed out, the debate on the problem of the political institutions must not be postponed. You no doubt have your reasons for saying this, and we agree with them—even though you were diplomatic enough not to specify them. As a member of this Parliament, I can be somewhat franker in this respect, and I should like to say this: if we leave this problem to be solved for much longer by European diplomatic conferences or—as Mr Bordu has just said—at the level of the increasingly intimate conferences of Heads of State or Government—if, in other words, the discussions are held behind closed doors—I feel it is high time this debate were conducted publicly.

(Applause)

That, Mr Ortoli, was the real reason for asking you to appear in the European Parliament today, and—as I said before—I am grateful to you for having accepted the invitation. This debate must not be put off.

It has been said today—by my colleague Mr Bertrand among others—that our sights are still set on the year 1980. If this is true—and even at the informal summit meeting in Paris it was felt necessary to retain this deadline in a vague statement—not only must we not lose any time in the construction of Europe, but we must start this debate now, since it is one of the factors without which this aim cannot be achieved.

And now my conclusion, Mr Ortoli—you were much more specific when you spoke to the Association of European Journalists in Mainz. The Council does not need to be given any more powers—it already has them all. All we ask is that it should operate more efficiently. What is needed is for all the institutions to be strengthened—particularly the Commission and the European Parliament—and any other approach would be a waste of time. I am sure that the 'summit picnics' in Paris and elsewhere are useful. Diplomatic conferences may also be useful. But we already have the Community institutions, and if there is to be any real political progress in Europe, it can only be via the agreement, consultation and decision-making procedures of these three political institutions of the Community.

In view of this, Mr Ortoli—and I again quote your speech in Mainz, in which you went further, at least verbally, than you did today—we appeal to the decision-making processes, call for

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the transfer of powers and, finally, declare that there can be no Community policies without Community funds and instruments.

This applies also to the funds for which you have asked and which are being refused. This refusal is a refusal of the common policies! At one point in your speech, you spoke of the need to show political solidarity in Europe by being prepared to stick together through thick and thin. I assume that you were thinking of the floating of a European loan to enable us to cope with some of the problems facing us. Mr President, the Christian-Democratic Parties and the chairmen of the Christian-Democratic Groups in the national parliaments held a meeting in Bonn last week. We agreed, in principle, to this floating of a European loan, and we feel that it will be possible to draw up its terms and conditions in such a way that it becomes a good, useful and—even—necessary instrument to help in solving some of the problems of our Community in the near future.

Mr Ortoli, you were therefore right in saying that we must have effective organization of the Community in the light of what has been said here this afternoon, not only by myself but by many others as well. All I wanted to do was to thank you for having joined in this discussion and to assure you that your fighting attitude to the real aims of the construction of Europe will always have the support of this Parliament and of my Group in particular.

(Applause)

President. — I call Mr Fellermaier.

Mr Fellermaier. — *(D)* Mr President, ladies and gentlemen, it is clear to anyone who followed closely the speech by the spokesman of the German Christian Democrats that there was a repeated undercurrent of criticism of the Social Democratic Chancellor of West Germany, Helmut Schmidt, who was quoted several times by Mr Lücker. I much regret that the same member of the Christian-Democratic Group did not take advantage of the opportunity to put his questions directly to the Federal Chancellor, as a member of the opposition, in last week's debate on Europe in the German Bundestag.

(Applause)

(Protest from Mr Aigner)

Mr Aigner, you must get used to the fact that, if a member of the CDU/CSU makes repeated criticisms of the Federal Chancellor in this House, a member of the government coalition also has the right to say a few frank words on the subject, particularly since the CDU/CSU did not bother to make these comments during

last week's debate on Europe in the German Bundestag. I would therefore have preferred Mr Lücker to have got over his irritation—that was the word he used—at a statement by the Social Democratic Federal Chancellor by taking part in last week's debate in Bonn, since he might then have come to this debate greatly enlightened. We should be glad that, for once, a Head of Government has spoken his mind to the Commission frankly and honestly before the European public, and not in carefully-chosen diplomatic terms, since this, Mr Ortoli, is precisely what makes a dialogue possible, in that you can also use the platform of the European Parliament to discuss the opinions of individual Heads of Government. In one thing, at least, I agree with Mr Lücker: we wish you would always use the same frank and brisk language as you used at the conference of the Association of European Journalists in Mainz.

And now to another point. Mr Lücker, I feel that to claim that the refusal to approve funds is a repudiation of Community policies is not entirely accurate. At a time when balances of payments are in the red, when the rate of growth in many of the countries of the European Community is more likely to be zero than positive, when the burden resulting from the energy crisis is leading to a complete revision of the national budgets, we must naturally ask ourselves whether the priorities and expenditure planned in Europe before the outbreak of the energy crisis can be maintained at the same level, or even—in view of the situation in some Member States—whether they are at all realistic. There is no need for me here to go into details about the situation, when the OECD, in its latest report, states that the European Community can expect a deficit of 20 thousand million dollars on its balance of payments this year. There are countries whose entire balance of payments surplus will be swallowed up by the rapid increase in the price of oil—and this is not even allowing for the latest announcement by the OPEC countries that the basic prices will be increased by a further 12% on 1 January 1975.

From this it is clear that we must think in new dimensions—even as regards the Regional Fund—and we must see whether the original figures should not be revised. To do this, however, we require a frank dialogue here in the European Parliament—not only with the Commission but also, and in particular, with the Council. In the case of the Council, however—or, rather in the case of the foreign ministers of the governments who represent more or less what might at one time have been described as the Council—there is an increasing impression that the relationship with the Parliament has become little more than empty words. What went on last week between

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the President-in-Office of the Council, Mr Sauvagnard, and the Political Affairs Committee of the European Parliament, in accordance with the Davignon procedure, had precious little to do with keeping Parliament informed. Anyone who read 'Le Monde', the 'Times' or the 'Süddeutsche Zeitung' in fact knew more about the meeting of Heads of Government than the Members of the European Parliament were told by the French President of the Council.

(Applause)

I should like to announce two consequences of this for my Group. Firstly, at the next part-session of the European Parliament we shall demand an explanation from the President of the Council, because the way some of the Members of this Parliament were treated in Paris is irreconcilable with the dignity of this House. That is one point.

(Applause)

The second consequence for my Group is this: if the Davignon formula remains an empty shell with no real content, we as a Group will no longer participate in this Davignon procedure—again in order to maintain the self-respect of this Parliament.

Mr President, ladies and gentlemen. Mr Ortoli, on the eve of his trip to the United States, has emphasized the need for world-wide cooperation. The Members of this House who visited United States Congress and President Ford last week felt keenly that the Americans are waiting for this cooperation with Europe, waiting for us to speak with one voice. In this respect, however, the Council certainly has a lot of leeway to make up. Here, too, we must start thinking in new dimensions.

I am grateful for the statement by the President of the Commission that the machinery will have to undergo some changes. He did, however, say something in connection with which I should like to make two points. He asked whether the institutions which have been operating for 15 years now could still fulfil their purpose in a completely changed political and economic world and in a new and changed Europe. This brings me to a remark made by Mr Bertrand. He said that there was now a completely different generation of Heads of State or Government from only a few years ago. Let me put this another way. The fathers and grandfathers of Europe are being replaced by the sons and daughters, who are now asking the institutions critical questions. Do the institutions have the answers? I am afraid they do not yet have them, because although we speak about achieving the Political Union by 1980, although we speak about achieving the Economic and Monetary Union by 1980, we have not suc-

ceeded—neither the Council, nor the Commission nor the European Parliament—in setting in motion a broad public discussion of these matters. We need the support of the masses—if I may use the word in this context—and I feel that the Council, Commission and Parliament have not yet managed to solve this problem. Ladies and gentlemen, if the pressure does not come from the peoples, I fear that we shall not be very much further on in this question in 1980 than at the end of 1974.

In conclusion, I would stress again that for us in the Socialist Group this was an improvised debate. We must go into greater detail at the Strasbourg part-session, on a day—and this is a request to the President of Parliament—when we can be sure that not only the President of the Council, but also the Members of the Council, will be sufficiently conscious of their responsibilities to be present for a dialogue in the European Parliament. I have nothing against dinners in the Elysée Palace. I have nothing against other meetings, but the dialogue—even the dialogue with the Council—must take place in this freely elected Parliament, and the Council must not regard this simply as a necessary evil or as an unpleasant duty.

One question before I stop, Mr Ortoli. The lobbies are buzzing with a rumour that, on a particular occasion, the President of the Commission was expecting to speak but was not given the opportunity. I think it would be a good idea if you could reply frankly and unambiguously to this rumour.

(Applause)

President. — I call Mr Romualdi.

Mr Romualdi. — *(I)* Mr President, ladies and gentlemen, I too should like to thank the President of the Commission, Mr Ortoli, for his readiness to open this debate which, although improvised and hurried, has turned our attention to the serious problems and the heavy responsibilities which have been facing us for some time now. Mr Ortoli did this with the same lucidity and strength of feeling which have marked all his speeches in this House, accompanied, I think, by a certain sense of anxiety, since he is undoubtedly more aware than we are of the grave responsibilities and of the difficulties involved in finding solutions to the problems which will also give Europe and its institutions a greater feeling of unity and this Parliament greater prestige and improved opportunities to make a tangible contribution to matters of European and international politics—matters in respect of which the Community institutions must be able to function properly

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and to make that enormous contribution which we had all hoped they would make to our political life when they were first set up. In fact, Mr Ortoli, who believes firmly in the link between political decisions and the possibilities of actual implementation, said that he feels—and I think that, even from the point of view of the institutions, he is right in saying this—that what is lacking—or appears to be lacking—in political resolve can be made up for by finding solutions, at a technical level, to the problems and obstructions which have up till now prevented the Community and its institutions from playing a real part in this great, important and dramatic era in international politics.

I nevertheless feel—and we have said this several times before—that at the root of the uneasiness, of the crisis facing us, there is a lack or weakening of political resolve in the Community. I feel—and we will deal with this at greater length at the next part-session in Strasbourg when we shall be having a more detailed and more serious debate in the presence of the Council—that it is high time we admitted frankly, that although everyone talks about wanting Europe, about wanting a Community with strong institutions which have real powers, in fact all this is subordinated not only to the national interests of each country—this would be serious enough, if understandable—but often, quite deliberately, to the interests of pressure groups and national political parties, regardless of the overriding interests of their countries. If we are faced with a crisis, one of the reasons for this may be that all the governments in Europe are faced with crises of varying degrees. While not wishing to interfere in the argument between the representatives of the government coalition and the opposition in West Germany, I am nevertheless convinced that even in that country, which appears the most stable and the best prepared to withstand the effects of the crisis, there is something which is not completely reconcilable with the requirements of Europe, of unity, of the strengthening of the functions of the Community and its institutions.

It has been said that governments change frequently and that we now have to deal with the new generations. This is true, but it is particularly true that we are incapable of passing on the 'baton'—because in a free and democratic system, the personalities, the protagonists on the political stage must change in the normal course of things. But it would be a sorry state of affairs if, every time the Heads of State or Government changed, there was a radical change in the policies of the individual countries towards strengthening the European institutions! Of those who attended the Paris Summit, I think only Mr Andreotti—who took part in his capa-

city as Italian Prime Minister—is here today. I do not believe that the proposals made by those who attended that Summit Meeting were tied to their continued presence in the high positions occupied by them at that time. They reflected—and were intended to reflect—a political will which should have been passed on to other governments and other people.

I also feel—and this is my last point—that the time has come to return to a proposal made during one of the countless debates on this subject—that the problem of Europe should be placed on the agendas of our national parliaments. The time has now come for us to bear witness to our faith in Europe. It is there, Mr Fellermaier, that I feel we must look for the masses, because otherwise this term means very little. We must turn to the institution which is supposed to represent the will of the masses, to find out whether there is still the same belief in Europe as there may have been fifteen or twenty years ago. It may even be necessary to rediscuss and revise the Treaties of Rome, but it is at any rate clear that if we wish to overcome this crisis, we must carry out an examination based on awareness, an awareness that must be present particularly among those holding the greatest responsibilities in the national governments, which must provide the foundations for a Community government and the unity of the Community institutions.

President. — I call Mr Ortoli.

Mr Ortoli, President of the Commission of the European Communities. — (F) Mr President, it has been said with reference to this debate, that it was an improvised debate, and I should like to recall a word used by Mr Bertrand, namely the word 'prelude', which sheds light on a fair number of the things we have been talking about, including the position which the Commission may adopt, has adopted and will adopt on the various problems which confront us. I believe we are faced with a most important and serious matter, and I say this with all the weight of my responsibility. I said, and I note that all the speakers have repeated this, that firstly the problems before us related to the immediate future of our Community—and I am pleased with the attitude which has been taken, on the whole, to support my ideas, which I tried to express clearly and simply, for I did not think that this was a time for high-sounding phrases—and secondly, I said that we were clearly faced with an institutional problem which we needed to think about seriously, since this is a problem which, in its implications and consequences, is probably the most important one which we have to debate in the immediate future. And this

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should make it clear to Mr Lückner and Mr Fellermaier that it is my job to decide unequivocally at what point in time I intend to fully commit the institution on behalf of which I speak. And I should like to do it on my own responsibility and as fully and comprehensively as possible.

My intention today, when a debate of another kind seems to have been expected, was to say quite simply and openly exactly what I think. Of course, I have not attempted today, 24 September, to outline all Europe's problems or provide all the solutions. But I thought it was a good idea, in this prelude, to strike up the opening bars, Mr Bertrand, and I wanted it to be precise and clear, and not a kind of oblique presentation, as it were, of the questions with which we are faced. I am therefore grateful to those who talked about a prelude because to say prelude is to imply that there will be a follow-up; and this is the second observation I should like to make, by way of a reply to a point raised by several of the speakers, in particular Mr Bertrand and Mr Spénale, whose first idea it was, I think, namely that we should open a debate and that this debate should be expanded. I should like to repeat that I, for my part, concluded with the request that this should in fact be a beginning and that we should be able to talk seriously with the Council about problems which may arise.

I shall not therefore add much to Mr Bertrand's statements, as his trend of thought seems to me to be fairly close to the one I myself wanted to present to this House. I should just like to take up a question which I think we can touch on, very briefly, but which is after all an important one. I think, Mr Bertrand, as many of us here think, that dialogue, which is after all desirable, will inevitably generate an organization, a method which will make Heads of State and Government bring a sense of political purpose and political support to our Community. We should like those in the position of greatest responsibility to share this preoccupation with Europe and seek to give expression to it.

But, on the other hand, I should not like it to be thought that we should turn every single meeting into a 'summit' at which every single problem can be dealt with.

And this is a point, Mr Bertrand, on which I cannot agree with you, though I am perhaps misinterpreting your line of thought, but you drew attention to a number of questions which, I agree, are on the Community's agenda and must be dealt with. I do not, however, believe that we must write all these problems into the agenda of meetings of Heads of State and Government. But a few well-prepared questions

or, at the very most, a few exchanges of views, but thought-provoking ones would, I think, be useful, but if we cherish the ambition, which would be a mistake for such 'summits' or meetings, of turning them into a kind of 'fifth institution'—a term I have already used—to which one would come with all the Community's problems, then I am absolutely certain that we should be ruining the influence these meetings can have and ruining the influence that we ourselves can bring to bear within our institutions and within the Council.

There is a point I should like to take up which I did not mention before, since it was not my aim to outline all the Community's problems; it is a question which you broached with Mr Spénale, as both of you laid special stress on certain trends in Community policy with regard to the third world and the fourth world. I did not speak on this, true, but I also think, and I said so recently, that of all our Community has achieved in its external relations, the efforts made to define a policy on aid to the most underprivileged countries probably constitutes today the field in which we have found the best way of working together and in which, as a Community, we are best helping to solve the dramatic problems of which we must all be aware. Now in these matters—and please do not think that the fact of having spoken about them is my way of sidestepping this fundamental problem—I said, and I repeat, that this is a successful area in our external relations and I can assure you that, in the opinion of the Commission, which has taken very many initiatives in these matters—as you know, you yourselves approved them—it is one which gives our Community the chance to fulfil one of its most far-reaching and real vocations, one which is essential, not from the economic standpoint, but from the standpoint of our society and our civilization.

I wanted to make this reply because this debate on institutions and on present dangers must not allow us to forget that there is another European inspiration, which is in fact this profound sense of social dedication which must be the cornerstone of our Community. But when we talk about accepting challenges you and I are speaking for the peoples of Europe, for this is our concern, our interest and the object of all our endeavours. I believe that today, in the struggle against inflation, in the search for ways to prevent dramas of the kind which followed the energy crisis, we must try to give our peoples a fundamental answer to questions which for them are essential questions. In this sphere I have gained the firm impression from what several of you have said that we really do have what I would call the basis, rather than the background, for action and that you reason thus

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not as economists, any more than I do, but as ordinary men who, desiring to carry out their responsibilities to the full, know why they are talking about a number of problems and attach the utmost importance to them. This is the first reply I wanted to make to you all and to Mr Spénale since he expressed the same idea and the same themes as Mr Bordu, though somewhat differently.

Mr Spénale tackled two questions which I should like to examine very briefly. Firstly, I should like to thank him for having tackled the problem of language, as he called it. He was quite right to do so, and he will doubtless have observed that I myself have taken great care to avoid using words which do not correspond to what we are trying to do. But I agree that the idea he put forward is probably better than the expression I myself used. I spoke of the transfer of powers, which is a technical reality, but the political reality, and I believe he was right to say so, is the joint exercise of certain powers. And there is a quite different reality, rather than presentation, behind this, which is precisely what people have always had in mind when they thought of the Community. This reality is not a way of undoing things but of doing them, which is quite different, not a way of taking away but, after a fashion, a way of giving more and guaranteeing, since the fields in which it contributes something concrete are those to which the Community must give priority. This is the truth, this is the essence of what we can do, and it's what I meant a few moments ago when I set out the firm position of the Commission, namely that we should concentrate on everything which is necessary for us to achieve objectives which we shall fix jointly. What we must strive for is the Community's contribution, the further contribution which the Community can make in a number of fields; it is for us the joint exercise, as Mr Spénale said, of certain powers.

Mr Spénale's second question concerned Parliament's legislative powers. I said and I meant that one of the questions confronting us today was that of the strengthening of Parliament's powers. You recalled and I have been told that certain ideas were expressed four years ago, on behalf of all future Commissions. Between you and me, Mr Spénale, that is an excellent, though rather strange way of understanding continuity even if the fourth dimension does exist, and I am glad it does. Be that as it may, the problem you raise is one which we ourselves have studied in great detail, albeit in very close conjunction with work which we and you have begun and which relates to the stages along the road to European union. The democratic development of European union is one of the central problems of thought on this subject.

Anyway, I have taken note of the question you asked me; please do not think that I am in any way indifferent to it. We have undertaken together a creative task which is not easy, and in which I for my part am beginning to have a better understanding at least of my own ideas and aspirations as an individual, but also as a Commissioner. You may rest assured that the problem of the position and role of Parliament, as I recalled a few moments ago, occupies a fundamental place in these aspirations. How should the legislative powers of Parliament be expanded in the immediate future? This is also a very difficult question. A number of ideas are tenable here. We have concentrated all our efforts on the problem of budgetary powers. We have had a few debates about it, but it seems essential to me, despite everything, that we should all achieve decisive progress in this field because I believe that we need to get at least something under our belts. I hope we shall succeed and, as you said, together we can try and achieve our goal. To speak quite frankly: having shouldered its responsibilities, the Commission is ready to defend all the ideas it has made its own and which are designed in some way to enable Parliament to exercise full budgetary powers. I shall come back to this, if you don't mind, a little later, as I shall have to reflect further on the questions which have been raised on this matter of legislative powers. Besides, we are not going to open a full-scale debate today on all the problems with which Parliament may be faced.

The second remark I should like to make to Mr Spénale concerns the optimism with which he credits me. For my part I believe that, at a time when the problem of Europe is being raised once more, but in new circumstances, we must concentrate on turning the situation to the best possible account.

And I should just like to mention two things which, although not giving cause for optimism—a word I prefer to avoid—seem to me to be positive factors amidst the difficulties we are encountering.

I have not drawn up a list of these positive and negative factors, but it is beyond question that for some months now a certain amount of backlog has begun to be cleared and, what is more,—and this is a direct reply to a question which you raised—that as a result of decisions taken with a view to making Council work more efficient, we are witnessing the beginnings of an acceleration in this work and more intensive thought on what can be done to solve the problems which arise in the everyday management of the Community; the procedures I myself sug-

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gested to give the Council greater political force are beginning to work and, I would even say, look fairly promising.

It is quite obvious that we shall see in a few months where Europe stands. I do not want to do a Sherlock Holmes and try to deduce from a single hair whether my man is tall, small, red-haired or fair. But what I can say today is that a certain reality exists—though it is not insurance against the difficulties we are now experiencing and which you sometimes complain about—but we cannot deny it either, for why refuse to accept realities when they are in our favour?

A second positive factor is that I have noticed among Heads of State and Government a growing awareness of the need to do something for Europe and of the fundamental nature of the European problem.

Now I am only too familiar, having analysed them myself, with all the difficulties which the progress of Europe involves. I know one might point to the many attempts which have been made to get going again with the building of Europe, but although we experience difficulties and disappointments and sometimes outright setbacks, people are still thinking and showing keen interest, even a number of those sometimes thought to be sceptical about the whole idea of Europe. I am convinced that there is an awareness of the necessity of Europe—Lord Gladwyn's word I think—a faith in the building of Europe which none of us has the right to condemn because of our own beliefs. This would be a very harmful attitude: because we are in positions of responsibility we must not, of course, imagine that everything is easy—I do not think it is, and what I have said illustrates this—but we must not think we are faced with the impossible either. For I believe that all of us together have a part to play in ensuring that opportunities are now created and exploited, so that this Europe which I called strong—meaning based on a strong Community framework—and ambitious—meaning inspired by continuous endeavour—so that this Europe can at last find a solid foundation.

This is not optimism, Mr Spénale, but after all certain things are happening and politicians have to take stock of them and try to ensure that they are publicized as much as possible. This is why it is a good thing we are having this debate today, and not a month or so later, so that you and I can say the same thing: the future reality of Europe depends on our willingness to put all our energy into building the kind of Europe we want. I have not attempted to minimize the difficulties which will doubtless have to be solved

in order to achieve the Europe we should really all like to see.

Such is my second answer: do not look for optimism or pessimism in it, but a simple statement of the facts. After all, if the wind should suddenly turn in Europe's favour, I think we would all be happy, but for that many requirements must first be fulfilled.

I would say to Lord Gladwyn, and to Mr Fellermaier and Mr Lücker, that, contrary to common opinion, and despite all the debate, the alleged debate of which the Commission has at times been the subject, I have not gained the impression that the Commission was being ignored or attacked by the Council. I should like to state this as clearly as possible.

Last week we had a meeting of the Council of Ministers. I think I can say that the opinions adopted by the Commission and the suggestions, which were not of a technical nature but which to some extent affected the political decisions required on certain points, were approved by the Ministers and, contrary to what it claimed, the Commission is doing its job, as you are doing yours. It is true that we made a lot of proposals. Certain of them were good ones. Even those which were not at least deserved to be debated and improved.

But in many cases we are the ones who have been able to keep things moving. I do not think that any of the Foreign Ministers, if they were here, would say that the Commission was not doing what it had to do or deny the Commission any of its powers.

This does not mean that there isn't a problem—to quote some of you—of institutional reinforcement in the strong sense of the term. I have stated my position on this by being quite unequivocal in certain circumstances—as Mr Lücker recalled—on the organization of the Community and the distribution of powers insofar as these problems arise. I myself, however, shall never adopt the silly attitude of trying to save the Commission to the detriment of the Council: that would be a fundamental error! The Commission and the Council are indissolubly linked, in a way they represent a single unit, because together they make up the Executive. I agree with those who want a Council which works, which decides, is political and gives the necessary stimuli, not forgetting our responsibility to be active, which we have not dodged, our responsibility regarding the internal guarantee of the Treaty, which we have no intention of dodging, and our responsibility to be objective, which is and must remain incumbent upon us.

Ortoli

I ask the Council to do its job. You will not find anyone in the Commission saying that the Council does too much. Let it do as much as possible! That will mean that decisions are taken on the Commission's proposals, that the common policies will make progress and that the face of Europe will change. And who would welcome that more than the Commission and Parliament?

This is another reason, and I should like to come back to it, why I did not want to be drawn into a debate on the Commission. That is not the real debate! The real debate is the one I have attempted to describe. Are we, or are we not, ready to use Community channels to exercise a number of powers jointly—Mr Spénale's words—and to widen the range of the Community's activities? Are we, or are we not, ready to give our institutions the power to operate—more particularly to take decisions—which they have largely lost? Are we, or are we not, ready to remove the obstacles currently blocking all progress on a number of major issues? Are we, or are we not, ready to make sure that any new impulse has the firm and sturdy backing of our institutions with all that these can offer? Are we, or are we not, ready to expand the role of Parliament? These are the real problems! I refuse to engage in polemics about what the Commission does not do. To Lord Bessborough I would say that though 7 000 officials are enough for the normal operation of a Community faced with enormous tasks, it should also be noted that we run the Community's whole commercial policy, the many Association Agreements, a major share of our Member States' development policies and relations with 19 countries in Africa, the Pacific and the Caribbean, which will very soon increase to 44. We administer a competition policy, we are preparing the way for Economic and Monetary Union and we must be constantly active in a number of fields to take the necessary initiatives, we administer the Common Agricultural Policy, we are committed to a research policy which we are trying to further as much as possible, not to mention transport policy, the supply of information about Europe and the political role we are required to assume. All this needs men, and men of quality, and any data collected will show that the Commission is by no means a devourer of funds.

I am putting this as bluntly as I can, and, you may rest assured, I have also told a number of people that I was ready for any amount of debate on the matter. I am ready to say what the Commission does, to show how it works, to explain its contribution and, I believe, make people admit that our staff is basically—as you

know, being familiar with it—courageous and devoted to the Community cause, anxious to help Europe progress and, like us all, sorry it cannot contribute more to the great endeavour we are pursuing. That is the real truth!

(Applause)

There is no question of my ever refusing to discharge a responsibility which is truly that of the Commission. I don't like certain debates which some people want to involve me in. I can tell you quite plainly that I am not trying to hide behind words. Of course, not everyone in Europe is in agreement with many of the ideas I put forward. But I am the President of the Commission; when I speak, I commit the Commission, I commit a Community institution which is the watch-dog of the Treaty.

But I would go further, gentlemen: I speak from a very profound conviction. I believe that the debate on the institutions, insofar as it relates to the question of whether the Commission is playing its role as it should, is a wrong and dangerous debate. I am convinced that in this preparatory phase the qualities of drive and, if I may say so, objectivity and voicing of the Community interest can find expression somewhere. Personally I think that the Commission is one of these privileged places and that Parliament is another, as was intended by the Treaty.

Much remains to be done before our endeavours can bear their best fruits. To be absolutely frank with you, the Commission is not sorry about what it is doing, nor the way in which it assumes its responsibilities: the Commission is sorry—in the light of the responsibilities it assumes and bears with great steadfastness, much joy and, I can assure you, a great fighting spirit—is really sorry—and it is my turn now not to question the constitutional balance—that it does not have greater powers and at times that it cannot take decisions as and when it wants.

Do you think we would not have taken decisions long ago on some of our proposals if we had had the power? What I am really sorry about is the disparity between our role and our tasks in the building of Europe as originally envisaged and the powers we exercise today. No doubt this disparity will disappear in due course, but—and here there is the possibility of another development which we must not permit—it will not disappear—let me repeat this quite plainly—through the agency of a wishy-washy intergovernmental structure, but a structure in which jointly exercised powers will be part of a framework, a rigid one perhaps... but why not if we want things to get done and the responsibilities we bear to be borne fully whenever necessary!

Ortoli

This is the real truth, and the answer I should like to make to the unspoken thoughts you may have in mind. I refuse to let it be said, at any time, that the President of the Commission is not willing to enter into a debate and does not wish to express his ideas. I am doing so at the moment. I did not come here, Mr Lücker, just to say a few fine words about the state of the Community, I think I have proved this. The high degree of spontaneity of my speech, every word of it written by my own hand, is evidence that I am prepared to come and talk seriously with you, with Parliament, as one should. I think you will grant me this much, even if we do not agree on every point!

Everyone knows what the Commission and its President think, and I should like everyone to know that we are absolutely intent on using all the means at our disposal, which unfortunately are not always as extensive as people say, and all the dedicated effort of the men who make up this body, to maintain and defend a certain number of our particular responsibilities and ideas. That is the truth of the matter.

I am glad we have had this debate. I am glad to have been able to say certain things. You may perhaps have been apprehensive, but I was not, because when I came here I knew what I wanted to say and what would be my conclusion.

My conclusion goes back to what a number of you said earlier. A period of major importance is beginning for the Community. We must all of us clarify the ideas and the hopes which we want to and must express. Further debates, which I profoundly hope will take place, will, I think provide the opportunity of doing so.

(Applause)

President. — Thank you, Mr Ortoli, for your address.

The debate is closed.

6. Order of business

President. — At the sitting of 16 September 1974 Parliament adopted the agenda for the present part-session.

In the meantime I have received a number of suggestions for changes, of which the enlarged Bureau was informed yesterday.

The Bureau noted that the agenda for the present part-session was already very full and that there was no point in postponing till October the discussion of the reports which had not been submitted in time, since the agenda for October would also be very full.

The enlarged Bureau therefore asked me to remind Parliament of the two procedures available to the committees. If more frequent use were made of these, this would help us considerably in organizing our work. The procedures I refer to are those for vote without debate and 'simplified consultation'.

I fully support this recommendation by the Bureau which, if adopted, will help to ease Parliament's work load.

After discussing this matter at yesterday's meeting, the Bureau proposes that Parliament should amend the agenda for the present part-session as follows:

- This afternoon: before considering the agricultural reports by Mr Ligios, Mr Thornley, Mr Gibbons, Mr Bourdellès, Mr Cifarelli and Mr Martens, a statement by Mr Lardinois on the recent decisions concerning agricultural prices.
- Mr Laban's report on the basic price for pig carcasses (Doc. 256/74) is to be the last item on today's agenda.
- Consideration of Mr Spénale's report on budgetary procedure (Doc. 252/74) and Mr Pisoni's report on the establishment of a European Vocational Training Centre (Doc. 231/74) is postponed till Wednesday's sitting. These items will follow the Commission statement on the way in which the recommendations and resolutions of Parliament are put into effect.
- Mrs Orth's report on poultrymeat (Doc. 115/74) is to be on Wednesday's agenda before Mr Premoli's report on marine pollution.

Are there any objections?

That is agreed.

I should like to inform Parliament further that Mr Broeks's oral question with debate on youth questions has been removed at his own request from the agenda of the present part-session.

This question will be dealt with during the October part-session.

Are there any objections?

I call Mr Broeks.

Mr Broeks. — (NL) Mr President, you said that the question submitted by me on behalf of the Committee on Cultural Affairs and Youth would be dealt with in October. I had intended that the question should be dealt with when Mr Dahrendorf's successor was present in the House. Otherwise there is little point in asking it. Do you agree?

President. — Very well, I shall bear that in mind.

Mr Broeks. — (NL) Thank you, Mr President, and may I also ask you which of the reports on the agenda you feel can be dealt with by simplified consultation?

President. — Mr Broeks, the Bureau is of the opinion that this procedure can be adopted for many of the reports, and we therefore strongly recommend this. But the committees concerned have to decide on both vote without debate and simplified consultation. We ask the committees to inform us of their decisions in good time.

7. *Limit on speaking time*

President. — I would remind Members that Parliament decided at the sitting of 16 September 1974 to limit speaking time as follows:

- 15 minutes for the rapporteur and one speaker for each political group;
- 10 minutes for other speakers;
- 5 minutes for speakers on amendments;
- 10 minutes for Members putting oral questions with debate;
- 5 minutes for other speakers in connection with oral questions.

8. *Decision on urgent procedure*

President. — I propose that Parliament deal by urgent procedure with the reports not submitted within the time-limits laid down in the rule of 11 May 1967.

Are there any objections?

That is agreed.

9. *Documents submitted*

President. — I have received the following documents:

- a) from the Council of the European Communities a request for an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 1351/73 as regards the basic price of the standard quality for pig carcasses (Doc. 255/74).

This document has been referred to the Committee on Agriculture;

b) the following oral questions:

- oral question by Mr Corona on behalf of the Socialist Group to the Commission on Portugal's connections with the European Communities (Doc. 250/74);
- oral question by Mr Broeks on behalf of the Committee on Cultural Affairs and Youth to the Commission on steps to be taken following the resolutions of the Council of Ministers of Education of 6 and 7 June 1974 (Doc. 251/74);
- questions by Mr Jahn, Mr Noè, Sir Douglas Dodds-Parker, Mr Kater, Lord O'Hagan, Mr Hill, Mr Premoli, Mr Deschamps, Mr Brewis, Mr Hougardy and Mr Durieux pursuant to Rule 47a of the Rules of Procedure for Question Time on 26 September 1974 (Doc. 260/74);

c) from the committees, the following reports:

- report by Mr Georges Spénale on behalf of the Committee on Budgets on the internal rules of procedure for consideration of the draft general budget of the Communities for the 1975 financial year (Doc. 252/74);
- report by Miss Colette Flesch on behalf of the Committee on Budgets on the proposal from the Commission of the European Communities to the Council for a regulation amending the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities (Doc. 253/74);
- report by Mr Jan Broeks on behalf of the Legal Affairs Committee on the proposals from the Commission of the European Communities to the Council for
 - I. a first directive on the coordination of the Member States' laws, regulations and administrative provisions relating to the taking up and pursuit of the business of direct life assurance;
 - II. a directive abolishing restrictions of freedom of establishment in the business of direct life assurance (Doc. 254/74);
- report by Mr Cornelis Laban on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 1351/73 as regards the basic price of the standard policy for pig carcasses (Doc. 256/74);

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- report by Mr Egon Klepsch on behalf of the Committee on External Economic Relations on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 803/68 concerning the value of goods for customs purposes (Doc. 257/74);
- report by Mr Knud Thomsen on behalf of the Committee on External Economic Relations on the proposal from the Commission of the European Communities to the Council for a regulation modifying Regulation (EEC) No 1445/72 concerning the nomenclature of goods for the external trade statistics of the Community and statistics of trade between Member States (NIMEXE) (Doc. 258/74);
- report by Mr James Gibbons on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation altering the intervals at which the standard values are fixed to be used in calculating financial compensation in respect of fishery products (Doc. 259/74);
- report by Mr Lucien Martens on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation No 1009/67/EEC on the common organization of the market in sugar (Doc. 261/74);
- report by Mr Michele Cifarelli on behalf of the Committee on Agriculture on the proposals from the Commission of the European Communities to the Council for
 - I. a regulation on the financing of a beef and veal publicity campaign;
 - II. a regulation on the financing of the system of premiums for the orderly marketing of certain adult bovine animals for slaughter;
 - III. a regulation on the financing of publicity campaigns to promote the consumption of meat (Doc. 269/74) (Doc. 262/74)
- report by Mr Jan Baas on behalf of the Committee on External Economic Relations on the proposal from the Commission of the European Communities to the Council for a regulation opening, allocating and providing for the administration of a Community tariff quota for fresh or dried hazlenuts, shelled or otherwise, falling within sub-heading ex 08.05 G of the Common Customs Tariff, originating in Turkey (Doc. 263/74);
- report by Mr Mario Vetrone on behalf of the Committee on External Economic Relations on the proposals from the Commission of the European Communities to the Council for three regulations opening, allocating and providing for the administration of Community tariff quotas for port, Madeira and Setubal muscatel wines falling within sub-heading ex 22.05 of the Common Tariff, originating in Portugal (Doc. 264/74);
- report by Mr Manfred Schmidt on behalf of the Committee on Budgets on the proposal from the Commission of the European Communities to the Council on a regulation amending Regulation (EEC) No 974/71 on certain measures of conjunctural policy to be taken in agriculture following the temporary widening of the margins of fluctuation for the currencies of certain Member States (Doc. 265/74).

10. Referral to committee

President. — The proposal from the Commission of the European Communities to the Council for a directive amending the Council Directive of 6 February 1970 on the approximation of the laws of the Member States on the permissible noise level and exhaust system of motor vehicles (Doc. 236/74), which had been referred on 16 September 1974 to the Committee on Regional Policy and Transport as the committee responsible and to the Legal Affairs Committee and the Committee on Economic and Monetary Affairs for their opinions, has now also been referred to the Committee for Public Health and the Environment for its opinion.

11. Statement by Mr Lardinois on the question of agricultural prices

President. — The next item on the agenda is the statement by Mr Lardinois, member of the Commission of the European Communities, on the recent decisions regarding agricultural prices. I would remind you that in accordance with the selected texts relating to the application of the Rules of Procedure the chairman of the appropriate Parliamentary Committee may speak for 5 minutes following this statement, and the other Members will then have a period not exceeding 15 minutes in which to ask

President

brief and specific questions in order to clarify certain points in this statement, it being understood that this should not give rise to a debate.

I call Mr Lardinois.

Mr Lardinois, *member of the Commission of the European Communities.* — (NL) Mr President, it is now just a week since Parliament held an important debate on the price adjustments and the related measures for European agriculture. This debate lasted almost 12 hours and ended at about half past three in the morning a week ago today.

Mr President, I asked you to allow me to speak immediately after Mr Ortoli. I did so because I wanted to draw attention to a number of examples taken from my sector which would support the main points put forward by Mr Ortoli this afternoon. I fully understand, however, that this was not possible.

Perhaps I may now mention a few matters which may form the object of a future debate. I told Parliament last week that I would endeavour to ensure that the opinion of this Parliament received proper consideration in the Council when it came to making the final decision. After a lengthy and difficult marathon the Council reached agreement last Friday morning on an overall compromise, although the agreement of one Member State was provisional. Perhaps we will know the outcome of this by this time tomorrow.

I should like first to provide Parliament with more detailed information on the decisions of the Council, and to make my own comments on these decisions. I shall also take this opportunity to make a number of remarks of a more fundamental nature on the content and functioning of the Common Agricultural Policy in this year of grace 1974. Reactions in government circles and agricultural organizations to the most recent Council decisions vary from country to country. This in itself is quite normal. The interests in a Community consisting of nine Member States inevitably often diverge. Unfortunately, however, the conflicts of interests have been aggravated over the last few years by the differences in economic and monetary development. I shall return to this later. I think I can go along with the President of the Council, Mr Bonnet, however, in saying that in last week's compromise there were neither winners nor losers. The main thing is certainly that an agreement was reached thereby ensuring the continuation of the Common Agricultural Policy for the time being. We can now put all our efforts into the real debate in the coming December and January.

The Council passed a resolution for a general provisional price increase of 5% as from 1 October. This decision, disappointing as it may be for some Members of this Parliament, must however be seen in the light of the other decisions which have already been made or are anticipated in the coming months. The European Commission has stated quite clearly that its price proposals for the coming marketing year will be based on the 1973 and 1974 developments in cost. These proposals will be submitted earlier than usual, and the Commission will also propose that the marketing year for a number of products, such as dairy produce and beef, should be brought forward.

The decisions which have been made with regard to monetary measures form a very important complement to the price decisions and eliminate a number of trade anomalies. In addition, a number of other steps have been taken towards a return to the unified market. At this point in time prices in two of the nine Member States, Denmark and Italy, are at the Community level. In four States, the Benelux countries and Ireland, prices are some 3% from this level, and in two countries, i.e. the United Kingdom and France, there is a divergence of about 50%. Finally, the German Federal Republic is 12% outside the margin for Community agricultural prices.

Before we can develop the structural policy, these prices must be applied in all Member States. Up to now we have had to be satisfied with small steps and minor improvements.

In view of last week's package of measures, I should like to say something about our discussions on sugar, since this aspect has received a great deal of attention in a large number of Member States, particularly Great Britain. The United Kingdom is facing a sugar shortage at the present moment as a result of stagnation in supplies under the Commonwealth Sugar Agreement.

The Community was faced with Britain's wish to alleviate its sugar problems by concluding a five-year contract with Australia. The Commission decided that it had to offer a clear Community alternative. As from 1 January next year, the date on which the Commonwealth Sugar Agreement expires, the Community will be responsible for sugar policy and supplies throughout the entire EEC, which will rule out the possibility of bilateral agreements being made by any individual Member State. We also have a common sugar policy aimed, inter alia, at concluding special agreements with the ACP countries, i.e. the African, Caribbean and Pacific countries, whose obligations will be taken over

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for the most part by the Community as from 1 March of next year.

We have proposed to the Council that the Community should, if necessary, purchase sugar on its own account under a system of import or export offers, in order to guarantee supplies for the United Kingdom at prices at and around EEC levels, in other words at approximately one third of current world market price levels. We can thus give a clear-cut answer to an acute supply problem in one of our Member States, and at the same time demonstrate that the Common Agricultural Policy can offer considerable advantages to consumers in the present economic situation. I can inform you that this proposal was received appreciatively by the British and other delegations. Of course it will involve a certain amount of expense, and the Council must make a final decision on this matter. However, when talking about the absolute expenditure incurred by the Agricultural Policy, we should not forget the credit side of the balance sheet. Let me illustrate this by means of the sugar policy.

As I said a moment ago, the world market price today is almost three times as high as the Community price, and has been so since the beginning of the sugar year. If we had to provide our consumers with sugar at this world market price, this would cost an extra 5 thousand million dollars per year, i.e. roughly the amount of the balance of payments deficit for a country such as France in 1974 or, in other words, an amount equal to the total budget of the EAGGF for this year or next. But this, of course, is only one side of the coin. In the past we have repeatedly, one might even say continually, seen the other side, i.e. low world market prices. For years the world sugar price was one-third of the Community price. This was certainly the case at the end of the sixties. Now, however, the consumer can save in a single year the same amount as he paid 'extra' over three years in the past.

I have deliberately spent a little more time on the sugar policy today. It is all too easy to forget the positive aspects of our Agricultural Policy; my heart sinks when I read the German press. In my opinion, the basic feature of the Agricultural Policy in a period such as the present is the stability which it brings to our economy.

Recently there has been pressure in various circles for a fundamental review of the Agricultural Policy. It has been claimed that fundamental changes are necessary, but no fundamental criticisms have been made. Demands have been made for alternative forms, but no real alternatives have been advanced. These alternatives certainly do not consist in attacking the

'Brussels bureaucracy', as the President of the Commission has already so clearly pointed out. Not that this is entirely absent in Brussels. How, in all honesty, could there fail to be some red tape with such a large administrative machine? My personal experience in this matter is limited. For six years, before I took up my present office, I was Minister of Agriculture and Fisheries in the Netherlands. At that time there were approximately 12 000 officials on the staff of the Department of Agriculture and Fisheries in The Hague, and I can assure you that the Ministers of Internal Affairs told me that the Ministry of Agriculture and Fisheries was without doubt one of the most efficient as regards its staff, quality and working methods, etc. I am now responsible within the Commission for the European Agricultural Policy and I have the services of 580 officials, including my secretary and chauffeur: they are located in the Directorate-General for Agriculture in Brussels. I can assure you that they are a hardworking and efficient staff, indeed they can claim to be a corps d'élite in spite of the fact that they come from nine Member States and have six different mother tongues. I don't know how many people are employed at the Ministry of Agriculture in Bonn, or at the other eight ministries of agriculture in the various German Länder, but from my own experience I can only say that they too probably fully earn their salaries. Nevertheless, their work as a whole is ultimately of less significance for the farmer, consumer and taxpayer in their regions than the work done by my staff of 580 in Brussels.

Returning to the calls for a reform of the Common Agricultural Policy, I should like to make the following observation: the Commission produced a Memorandum on this subject in October of last year. It centred around a rationalization of the costs of the Agricultural Policy. Rationalization does not necessarily mean lowering the absolute expenditure; it does, however, mean an optimal distribution of this expenditure. A second important point in the Memorandum was the rationalization of policy in a number of sectors. Hitherto the Council has only made a tentative start on considering the proposals contained in this Memorandum with a view to reaching decisions. There is a long way to go and there is a great deal of room for improvement and adjustment. We therefore wholeheartedly welcome an open and fundamental discussion.

Developments in agricultural incomes in Europe are still a source of concern to us even after the decisions reached last week. The problems result from the deterioration in the cost/sale price ratio. As I said before, the prices we intend to propose in November will be based on the devel-

Lardinois

opments of costs over 1973 and 1974. I should point out straight away that this development has varied from country to country, depending upon whether they are in a situation of revaluation or devaluation. The same applies to the general inflation rate. The figures speak for themselves and are exactly what might be expected. We can only draw one conclusion, namely that in agriculture, too, efforts must be made to adapt to the monetary developments, even if this can only take place slowly. We took a step in the right direction last week. We must advance further with subsequent price adjustments. I therefore hope that the various Member States will be prepared in the forthcoming round to make as much use as possible of such monetary scope as they have with a view to moving in the direction of a unified market.

I realize that this will require political courage, but I also think that flexibility on this point can only benefit European, and hence, national agriculture. I have illustrated the positive aspects of the Common Agricultural Policy for the consumer using the example of sugar, which, after all, is a product which significantly affects the cost of living in all of our Member States. But I think I might say in a more general way that the consumer in particular has fared fairly well under our policy during the last year. If we consider the rise in food prices outside the EEC, we will see that this has been considerably greater than within it; this fact is indubitably in no small measure due to our Agricultural Policy.

I do not wish to imply that the Common Agricultural Policy is perfect; quite the reverse—I am the first to admit that there is plenty of room for improvement. We mentioned the need for modifications in last year's memorandum. I realize that the Common Agricultural Policy has been unsatisfactory in certain sectors, particularly the beef sector this year. I have no wish to apportion blame—I can merely say that we did not in fact manage to achieve the guarantee prices for this sector. I share the responsibility for this system, since it was imposed upon the Commission by the Council two years ago, when I was President. The European Commission, however, will try in the near future to propose specific improvements covering this and other sectors, and I sincerely hope that we can rely on Parliament's support in the coming months.
(Applause)

IN THE CHAIR: MR BEHRENDT

Vice-President

President. — I call Mr Martens.

Mr Martens. — (NL) Mr President, I should just like to say a few words of thanks to the Commissioner for Agriculture Mr Lardinois. He appears to have been fairly successful in drawing the Council's attention to the opinion of Parliament. I congratulate him on this, for we can imagine the effort it must have cost him, and can will believe that there were neither winners nor losers. All in all, 5% strikes me as a reasonable figure, supplemented as it occasionally will be by additional measures. My Group is satisfied with this result, and we can now look forward to the discussions on price rises for 1975/76 in a relaxed atmosphere. We shall then have an opportunity of giving further consideration to the problems which we have been unable to solve this time, such as certain structural measures and so on. I was also pleased to hear how important you consider the sugar problem to be, Mr Lardinois.

President. — I call Mr Frehsee.

Mr Frehsee. — (D) Thank you, Mr President. I only wish to put a number of short questions.

Mr Lardinois, what effects does the Commission feel these Council decisions will have on actual producer and consumer prices? And a rider to this question: Is Mr Lavens, the Belgian Minister of Agriculture, right in saying that they would lead to an 8% increase in producer costs?

Secondly, Mr Lardinois, what effects will these decisions have on agricultural surpluses?

Thirdly, what is happening about special national measures? Are these measures, which have destroyed the uniformity of the market, to continue unchanged?

My fourth and last question, Mr President, is this. You said, Mr Lardinois, that no alternatives to the existing agricultural policy or agricultural market system have been put forward. Did you not in fact yourself propose a number of welcome alternatives in the Memorandum which the Council has shelved? What are you doing now to force discussion of this Memorandum, and were not in fact a large number of alternatives proposed during the 12-hour debate last Monday?

President. — I call Mr Knud Thomsen.

Mr Knud Thomsen. — (DK) I was unfortunately not present at last week's debate, but I nevertheless congratulate Mr Lardinois on managing to get the Council of Ministers to understand that the real danger to the agricultural policy lies in the current national subsidies. My question therefore is whether Mr Lardinois can tell

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us how the Council's basic attitude to this problem is to be translated into practice, and whether it is possible to establish a time table for this.

President. — I call Mr Brewis.

Mr Brewis. — Mr President, may I on behalf of my Group congratulate Mr Lardinois on his considerable personal achievement in reaching agreement and also thank him for the offer which has been made about sugar. Does he not agree that this will effectively contradict those in my country who say that the effect of joining the EEC has been to put up food prices? When he says he wishes to exclude bilateral agreements, will he keep in mind that world prices of sugar can go down as well as up and keep very much in the foreground the position of ACP countries whose only revenue may well be from sugar? And, finally, may I ask him a question about cereals? As he knows, we were not entirely in agreement with the proposed increase in the price of cereals but, taking the package, of measures as a whole, can the Commissioner say what would be the increase in costs of farm inputs in the United Kingdom, having particular regard to a change in monetary arrangements such as Article 482? Thank you very much.

President. — I call Mr Cipolla.

Mr Cipolla. — (I) Mr President, Commissioner Lardinois has said that there were no winners or losers. I feel that there were on the contrary a great number of losers, that is to say many people were disappointed by the Council's decisions and only a few were satisfied, such as Mr Martens and perhaps Mr Lardinois himself.

I should first of all like to remind you of the farmers who came here to make their opinions known to the various political groups and then made urgent requests which were subsequently not met. And I would like to ask the Commissioner a number of questions on this matter. Firstly, what are all the decisions made going to cost the Community budget? The various decisions will, of course, affect certain items on the Community budget, but if these involve excess amounts, as they no doubt will, to what other items are they to be charged? In other words, there will be a reduction in Community expenditure in some sectors, for example durum wheat and olive oil to which the 5% increase does not apply, while in other sectors, such as dairy produce (about which the German Minister of Finance made a statement this morning), Community expenditure is bound to increase.

My second question is as follows. We have frequently spoken here about the distortions in Community policy caused by the system of monetary compensatory amounts. Therefore it is not true to say that distortions in the unified market result from national measures: the principal factor is rather the existence of monetary compensatory amounts.

This system has in fact turned out to be very disappointing, since the compensatory amounts are generally fixed on a give-and-take basis, i.e. as a result of bargaining. Nor is it clear why some products are subject to a certain system of compensatory amounts while others, such as wine, do not receive the same treatment; this is the case, for example, with wine exports from my country. Finally, the Commissioner cannot say that no alternative proposals...

President. — Questions only, please, Mr Cipolla.

Mr Cipolla. — (I) But these are only questions, Mr President. When the Commissioner claims that no alternative proposals have been advanced I should like to ask him whether or not it is true that, in addition to the proposals duly put forward by my Group, clear and precise proposals have been made by all the groups represented in this Parliament, including those advanced by Mr Cointat on behalf of the Group of European Progressive Democrats, or by the British Government, whereas we have not had any proposals from him or from his colleagues. There are plenty of alternative proposals, Mr Lardinois, but for you, there is only one alternative worth considering. This, if you will forgive me for saying so, is clear from the reference you made just now to the 6 years you spent as Minister of Agriculture in the Netherlands. You are too fond of the type of politics which you have helped to create, and you are totally opposed to any change in the Commission's attitude to this problem, despite the fact that everything else has changed.

My last question then is this, and then I have finished. Are we going to discuss agricultural prices in December and January in the same way as we did this year and last year, or are we finally going to discuss fundamental changes in the Common Agricultural Policy before going on to discuss agricultural prices?

President. — I call Mr Bersani.

Mr Bersani. — (I) Mr President, I too would like to put a number of questions to Mr Lardinois, but first I would like to point out that the result of the negotiations, although containing many silver linings, is also full of dark clouds, and

Bersani

that in the final analysis this method of moving from compromise to compromise and ignoring some basic problems is clearly not the road to successful future development.

My first question then is the following. Last year I found myself at loggerheads with Mr Lardinois' representatives and assistants with respect to the estimates for the sugar sector. At no less than four meetings of the Committee, I challenged the figures put forward and was assured that they were correct. I maintained on the other hand that they were completely inaccurate. I should now like to ask Mr Lardinois whether he thinks that what he proposes is the way to remedy estimates which have been proved by production and market developments to have been highly inaccurate.

My second question: Mr Lardinois said that in his view the relationship between market policy and structural policy must be improved in the context of the November price discussions, by a more flexible approach to the connection between the measures aimed at strengthening the Common Market and the national measures, i.e. the applications in the various countries. Can Mr Lardinois tell us how he thinks this basic problem may be tackled?

My third question: Mr Lardinois mentioned developments which are close to realization in the negotiations with the ACP countries. Can he give us any information on this matter, in view of the fact that these negotiations are due to be concluded within the next two months?

My fourth and last question: the forecasts regarding replenishment of stocks which could permit a return to normal in the price trend for the major agricultural products at world level are somewhat gloomy, particularly in view of what has happened in Canada and Russia. How does Mr Lardinois plan to tackle, within the framework of our agricultural policy, any deterioration in this serious situation?

President. — I call Mr Vetrone.

Mr Vetrone. — (I) Can Mr Lardinois explain the reasons for the stagnation in Commonwealth sugar supplies to the United Kingdom? Perhaps these countries find it more convenient to dispose of this product in ways other than via agreements they may have with the United Kingdom?

Can the Commissioner tell us whether the sugar supply agreements with the ACP countries are merely intended to help solve the present crisis in the United Kingdom?

Finally, how is it possible to buy on the world market at a price in the region of the Com-

munity price, if the world price is in fact three times higher?

President. — I call Mr Laban.

Mr Laban. — (NL) Mr President, I should first like very briefly to thank Mr Lardinois for helping to achieve a compromise; I was impressed by the figures he quoted for savings to the sugar consumer; let the critics who only ever see the black side take note. I should like to know whether his remarks also apply, *mutatis mutandis*, to the present cereals market. Secondly may we assume that the Commission will take drastic action against new national measures which conflict with the EEC Treaty? My third question is whether agreement has in fact been reached on the abolition of the Italian deposit measures for products subject to a market regulation, and other agricultural products, i.e. beef. The arrangement for hill farmers and the list of priority agricultural areas have apparently not yet been finalized. I understand that there was no time for this during the difficult discussions, but can Mr Lardinois say whether the Council has nevertheless decided to approve these in the very near future? I should also like to ask Mr Lardinois what in his view are the possibilities of a further adjustment of the 'green' currencies in the context of the new price proposals, with a view to achieving a common agricultural price level. Is it in fact true that the sugar supply measures for Great Britain will cost approximately 400 million u.a. and that even if the sugar market returns to normal, the EEC will still import the 1.6 million tonnes of sugar from developing countries, naturally on the basis of watertight contracts and at reasonable prices? Can Mr Lardinois perhaps say something more about the measures he is considering with regard to young farmers, apart from the increase of the maximum interest rate subsidy to 6%. And my final question: has anything been decided on the question of consultation with the meat-exporting developing countries in the near future with a view to preventing sudden hold-ups in imports?

President. — I call Mr Marras.

Mr Marras. — (I) Mr President, I have only two very short questions, one of which in fact goes beyond the specifically agricultural issue.

The representative of the Federal Republic of Germany on the Council of Ministers of Agriculture has reserved his approval of the decisions taken until after the German Cabinet has met. I see in the press today that the German Minister of Finance has indicated that the German Government will probably agree to the 5%

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increase, except in the case of milk. Does this mean that the increase of 5% will not apply to milk in Germany, or that the Council of Ministers of Agriculture will meet again in order to decide on the question of milk?

My second question: what is the attitude of Mr Lardinois and the Commission to the proposal put forward by the Italian Minister of Agriculture as an alternative to price increases, namely to reduce the extremely high interest rates which farmers have to pay today on both working and investment capital? In Italy the Minister said that this proposal would be taken up again on another occasion. I should like to hear your views on this matter.

President. — I call Mr Lemoine.

Mr Lemoine. — (*F*) Mr President, I have only one question. It is a simple one, but I think of interest to farmers. Last Monday Mr Lardinois said that the Commission would propose new prices for 1974-1975 in November or December on the basis of actual production costs. Today, Mr Lardinois is already speaking about December and January. My question is this: can Mr Lardinois definitely confirm these dates today, and is there not a risk, in view of the very size of the question, that we may find ourselves in March or April without any prices having been fixed as has happened in recent years?

President. — I call Mr Lardinois.

Mr Lardinois. — (*NL*) Mr President, I should like to begin by answering the last question put by Mr Lemoine. Last week I said that it was our aim, and the Commission's firm intention, to submit our proposals before 1 December, i.e. in November. The Council must decide before 1 February, i.e. in January. I hope that the Parliamentary debate can be held in December or the second week of January. I had already pointed this out last week.

I should particularly like to thank Mr Martens for his kind remarks. Mr Frehsee put a number of pertinent questions, firstly regarding the effects on consumer prices. I said last week that a rise of 4% would mean an average increase of 0.33% in consumer prices, assuming the 4% was passed on completely to the consumer. There are, however, great differences between the various countries, from 0.1% in France to approximately 0.7% in Ireland. As we now know, the figure agreed was 5%, and thus the 0.33% will become roughly 0.4 or 0.45%. There are great variations in the effects on consumer prices for the various products; unfortunately I cannot quote an average in this case as I could for the cost of living.

However, the supplementary measures mean that more has in fact been achieved than simply a 5% price increase. You may say that the 5% is closest to the actual situation in France. In almost all the other Member States this 5% is supported by additional measures. This is, of course, particularly true in the case of Ireland and Great Britain, in view of the adjustments in their currency, but Italy, too, has also undergone a number of adjustments so that the figure has become so small that the monetary compensatory amounts will probably no longer be applied; the Benelux countries and Germany have been given an extra increase for milk as a result of the elimination of the 'negative corrective'; Denmark, too, has been awarded an increase as it was decided to bring Danish milk prices up to the Community level at one go, thus necessitating an extra increase of approximately 2%. You can see therefore that prices have been substantially raised, mainly by means of the monetary compensatory amounts and regulations. In general terms, a price increase of 5% for milk represents about 5% for the producer too. This is not the case or not yet the case in other sectors, but the increases are most obvious in the milk, sugar and cereals sectors, even though they may be a little slow in taking effect.

Mr Frehsee also spoke about 'special national measures'; the French Government has requested the Council to approve, in view of the circumstances, the measures it has taken, particularly in the livestock sector, as being in accordance with the Treaty. The Council has the right to do this, and if one of the Member States makes a request to this effect the procedure opened by the Commission is suspended. The Council must make its decision within three months. I do not know what the Council's decision at a future meeting will be, but I would like to stress that the French Minister of Agriculture paid a political price at the last Council meeting. The Council must decide whether this was enough. In accordance with the Treaty, the Council can, if it is unanimous, amend a proposal from the Commission. Whether this happens or not will therefore depend on what is said at a future Council meeting. The national measures were discussed at great length. I can assure you that the Commission stated that it is very seriously considering immediately requesting summary proceedings at the European Court of Justice in Luxembourg if there should be another clear case of national subsidies of the type we have seen several times in recent months. The Council heard this statement with approval.

Messrs Frehsee and Cipolla spoke about alternatives. They asked whether alternatives for the Common Agricultural Policy in fact existed. Of course they exist. You yourselves have put for-

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ward alternatives on many occasions. But I was speaking about real alternatives. What is real within the context of Europe today? You know that all the alternatives that have been put forward here in Parliament would have cost at least twice as much. I do not need to tell you that such alternatives are not practicable in Europe at the present time, at least in my opinion.

Mr Thomsen spoke about the national measures. I have already answered this question.

Mr Brewis also asked about sugar. It is indeed true to say that bilateral agreements between the government of a Member State and the government of a third country are not possible in this sector, but it is of course possible for the Community to conclude an agreement with a third country or group of countries, as provided for in Protocol 22 of the Treaty of Accession. The Community has in fact already begun negotiations with the African, Caribbean and Pacific countries concerning the renewal of the sugar agreement between the Community and these countries. Negotiations have already begun, but I cannot yet say what the outcome will be. Of course it is not easy to reach agreement on a price level at the present time, but I hope that in view of the current world market price a reasonable agreement may be achieved particularly as we are offering a five-year contract.

This would thus ensure a long-term outlet for these countries and security of supply for us, provided the necessary clauses are included, and provided they work better than those in the existing Commonwealth Sugar Agreement.

Cereal prices will be reduced in Great Britain, since Article 4 (2) of the Monetary Regulations is being scrapped. I assume that this will bring about a reduction of about 6% in the present market price. The market price for cereals in Great Britain will thus be reduced by 6%. If prices on the world market continue to rise, the prices in Great Britain will of course rise with them, less 6%.

Mr Cipolla asked who was going to pay the Community's share in the costs resulting from the decisions? To the extent that the decisions still can be carried out in 1974 the Community's contribution can be met from the relevant item in the EAGGF budget. In other words, the decisions we made last week do not necessitate an extra budget for the EAGGF this year. The EAGGF is thus sufficiently large at present to cover the extra expenditure for 1974. There will, however, be extra costs in the order of 150 million u.a. in 1975; this amount will be included in the budget which is to be submitted to Parliament in the near future. Mr Cipolla said that the

monetary compensatory amounts were applied in very different ways for various products, including wine. He complained about this. The Council has decided to introduce the normal system in the wine sector too. Thus the Italian compensatory amounts will disappear in the wine sector as well as in other sectors.

Mr Bersani expressed the wish that a more basic discussion on the structural policy, the market policy and various other questions connected with the Agricultural Policy should take place before we make our proposals for the coming marketing year. I hope that this will indeed be possible.

I think that the Commission will be able to make radical proposals on various points if there is an opportunity for longer and more thorough preparation.

Parliament will therefore naturally be able to make a more significant contribution than the short time available permitted on this occasion. Sugar supplies this year are not in fact in any danger in the rest of the Community. It is just that we have experienced a phenomenon this year which we have not observed before. After hearing certain reports, housewives here and there have been temporarily laying in stocks. For this reason there are 400 thousand tonnes of sugar more in the pipeline, that is between the shops and the coffee cup, than ever before. The housewives' stocks are in fact a kind of buffer stock. Nevertheless there have been no supply shortages outside the United Kingdom, although at one point in Italy, i.e. before the price adjustments in connection with the change in the 'green pound', there was a not insignificant amount of speculation.

The difference between supply and demand is in fact so small that the sugar balance may yield a surplus, but we must also be prepared for the opposite to happen. In any case the difference between supply and demand can be covered on the world market at relatively low cost. We are not thinking here of direct purchases on the world market, but of a system of imports and exports, whereby one might import in January 1975, for example, and at the same time conclude an export contract for January 1976. Any differences arising can be made up out of the EAGGF, for example. The costs involved would be much lower than those incurred by purchasing on the world market, and can be certainly brought down to the Community level. The costs for the first method are in the region of one third. I feel the Community can fairly easily meet its own needs if it wishes to and if we give it sufficient encouragement. We must also take a number of measures to slow down consumption to some extent. We are thinking particularly of

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prices for export products containing large quantities of EEC sugar. You also have before you a proposal for restrictions in the use of sugar in the chemical sector. Mr Vetrone asked why supplies from the Commonwealth have stagnated. The reason is the sharp rise in world market prices.

Mr Laban asked whether what I said with regard to sugar also applied to cereals. This has indeed been the case in general terms over the last year. It is much more difficult to calculate in this case, owing to the various side effects on agriculture including cattle-farming. Cattle-farming is, after all, the largest consumer of cereals, with the obvious exceptions of wheat, rice and rye. But it is also, generally speaking, true of the cereals market that this year and probably next year too our consumers will benefit from the fact that for too long in the past they have paid more within the Community than they would have done on the world market. For this reason we feel that this policy is justifiable vis-à-vis the farmers. They have no right to say 'Wheat costs 50% more on the world market and you are withholding this profit from us', because we can say in return: 'We have paid you 50% more than the world market price for your wheat for years, because that fitted in with our system'. That system aims at stability, and stability in the foodstuffs sector is fundamental to an economy which aims at maintaining equilibrium. The deposits which still exist in the agricultural sector will probably all have been eliminated by mid-October.

We spoke briefly in the Council about hill farmers and the problem areas, but there was no intention of establishing the relevant arrangements at this stage. We did, however, urge the Ministers to let Brussels know the areas which they feel need assistance. It would give me great pleasure if, for example, the Netherlands would also do this. True, there are no mountain areas in the Netherlands but the Dutch do feel they have a number of small problem areas. Let them now say which they are. The Danes have said that they have no problem areas and thus need no aid.

Then there is the question of the adjustment of the 'green' currencies. I have already explained that we must pay more attention to this matter, and that I can see a number of possibilities.

As regards sugar, much depends on the results of our talks with the Commonwealth countries. However, very generally speaking, the purchase of 100 000 tonnes on the world market within the system of import and export contracts would cost approximately 12 million u.a. We are convinced that it will not be necessary to purchase

500 000 tonnes. Therefore, the figure you quoted is fortunately without foundation.

At the moment, I am afraid I can say very little about young farmers.

We have already begun consultation with the importing countries on the question of beef. We hope to be able to devote a great deal of attention to this question during October.

Mr Marras also asked what the 'provisional decision' on the part of Germany signified. A Member State occasionally says that it cannot yet make a decision. This frequently happens because a Minister coming to Brussels sometimes has a very narrow negotiating brief. If an agreement is reached in Brussels, he must first of all consult his Cabinet. This is nothing unusual. I have seen this happen at least ten times in the Council. But it has never happened that agreement was subsequently withheld. It is certainly possible that Germany will say that the amount agreed upon is too much in the case of milk. We have also made an offer to Germany to eliminate a negative corrective, and it is conceivable that Germany may not wish this, after all. It is hard to make any predictions on this. I have not discussed it with Mr Apel. However, I will be in Bonn tomorrow and I will hear the result later.

The question of interest rates was also discussed in the Council. My feeling was that interest levels were mainly determined by the monetary policies of the various Member States, and that we could hardly just eliminate the monetary policy and its effect on agriculture. If this were to be done, it would be the job of the Council of Ministers of Finance. This was in fact the feeling of a large majority of the Council.

(Applause)

President. — Does anyone else wish to speak?

Thank you, Mr Lardinois.

The debate is closed.

12. Directive on forestry measures

President. — The next item is the debate on the report drawn up by Mr Ligios on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a directive concerning forestry measures (Doc. 169/74).

I call Mr Ligios, who has asked to present his report.

Mr Ligios, rapporteur. — (I) Mr President, I feel that the proposal for a directive submitted by the Commission to the Council and now under consideration here is an essential addition to the other existing directives on the improvement of land structures, in that it assigns to forestry the task of making more economical use of the marginal and less fertile agricultural areas, thereby increasing the income of the rural population, and of preserving the ecological environment so as to provide opportunities for improved use of leisure.

This proposal is intended by the Commission to give effect to a number of statements of principle made by the Community institutions in the past, culminating in the Council Resolution of 25 May 1971, which provided for specific incentives to afforestation. Since 1964, the Commission, for its part, taking its cue from the decisions adopted by the 'Forestry Conference' of 1959, has been mapping out—albeit only in broad outline—the national forestry policies as a first step towards working out a Community forestry policy. Again, it was the Commission which, when the fourth directive was issued in 1970 as a result of the Memorandum on agricultural reform in the Community, proposed measures aimed at afforestation and involving the financial participation of the EAGGF, which would have amounted to 50% of the expenditure incurred by the Member States.

Having thus explained the legal background—in accordance with Articles 42 and 43 of the Treaty—to this proposal for a directive, I should like to discuss briefly the contents of the proposal. Above all, it is intended to lay down certain Community guidelines within which the individual Member States must act, and within which they must draw up their national legislation—if none already exists—in order to benefit those regions which are particularly poor or at a particular disadvantage. The aid granted by the individual States for afforestation measures will amount to not less than 60%, and not more than 90%, of the costs incurred by each beneficiary. It is clear that, within this 30% spread, the aid can vary from one area to another according to their needs. The proposal lays down that this aid may be in the form of cash grants, interest rate subsidies, fiscal incentives or any combination of some or all of these. In the case of afforestation of areas which have been used for agriculture for a continuous period of 10 years before the afforestation, a lump-sum capital grant of 200 u.a. per hectare may be paid. The financial contribution from the Community is, however, limited to 25% of the expenditure incurred, and may not exceed 200 u.a. for each hectare converted to forest, or of improved forest; 2500 u.a. for each kilometre of forest road

constructed or improved; and 15% for measures aimed at creating recreational facilities inside the forests for which aid is being granted. As stipulated in the proposal, the aim of these grants must be to promote more effective land use, to enable the agricultural population to achieve a higher standard of living—in other words, higher incomes—to produce timber for industry and to safeguard the ecological environment and meet recreational needs. State forests have been excluded from these provisions in the light of considerations which were discussed in particular detail in the Committee and which, I believe, are the subject of amendments introduced by some Members of this House. Article 8 states that the time estimated for carrying out these measures is 10 years, with an EAGGF contribution of 170 million u.a. for the first five years. At the end of this period, it will be possible, if necessary, to re-examine the measures adopted. We are fully aware—and the Committee on Agriculture has particularly stressed this point—that these measures are certainly not sufficient to solve the serious afforestation problems in our Community, but they will probably—assuming that the Council approves the proposal rapidly—help to draw the attention of the Member States to afforestation and to put this question on a Community footing, whereas up till now it has been tackled only at a national level. The present position in the forestry sector in the Community is certainly not very encouraging. Up to 1959, at least, the area under forest in the various countries ranged from 32% in Luxembourg to 7.7% in the Netherlands, with 28.7% in Germany, 19.7% in Belgium and so on. In 1972, the area of woodland in the enlarged Community was 31 million hectares as against an area of 94 million hectares used for agriculture, and this latter figure had fallen by 3.3% since 1969.

In view of the time limit, I shall not quote any more statistics except to point out that the largest proportion—45%—of the Community forest area is in France, followed by Germany with 23% and Italy with 20%. As regards the form of ownership, private forests account for 61% of the total area, those belonging to public bodies for 21.2%, and state-owned forests for 17.8%. The private forests have a basic feature common to many countries of the Community—they are divided up between a large number of different owners and into small areas of woodland.

This directive cannot be seen simply as a contribution towards the changing of agricultural structures, but is directly linked to the problem of timber production for the Community industries. This production falls far short of the demand, and in 1970 the Community imported 56.7% of its requirements of wood, a fact that

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is also worth remembering when considering this directive. If, in addition, we compare the figures for production and consumption of wood in 1970, and the forecasts for 1980, we see that, whereas in 1970 the shortfall was 6.22 million tonnes, it is expected to increase to 10.66 million tonnes in 1980, not to mention the 10 million tonnes of wood-pulp which we also have to import. To overcome this deficit, it is clear that the Community must concentrate not only on increasing timber production—in other words, the area under forest—but also on recycling paper. At present, only about 27% of paper is recycled, whereas with the most modern methods of recycling—coordinating the work of collecting the used paper and hardboard—this rate could be increased to 40%, representing about 15 million tonnes per year.

Over the past year, the problem of timber production has become particularly serious because of the decisions taken by almost all the raw-material-producing countries—Australia, South Africa, New Zealand and Brazil—which have imposed voluntary restrictions on exports of this raw material. The general world crisis in raw materials has affected this sector as well. Another feature has been the reduction in stocks as a result of the indiscriminate destruction of forests, of the felling of timber to produce paper, and of the forest fires, which appear to have increased considerably in number over the last few years. A further aspect is that, in 1974 in particular, the producing countries have gone over increasingly to processing the raw timber themselves, and to exporting semi-finished or even finished products. This applies particularly to the Soviet Union.

In addition to the functions which we have mentioned—albeit very briefly—the forest has other uses which demand our attention and that of the Community institutions. Above all, it plays a part in protecting the soil—a problem which is particularly evident in hilly areas, as in my own country, where the forest affords protection from natural disasters, rain and wind. Forestry can also provide jobs for a large number of workers who leave agriculture, thereby avoiding the need for them to go into other branches of the economy—such as industry—for which they are not really suited. Lastly, forests afford benefits to science, for instance by preserving various strains and species currently threatened with extinction, and they are also valuable from the point of view of leisure activities and ecological development.

It is not enough to encourage the planting of new trees, but—as we have already pointed out—it is also essential to protect forests against what is the modern plague of all woodland

areas—forest fires. In 1970, for instance, 80 428 hectares of forest were destroyed by fire in the EEC area, and the number of fires—particularly in France and Italy—was far higher than in previous years. The Community must therefore undertake measures to find special strains which grow faster in the different climates and which are possibly less combustible, less likely to catch fire than all the conifers such as pines and cypresses, which are particularly numerous in Southern Europe.

Mr President, the Committee on Agriculture has spent several meetings discussing this directive, and several proposals for amendments have been made as a result of particularly animated and detailed discussions.

The points discussed at greatest length were—as I have already mentioned—the exclusion from these benefits of land owned or leased by the State, the need to place more emphasis on research, coordinated at Community level, into finding new strains and, particularly, into developing methods of fire-fighting more effective than those used up till now, on which research has so far not made much progress. A particular effort must be made to find fire-resistant chemical substances which could be sprayed in restricted zones to replace the present firebreaks, which are certainly no longer economically justified. It is thus essential to give increased consideration to this problem of fire-fighting.

Another point which was discussed was the article making the grant of 2 500 u.a. per kilometre of road conditional upon the granting of pedestrian rights of way, so as to make the forest accessible to the general public. The majority of the Committee on Agriculture decided that, if the Commission or the Council were to accept this principle in this form, many private landholders would probably decide to do without the 2 500 u.a. per kilometre—which is in any case insufficient—in order to avoid having a right of way imposed on their land.

Finally, one basic consideration—the insufficiency of the financial aid being made available. 170 million u.a. over a period of five years is not very much, and there is no doubt that once this machinery has been set up and the practical details have been studied, the Community contribution will have to be increased if we are to find a solution to this problem, which is of such great importance to the Community itself.

(Applause)

President. — I call Mr De Koning to speak on behalf of the Christian-Democratic Group.

Mr De Koning. — (NL) Mr President, I should like to congratulate Mr Ligios on his report and his explanatory comments. He has given a very clear reflection of the Commission's thinking on agriculture and both his report and the remarks he has just made have provided us with a wealth of information on the draft we are now called upon to discuss.

My Group's views on Mr Ligios' report can be expressed in a few words. We consider the proposed forestry measures particularly important since they will permit results to be obtained in a number of areas at the same time. Particularly significant for agriculture is the fact that implementation of this directive will ensure better use of a number of marginal agricultural areas. It was logical enough some years ago—and this was how the plan started—for Mr Mansholt to suggest that the European agricultural area of the Six should be reduced by 5 million hectares in order to achieve a better balance between supply and demand of agricultural products. At that time we feared a situation of structural overproduction in agriculture. This fear no longer seems such a real one. These days the Community needs all the power its agricultural production apparatus can muster. But at the same time it is logical to find a worthwhile alternative use, i.e. by encouraging afforestation, for agricultural land which can no longer be exploited profitably at the current stage of technological progress.

The economic significance of this measure is also clear when we consider timber production. Mr Ligios has already pointed out at some length that we are in all probability about to enter a period in which raw materials generally, and timber quite definitely, will be scarce. Nevertheless we can expect consumption of timber products, particularly paper, to increase. This is no doubt a good thing since paper, in a highly technical and cultural society such as ours, is an essential commodity. Consequently it is also important that measures should be taken early enough to increase production of timber as a raw material for papermaking, so that we can supply future requirements at a fair price. I am aware that Europe's contribution will only be small, but it is nevertheless important.

The significance of these afforestation directives for the appearance of the countryside, for recreation and for improvement of the environment is so obvious as to need no lengthy comment from me. I wholeheartedly agree with the rapporteur when he says that provision must be made for possible revision of the incentive amounts, once these measures have been applied for a few years.

My Group very much welcomes these proposals. It hopes that the Council will approve them with due speed and will be happy to vote in favour of them.

(Applause)

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

Mr Laban. — (NL) Mr President, it is nice to get away from our chilly refrigerated meat stores occasionally and relax a little in the woodlands of an ever-greener Europe, undisturbed by demonstrations. If politicians did this more often, European cooperation might perhaps fare rather better.

My Group welcomes this proposal for afforestation and reafforestation of parts of the Community. I welcome it myself, since acceptance of the proposal will mean that an idea developed by my country and my Party colleague Mansholt in 1968 can finally become reality. I also agree with the remarks made by Mr De Koning.

It is to be hoped that Member States will make prompt and effective use of this directive, because the extension of our woodlands is a matter of urgency for Europe and, indeed, for the entire developed world. In his excellent and readable report and in his comments the rapporteur, Mr Ligios, has pointed out the many functions which woodlands fulfil in our society. I shall not go over them again, but I would like to mention one purpose of forestry, perhaps not the last important one, namely the continuous production of timber, a raw material which is more vital now than ever before. We may be on the brink of a great shortage of paper wood, wood pulp and timber for the construction industry. Timber production as such was not given so much attention when the report was prepared and commented on. This is not a criticism of the rapporteur, nor of our Committee; the proposal was simply considered primarily from the agricultural point of view. Since timber production will in the final analysis provide the financial foundation for these Community forestry measures, I should like to pursue this aspect rather more closely today. It is clear from the available statistics that from 1967 to 1969 the nine countries of the Community had an average shortfall of timber and its derivatives of 112 million cubic metres, with a total consumption of 197 million cubic metres, expressed in equivalent quantities of round timber. The timber committee of the Economic Commission for Europe estimates the 1975 deficit at 145 million cubic metres. For the whole of Europe, excluding the Soviet Union, the figures are less than brilliant. In the year

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2000 the probable shortfall will be 165 to 230 million cubic metres, or some 25 to 30% of consumption. This is assuming a 40% production increase in Europe. The Committee has also examined the state of timber production in those areas which are traditionally the most important suppliers. Here too the situation is not rosy. Scandinavia, which generally conjures up pictures of tightly packed logs being carried southwards by fast flowing rivers, is currently a net importer of timber. The Soviet Union, according to the FAO, will shortly be unable to export any more round timber. In the western hemisphere, Canada expects a marked timber shortage and the United States is already a large importer. Looking at all this, it is clear that in the relatively near future Europe will no longer be able to import paper wood or wood pulp. Already the paper trade faces serious problems.

What would Western Europe be without paper? Mr De Koning has already raised this point. If we wanted to be malicious, and I certainly do not, we might say that Western Europe is largely made of paper. The thought might well occur, in moments of gloom, to a member of parliament who holds a double mandate and is faced with a vast mass of paper to wade through. However, I hope I have made it clear, though of course I have not been able to go into details, that we shall face difficulties in supplies of an import raw material, timber, unless we take some definite action. The area under forest in the Community has hardly increased at all for a long time now and timber prices are rising fast. In the short term this development is naturally unavoidable, since timber takes time to grow. A minimum of ten years is required from planting to felling. Production does, of course, continue at a steady rate—nature makes sure of that. However, given that we have let things get out of hand, I believe that a timber scarcity will be unavoidable within the next few years. To keep this as short as possible, it is essential that the Commission should take effective measures and it has in fact plenty to be getting on with. We need more woodland in Europe and elsewhere. We consider that the proposal now before us is a modest contribution towards this aim. Nevertheless, the Commission, in assessing applications for subsidies, must follow a plan, giving priority to the planting of fast growing types of timber over slow growing types of hardwood, but not forgetting to provide some degree of variation. And in this precise context my Group considers that ten years is rather a short time for converting woodland with assistance from the EAGGF since that leaves little alternative but to plant fast growing poplars, though I appreciate that this period of ten years is of course a minimum.

My Group nevertheless considers that forestry policy must be based on raw materials policy to a greater extent than hitherto. Certain requirements must be set for woodland owners in order to achieve more efficient management, increased production and improved sales. By the terms of the present directive EAGGF assistance can be given for a relatively small surface area. I can appreciate this, but in our view a fragmentation of woodland management, production, sales and the like is not very conducive to efficiency. Owners of private forests will have to concert their efforts much more than at present and I am glad to see that a proposal to this effect has been included in the directive.

I believe that the Commission must constantly remind Member States to remain active in this matter. The bailiffs in privately owned forests, who are necessary if they are to be expertly managed, are often not particularly well qualified because of the high costs involved and it is doubtful whether the private owners are prepared to work out joint plans. On the other hand, an overwhelming majority of my Group believes that steps must be taken to prevent owners of large private forests from receiving unlimited assistance, and we thus suggest putting an upper limit on the land area qualifying for assistance.

Mr Schmidt has moved an amendment on this and will be defending it. In state-owned forests, management and sales are much better and many in my Group thus find it somewhat strange that no provision is made in the Commission proposal for assistance to be paid to state-owned forests. I shall come back to this point shortly. There are a number of other points on which the Commission could also take action, one of them being the fact that we shall simply have to be more economical in our use of the raw material timber. We should reduce the consumption of paper in the European institutions also and do more recycling. It is amazing how much wood, paper and paperboard is lost, particularly as household waste. In the Netherlands alone, the annual household waste of 2 700 million kg includes 573 million kg or 21% of wood-pulp paper, which is lost, and I should be glad at some point to be given an idea of how things are in the other Community countries, but we are due to receive another report on paper and this question may perhaps be raised then.

As I said at the beginning, my Group welcomes this proposal for a directive. Broadly speaking it has our approval; it is a first step towards greater afforestation and reafforestation of our land and poor agricultural areas can thus be

Laban

made useful. It is also a good thing that ways are being created to make our forests more easily accessible for recreational purposes. Financial assistance for firebreaks is essential, because an enormous amount of forest is lost as a result of carelessness. I have already expressed our dissatisfaction that governments cannot obtain aid for state-owned and state-leased areas, but I shall come back to this in my amendment. This means that a country such as Ireland, whose forests are almost exclusively state-owned, has to spend money on them but will get no assistance from the EAGGF. But we shall have a chance to discuss this when we come to my amendment. That is all I have to say for the moment.

(Applause)

IN THE CHAIR: MR DALSAGER

Vice-President

President. — I call Mr Brewis to speak on behalf of the European Conservative Group.

Mr Brewis. — Mr President, I would first like to congratulate Mr Ligios on his very interesting and comprehensive report. He has also shown in his introduction today that he is very interested in the subject of this report. I think we owe him a debt of gratitude.

I would like, too, to give a rather cautious welcome to this important directive on behalf of the European Conservative Group. It contains several good things. I am glad the recreation and environmental aspects of forestry have been recognized. Our rapporteur quite rightly emphasizes the danger of forest fires at certain seasons. It might just be worth mentioning that unrestricted public access to woodlands could also damage wildlife, particularly in the breeding season. The help for forest roads is an advance as far as Britain is concerned, because not only can forest roads contribute to the enjoyment of the countryside by the urban population, they can also open up vast areas of country, not just to forestry but also to hill farming. A small vehicle is a tremendous boon to a shepherd getting round his scattered flock.

I want to turn now, as time is short, to some of the matters which I would have liked to have seen dealt with differently in this directive. Timber is the Community's second largest import. In Britain we spend more on timber imports than we earn from all the exports by our motor industry. After seeing what has happened to our oil imports and how they have quadrupled in price in less than a year, surely

it behoves us to see that we pass on adequate timber stocks to the next generation. I know, of course, that there is no provision in the Treaty of Rome for a common forestry policy, and therefore we have to tie it to the agricultural structure question. But perhaps some other method could have been found, such as using Article 235, to put forestry on a somewhat higher pedestal, rather than regarding it just as a useful alternative for derelict land and land no longer required for farming. I fear, Mr Commissioner, that unless forestry has its own fund, there will be friction over the use of EAGGF funds with the agricultural interests, unless you, Sir, can heal the breach between agriculture and forestry.

There has, I must admit, been much ill-advised land use in Britain in the past. But there is really no reason why this should be a cause of conflict. In Sweden, for example, a farmer is a forester and a forester is a farmer. What I would like to see is the farming organizations like the NFU, who have a horticultural section and a fruit-producing section, also having a tree, a timber-producing section, and therefore recognizing that forestry could be part of agriculture. I believe passionately in agriculture and forestry being complementary. Of course, land will always be used principally for agriculture. But forestry can contribute so much, not only to the landscape. The Commission might consider giving a higher grant for planting hardwoods, rather than conifers, for environmental reasons. Forestry can also assist agriculture in such ways as providing shelter belts for crops and stocks and also protective forests, which can do so much in hill areas to preserve the soil and also encourage wildlife.

We should also view forestry and wood-processing as one industry. In the context of our regional policy, we should seek to site wood-producing factories in rural areas and not in the big towns. The presence of an assured outlet for its produce can do a great deal to encourage forestry in an area at least 30 miles round a factory.

I want now to turn briefly to the question of the tax treatment of woodlands. They cannot, except in the case of very large forests, be treated on the same annual basis as farming. They take 40 or 50 years at least to grow to maturity, and the proceeds of the sale in one year are not the income of just one year, but the income of maybe 40 years. This fact is recognized in various different ways. In Denmark, the tax is reduced by 40%. In the Netherlands, I believe, there is no tax at all if the wood is replanted and kept intact. In Germany, private individual foresters, I believe, are also exempt. In some

Brewis

countries, capital gains tax and wealth taxes are levied. In Britain, where we have wished to encourage forestry for the last 50 years, we have most complicated fiscal arrangements which shelter the owner from income tax and death duties. The system may not be the best system which can be devised, but it has worked, and it would be a severe blow to private woodland owners if it were swept away and replaced just with capital grants. So, pending the harmonization of our national tax laws, which obviously is going to take a great many years, we would like to keep our own national system of incentives. This seems to be provided for in Article 4(1), which specifically allows fiscal incentives or interest rate subsidies, but Article 11 seems to contradict this by not allowing revenue foregone to qualify for EAGGF assistance. It seems to me that this is an obvious invitation to countries like the United Kingdom to sweep away fiscal incentives and replace them with cash grants. In my view, and I think the view of my group, this would be disastrous to private forestry. I do hope Mr Lardinois, when he replies, will be able to comment on this particular point.

My group wish to welcome this directive and hope that its obvious merits will find favour in the Council of Ministers and that it will not be pigeon-holed like so many equally useful measures have been in the last few months.

(Applause)

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

Mr Liogier. — *(F)* Mr President, ladies and gentlemen, when Mr Lardinois was being asked questions just now I also asked to speak. However far-reaching my question may be, my arm obviously isn't, as the President did not see it. My brief question is this: Does the Commission still hold that the Community must be a net importer of 800 thousand tonnes of sugar per year?

Now to the subject under discussion here. We should no doubt be glad that the Community is giving attention to the problem of incentives to forestry. Forests do in fact play a very important part both in our economy and in the rural context, where they help to create an essential overall balance in addition to preventing soil erosion, controlling natural water courses by eliminating the more serious flood hazards, and providing recreational amenities for town dwellers.

We should add to this our current need to increase Community production of timber, our

deficit here being such that we are at present obliged to import timber to a value of 5 million u.a.; imports whose effect on supplies and jobs in the papermaking industry is aggravated by the fact that suppliers outside the Community are trying increasingly to sell us paper rather than their raw timber.

Faced with this difficult situation, the Commission is proposing that Member States introduce a system of aid for the afforestation of areas under agriculture and of uncultivated areas, the conversion of unproductive or low-production woodlands into productive woodlands and for afforestation projects designed to protect agriculture and the environment. According to the directive, aid granted by Member States could cover 60 to 70% of project costs, with the EAGGF refunding 25% to the Member State up to a maximum monetary amount.

In order to qualify for financial assistance, however, afforestation projects must meet a number of extremely restrictive conditions, the most important of which is that at least three-quarters of the land concerned must be in agricultural or mixed agricultural and forestry use. Article 3, and particularly Paragraph 2, which specifies this condition, thus limits the scope of the directive. In effect this restriction, rather than being a point of detail, clearly shows what the proposal is driving at. This proposal should be grouped together with the three socio-cultural directives: afforestation is seen here simply as a means and not as an end in itself, as witness the capital grant of 200 u.a. per hectare of area previously used for agriculture for a period of ten years.

We should have been much happier if the Commission had compiled this draft with a view to an afforestation policy which was of course aimed at reorganizing farming structures, albeit under certain conditions, but which was above all in the best interests of forest development overall and of the Community. For this reason we support the amendments moved by our colleagues which ask first of all that the EAGGF give assistance in cases where only two-thirds rather than three-quarters of the land concerned is used for agriculture, although we would have much preferred this paragraph to be quite simply deleted.

We also favour the granting of Community aid whatever the kind of forest, whether private or owned by state or local authorities. We should bear in mind that in Ireland only 12.50% of forests are private, and it would not be fair to have the majority of Irish forest barred from receiving this aid!

This in fact touches on an important point which we have stressed earlier, and however many

Liogier

amendments there may be, these will make little impact on the thinking underlying this directive. Aid measures for existing forests are not covered by the scope of the directive, which provides only for afforestation at the expense of woodland reconstitution or improvement. Quite certainly, if we move towards a true policy of afforestation and reafforestation the Guidance Section of the EAGGF may be unable to cover the whole cost of an endeavour of this kind. At that point, however, the Council should find other means of financing, particularly within the context of regional policy. Thus, we consider this directive to be merely the beginning of a true forestry policy and one which is in some respects dangerous, as I shall show you. A completely new text, much fuller and perhaps more judiciously considered, is thus essential. We trust that the Commission will note the fact.

There is no denying, however, that the text currently before us is full of good intentions, particularly where it shows concern about what has happened so far to the unproductive areas, mountain areas in particular, and to the men and women who continue to live there for the greater good of those who have moved away and of the urban populations.

But the road to hell is paved with good intentions, and this wise old proverb is most appropriate to this directive on forestry. Why insist at all costs that at least three-quarters of the land in each project should previously have been in agricultural or mixed agricultural and forestry use—'mixed agricultural and forestry use' does not mean much to me—or land which has been released by someone giving up farming? What other reason could there be, except the desire to satisfy the Mansholt directives on structures?

However, a lot of water has passed under the bridge since these directives were adopted. The options contained in them were based on economic forecasts which have been stingingly refuted by the events which are familiar to us and which are continuing even as we watch. There is no longer any doubt that we are already short of farmland, and shall be dreadfully short of it in future. The shortage can already be calculated at several million hectares for the Community alone, according to Commissioner Lardinois. Faced with such a lamentable fact is it wise, is it even normal, instead of trying to recover this land completely to consider quite happily having these farmlands reduced and, even worse, to give extremely tempting capital grants to induce farmers to release from cultivation or meadow and give over to forest immense areas which are perfectly good farmland and are often worked in mountainous or upland regions.

We have huge holdings in France, and I know of some in my own region, situated at higher altitudes, where it was hard to find a farmer or where the rent offered by the farmer seemed too low, so that the owners just had them planted with conifers or hardwoods when they were in fact perfectly suitable for cultivation or stockbreeding. Hence the familiar phenomenon or process of rural depopulation.

This is also true particularly in the case of land which is 'released by someone giving up farming', as Community parlance has it. Anyone familiar with the poorer regions, largely mountainous or uplands areas, will tell you, because they have observed it with their own eyes and ears, that farmers cling to their land for as long as the human environment—they too are entitled to one—remains more or less normal. But once they feel they have lost this, when they feel hemmed in by the spreading forest or desert around them, they too go away. Who can blame them?

So don't try to tell us that preservation of the land and the indispensable presence of men on it—the last of the farming race—secured by paying them increased incentives, is one of the major objectives of this forestry directive, because its effects will be quite the opposite of the objective sought—if indeed it is being sought—at least in the example I have given which applies to a large number of regions and farmers. These are hoping for measures which will truly permit them firstly to stay where they are and secondly to ply their real trade as farmers, not gravediggers, at the same time providing us with green areas, recreational zones and an overall balance which is essential to our survival.

We will not deny, however, the enormous value of forests—even though we may be dwelling too much on our paper wood requirements, where a certain equilibrium might perhaps be attempted both by careful use—I would make a fervent plea for this, ladies and gentlemen, since we are all up to our necks in surplus paper—and by judicious recycling.

We have then before us a text which includes both the best and worst possible elements. We regret that the rapporteur, though his report is interesting and valuable, did not take greater account of the comments we made in the Committee on Agriculture, and we shall thus abstain when a vote is taken on the resolution as a whole.

President. — I call Mr Marras on behalf of the Communist and Allies Group.

Mr Marras. — (I) Mr President, as has been stressed by the rapporteur and the other speakers, this directive is part of the structural policy which the Commission and Council had vainly hoped would bring basic changes in the widely criticized market policy from 1971 onwards. The forestry directive thus forms another part of this structural policy, and this gives us an opportunity to remind the Commission that other important measures which ought to have been taken in this sector—such as those on producers' associations or on the marketing of agricultural produce, all of which come under the general structural policy—are proceeding at a pace which is exasperatingly slow, to say the least.

On the whole, we feel that this directive has some positive features, if only because it introduces a Community forestry policy. There are, however, deficiencies, and by no means unimportant ones. In his admirable report, Mr Ligios has shown his great personal involvement in this problem. Both of us live on an island, Sardinia, which was once covered with vast expanses of woodland which—for reasons which I need not recall here—were then destroyed, with the result that the climatic balance of our region has been totally upset. It is not only the Sahel region which is affected by drought—Sardinia often suffers from it as well—and although the long months without rain may be welcome to the tourists, they are certainly not welcomed by the shepherds and farmers.

Your report, Mr Ligios, is nevertheless somewhat too optimistic, if I may say so, about a document which all in all is rather a modest affair. Even the problem of fires was left out of this proposal from the Commission, and it is to the rapporteur's credit that he pointed this out. Mr Lardinois: in Italy for instance, 127 thousand hectares of land have been afforested over the last seven years, and 301 thousand hectares of forest—more than double—have been destroyed over the same period. Much the same thing has been happening in Sardinia and on the Côte d'Azur. We do not underestimate the importance of the economic aspect—linked to the shortage of wood for industry—which the directive is intended to emphasize. We are fully aware of this shortage, and we pay for it every day as readers of newspapers and books. We nevertheless feel that the scope of this directive should be wider. While retaining its function as a directive intended to improve agricultural structures and the ecological balance of our regions, it should also aim to correct certain regional imbalances, particularly in the hilly and mountainous areas, which are at a disadvantage.

We have now come to realize, although rather late in the day, that forestry—a sector in which

there is a Community shortage of 50%—can be an important source of employment—for instance in the depressed regions of Southern Italy. We have done some calculations in Sardinia—and Mr Ligios might perhaps have quoted them—and have come to the conclusion that employing 10 thousand agricultural workers for 10 years to give the island back the expanse of woodland it had in the last century would require much less investment than that given to the petrochemical industries which have sprung up in Sardinia as well, and which, while offering less opportunities for employment, are subject to rapid technological obsolescence and hence continually require considerable new investment.

Forestry is thus an important source of work in regions of emigration. The funds to be appropriated, however, are frankly derisory—170 million u.a. over 5 years. This is even less than in the proposal put forward in 1970-71, before the time of the present Commissioner for Agriculture. According to these proposals, for instance, the EAGGF contribution could be as high as 50%, and the reforestation provided for was three times greater than can be achieved with the appropriations in the present proposal. I should also like to state—in agreement with my Socialist colleague—that we are rather unhappy about the part of this proposal excluding states and state-owned forests from Community aid. According to the directive, the state should restrict itself to catering for the recreational use of the forest, by providing picnic sites and so on, whereas we feel that state action cannot be kept within these limits.

Finally, I should like to stress the importance of promoting associations. The information which we have been given shows that 94% of forest owners in the Community have holdings of less than 10 hectares. This underlines the need to give preferential treatment to associations, or rather to owners who intend to operate in associations. On this point, we have submitted an amendment which appears to be similar to the one submitted by the Socialist Group, which is aimed at excluding the large estates from the benefits under this directive.

These, Mr President, are the points we wished to raise and which make us feel that this basic change in Community agricultural policy, towards the reform and structural modernization desired by everyone, is still proceeding at a snail's pace in spite of this directive.

President. — I call Mr Cifarelli.

Mr Cifarelli. — (I) Mr President, in view of the lateness of the hour, I would not have asked to

Cifarelli

speak if I had not felt the need to clarify one or two points briefly and to draw Mr Lardinois' attention to these.

The first point I should like to raise, after thanking Mr Ligios for his excellent work, concerns the integration of this directive into the regional policy. Frequently, when we are faced with difficulties in the Community, we invoke the regional policy. My experience of almost twenty years in the field of regional policies for the South of Italy, however, leads me to believe that forestry should be kept separate from this policy, but in the sense that these incentives for afforestation must not apply solely to areas which are in particular difficulty—as in the case of Sardinia, about which Mr Marras spoke. They should apply also to a wider range of areas which are either not included among the traditional areas for subsidies under the regional policy or which occupy a special position because of a phenomenon which has become widespread in our time—whether for better or for worse I cannot say—namely the flight from agriculture and the land. There are many areas, in addition to those covered by the regional policy, which could benefit from afforestation measures.

The second point to which I should like to draw Mr Lardinois' attention is that this directive—by the way a regulation would have been better since who knows how many years will pass before this Community-approved harmonization is embodied in the legislation of the nine Member States—does to a certain extent fit in with the other structural policy directives, and with the directive on mountain areas in particular. There is also a harmonization of ideas and basic concepts. In view of the experience in my own country, Italy, I hope for instance that a stop will finally be put to a practice which appeared to be universally accepted—the felling of forests in the plains. In Italy, woodland areas of great ecological, historical and scientific importance in the plains have been destroyed—I need only mention the famous forest of Metapontum, between the Ionian Sea and the hills of the Basilicata, which was destroyed to make way for farms which have had enormous difficulties in surviving.

I therefore feel, Mr Lardinois, that there must be an effort to reconsider and clarify this field, particularly since these directives refer to a new factor of great significance—the ecological importance of afforestation and the importance of producing timber to counteract one of the major shortages resulting from the rapid economic development of our age.

And now to my third point. There is some doubt as to whether greater or less consideration

should be given to the state as an owner or as the body responsible for the public forests. The fact is that, in addition to the state, there are also the regions, provinces and municipalities or communes. With a view to the decision to be taken by the Council of Ministers, I should like to stress the importance of the forests owned by communes. No matter what is considered or implemented with regard to the state, the regions or other large public bodies, the most serious and pressing problem is that of the communes.

The 8000 or so communes in Italy are already fairly heavily populated. We know, however, that in other countries—in France, for instance—there are sometimes communes with only a few inhabitants. This is a totally different concept, but commune ownership of forests must be given special concessions and not be left out of consideration completely. Finally, I should like to say—and here I am stressing what Mr Laban has already said, although from a different point of view—that Article 6, which states that the beneficiary of the afforestation grants must undertake not to make any conversion to agricultural or other uses for ten years, lays down a very short period of time. Even if the afforestation does not involve slow-growing species, such as fir and pine trees, this period is clearly too short, not least—and here I am drawing upon experience in my own country—because many of these situations give rise to speculation. Once forest of a certain value has been acquired as a result of public and Community aid, there is a danger—at least for some of this forest—that the measures will encourage the speculative exploitation which is typical of those countries which have a high population density and are under strong pressure from tourism, and which is at the root of some forest fires. These are not acts of God, but the work of man, and they are often the work of persons who are not only culpably, but also maliciously responsible for the resulting fires.

Those were the points I wished to bring to the attention of the Commission and the Members of this Parliament and which I felt it necessary to raise in this debate—after discussions with my Group—although I am still in favour of this directive in the form proposed by the Committee on Agriculture.

13. *Change in the agenda*

President. — Before we continue the consideration of Mr Ligios' report, I would point out that in view of the late hour it seems unlikely that we shall get through all the items on today's agenda. I therefore propose that the sitting be

President

closed after the vote on the motion for a resolution and that we postpone the remaining items on the agenda till tomorrow, which will possibly necessitate an evening sitting.

Are there any objections?

That is agreed.

14. *Directive concerning forestry measures*
(continued)

President. — I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, I shall be glad to answer the questions put by the various speakers. I shall try to be brief as it is apparently not possible to continue this session much longer this evening. I should first like to join all the other speakers in thanking the rapporteur for his excellent report. I too read this report not only with great interest but with great satisfaction also. The rapporteur has indeed done some very basic work. In particular, the statistics and descriptions he has given will be extremely helpful in formulating the policy we wish to pursue in this sector.

Mr Ligios said that there had been an animated discussion in the Committee on Agriculture on such questions as why no subsidy will be given for state-owned forests. A variety of speakers have also touched on this question. People have also wondered why no provision has been made for improving existing forest stands. I must say I am very glad that the end structure and main provisions of our proposal have been upheld. I hope that Parliament will accept the Committee's report. I have no objections to the rapporteur's proposed amendments concerning, among other things, the question of fire prevention and fire-fighting. But let us be clear about this: the measures to encourage fire prevention and fire-fighting must not include using EAGGF subsidies for the purchase of fire engines or payment of wages or whatever. I assume, however, that the rapporteur in fact meant technical measures to be taken at the time of planting and later, which would reduce the risk of fire. If it can be interpreted this way, I shall go along with Mr Ligios' proposed amendment on this point.

Mr De Koning asked whether the directive might be revised after a few years had elapsed. But of course! If it becomes clear after a few years that this directive needs improving, the Commission will certainly put forward a proposal to this end.

Mr Laban drew attention to our timber requirements; he has some difficulty with Article 6,

Paragraph 2, to which Mr Cifarelli also referred, in connection with the time limit of ten years. Mr Laban quite rightly said that this is, of course, a minimum. This provision was really only included to ensure that we did not give subsidies to people planting, for example, Christmas trees or shrubs and suchlike, which technically speaking can constitute stands but are not intended to benefit from this subsidy. Generally speaking it will be very rare for the cycle to take only ten years, but we cannot exclude this possibility, in areas which have a warm climate, for example the Po valley for certain types of timber. The normal time, certainly in northern Europe, is more like 40-50 years. In the south it is rather shorter. This depends on climate and also soil conditions. But the period of ten years was set in order to prevent certain types of silviculture, for which these subsidies are not intended, from qualifying for them. What we need is forests and not Christmas tree plantations.

Mr Laban and others, Mr Marras amongst them, objected to the fact that we have excluded state-owned forests. We have also discussed this question in the Commission. We included this provision in the end because we thought that until all Community expenditure was met, and more than met, from Community funds, the financing of state-owned forests would simply be a redistribution of the funds contributed according to the scale. We have quite enough trouble over financing as it is, without taking on these costs as well. But if European integration has progressed further by the end of the next five or ten years, we can perhaps consider this point again. For the time being we have therefore left state-owned forests out of the list, for extremely practical reasons. This may certainly be to the disadvantage of this or that Member State. You mentioned Ireland, for example.

But Ireland will get much more help from an effective regional policy, so I don't think the Irish will consider this so terrible.

Mr Brewis pointed out that timber imports are an exceptional burden on the balance of payments of most of our Member States. This is certainly true of countries which have little forest area such as the United Kingdom, the Netherlands and Italy. He suggested that there ought perhaps to be a separate fund for forestry. My first reaction was yes, that seems reasonable. He then put forward an argument which impressed me deeply. He said that the possibility of conflict could be removed by regarding forestry as part of agriculture. In his view there is no conflict and we must make sure that people realize this. I should just like to say this. We have now set aside a sum of

Lardinois

170 million u.a.u. for a period of 5 years. If this proves insufficient it should be possible, in my opinion, to increase this amount. There is no question of its being an absolute maximum. It is an estimate, particularly in the light of the present-day situation. Mr De Koning and others have pointed out that the situation at the moment is not such that we can embark on afforestation willy-nilly. Certainly not, and I should like to make this clear to Mr Liogier too. But the fact remains that certain areas, certain types of soil are much better for planting forests in than others. In such areas and soils, forestry is preferable to agriculture. And in 1975 it is not reasonable to ask people to remain in certain remote regions. Such remote regions do exist. Thus we must offer this alternative to agriculture, particularly for certain very unfavourably situated areas with poor soil types. I am all for this. On holiday in France this year I wandered round a few places where I saw fields of oats yielding 500 kg per hectare. In agricultural terms these areas are not really profitable any more. The directive can thus be very relevant to this kind of area, which does not mean that we want a concerted campaign to take a lot of agricultural land out of production. As I have already said to the Committee on Agriculture, we ought ideally to have 5 million hectares of agricultural land more, not less, at the present time. But some agricultural land no longer has any place in a modern system of agriculture. It has become altogether unprofitable and is only worked from force of habit.

I think I can reassure Mr Brewis on the question of Article 11. He mustn't think that the relevant fiscal incentives are likely to be taken away from forest owners. On the contrary, I think that governments will in future years be giving more rather than fewer tax concessions for afforestation and income from forests. We have not presented this as a tax concession, because we should then have to decide what does or does not constitute a tax concession in a particular individual case. After all, income tax differs from one person to another. Hence Article 11. I do not feel that we can do away with this Article. My own experience in this matter, not only in my own country but also with the legislation in other countries leads me to expect that Member States are more likely to give further tax concessions. In our discussions with Member States we should do all we can to encourage this trend.

According to Mr Marras the pace of the various structural measures we propose is too slow. He also said this in connection with the producer organizations. I should like to reply to Mr Marras as follows: the wide group of structural

measures decided on in 1972 has, for example, not yet been approved by Parliament in his country. I thus do not think that Mr Marras can fairly accuse us of being slow. I myself should be happy to see decisions taken by us years ago implemented at last in all Member States. We must keep pressing for this.

As I have said, subsidy amounts can be increased if requirements increase. I do not think we can make a difference between one man and another, between richer and poorer. This difference has to be drawn by Member States at national level in the tax treatment they accord. This difference must not play any part in the Community subsidies. At the European level we must apply the principle of equal rights. I would also point out that really poor people have neither the land nor the means to invest in forests which will show a return only after 30, 40 or 50 years. I think Mr Marras was talking about non-existent cases here.

I shall stop here, Mr President, but should like once again to express my particular thanks to the rapporteur for his interesting report.

(Applause)

President. — Thank you, Mr Lardinois.

Does anyone else wish to speak?

The general debate is closed.

We shall first consider the proposal for a directive.

On Recital 6, third indent I have Amendment No 5 tabled by Mr Brewis on behalf of the European Conservative Group and worded as follows:

This indent should read as follows:

‘—to the conservation of water, soil, fauna and flora and,’

I call Mr Brewis to move this amendment.

Mr Brewis. — Mr President, this is a very simple amendment. I moved it merely to add the advantage forestry could have for the conservation of water resources. If the rapporteur feels he cannot accept it, I would not wish to press the matter to a division.

President. — What is the rapporteur's position?

Mr Ligios, rapporteur. — (I) Mr President, I am not opposed to this addition to the text in question. It must be said, however, that in practice it does not add anything new. It is evident that forestry fulfils these functions even if it is not specifically stated.

President. — Does anyone else wish to speak?

I put Amendment No 5 to the vote.

Amendment No 5 is adopted.

On Article 1(2), first sub-paragraph I have Amendment No 3 tabled by Mr Brewis on behalf of the European Conservative Group and worded as follows:

Replace 'agricultural' by 'rural'.

I call Mr Brewis to move this amendment.

Mr Brewis. — Mr President, this, too, is a very simple amendment. I merely put it down because agriculture is not the right word to describe forestry. Forest workers represent quite a large proportion of the rural population, and I thought it would be more appropriate to substitute the word rural. Again, if the rapporteur cannot accept it, I do not want to pres it to a division.

President. — What is the rapporteur's position?

Mr Ligios. — (I) Mr President, a rural community and an agricultural community are effectively the same concept to us. I do not know whether the expressions have a different meaning in the mover's language. However, as far as I am concerned, there is no problem in accepting this amendment.

President. — Does anyone else wish to speak?

I put Amendment No 3 to the vote.

Amendment No 3 is adopted.

On Article 1 I have two amendments which can be dealt with together:

Amendment No 1 tabled by Mr Dalsager and others and worded as follows:

'Delete paragraph 3 of this Article.'

Amendment No 8 tabled by Mr Marras and others on behalf of the Communist and Allies Group and worded as follows:

'Article 1, paragraph 3:

Add the following sentence to this paragraph:

"This exception does not cover land owned or held on lease by public authorities (boroughs, provinces, regions)."

I call Mr Laban to move Amendment No 1.

Mr Laban. — (NL) Mr President, is it in order if I deal with the two amendments at the same time? In reply to the remarks made by the Commissioner, Mr Lardinois, on the exclusion of support for state-owned forests, I should like, if I may, to make a few comments of my own,

although I am glad that this objection to the granting of aid to state-owned forests was not one of principle, but was based rather on practical considerations.

I shall restrict myself to a few brief points. I must admit that the governments of the Member States have already done a great deal for afforestation. They must continue to do so, since afforestation and restructuring of forests are clearly of Community importance. We must also admit that the state has at its disposal excellent administrative services, good production and good sales outlets, while private individuals generally own woodland holdings which are over-fragmented, not so well managed and from which the sale of timber is not conducted so efficiently. Furthermore, national authorities can acquire land by purchase, expropriation or reclamation, which is of particular value for increasing timber production, which in turn is of great importance for the Community. At present local authorities can, in fact, obtain aid, which in my opinion is an open invitation to governments to let aid be applied for by the local authorities. And then, when the aid has been received and the work carried out, it all comes back to the national authorities anyway. I find this tortuous way of doing things totally unnecessary and wonder why aid cannot be granted directly to the national authorities. It has been suggested that this would simply be a case of swings and roundabouts. Well, that applies to practically all the financial relations between national authorities and most local authorities in the Member States. If the recipient of the aid is not affected by the way it is granted then certainly one ought not to raise so many objections to it. But for the Member States, and not only for Ireland, it is by no means a case of swings and roundabouts, as many countries receive almost nothing because much of their forest is state-owned. In addition, the countries with a lot of state-owned forest have to contribute via the EAGGF to the aid from which countries with a lot of privately owned forest benefit. That is why I am not so keen on this measure.

Another argument is that it costs too much. Well, I understand that the application of this directive will involve 170 million u.a. in the next five years, a sum which will be increased by another 25 million if the state-owned forests are included. That makes 195 million spread over five years. If you compare this with the measure we adopted with regard to the storage of meat, for example, it is a mere trifle.

Therefore a large part of my Group sees no cause to exclude states, certainly not now that the Commission has stipulated in the directive that state-owned woodland must be administered in accordance with this directive.

Laban

As for Mr Marras' amendment, I should just like to say that the local authorities mentioned by him are naturally eligible for aid. Obviously he wants to state that rather more explicitly. My Group has no strong objections to it, but we are waiting to hear Mr Lardinois' opinion, which we shall endorse.

President. — I call Mr Marras to move Amendment No 8.

Mr Marras. — (*I*) I have already explained the amendment during my speech. We shall vote for the amendment tabled on behalf of the Socialist Group, which goes further than ours; if it is adopted, we shall withdraw our own. If it is rejected, we shall nevertheless ask that a vote be taken on our amendment, which is clearly more limited in scope.

President. — I call Mr Yeats.

Mr Yeats. — Mr President, on behalf of our group I would like to support Amendment No 1. It is not easy to see why it is stated in Article 1(b) that the system should apply to all land other than land owned or held on lease by the state. This is a matter of considerable importance, particularly to us in Ireland, where for historical reasons the percentage of the total acreage of the country under forestry is far lower than in any other country in Europe. For these reasons it has been necessary over the past 50 years for very considerable state forestry schemes to be carried out, and indeed the vast majority of all areas under forestry in Ireland are owned by the state. Under these circumstances it will be a very substantial loss from an Irish point of view to have the principle established that only privately-owned forestry land can benefit under Article 1. On behalf of our group, I therefore support Amendment No 1.

President. — What is the rapporteur's position?

Mr Ligios, rapporteur. — (*I*) Mr President, Mr Laban's amendment, which was submitted to the committee, was rejected by a majority vote. Some of the arguments against it raised by me at the time have been repeated today by Mr Lardinois. It should also be pointed out that state-owned forests, since they are generally—at least on the basis of the experience studied in the committee—better managed, have less need of incentives and are smaller in extent—except in Ireland, if I have understood rightly—than the other forests owned by public bodies. The more specific wording of the other amendment coupled to it during the discussions thus has an

obvious use in that by far the largest proportion of forests are owned, as in Italy, by public bodies such as the communes, provinces and regions.

Apart from this, the fact that the financial aid to be made available to the Member States under this directive is so small that it will meet only a very small part of the requirements of private individuals, communes and provinces, means that we should exclude state-owned land from these benefits. It will be up to the state itself to improve the forests on its own land.

President. — I call Mr Lardinois.

Mr Lardinois. — (*NL*) Mr President, I think there has been a misunderstanding. Listening to the various statements, I get the impression that the House is not sufficiently aware that it is reforestation that we are concerned with here. We are concerned with neither state-owned forests nor the afforestation of waste land, which are outside our terms of reference, but with the afforestation of agricultural land, that is to say land being used for agricultural purposes. Even in Ireland little agricultural land owned by the state will be afforested. If I am not mistaken, the land owned by the Irish State and possibly suitable for afforestation consists mainly of waste land and mountains, bare mountains. But this is not agricultural land within the meaning of this scheme.

President. — Does anyone else wish to speak?

I put Amendment No 1, which diverges most from the Commission text, to the vote.

Amendment No 1 is rejected.

I now put Amendment No 8 to the vote.

Amendment No 8 is rejected.

I call Mr Laban.

Mr Laban. — (*NL*) Mr President, now that the amendment tabled by my friends Dalsager and Kavanagh and myself has been rejected, we can withdraw Amendment No 2 on the deletion of the second paragraph of Article 11, which follows on logically from it.

President. — Amendment No 2 is accordingly withdrawn.

On Article 2 I have Amendment No 4 tabled by Mr Brewis on behalf of the European Conservative Group and worded as follows:

Article 2, sub-paragraph 2(c):

'Replace "four" by "eight".'

President

I would point out that there is a discrepancy in the text to which this amendment refers between the French and Danish versions and those of the other four official languages. In the two former versions the time referred to is five years, whereas the four others refer to four years. You would think this was something that could be correctly translated into all the languages, but obviously somebody has had difficulties with it. In this case we shall take the former versions as authoritative, that is to say that, should Mr Brewis's Amendment No 4 be rejected, the period of five years will be taken as correct.

President. — I call Mr Brewis to move this amendment.

Mr Brewis. — Mr President, you have made the first point I was going to make, which is the discrepancy between the translations. The Economic and Social Committee, which considered this draft, thought that neither four nor five was long enough and that it should be nearer ten years. I have compromised with eight years. The point is that anybody can plant trees, but it is quite a different thing to see they grow. They have to be tended, weeded and looked after, and I think four or even five years is too short. I would therefore recommend to the rapporteur that he replace it by eight years.

President. — What is the rapporteur's position?

Mr Ligios, rapporteur. — (I) Mr President, a period of four years in forestry management is in fact sufficient as regards the substitution of unsuccessful seedlings, since it is clear that if the trees have not taken root after four years they will be suffocated by the others and cannot grow. As far as forestry management and—more particularly—fire protection are concerned, however, the grants should continue over the whole period, and I would therefore agree to an increase from four to eight years.

President. — Does anyone else wish to speak?

I put Amendment No 4 to the vote.

Amendment No 4 is adopted.

On Article 3, paragraph 2(b) I have Amendment No 9 tabled by Mr Marras on behalf of the Communist and Allies Group and worded as follows:

Add the following sentence to this sub-paragraph:

'In the latter case, the Member States shall apply a system of preferential and priority aid with regard to all individual initiatives.'

Mr Marras, do you wish to say anything else on this amendment?

Mr Marras. — (I) As I have already pointed out in my speech, it is a question of giving preferential and priority aid to projects put forward by groups of farmers as well as by individuals.

President. — I call Mr Laban.

Mr Laban. — (NL) Mr President, I think that this directive has quite rightly been based on the idea of grouping as much as possible into larger entities those woodland holdings which are over-fragmented. We feel this is fair and shall therefore vote against this amendment.

President. — I call Mr Marras.

Mr Marras. — (I) Mr Laban, the amendment has not been well translated. It is in fact proposed to grant subsidies to large areas, but with many small landowners forming associations. Mr Laban probably did not have an accurate translation of the amendment.

President. — I call Mr Cifarelli.

Mr Cifarelli. — (I) Mr President, I should like to explain my voting intentions. I shall vote for this amendment since it is fully in keeping with the spirit of the proposals presented by the Commission and accepted without amendment by the Committee on Agriculture. It is, in other words, a question of considering requests from associations for aid to achieve the objectives set. The intention is to give greater aid to these associations of owners or tenants who wish to carry out afforestation measures, since greater aid is equivalent to greater encouragement. Associations in this field are regarded with favour in all countries of the Community, and an inducement to overcome the fragmentation of woodland or potential woodland is in keeping with the best rules of agriculture. This proposal thus appears to me to be valuable, and I shall vote in favour of the amendment.

President. — I call Mr Bersani.

Mr Bersani. — (I) I should like to explain my voting intentions. For the same reasons as were given by Mr Cifarelli, I also feel that we ought to encourage the formation of associations—particularly in the wide spaces of the mountainous areas—and that we should take account of the structural difficulties resulting from the environment. I, personally, shall therefore vote for this amendment.

President. — What is the rapporteur's position?

Mr Ligios, rapporteur. — (I) I am in favour of this amendment precisely because it is aimed at encouraging the association of small landholders who want to give a certain woodland structure to land which is at present fragmented.

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) The Commission also has no objection to this amendment.

President. — Does anyone else wish to speak?

I put Amendment No 9 to the vote.

Amendment No 9 is adopted.

On Article 3, paragraph 2(c) I have Amendment No 7/rev. tabled by Mr Schmidt on behalf of the Socialist Group and worded as follows:

Add a third sub-paragraph (c) worded as follows:

'(c) Projects of private owners with more than 40 hectares of woodland do not qualify for Community aid.'

I call Mr Lautenschlager to move this amendment.

Mr Lautenschlager. — (D) Mr Schmidt has asked me to move this amendment since he has already had to leave.

The author of the amendment is concerned with preventing Community funds from being granted to private individuals who own so much woodland that they can carry out the measures provided for in the directive on their own. He thinks that this necessitates setting an upper limit.

Perhaps the Commission knows another way to prevent large private owners from benefiting from this Community aid, which is after all supposed to help smaller owners. Then we would agree with it.

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, I would point out that we are concerned here with marginal land, irrespective of the owner. In many regions it is a good thing for it to be afforested. I should like therefore to advise most strongly against this amendment.

President. — I call Mr Gerlach.

Mr Gerlach. — (D) I should like to ask Mr Lardinois to consider that there are very extensive woodland holdings which do not have a good growth of trees but can almost be considered as

marginal forest and which can nevertheless in the present circumstances provide the owner with a considerable income. I should say that 40 hectares is a rather arbitrarily chosen figure and should like to ask whether it cannot be raised somewhat, let us say to approximately 100 hectares. But whatever we do we should aim at not granting unlimited subsidies, especially in the case of large private owners who really do not need them.

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, I should like to state emphatically that we are not subsidizing existing forests, nor do we propose to do so. We are only concerned with land which is at present agricultural land and which it may possibly be intended to afforest. Six of the nine Member States of the Community have national legislation on the subject and nowhere is a limit set on private ownership. In general land which is suitable for afforestation is almost always of marginal economic importance. If it is in the Community interest to grant aid, then aid must be granted. Anyone who wants to afforest must be given a helping hand. It will not help his income, nor is it the intention that it should. We are thinking in terms of generations.

President. — I call Mr Früh.

Mr Früh. — (D) Mr President, I am grateful to Mr Gerlach for also questioning this figure of 40 hectares. In fact, I could have named agricultural holdings in our part of the Black Forest which are totally dependent on woodland and are only just larger than this. In my opinion it would not be right to exclude such holdings from this aid. Furthermore we should all bear in mind that we are concerned here with land which is being afforested for the sake of conserving the countryside, environmental protection and the protection of the land and its water-holding capacity, that is to say for the sake of preserving the balance of nature, and not so much—as has been clearly stated already—to obtain the corresponding revenue from it. Therefore I would ask you—also on behalf of my Group—to reject this amendment. Besides, I cannot really see why you want to set limits here when earlier you wanted all state-owned forests to be included in the aid scheme. There is a contradiction there somewhere.

President. — What is the rapporteur's position?

Mr Ligios, rapporteur. — (I) Mr President, I am opposed to this amendment for the reasons given by Commissioner Lardinois.

President. — Does anyone else wish to speak?

I put Amendment No 7/rev. to the vote.

Amendment No 7/rev. is rejected.

On Article 11, paragraph 1 I have Amendment No 6 tabled by Mr Brewis on behalf of the European Conservative Group and worded as follows:

Delete the following:

'revenue foregone through fiscal incentives, however, does not qualify as expenditure.'

I call Mr Brewis to move this amendment.

Mr Brewis. — Mr President, in view of the remarks made by Mr Lardinois and the undertaking he gave me when this matter was discussed, I don't wish to waste Parliament's time by moving this amendment. I'd be pleased if you would allow me to withdraw it.

President. — Amendment No 6 is accordingly withdrawn.

We shall now consider the motion for a resolution.

I have no amendments or speakers listed.

Does anyone wish to speak?

Thank you, Mr Lardinois.

I put the motion for a resolution as a whole to the vote.

The resolution is adopted.¹

15. *Agenda for the next sitting*

President. — The next sitting will be held tomorrow, Wednesday, 25 September 1974 with the following agenda:

at 10 a.m. and 3 p.m.:

— Report by Mr Thornley on eels;

— Report by Mr Gibbons on fishery products;

— Report by Mr Bourdellès on the Community scale for grading pig carcasses;

— Report by Mr Cifarelli on the publicity campaign for beef and veal and the marketing of cattle for slaughter;

— Report by Mr Martens on the organization of the market in sugar;

— Report by Mr Laban on the standard quality for pig carcasses;

— Commission statement on action taken on the opinions of Parliament;

— Report by Mr Spénale on rules of procedure for consideration of the draft budget;

— Report by Mr Pisoni on the establishment of a vocational training centre;

— Report by Mr Mursch on the common transport policy;

— Report by Mrs Orth on the trade in poultry-meat;

— Report by Mr Premoli on the prevention of marine pollution from land-based sources;

— Oral question with debate by Mr Durieux on contacts between the EEC and the Arab countries;

— Oral question with debate by Mr Hougardy on the energy research programme;

— Report by Mr Willi Müller on the noise level of agricultural tractors;

— Report by Mr Schmidt on measures of conjunctural policy in agriculture;

— Report by Miss Flesch on the Staff Regulation of Officials of the European Communities.

The sitting is closed.

(The sitting was closed at 8.30 p.m.)

¹ OJ No C 127 of 18 October 1974.

SITTING OF WEDNESDAY, 25 SEPTEMBER 1974

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IN THE CHAIR: MR BERKHOUWER

President

(The sitting was 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?

The minutes of proceedings are approved.

2. *Regulation on a Community tariff quota for eels*

President. — The next item on the agenda is a debate on the report drawn up by Mr Thornley, on behalf of the Committee on External Economic Relations, on the proposal from the Commission of the European Communities to the Council for a regulation on the opening, allocation and administration of a Community tariff quota for certain eels falling within sub-heading ex 03.01 A II of the Common Customs Tariff for 1975 (Doc. 198/74).

I call Mr Thornley, who has asked to present his report.

Mr Thornley. — Mr President, I only want to take up the time of the Assembly for about

2 minutes on the subject, if I may have your indulgence, as it is the first time I have presented a report. As you will see, it has been approved by all the relevant committees and by the Commission and the Council and need not therefore take up our time in the slightest.

But I would make one point which I think Parliament—not now, but at some stage—might, perhaps through committees, consider in respect of the appointment of rapporteurs. Like every other member of the European Parliament, I consider myself an exceptionally gifted person. I am a professor of political science in my own country and I know everything that needs to be known about political science from Socrates to Robert A. Dahl. I have also written works on the history of working-class movements in 19th and 20th-century Ireland and, finally, I consider myself the greatest living authority on the history of Italian operatic tenor singing. As a reward for these qualifications I was appointed rapporteur on eels. Now, I only ate a piece of an eel once in my life at the age of 8 and never intend to repeat the experience; and if an eel were to undulate—I think that is the correct word—into this Chamber at the moment, I would undulate out of it as far as I possibly could.

Now, if I appear to be flippant about this, I am not! What I am saying is that, while the report is patently non-controversial, it nevertheless affects the lives, and capacity to earn their livings, of large numbers of people; and it is perhaps slightly ridiculous that a person who is so utterly unknowledgeable on the subject of eels should present this report.

Thornley

I only present it, therefore, with a clear conscience on the grounds that it is so totally non-controversial, since it simply seeks to fill a gap in the Community's legislation on this interesting fish—it is a fish. On that note I introduce the report with a clear conscience.

President. — I call Mr Scarascia Mugnozza to state the position of the Commission of the European Communities.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (1) Mr President, I should like to thank the rapporteur not only for the task he has accomplished, but also for his efforts on behalf of the aficionados of eels. I understand perfectly the difficulties he must have experienced, because I do not eat eels, either.

At all events, I should like to thank the European Parliament and the committee responsible for their favourable opinion and I believe that, within the limited sector to which it applies, this provision will be of great importance.

President. — Thank you, Mr Scarascia Mugnozza.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

3. *Regulation on financial compensation in respect of fishery products*

President. — The next item on the agenda is the report drawn up by Mr Gibbons, on behalf of the Committee on Agriculture, on the proposal from the Commission of the European Communities to the Council for a regulation altering the intervals at which the standard values are fixed to be used in calculating financial compensation in respect of fishery products (Doc. 259/74).

The rapporteur has informed me that he has nothing to add to his written report.

Does anyone wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

4. *Regulation on the scale for grading pig carcasses*

President. — The next item is the report drawn up by Mr Bourdellès, on behalf of the Com-

mittee on Agriculture, on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 2108/70 of the Council of 20 October 1970 determining the Community scale for grading pig carcasses (Doc. 239/74).

The rapporteur, the committee responsible and the Commission of the European Communities have agreed that this report may be considered by the procedure for voting without debate.

Does anyone wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

5. *Regulation on the financing of a beef and veal publicity campaign — Regulation on the system of premiums for the marketing of bovine animals for slaughter — Regulation on the financing of the meat publicity campaign*

President. — The next item on the agenda is a debate on the report drawn up by Mr Cifarelli, on behalf of the Committee on Agriculture, on the proposals from the Commission of the European Communities to the Council for

- I. A regulation on the financing of a beef and veal publicity campaign;
- II. A regulation on the financing of the system of premiums for the orderly marketing of certain adult bovine animals for slaughter;
- III. A regulation on the financing of advertising and publicity campaigns designed to promote the consumption of meat (Doc. 262/74).

The rapporteur has informed me that he has nothing to add to his written report.

Does anyone wish to speak?

I call Mr Brewis to speak on behalf of the European Conservative Group.

Mr Brewis. — Well, Mr President, this is something of a surprise as we have got on so quickly. I should merely like to ask one or two questions about the report.

First of all, there seems to be a misprint in the first paragraph of the motion for a resolution, which I think should apply only to beef and veal and not to all meat products.

I also have two or three questions I had hoped to put to Mr Lardinois, but perhaps Mr Scarascia Mugnozza may be able to answer them.

¹ OJ No C 127 of 18 October 1974.

¹ OJ No C 127 of 18 October 1974.

Brewis

The first is on the headage payment for beef cattle. In Britain we normally give a payment by weight and not by headage. I noticed in the regulations that the minimum weight is 330 kilogrammes, and I am wondering, if we do it by head and not by weight, whether we are not encouraging the slaughter of immature animals: this, surely, is precisely the opposite of what we are trying to do with this directive, which is to keep beef off the market until the spring of next year. I would therefore like to ask whether the Commission doesn't think that a minimum weight of 330 kilogrammes is too low and that perhaps it should be put up. My second question is about the headage payment. In Britain the headage payment is, in our experience, deducted from the price which a producer gets in the market. Has the Commission any ideas on how the premium payment can in fact be got to the producer, where it is intended to go? Is this a result of our present government's not operating the deficiency arrangement?

I think those are the only questions which I want to ask at the moment on this directive, and I should be glad if the Commissioner could possibly give me an answer on these two points.

President. — I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, in reply to the questions put by the rapporteur, I should like to say that the problem of payments concerns primarily the national authorities. The Community allocates the premium, and then each national administration distributes it according to the criteria applicable to its own organization and possibilities.

On the other hand, as regards the weight, this is a problem which has two interrelated aspects: there is the headage and there is the weight, and we believe that these two should be considered together, i.e., the headage and a minimum weight of 330 kg.

President. — Thank you, Mr Scarascia Mugnozza.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

6. *Regulation on the common organization of the market in sugar*

President. — The next item on the agenda is a debate on the report drawn up by Mr Martens,

on behalf of the Committee on Agriculture, on the proposal from the Commission of the European Communities to the Council for a regulation modifying Regulation No 1009/67/EEC on the common organization of the market in sugar (Doc. 261/74).

I call Mr Martens, who has asked to present his report.

Mr Martens, rapporteur. — (NL) Mr President, I refer to the report. It was accepted in the committee unanimously, with one abstention. I see no need for any further deliberation on this issue.

President. — Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

7. *Regulation on the basic price of the standard quality for pig carcasses*

President. — The next item on the agenda is a debate on the report drawn up by Mr Laban, on behalf of the Committee on Agriculture, on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 1351/73 as regards the basic price of the standard quality for pig carcasses (Doc. 256/74).

I call Mr Broeksz, deputizing for the rapporteur.

Mr Broeksz, deputy rapporteur. — (NL) Mr President, on the rapporteur's behalf I should like to proceed in the same way as Mr Martens did with his report. I see no need for any deliberation over this.

President. — Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

8. *Action taken by the Commission on the opinions of Parliament*

President. — The next item is a statement by the Commission of the European Communities on action taken by the Commission on the opinions and proposals of Parliament.

I call Mr Scarascia Mugnozza.

¹ OJ No C 127 of 18 October 1974.

¹ OJ No C 127 of 18 October 1974.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, honourable members, following yesterday's review by President Ortoli of the situation in the Community, I should like, in accordance with a fitting custom now established in Parliament, to inform you of the action taken by the Commission on the Parliament's votes on various problems.

At the July part-session, the Assembly held a debate, of a very high standard, on the European Company. The Commission immediately undertook a study of the Parliament's opinions. As you know, Mr Brugger's report, adopted by the Assembly, contains nearly 70 proposals for modifications to the Commission's text; in addition, Parliament discussed as many further amendments submitted individually by Members or political groups. My colleague, Mr Gundelach, stated the Commission's position on the major amendments during the debate. You will understand that I am not able to go once more over all the subjects considered by Mr Gundelach, but I should like to say straight away that, out of the 70 modifications proposed by Parliament, the Commission accepts about 50 while, on the remaining dozen or so, it will offer its opinion as soon as it has been able to consider their full implications. At present, the Commission is doing useful work on modifying its text on the European Company by reference both to the Parliament's opinion and to developments which have occurred in the Member States since the submission of the original proposal, which goes back to 1970. The Commission hopes to be able to submit a modified proposal to the Council towards the spring of 1975.

I have dwelt somewhat longer on this point, because I know how much importance the European Parliament attaches to problems relating to the European Company.

Another problem which has exercised the European Parliament's attention, and which was debated at the emergency part-session, is that of agricultural prices, on which Mr De Koning drew up a report. My colleague, Mr Lardinois, has already been able to inform the Assembly of the results of important negotiations with the Council on this subject; I should only like to emphasize that the Commission was at pains to make the Council appreciate the opinion expressed by the European Parliament.

At the part-session of June 1974, Parliament failed to approve the proposal on the financing of publicity in respect of nursery products because it felt that the proposed measures would be difficult to implement and not particularly effective. In the light of the Parliament's vote,

the Commission decided to withdraw the proposal.

Finally, I should like to inform you that, in accordance with Parliament's opinion, the Commission has decided to modify its proposal for a programme of research and education for the European Atomic Energy Community on plutonium recycling in light-water reactors. Mr Noè's report on the proposal was debated at the July part-session.

Mr President, I have no further information to give you now, but hope, at the next part-session, to be able to report on other Commission action on Parliament's proposals.

President. — Does anyone else wish to speak?

I call Mr Brewis.

Mr Brewis. — May I ask the Commissioner, regarding the European Company, what decision the Commission has come to on the question of worker participation on the supervisory board? This is a most important point as the Legal Affairs Committee is considering the fifth directive now and what is decided on the European Company will necessarily affect the decision of the Legal Affairs Committee on the fifth directive.

President. — I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza. — (I) Mr President, as I believe my colleague, Mr Gundelach, has fully explained, consultations on this particular point are going on with the various parties concerned with the aim of discovering their views. The conclusions drawn from these consultations will be submitted to the European Parliament in a memorandum so that the Parliament will fully share the information available to the Commission, even before the latter has taken any decision on the matter.

President. — Thank you, Mr Scarascia Mugnozza.

9. Rules of procedure for the consideration of the draft general budget

President. — The next item on the agenda is a debate on the report drawn up by Mr Spénale, on behalf of the Committee on Budgets, on the internal rules of procedure for considering the draft general budget of the Communities for the 1975 financial year (Doc. 252/74).

I call Mr Spénale, who has asked to present his report.

Mr Spénale, rapporteur. — (F) Mr President, we originally intended to consider this report by the procedure for voting without debate.—Not that it contains no question meriting the House's attention—on the contrary—but I think that everything of political importance contained in this report has already been settled by the Treaties of April 1970, which laid down the majorities required when voting on amendments, modifications, adoption of the budget and of the VAT rate. These are the only genuinely political issues involved; all the rest is only a matter of adapting our budgetary procedure to the fact that hitherto we have had to apply the transitory provisions laid down in Article 78 a of the ECSC Treaty, Article 203 a of the EEC Treaty and Article 177 a of the EAEC Treaty, whereas now we have to begin applying the final provisions contained in Articles 78, 203 and 177 respectively.

I would, however, point out that the preamble expresses the Parliament's regret 'that it has not been possible to amend the provisions of this Treaty before its entry into force, in spite of the undertakings entered into by the Commission'—and, for that matter, by the Council—'in its new proposals on the strengthening of the budgetary powers of the European Parliament'. In this connection, as you are aware, we are in consultation with the Council until new arrangements are made. Hence the explicit wording of paragraph 1 of the motion: 'Has agreed provisionally to consider and establish the budget of the Communities for the financial year 1975 in accordance with the provisions set out in Articles 1 to 6 below'. As I said before, these articles reflect the application of the Treaty articles now due to enter into force.

Certain provisions might well form the subject of a debate—namely, those governing the presentation of draft amendments and proposed modifications. The study group that was formed to draw up this text was composed of Mr Bruch, of sessional services, Mr Guccione, secretary of the Committee on Budgets, and Mr Verdoia, also of sessional services, to whose meticulous and particularly valuable work I should like to pay especial tribute. I also took part in the final stages of this work. It has been decided that draft amendments and proposed modifications shall be admissible only if presented by at least five Representatives or by a political group or committee. This provision, to which I draw your attention, is the only issue that lends itself to a debate here; its adoption is due to a desire, given the shortage of time which characterizes the deliberations of this Assembly, to prevent our budgetary debate from becoming the occasion for a proliferation of draft amendments tabled by colleagues acting in their individual capacity

without having thought sufficiently deeply over the matter or recruited adequate support from their colleagues. Clearly, if one cannot find four colleagues to support a draft amendment, there is no need to hold up the proceedings with it. This is the essential point at issue.

The point I wish to stress, Mr President, is, therefore, that it is an essentially technical matter, since all the political issues have already been settled in the Treaties, which we now have to apply, and the only point meriting discussion is whether five Members are really necessary for the tabling of an amendment or whether this number should not be raised or lowered. Personally, I would recommend the House to adopt this text. In any case, it is only provisional, since it is our hope that before the discussion of the budget for 1975 is completed we shall have reached agreement with the Council on new powers for the Parliament. They may necessitate the modification of certain existing provisions, but in the meantime we must have a basis on which to conduct our debates and determine our procedure.

I conclude, Mr President, by repeating my thanks to the three senior officials of this Parliament for their contribution to the finalization of this procedure.

President. — I call Lord Bessborough to speak on behalf of the European Conservative Group.

Lord Bessborough. — Mr President, I don't want to keep the House from getting on with the agenda, but I feel that I should, on behalf of my group, say that we agree very much with the whole gist of what Mr Spénale says in his report, particularly his favourable comment on a better presentation of the draft budget by the Commission, especially linking figures to policies.

I should also like to say that we are most interested in Article 6 on the question of the total rejection of the budget, to the effect that 5 representatives, a political group or a committee may submit a proposal to reject the budget as a whole within the time-limit set by you, Mr President. Also, I think it makes sense that the budget should be adopted only if it receives the support of a majority of the current members of Parliament and three-fifths of the the votes cast.

I was interested in what Mr Spénale said on obligatory or optional expenditure, but I should also like to take this opportunity to say, and I think it is in order for me to say so, that I think there is still room for developing our procedures, particularly as outlined in Mr Kirk's report, which has been seen by the Political Affairs

Lord Bessborough

Committee and, I assume, by Mr Spénale. It seems to me that the opinion of the Committee on Budgets is given to the competent committee too early in the latter's deliberations to affect its final recommendations to Parliament to the extent that it might do. And the main point I wish to make is that it would be much more efficient for each of Parliament's committees, which has a clear competence concerning the work of one or other of the Directorates-General of the Commission, to establish a sub-committee responsible to it for examining in detail the budgetary implications of all proposals of the Commission. Now, the suggestion I make is that each of Parliament's committees should develop its own budgetary expertise, but in saying this, I would not consider that this would in any way diminish the rôle of the Committee on Budgets itself. On the contrary, the Committee on Budgets would play a vital rôle in guiding Parliament as a whole in its plenary debates.

I also wanted to take this opportunity of saying that we very much regret the Council's proposed cuts in the regional fund especially, and also in food aid and in the social fund. I know that the argument put forward is that the rate of increase in the Community budget must be cut like increases in national budgets. But the Community budget is not an instrument of short-term economic policy, although, of course, one day it may be. The Community budget accounts for less than 1 per cent of the Community GNP, and this may be compared with the national proportions of public expenditure to GNP, that in the UK, for example, being over 50 per cent.

I hope Mr Spénale will forgive me for taking this opportunity to make these general observations. We must, in my view, all join together in overcoming the present economic crisis. We all know that those in the regions and those whom the social fund and the food aid fund are designed to help are those most affected by rising prices and deflationary policies. So we must join together in overcoming the present economic crisis, and this will not be done, Mr President, if the Council deletes items of policy agreed to by itself, the Commission and Parliament. Thank you, Mr President. I endorse what Mr Spénale has said in his report.

(Applause)

President. — I call Mr Spénale.

Mr Spénale, rapporteur. — *(F)* Mr President, my best thanks are due to Lord Bessborough. With regard to one of the questions he raised, concerning the procedure to be observed by the parliamentary committees for discussing the

budget, I have read the interesting report drawn up by Mr Kirk. It contains some interesting ideas on which we should not embark upon today. Nevertheless, I think it was quite in place to mention it.

With regard to the remarks concerning the 1975 budget, I would say that, while they are welcome, they are not, strictly speaking, the subject of the present report, which is essentially concerned with our internal rules of procedure for discussing the budget.

For the rest, I can associate myself with Lord Bessborough's remarks. Perhaps I shall be able to return to them shortly if the Commission makes a statement, as I understand it will; but I do not think that their proper place is in this debate: we shall have another occasion to speak about the 1975 budget.

President. — I call Mr Cheysson to state the position of the Commission of the European Communities.

Mr Cheysson, member of the Commission of the European Communities. — *(F)* Mr President, the Commission has naturally no intention of intervening in a discussion which, as the Chairman of the Committee on Budgets has just said, concerns the internal rules of procedure of this Parliament.

The Commission has, however, some observations which are not without importance to make on Lord Bessborough's remarks concerning the 1975 budget, also on certain remarks made by Mr Spénale on the budgetary powers of this Parliament, on which subject we hope that the dialogue with the Council can be speeded up. But I quite appreciate that the present item on the agenda is solely concerned with the Parliament's internal rules of procedure, and on this subject I shall refrain from making any comment.

One last remark, Mr President. Mr Spénale mentioned the possibility that the Commission might make a preliminary statement today on the 1975 budget. With your permission, I should prefer not to follow him in this. It seems to us to be a matter of parliamentary etiquette that the Committee on Budgets should be the first to receive our preliminary report. Moreover, as you know, we have just had discussions with the Council and we should prefer to finalize the figures adopted by the Council and formulate our reasons for criticizing some of its decisions before submitting a complete report, first to the Committee on Budgets, then to the Parliament.

President. — Thank you, Mr Cheysson.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

10. Regulation on the establishment of a European Vocational Training Centre

President. — The next item on the agenda is a debate on the report drawn up by Mr Pisoni, on behalf of the Committee on Social Affairs and Employment, on the proposal from the Commission of the European Communities to the Council for a regulation on the establishment of a European Vocational Training Centre (Doc. 231/74).

I remind the House that in connection with Mr Pisoni's report two committees were asked for their opinions, namely, the Committee on Cultural Affairs and Youth and the Committee on Budgets. The opinion of the former of these two committees is annexed to the report.

The opinion of the Committee on Budgets is not a formal one in as much as there was no quorum at the meeting which adopted it. This opinion is therefore no more than a kind of guideline. Nevertheless, Mr Spénale took the view that it merited the attention of the House since it was unanimously adopted by those committee members who were present at the meeting.

I call Mr Pisoni, who has asked to present his report.

Mr Pisoni, rapporteur. — (1) Mr President, honourable colleagues, the European Vocational Training Centre, which it is proposed to establish in the present resolution, was conceived by the Commission as long ago as 1973, when Parliament adopted the resolution on vocational training. On that occasion, too, I had the honour to submit a report on vocational training and I would refer my listeners to it for some general ideas and guiding principles that should inform vocational training.

The Commission repeated its intention of establishing a vocational training centre on the occasion of the submission and adoption of the Social Action Programme. Parliament took note of this and encouraged the Commission's initiative, urging it to speed up the proposed timetable. Recently, the subject of vocational training has acquired even greater topicality and has been brought to the attention of governments,

public enterprises, scientists and economic bodies. Changing conditions in the labour world are constantly reducing, to the point of elimination, the scope for manual and unskilled labour; technological innovation and social and geographical mobility demand constant and specialized retraining. Educational science, for its part, offers new models and more up-to-date methods for general and professional education. Reform is still needed in vocational guidance so that the number of the unemployable and the 'square pegs' can be reduced and that all can be helped so far as possible to make choices in accordance with their personal aptitudes and inclinations and the openings in the employment market. There still remains to be established a fully operative system of continuous education, accessible to all, for the development of their personality and the up-dating of their vocational skills.

The Committee on Cultural Affairs and Youth had proposed to add the word 'guidance' to the title, which would then read 'European Vocational Training and Guidance Centre'. However, the Committee on Social Affairs Employment decided, by a majority, not to adopt the amendment. Personally, while I accept their view, I believe, nevertheless, that the concept of vocational guidance cannot be separated from that of vocational training, so that substantially the notion that the Committee on Social Affairs and Employment wished to introduce explicitly is, I believe, contained in the proposal itself. Shortage of the means to provide these services to all who desire them affects most gravely those who are the most deprived and the most defenceless—particularly the emigrants. To quote an example, in Berlin, for a total of 6 000 non-German youths aged between fourteen and eighteen, there are available every year, according to the testimony of those concerned, only 120 places in vocational training schools. One can easily imagine the extent and gravity of the problem for the working classes, and especially the emigrants, both in the countries of origin and in the host countries.

The problem of vocational training is closely linked with that of housing and schooling. At present, in the Europe of the Nine, vocational training remains as the responsibility of central governments, regional authorities, various public bodies, trade-union organizations, enterprises, small and large industries, all of them employing different methods and pursuing different aims. Harmonization at the higher levels would benefit all concerned—governments, workers and the economy—not to mention the construction of that European unity which is the only *raison d'être* for the work we are doing. The Commission, lacking men and

¹ OJ No C 127 of 18 October 1974.

Pisoni

resources, has so far been able to do very little in this field, a fact frequently deplored both by the Committee on Social Affairs and Employment, and by the House.

Apart from the scarcity of men and resources, the Commission attributed the meagre results it was able to obtain to its restricted freedom of action. This is one of the reasons why it has proposed the establishment of a Centre which would have large scope for action and would be able to deal directly with the parties concerned: governments, employers and workers. It would be the Centre's task to promote, organize and finance studies, experimental work and pilot projects, publish the results obtained, collate the best of them and suggest their large-scale application, to organize courses and seminars for the training of management personnel and to promote the exchange of teachers between countries. It would also control European professional qualification standards as a basis for the mutual recognition of qualifications and diplomas, and would encourage the harmonization at all levels and throughout Europe of vocational and professional training methods and standards. It would propose to the Commission for action practical projects and possible initiatives.

The Centre, as envisaged, would be in a particularly favourable position because, while enjoying considerable autonomy, it would have the backing of the Commission to take up its proposals and put them into effect. The Centre would follow and include in its own activities the Commission's work in regard to the employment market, taking account of new technologies, transfers requiring vocational retraining, pockets of unemployment and demand for labour in alternative occupations. It would collaborate in forecasting employment trends on the basis of practical studies and specific information and in implementing freedom of movement, notably under regional policy, with regard to eliminating or reducing economic and social disparities between various political and geographical regions.

It is envisaged that the Centre would be headed by a management board consisting of fifteen members, appointed in equal numbers by the Commission, the employers and the employees. The three principal parties concerned would jointly manage the Centre, the arrangement being seen as a step towards self-management and responsibility. There is no need for the Centre to have a big administrative structure or run its own schools, because it should be using the structures and schools existing in the various countries. Otherwise, as I have already pointed out in my report, and as was emphas-

ized by colleagues in the lively and prolonged discussion that took place in the committee, we should be in danger of setting up yet another white elephant, concerned with self-perpetuation, ponderous and unproductive, fractionizing and dispersing the few resources and forces that we have.

It would be wrong to gloss over some of the risks involved in such an enterprise. The first of these seems to be that the Centre may become like many other similar institutions in the field, which are more academic than practical, publishing many splendid reports and studies that no one reads and that are fated to collect dust on the shelves. Another danger is that it may confine itself to publishing an information and coordination bulletin and to organizing a few meetings to disseminate information on what is being done. Yet another danger would be the bureaucratization of the Centre with consequent sluggishness and inefficiency.

On a proposal from the rapporteur, the Committee on Social Affairs and Employment asked the Commission to increase the proposed allocation so as to ensure that the Centre's financial resources were not exhausted in its running costs and were sufficient to allow of practical results. Under-financing would be as bad as no financing at all and represent a waste of any resources used. We proposed an increased allocation to enable the Centre to organize pilot projects, to provide subsidies, study grants, to organize colloquies, meetings, congresses, and carry out experimental work as described in the amendment to the financial record which was voted unanimously by the committee.

In this spirit, and in order to ensure a greater weight to expert opinion, the rapporteur proposed, and the committee approved, the doubling of the number of experts from 18 to 36, or four experts from each Member State. On the question of the seat of the Centre, I would refer you to the written report.

Mr President, honourable colleagues, your rapporteur, too, entertains some doubts and fears some of the dangers, but there is no doubt that to identify these is the first step to avoiding them, and, therefore, I invite the Commission to reflect on these considerations and to weigh carefully all their implications. I, as your rapporteur, propose that the resolution and the proposal for the establishment of the Centre be adopted, because I am convinced that the Centre does represent a means of tackling the task of vocational training in a new spirit, by new methods and measures. The matter is too important and too urgent to allow us to miss any opportunity of getting something done. Parlia-

Pisoni

ment would be happy to learn soon that the Centre not only exists and functions, but functions productively, and would like to know what results it is achieving.

The Commission is undertaking a new responsibility because it could not claim that Parliament has refused it the necessary support and the instrument which it needs at this moment. To conclude, I should like to add that we expect to be able to obtain from the Centre's work useful indications for activity to be undertaken by the Social Fund, increasing the effectiveness of investments in that sector. For all these reasons, your rapporteur recommends adoption of the resolution.

(Applause)

President. — I call Mr Knud Nielsen, draftsman of the opinion of the Committee on Cultural Affairs and Youth.

Mr Knud Nielsen, draftsman of an opinion. — (DK) As spokesman for the Committee on Cultural Affairs and Youth, I should like to make some supplementary observations to the committees' written opinion concerning the Commission's proposal to establish a European Vocational Training Centre.

I find reason to be pleased with the initiative taken by the Commission here. There exists a possibly not unjustified impression that vocational training has hitherto been paid less attention than, and put in the shade by, higher education. We must therefore welcome the attempts at more intensive involvement with vocational training.

It is important for education in an individual country to be treated as a whole and to be coordinated as widely as possible, with smooth, flexible transitions without sharp divisions, fixed categories or dead ends. At Community level too, when one is trying to promote and develop vocational training, there arises the need for an overall framework for all education. In this connection, one should perhaps also consider whether it is advisable for vocational training to be included, as is done here, as a question of social policy in the industrial and agricultural sector, for instance, and whether this does not lead to an undesirable downgrading of vocational training by comparison with other education. I should like to ask whether it would not serve the purpose better to treat vocational training as an integral part of general educational policy.

The Committee on Cultural Affairs and Youth can concur with the establishment of a Euro-

pean Centre for Vocational Training. There are two areas, however, where the committee would like to propose amendments to the draft regulation. These relate to Article 1 and Article 4.

Article 1 talks about a European Centre for the Development of Vocational Training. The Committee on Cultural Affairs and Youth has proposed that the institution be called the European Vocational Training and Guidance Centre. In view of the desirability of the closest possible association between vocational training and vocational guidance, it would seem natural for this task to be entrusted to the Centre. The task will consist in collecting and disseminating information about the various types and stages of education and the employment prospects connected with them in the Member States. The aim would be not only to set up a better forecasting apparatus, with the associated possibilities of achieving greater coordination between educational output, if I may use the word, and educational demand, but also to promote that mobility which is desirable on the part of the student on completing his course. One might further deal with the methods of vocational guidance, the forms practised in many places today being inadequate, and it will be useful for an effort at European level to contribute towards a better situation in this important sphere in the Member States.

I should like to add here that discussion of this question is particularly desirable because there is no clear and unambiguous definition of what vocational training means, and what vocational guidance means. Ideas and systems vary widely among the Member States. I would ask the Commission to help clarify this in further discussions, and to inform us what age categories are in the Commission's view included in vocational training.

Article 4 deals with the composition of the board of management. With the composition proposed, such important groups as teachers and persons in active employment are conspicuously without representation. The committee therefore recommends the Commission to ensure that the five members it is to appoint include experts in the field of general education. The most striking thing, however, is that the people most concerned, the young people themselves, are not represented—perhaps that is a mistake. We therefore propose that one representative of youth be allotted a seat on the board, and that that representative be drawn from the European Youth Forum soon to be created.

The proposal by the Committee on Cultural Affairs and Youth for an amendment to the

Knud Nielsen

composition of the board was rejected by the Committee on Social Affairs and Employment without even giving a reason. I put forward the proposed modification to ensure that youth and experts in the field of general education be represented on the board of management, and I urge Parliament to support this proposed modification.

Neither the Commission nor the Committee on Cultural Affairs and Youth adopted a position on the seat for the Centre, while the Committee on Social Affairs and Employment picked on Brussels as the natural site. In this connection, I should like to make some remarks of my own.

It would undoubtedly be correct and in the interests of efficiency to locate Community institutions in Brussels, the seat of the Council and the Commission, in those cases where intimate daily contact with these Community institutions was required. I do not think there is such a need in this case, and other considerations may therefore be given higher priority. As Members of Parliament will be aware, opinion surveys carried out in Member States on the attitudes of the population to membership of their country in the Community show that in Denmark and Britain opposition to Community membership at present predominates. This may have many causes, which time prevents me from going into, but I must say that I find this extremely deplorable. There is hardly any doubt that the population of the new Member States regards the Community as a remote bureaucratic apparatus which may be used as a whipping-boy when something unpleasant happens at home.

I therefore think we ought to try to get the people of these countries to experience the Community at closer quarters, and it would help if Community institutions were, as far as at all possible, also located in these countries. I am authorized by the Danish government to invite the Community to locate the European Vocational Training Centre in Copenhagen, and I would urge that the observations I have made in this connection be taken into account in subsequent discussions.

President. — I call Mr Vandewiele to speak on behalf of the Christian-Democratic Group.

Mr Vandewiele. — (NL) Mr President, ladies and gentlemen, first of all let me, in my turn, heartily congratulate Mr Pisoni on his excellent and very absorbing report. The Christian-Democratic Group wishes to express satisfaction over the fact that, following some extremely

useful discussions within the Committee on Social Affairs and Employment as well as in the Committee on Cultural Affairs and Youth, we have at last arrived at some specific recommendations concerning the setting up of a European Vocational Training Centre. As regards the report and draft resolution, I should like to make some brief observations and suggestions on behalf of our group.

Looking over the latest report on the development of the social situation in the Community, we can but deplore the fact that the Community initiatives produced so far in the field of vocational training have failed to bring about any very satisfying results. All we have to show for it is a few seminars and the announced publication of an information bulletin. Mr Pisoni stated, in our view rightly, that there is at the very least a need for fresh initiatives in the Institutions, but that it is high time something were done. The general principles which were laid down by the Council as early as April 1963 have so far failed to hatch any chickens, although it must now be obvious that in this matter of vocational training we are waiting for a vigorous new approach by the Community.

The Centre which is to be set up must therefore bring out initiatives and put ginger into vocational training, and this at Community level. In close cooperation with the Commission, the proposed Centre must be given the powers it will need to launch a number of schemes of its own, to organize European study conferences, to compile working documents and to distribute information in the various member-countries.

This Centre must, however, be more than a mere European Office for study and documentation. The information it obtains from the member-countries and international organizations should lead to specific recommendations for submission to the Council *via* the Commission, for the Council to make effective decisions on them.

For the purpose of achieving the aims laid down in the Pisoni report, the budget proposed is quite inadequate. Our group backs the rapporteur's plea for adequate funds. We think the estimated figure for 1975 should be raised by one million units of account.

The European Vocational Training Centre will be expected to work out harmonized programmes—in permanent consultation with the two sides of industry—for courses of study and curriculae to prepare people for the various trades and professions. We must therefore seek to obtain the mutual recognition of diplomas and certificates of competency.

Vandewiele

We wholeheartedly approve of the suggested composition for the Board of Management, to include five Commission representatives, as many representatives of the employers and employees respectively, and also, that the two vice-presidents should be chosen from among the last two groups.

We have taken note of the opinion of the Committee on Cultural Affairs and Youth, and agree with their view that general education and personal development should have a place within the vocational training framework, both for young people and adults. The Committee on Cultural Affairs and Youth has gone into this matter in detail; I shall not go into it any further at this stage but will plead, on behalf of the Christian-Democratic Group, that the wish of our committee be heard in all quarters, and particularly throughout this House.

May we stress the importance of the wording of Article 2 of the Commission's proposal, which says: 'The general objective of the Centre shall be the promotion and the development of vocational training and continuous training at Community level.' It is for this reason that the Christian-Democratic Group asks for an increase in the membership of the Committee of Experts. Two experts per Member State are far from enough to ensure adequate representation of the various national technical and scientific bodies.

Our group has ventured no suggestion as to where the proposed Centre should be set up; Mr Pisoni was also reticent on this point. We would, however, ask the Commission to put forward a specific suggestion on this point at an early date. Any further hesitation will spell new delays. We firmly expect this Centre to be a reality by the end of this year.

Our group has tabled no amendments and is prepared to approve the draft resolution wholeheartedly.

(Applause)

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

Mr Adams. — (D) Mr President, ladies and gentlemen, on 21 January the Council adopted a resolution on a social action programme. This resolution states that necessary measures are to be adopted in a first stage between 1974 and 1976. Reference is made to the aim of implementing a common vocational training policy—including the creation of a European vocational training centre—in order to progressively harmonize training levels. No mention is made, in our view quite rightly, of harmonizing vocational training systems; the main task is to unify the vocational training structure.

As we all know, there are different training systems and there is disagreement in the individual Member States about their respective merits. In the dual system of sandwich courses, a link is established between training at school, organized by the State, and practical work in industrial undertakings. In the other system, there is no such link with industry.

I do not propose to discuss the pros and cons of these two systems here. With its proposal for a regulation on the establishment of a European Vocational Training Centre, the Commission has in our opinion taken a further realistic, political step—after its first timid attempt in 1969—towards the achievement of mutual recognition of diplomas and other evidence of formal qualification.

It is pleasing to note that the rapporteur of the Committee on Social Affairs and Employment shares this view. The principal aim of this institute, Mr President, must be to work out a uniform system of vocational training in order to give greater substance than hitherto to the basic principle of freedom to choose a place of employment. This institute can give precious assistance in developing new vocational openings. In recent years, a whole series of occupations has disappeared altogether while new careers have made their appearance, for example in the chemical and plastics industry. Here we have already lost the opportunity of developing unified European career patterns.

Both sides of industry welcome the Commission's proposal. Both the unions and employers enjoy equal representation on the Management Board.

As was suggested by the Committee on Cultural Affairs and Youth, the Committee on Social Affairs and Employment discussed the possibility of including vocational guidance among the tasks of this Centre. Mr Knud Nielsen has just mentioned this point. We agree with a large majority of the members of the Committee on Social Affairs and Employment that the process of vocational guidance precedes vocational training and should therefore be completed when the tasks of the Vocational Training Centre begin. However, Mr President, I endorse the basic observations made by Mr Nielsen on career guidance and in particular on the harmonization of guidance facilities in the Community.

In general, the Socialists Group and the committees consulted welcome the creation of this European Centre. The group approves the motion for a resolution, and we hope to see early results.

(Applause)

President. — I call Sir Douglas Dodds-Parker to speak on behalf of the European Conservative Group.

Sir Douglas Dodds-Parker. — Mr President, may I, on behalf of the European Conservative Group, congratulate Mr Pisoni on his excellent report and express our full support for this most constructive project? I have been a member of the Social Affairs Committee and we discussed this in some detail there; there is no need therefore, to go through these points again. But I should like to make four points very briefly.

First of all, on paragraph 6 of the motion, where it says in the third and fourth lines, 'make use of the existing structures in the individual Member States', I think we all agreed—Mr Nielsen, I think, made this points in committee—that we must not reduplicate but co-ordinate and exchange the great deal of experience that already exists in our member countries. Secondly, on paragraph 8, the last words 'mutual recognition of diplomas and qualification': this, of course, is part of a bigger area of such recognition where progress has been deplorably slow in the Community, and one can only urge that from the outset there should be an establishment of some accepted standards of examinations to allow diplomas and qualifications to be accepted not only throughout the Community itself but also in areas beyond it which are interested in these matters.

Next, on paragraph II, where it says 'with reference to the seat of the Centre', I know that the Commission has been considering a number of points. Mr Nielsen made one plea for Copenhagen, and I think we all welcome the generosity of the Danish Government in proposing that, but might I also put forward for consideration by the Commission the proposal that the Turin International Centre for Advanced Technical Training might provide a suitable seat at low cost? There are already there, I understand, excellent office and conference facilities and there could be useful exchanges of information and experience between the highly-qualified faculties of the two organizations, which, of course, would have different but complementary tasks. The two Management Boards and staffs again would, of course, remain entirely separate. I know there are a number of factors being looked at by the Commission, but I would just like to put that point before them at this stage.

The next point concerns Section III of the explanatory statement. 'Organs of the Centre'. As regards the Management Board, I understand that the Economic and Social Committee have made a suggestion that the Management Board should be divided into 4 parts, each with 4

members, representing, respectively, the employers, the trade unions and various interests as well as the Commission. There is a case for the injection of members who would represent the users of 'various-interest' vocational training and bring an independent and impartial view to the discussion. Perhaps the Commission might be good enough to consider this point when taking the next action.

Finally, I would like to say, in order to save time, that Amendments 1 and 3 seem to me to try to tie the hands of the authorities of the Centre unduly. I am sure they would take these points into consideration when appointing or selecting individuals, and I think it would be a mistake at this stage for the Parliament to attempt to tie the hands of the authorities of the Centre. I propose, therefore, to advise my colleagues to vote accordingly.

I would, therefore, support very strongly what Mr Pisoni said, that vocational training is of increasing importance and value, as there is an ever greater need of skilled and trained workers in the developed countries of the Community and also in the developing countries, which we in the Community are doing our best to help.

(Applause)

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

Mr Yeats. — Mr President, I should like to begin as I always have by thanking Mr Pisoni for the excellence of his report and for the clear and comprehensive manner in which he set the issues before us in his speech today. His proposals for the setting up of a European vocational training centre are welcomed by my group as a useful—even if perhaps a belated—contribution towards the creation of a common vocational training policy.

We believe that such a policy is essential for the coordinated development both of the national economies and of the Common Market as a whole. The importance of vocational training is increasing year by year. With the development of new needs and of new manufacturing industries, a demand arises for training in new skills for use in the new industries which must replace the old. And you must expect that this whole process of change in methods of industrial production will be accelerated in the years to come as a result of the energy crisis which is now affecting the economy of every country. There is also—and this of great importance in my own country—a necessity for the training in industrial skills of agricultural workers for

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whom there is no longer the prospect of gaining an adequate livelihood on the land.

The Parliament has already in the report by Mr Girardin, approved last year, described vocational training as one of the priority tasks to which the Community should give its attention. This is vital if it is to be that flexible movement between the different sectors of the economy which is essential to the continued development and improvement of living standards. It is also vital as a simple measure of social justice. Adequate vocational training is needed, as I have already said, for those leaving agriculture; it is needed also for the millions of migrant workers now living in the Community, and it is useless to speak of equal rights for women unless there is a really adequate system of vocational training for women workers.

For all these reasons the establishment of a new European vocational training centre is certainly to be welcomed; but it must be questioned whether its aims and its resources are adequate in view of the magnitude of the problems to be solved. What in fact are the aims of the new centre? We are told in Articles 2 and 3 of the draft regulation now before us that the centre is to be occupied in 'assembling selected documentation', 'ensuring the dissemination of useful information', and to 'edit and distribute all useful documentation and in particular a Community bulletin on vocational training'. Am I being cynical in finding this a depressing project? For many people, and certainly for us Members of the European Parliament, the salient feature of the Community must sometimes seem to be the immense mass of documents that day by day threatens to engulf us. Is there not a possibility that the main effect of the creation of the new centre will merely be the addition of some 25 worthy people to the thousands already engaged in the production of documentary material? There seems, in fact, a real danger that the centre may disappear from sight amidst the general mass of Community paper. My group, therefore, welcomes the stress laid by the rapporteur, both in his report and in his speech today, on the practical rather than the theoretical side of the functions and activities of the centre. In particular, we welcome his insistence that adequate funds should be provided in order that the centre should be in a position to organize and finance experiments and pilot projects throughout the Member States. The additional sum proposed for this purpose by the Social Affairs Committee is certainly the minimum that will be required if the new centre is to carry out at all adequately the functions laid upon it. Unless financing on at least this scale

is provided, we may as well forget the whole idea of establishing a European vocational training centre.

Finally, Mr President, with regard to the site of the centre—a matter which has been referred to by several speakers in this debate—I should like to suggest that wherever else it may be set up, it should not be in Brussels. As has already been stated, there is not the same need as with other institutions of the Community for day-to-day communication with the Council and the Commission; our Community is already perhaps far too centralized and top-heavy, and we must, I think, at all costs try to avoid adding still further to this tendency. From the point of view of the centre itself, it is important that from the first it should establish a separate identity. It will be almost impossible for it to achieve this if set amongst numerous and much larger institutions already operating in Brussels. President Ortoli has on numerous occasions spoken of the necessity for what he calls a 'Community presence' in each Member State. My group accepts this as an important aspect of the aim that must constantly be before us to bring the Community ideal directly to the man in the street. The centre should, therefore, be established in an area where at present there are no Community institutions. Common sense would suggest also that it should be set up in some area in course of economic development where the problems of vocational training arise in an acute manner and can therefore be studied at first hand. All these considerations would suggest strongly that a site somewhere in my own country of Ireland would be an ideal one. We have at present no institute or body of the EEC on our territory, while we could contribute to the centre a mass of experience we have accumulated over the years with regard to the vocational training of former agricultural workers. We would, however, welcome the establishment of a centre in Italy, or indeed in Denmark or any other country provided the area chosen were one in which the problems of vocational training were present in an acute form.

Wherever it is ultimately set up, the European vocational training centre is welcomed by my group as a useful step, even though, as others have already said in this debate, we may have reservations as to whether its resources are such as will enable it to carry out the important tasks that have been set before it.

(Applause)

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

Mrs Goutmann. — *(F)* Mr President, ladies and gentlemen, the debate on the report by Mr

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Pisoni, on behalf of the Committee on Social Affairs and Employment, on the Commission's proposal for a regulation setting up a European Vocational Training Centre stresses the obvious and primary importance of the question of vocational training for the economy of the Member States and for the education of those millions of workers who are the true artisans of developing production and economic progress.

This question is by no means new. Already Article 118 of the Treaty of Rome insisted on the need for close cooperation among the Member States of the Community with regard to vocational training.

But the balance is a meagre one. In 1974, Community policy in the social field is stagnating: generally speaking, little has been done to improve the workers' living and working conditions and so equalize the benefits brought by progress. Vocational training, an indispensable feature of a true employment policy, shows the same stagnation, as the report itself recognizes. There are still very great inequalities between one country and another. For the most part, vocational training is ill-adapted, attached to traditions that are obsolete or offer too little prospects, out of touch with the world of labour and, above all, terribly selective.

True, some progress has been made as a result of the demands imposed by technology and science and also the struggle waged by the workers in the various Member States. In particular, recognition has been given to the right not only to an initial training but to further education. New courses of instruction have been introduced. But all this is still limited, incomplete, lacking in stability and out of all proportion to the real needs of the population of the Community. The crisis at present bedeviling the Community and the capitalist countries in general makes only too painfully clear the inadequacies and imbalances of vocational training, which is narrow in its conception, strictly utilitarian, and oriented not towards men's needs but to the demands of profit-ridden monopolies.

The result is that while labour insecurity and unemployment are growing more acute, vocational training is being more and more subjected to the short-term needs of the multinational firms which are trying to dominate Europe. New requirements, however, are making themselves felt. An effective solution must be found to the needs created by the objective internationalization of the forces of production, and by the progress of science and technology, which makes re-specialization more frequently necessary.

Is the Community capable of confronting these requirements and finding imaginative solutions? Everything depends on the approach taken by the Community authorities to the problems of vocational training. The establishment of a European Vocational Training Centre might well be beneficial provided that it is adapted to the real needs of the Community countries and does not result in, so to speak, reducing everything to the lowest common denominator. Vocational training must not aim solely at assuring the workers' geographical and structural mobility in terms of the mobility of capital and goods, at assuring the free movement of labour according to the needs of the multinational firms, but far more at preparing the workers for the adaptation and changes of this modern world and assuring them of both a high level of general education and professional training of suitable quality.

In this connection, the elaboration of 'European profiles for the various occupations and harmonized plans for courses and training programmes' called for by the committee in its motion for a resolution provoke on our part the greatest misgivings and even definite concern. Thus, we should like to receive more precise information and be given the firmest assurance that there is no question of reducing the standards of vocational training or hampering efforts in the various countries of the Community to introduce new courses of instruction corresponding to the demands of a modern economy. Moreover, vocational-training syllabuses cannot be laid down in secret by the technocratic organs of the Community without the participation of the workers concerned, and the true intention of the employers in this sphere must be made known. With regard to the aims of vocational training, the motion for a resolution and the proposal for a regulation on the Centre are extremely vague.

To meet the Community's needs, vocational training must not only produce the qualified labour necessary at all levels and in all sectors of the economy, but also, and above all, produce men capable of coping with the changes of a modern society. In other words, the problems of vocational training are not only quantitative but also qualitative. In fact, not even the quantitative requirements are being met: to take France as an example, I would remind you that over 30 per cent of the children leaving school start work without having received any vocational training. I would also remind you of the million migrants employed in the Community as unskilled workers. An equally dramatic fact is that initial vocational training is in general now lowering its standards in favour of

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further education, which is extremely aleatory in view of the financial resources devoted to it. A great deal is said nowadays about this periodical retraining, but it cannot exist unless based on an initial training of high standard. This, however, is unfortunately little in evidence in the capitalist countries. If the European Vocational Training Centre is to play its full part, it will have to promote and encourage all possible experiments aimed at an initial period of training, to be followed by a period of general education at a high standard, and also further education designed to enable the workers to master their jobs and to change them, to preserve their skills and to augment them. The Centre, as such, should also offer courses of vocational training pursuing these aims.

There can be no question of submitting the European Vocational Training Centre, in any form whatsoever, to the demands of the monopolies, of allowing it to patronize experiments aimed at a Malthusian and deliberately inexpensive form of vocational training in all the countries of the Community, or of allowing it to become a tool of the multinational firms favouring the private running and financing of vocational training. If such were indeed the object of the Centre, it would encounter the resolute opposition of workers throughout Europe and of our group in this Assembly. And, as things stand, so long as doubts and obscurities subsist on the conception and content of vocational training at the European level, we cannot declare ourselves in favour of the establishment of this European Centre and we shall abstain when the moment comes to vote on the motion.

In order to improve the content of such training and to preserve the cultural and social aims of this Centre, it is, moreover, imperative to democratize its structure, more particularly the representation of the workers and trade unions in the board of management. A quadripartite structure for this board has been proposed with specific reference to the desirability of representing various interests. It goes without saying that those represented should include the small and medium-sized undertakings in agriculture, the teachers engaged in vocational training, and, of course, youth. However that may be, it is clear to us that the workers and their trade unions should have a majority in this board of management: this is also the purport of an amendment tabled by our group.

Only by democratizing structures, assuring the effective participation of the workers and of the training personnel concerned, providing the indispensable financial means—the motion for a resolution rightly emphasizes the inadequacy

of the budget envisaged for the operation of the Centre, which throws some doubt upon its freedom of action even before it has been set up—and, finally, clearly defining the aims and modifying the content of vocational training will the European Vocational Training Centre be enabled to fulfil its mission of meeting the needs and aspirations of the workers. Any other approach is doomed to failure and likely to mean that in a few years' time we shall once more be deploring the Community's inability to accomplish its social programme.

President. — I call Mr Bermani.

Mr Bermani. — (I) Mr President, honourable colleagues, my intervention will be very brief, and will absolve me from speaking later to explain my voting intentions.

In the Committee on Social Affairs and Employment, I made it clear that I was essentially opposed to the Commission's proposal for a directive and, while praising Mr Pisoni's effort, I abstained from voting on his report. This was because I entertained a number of doubts, which have also been expressed both in the committee and today in the House, by Mr Pisoni and other speakers. I was particularly exercised by the fact that we might be creating another white elephant of a kind which we know all too well in Italy, and by the possibility of the seat of the Centre, coveted by a number of parties, giving rise to some in-fighting. Nevertheless, today, taking into consideration that Community policy is deficient in the matter of vocational training and that this proposal for a directive could, on the whole, give a direction and an impetus to vocational training, for which we are all concerned, I shall reverse my previous position of abstention and vote in favour, in the hope that the Centre will really provide useful information and become an effective stimulus to a vocational policy. This is not a case of eating humble pie, which indeed I would be incapable of doing: it is simply a critical revision of my position in the light of considerations presented in this House by a number of colleagues, and particularly of those put forward by the representative of the Socialist Group.

(Applause)

President. — I call Mr Hillery to state the position of the Commission of the European Communities.

Mr Hillery, Vice-President of the Commission of the European Communities. — Mr President, I too would like to subscribe to the thanks and compliments addressed to Mr Pisoni for his con-

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tribution. I should also like to say that the motion for a resolution drafted by the Committee on Social Affairs and Employment with the assistance of the Committee on Cultural Affairs and Youth and the Committee on Budgets once again bears witness to the Parliament's interest in, and awareness of, the problems affecting the Communities' human resources.

We have already had in the Parliament a very useful exchange of views on the principles involved in the setting up of such a centre as we are now discussing: it is important in the development of a Community vocational training policy and in the whole idea of the Community's taking action in relation to the workers of the Community and responding to the needs of our Community. On that occasion I think we all agreed that the desirability of such a centre at the European level, quite apart from its benefit to individual workers or individual enterprises, was one of the foremost arguments in favour of it, because Europe now needs, as individual states up to now have needed, to organize manpower training in such a way as to ensure full and better employment, which is the principal aim of the social action programme. We were all agreed, I think, that it was not solely the economic organization of workers which should be in our minds but also the need to assist the individual worker in the development of his personality and render him capable of making his own contribution to the Community to which we belong. We also agreed, I think, that from the Community point of view this centre would be an important factor in protecting the Community's competitiveness in the economic world in which we operate.

We therefore agreed on all the principles, and today we find ourselves in some doubt as to whether this centre will in fact be of practical use in implementing the ideas on which this Parliament was agreed. I would say that it *will* be a practical centre. It is intended to be of a practical nature, and I would warn the Parliament against the temptation to introduce into the legislation every possible detail of what we want to see happen. The success of the centre will depend on the quality of its staff and the contribution made by the members of its board of management, and I think that the debate in the Parliament will be a good guideline to the people concerned in the management of the centre.

By this resolution the Parliament expresses its support for the proposal by stressing certain guidelines, and these guidelines I fully support. In particular, I should like to emphasize that I fully share the idea that the centre should be

able to intervene and provide incentives at Community level and that it should be able to take initiatives quite independently of, even if in close contact with, the Community institutions. I would stress again the principle that when carrying out its tasks the centre should make use of already-existing structures and avoid duplication. At the same time I agree with the Committee on Social Affairs and Employment on the desirability of increasing the centre's operational budget to increase its capacity for performing the operations which we hope it will undertake. I can agree with the suggestion to increase to 36 the membership of the Committee of Experts, even though the Commission did not wish to make the agencies of the centre too large because experience shows that effectiveness is not increased by larger numbers. For the same reason I think the suggestion to include among the 36 representatives other organizations—a suggestion whose merits can be argued—would not help the effectiveness of the management of the centre. I would agree with the remark that one of the main tasks of the centre would be to contribute to an alignment of levels of training and the mutual recognition of diplomas and qualifications

I would stress in particular one point in the motion: that is the point in which the Parliament expresses its satisfaction at the fact that both sides of industry are adequately represented on the Board of Management. This participation by both sides of industry in the administration of an agency in which they have a particularly interest is one of the aims which the Commission has set itself. I am sure that the Council will follow us in this connection, because we are here following the overall direction given us by the Paris Summit Conference to increase the participation of the social partners in the activities of the Community.

To conclude, Mr President, I should like to thank very much the European Parliament and its committees for their interest in the project of the centre, and in particular the Committee on Social Affairs and Employment for the support they have given and which I am sure they will give in the future for this step undertaken by the Commission. As regards proposals to amend this proposal for a regulation, I should expect that the Commission will be willing to examine sympathetically the proposed amendments in accordance with the second subparagraph of Article 149 of the Treaty.

If I might comment on some of the amendments put forward during the debate. I would say that they express what many of us would regard as desirable objectives but which, I think,

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would be better or more easily achieved administratively than by trying to embody them in the legislation. My experience, as I said before, is that legislating in detail is the worst possible way of trying to avoid the bureaucracy and the failures which some Members of Parliament have regarded as a possibility ahead of the centre. It is more likely to lead to failure. A better solution is to leave broad guidelines, together with the desires of Parliament as stated in this debate and the obvious intentions of the Commission, to be interpreted by an efficient staff and a management board chosen from those actually interested in the practical effects of vocational training.

(Applause)

President. — Thank you, Mr Hillery.

Does anyone else wish to speak?

The general debate is closed.

We shall now consider the proposed regulation, setting aside consideration of the motion for a resolution as such until after the proposed regulation has been considered.

On Article 4, paragraph 1 (c), I have Amendment No 1, tabled by Mr Knud Nielsen and worded as follows:

“This sub-paragraph should read as follows:

“(c) Five Members designated by the Commission, two of whom are to be qualified general educationalists, and one a delegate from the European Youth Forum.”

I call Mr Knud Nielsen to move this amendment.

Mr Knud Nielsen. — (DK) The aim of this proposed amendment is to ensure that the group with its finger on the pulse—namely, the teachers—is represented on the board of management, and that these representatives are not narrow specialists but have a broad general educational and pedagogical background.

A further aim is to ensure that those most directly affected—namely, the young people themselves—are represented. With all our talk of democracy and co-determination, it seems quite untenable for those receiving training to be excluded from the administrating body, and I can further state that one of the requests put forward by youth representatives at the original hearing which preceded the Commission's proposal to establish a youth forum was that these young people should be heard in connection with the establishment of a centre for vocational training.

I have one further observation affecting only the Danish text. It reads: ‘Af disse skal mindst to være sagkyndige på den almindelige uddannelses område’. It should read ‘almene’ instead of ‘almindelige’ both here and in proposed Amendment No 2. But this concern only the Danish text.

President. — What is the rapporteur's position?

Mr Pisoni, rapporteur. — (I) Mr President, I shall be very brief. The substance of this amendment was also discussed in committee, for the Committee on Cultural Affairs and Youth made it the subject of a proposal in its opinion. This failed, however, to get adopted, not because it was felt to be unjustified, or because we wished to deprive youth of representation or of a say in the matter, and certainly not because we thought the members of the management board would be insufficiently expert in education, but only because it seemed to us to impose an unnecessary restriction, entailing too detailed rules, whereas we were of the opinion that youth should be represented in some way.

This is why we recommended to the Commission that it ensure that, among the five members to be chosen by it, there will be—in fact, but not as a matter of obligation—one young person, possibly nominated by the European youth Forum.

As for qualified and expert educationists, we believe that the management board need not necessarily consist of academics, because academics do not always make the best organizers or planners. It is, however, obvious that the persons chosen should be highly qualified, and we have no doubt that the Commission, the employers and the trade unions between them will indeed choose people who are best qualified and most suitable for the job.

President. — I call Mr Laban.

Mr Laban. — (NL) Mr President, I have followed Mr Hillery's address carefully. It is not at all true that I am in a hurry to see everything settled, but Mr Nielsen's amendment concerns a very essential matter. We certainly do not want a Centre which is top-heavy, but the scheme involves age-groups from 15/16 upwards, young people who are at work but follow vocational training courses and are thus receiving education, and we all know that the young cannot hope to keep abreast of our society on the basis of specialized training only. They need general education and a social formation which will provide them with some understanding of the choice they are making.

Laban

Young people need to develop an awareness of their identity; they must acquire insight into the situation and the industry in which they are employed. We have to see that they are equipped to make social contacts. Also, they must be capable of assuming responsibility and be familiar with the nature of their rights and duties. A good general education makes it much easier for a young person to change his job. We therefore hold that there should be guarantees to the effect that the Board of Management will include experts on general education. I conclude for this reason that the amendment deserves serious consideration. The Commission and Parliament have decided to set up a Youth Forum. Let us then hope that this goes into action quickly. Bearing in mind the education and training the young require today, a Youth Forum is of the first importance, particularly as unemployment is spreading among the lower age-groups. The European Documentation 1974 was therefore right in drawing attention to the way this serious unemployment has shed new light on the distorted nature of vocational training and on the inadequate preparation with which young people are sucked into a growing economy which needs trained operatives.

Among the many causes of this unsatisfactory state of affairs, mention has been made of certain factors in the field of education and training, and of faulty guidance and instruction on the scope for training in the various trades and professions. Because of all this a section of my group feels that the proposals of the Committee on Cultural Affairs and Youth should be accepted. That section of my group is also in favour of Mr Knud Nielsen's amendment.

President. — I put Amendment No 1 to the vote.

As the result of the show of hands is not clear, a fresh vote will be taken by sitting and standing.

Amendment No 1 is adopted.

On Article 6, paragraph 1, I have Amendment No 2, tabled by Mr Knud Nielsen and worded as follows:

"The third sentence of this paragraph should read as follows:

"They shall be selected on account of their theoretical knowledge and practical experience in the various fields connected with vocational and general training."

I call Mr Knud Nielsen to move this amendment.

Mr Knud Nielsen. — (DK) My aim with this proposed amendment was to emphasize the unity

of educational policy. Vocational training should not be narrow specialist training, but have a considerable leavening of general education so as to give young people the best chances of developing both as human beings and as citizens. I would therefore ask Parliament to support this proposed amendment also.

President. — What is the rapporteur's position?

Mr Pisoni, rapporteur. — (I) I have no objection to using the term 'general'. I would only point out that the concept of vocational training, with which the present report is concerned, has been clearly defined in the earlier, 1973, report on the subject. The term, to be distinguished from the concept of training and of obtaining professional qualifications, denotes precisely the kind of education upon which training for vocational skills can subsequently be grafted.

I therefore accept the amendment, although, as I have said, the concept of vocational training has already been sufficiently defined in the previous report. In saying this, I think I have also replied to Mrs Goutmann as to the meaning which we attach to 'vocational training'.

President. — I call Mr Laban.

Mr Laban. — (NL) Mr President, my group takes the view that this amendment follows logically on the accepted Amendment No 1. We shall therefore be voting for Amendment No 2 also.

President. — I call Mr Vandewiele.

Mr Vandewiele. — (NL) Mr President, in the light of all that has been said in the course of this debate, I personally feel that this amendment deserves our consideration. I am therefore encouraging my group to give it their vote.

President. — I put Amendment No 2 to the vote.

Amendment No 2 is adopted.

We shall now consider the motion for a resolution which had been set aside.

On the preamble and paragraphs 1 to 8, I have no amendments or speakers listed.

The preamble and paragraphs 1 to 8 are adopted.

On paragraph 9, I have Amendment No 3, tabled by Mr Marras and Mrs Goutmann on behalf of the Communist and Allies Group and worded as follows:

President

'This paragraph should read as follows:

'9. Is of the opinion that the Management Board of the Centre should be composed of 8 trade-union representatives, 5 Commission representatives and 2 employers' representatives;''

I call Mr Marras to move this amendment.

Mr Marras. — (I) Mr President, the view expressed in this amendment has long been held by our political group. Colleagues will remember that, in June, when we were discussing the European Foundation for the improvement of living and working conditions, we suggested that trade unions should be represented on the management body of that institution. The proposal did not receive the approval of a majority of the Assembly, but the idea has since gained ground, and we now see that in this new Community institution workers are to be represented, through their trade unions, on the management board on a strict parity basis: five representatives of the Commission, five of the trade unions, five of the employers.

In our amendment, we oppose this equal distribution, which we do not think is justified. Why should the representation of employers be equal to that of the workers who are supposed to be receiving the training? In practically all our countries, vocational training is in the hands of the trade unions. For some years now, it has been fashionable among all our political groups to speak of a 'social Europe'. The Christian-Democratic Group itself devoted much attention to it at its recent study conference in Berlin. Our Socialist colleagues, I would remind Mr Adams, vice-chairman of the Committee on Social Affairs and Employment, stated in the document drawn up last year in Bonn, at the congress of the nine Socialist Parties on a social Europe, that equal representation of employers and workers on the Economic and Social Committee should be opposed. We now have the same problem in relation to the new proposed body.

This is why we propose that trade-union representation should not be equal to, but greater than that of the employers: and it is not fortuitously that we have chosen eight as the suggested number of workers' representatives. There are to be fifteen members of the management board: we want the workers to have a majority on it. I hope that this proposal of ours, this amendment, will meet with a positive response from those political groups, particularly the Socialist and the Christian-Democratic, which in recent months have devoted so much attention and study to the problems of a 'social Europe'.

President. — What is the rapporteur's position?

Mr Pisoni, rapporteur. — (I) Mr President, if I had to summarize the opinion of my committee, I would say that it has declared by a majority against the proposal because this is the first time that we are dealing with representation on this basis, on the basis of parity. The committee believed, in effect, that the Commission would not necessarily choose employers and that there might, in fact, be a majority of those most directly concerned. This is why the Committee on Social Affairs and Employment opposed the amendment. I would also point out that, in last year's report, we asked that the administration of vocational training should increasingly pass into the hands of the state and be gradually taken out of private hands, precisely in order to attain our aims. This is the direction in which we ought to be moving.

President. — I call Mr Adams.

Mr Adams. — (D) My name has been mentioned by Mr Marras. Mr Marras must have misunderstood the document drawn up by the Socialist and Social-Democratic Parties in Bonn. On the subject of participation, this document speaks of equal representation and treatment of employers and workers.

President. — Does anyone else wish to speak?

I put Amendment No 3 to the vote.

Amendment No 3 is rejected.

I put paragraph 9 to the vote.

Paragraph 9 is adopted.

On paragraphs 10 to 13, I have no amendments or speakers listed.

I put these texts to the vote.

Paragraphs 10 to 13 are adopted.

I put to the vote the motion for a resolution as a whole incorporating the various amendments that have been adopted.

The resolution so amended is adopted¹.

11. *Principles of the common transport policy—Communication from the Commission on the development of the common transport policy*

President. — The next item is a debate on the report drawn up by Mr Mursch, on behalf of the Committee on Regional Policy and Transport, on the principles of the common transport policy

¹ OJ No C 127 of 18 October 1974.

President

and on the Communication from the Commission of the European Communities to the Council on the development of the common transport policy (Doc. 215/74).

I call Mr Mursch, who has asked to present his report.

I take this opportunity of congratulating him on his birthday.

Mr Mursch, rapporteur. — (D) Mr President, Ladies and Gentlemen, thank you very much for your kind congratulations.

Mr President, I shall try to comply with your request and keep to the 15 minutes' speaking-time allotted to me, although the report now before this House is of fundamental importance because it defines the aims of the common transport policy and contains practical proposals on how and when those aims are to be achieved.

A year ago, the Vice-President of the Commission responsible for transport policy, Mr Scarascia Mugnozza, told the European Parliament: 'Without wishing to diminish the importance of the progress already made, especially against the background of the difficulties which exist here, in all frankness and objectivity it must be conceded that the aims of the common transport policy have for the most part not yet been achieved.'

The Commission's communication to the Council of 24 October on the further development of the common transport policy also states that efforts to remove obstacles and achieve a common transport market have not been successful and that the common transport policy has reached an *impasse*.

These two quotations, Mr President, accurately reflect the situation in regard to the common transport policy. So far it has proved impossible to implement the Treaty of Rome by laying down the principles of the common transport policy. However, distortions of competition and restrictions on movement are not compatible with the nature and existence of a common market. A common transport system—consisting of a common market in transport and a common transport infrastructure—is an indispensable part of an economic union. It is the task of transport policy to achieve such a system.

The European Parliament and its predecessor, the ECSC Common Assembly, have made repeated efforts over the years to speed up work in the transport policy sector. As long ago as 1957 and 1961, the European Parliament adopted two basic reports which have become known as the Kapteyn Reports, after the name

of the rapporteur. Because of the limited progress made by the Community, these two reports have not lost their importance. However, thirteen years later, and now that the Community has been enlarged, their content requires revision. That is the main purpose of the report by the Committee on Regional Policy and Transport now before you.

The motion for a resolution and report are based in large measure on the Commission's communication to the Council on the further development of the common transport policy, which was adopted by the Commission on 24 October 1973 and forwarded by the President of the Council to the European Parliament for its opinion on 7 November 1973. I would stress that the Commission's communication reflects a commendable effort to make a new start in the transport policy sector. This has also enabled the new members who joined the Community in 1973 to take part in the work from the outset.

The report now before you is very extensive, because the committee did not confine itself to formulating its own views: it also took the opportunity of indicating a precise position on each item in the Commission's communication. The Council therefore knows exactly what the European Parliament's views are. The Committee on Regional Policy and Transport went to this trouble because it expects the Council to embody the Parliament's views in its decision.

The Committee on Regional Policy and Transport initially appointed our former Danish colleague, Mr Guldberg, rapporteur. However, Mr Guldberg left the Parliament when he joined the Danish Government as Foreign Minister in December 1973.

Mr Guldberg deserves our special thanks for the valuable work he did in compiling this report. His extensive expert knowledge and wise judgements made an important contribution to this comprehensive report.

Our thanks are also due to the Commission officials who facilitated the committee's work through their willing cooperation and advice.

I should also like to express our thanks and appreciation to the staff of the Directorate for Research for their outstanding cooperation, and last but not least to the translators and interpreters, who had no easy task in dealing with this difficult subject.

In its motion for a resolution the Committee on Regional Policy and Transport welcomes the communication and approves the ideas underlying the comprehensive outline contained in it. It particularly welcomes the Commission's initiative because past experience has shown

Mursch

that the previous policy of progress in small stages has not been successful. Now that a new beginning is to be made, what is necessary is not a piecemeal approach but coherent overall legislation based on modern ideas for all types of transport and for the transport infrastructure.

The fact that the committee's motion for a resolution goes beyond the Commission's ideas and wishes to give the overall conception a binding character does not diminish the Commission's initiative. The communication itself clearly did not have that binding character.

The report now before you was examined very carefully by the Committee on Regional Policy and Transport in eight days of meetings. The motion for a resolution and explanatory statement were adopted at the meeting of 3 July 1974 with one dissenting vote.

The motion for a resolution calls for the immediate introduction of a coherent common transport policy and for the application of Article 84(2) of the EEC Treaty in order to include maritime shipping, aviation and sea ports—to the extent that this is necessary—in the comprehensive transport policy. The following principles and procedures should apply:

1. Transport policy must be integrated rationally into the overall system of economic policy. Certain special features of transport will, of course, have to be taken into account here.
2. Transport policy must help to create the condition essential for an economic union by allowing the greatest possible freedom of movement for persons, goods and information.
3. Transport policy must be geared to the objectives of the common regional policy, in particular in the tariff and infrastructural areas.
4. Transport policy must treat the transport routes into a uniform and coherent network with an adequate transport infrastructure for all areas of the Community.
5. Competition between the modes of transport and between undertakings within each of them should stimulate progress. Intervention affecting capacity and prices should only be envisaged if it is necessary to prevent adverse trends such as ruinous competition.
6. Transport users must have freedom to choose the mode of transport for both persons and goods.
7. All artificial cost distortions must be eliminated, because they influence competition. In

particular, discriminatory elements must be removed from tax, social and technical regulations.

8. As a basic rule, transport should be governed by the principle of economic viability. Transport undertakings should cover their costs. However, social policy, regional policy and other overriding considerations will make exceptions necessary. In these exceptional cases, proposals must be made for financing from public funds.

The Committee on Regional Policy and Transport is, of course, well aware that a common transport system cannot be introduced quickly and that a transitional period will be necessary. It therefore proposes implementation in two phases. The first phase will cover the years 1974-76, while the second is to begin in 1977 and end by 1983 or earlier if Economic and Monetary Union is achieved before then.

The years 1974-76 were chosen for the first phase because we can already foresee developments in this period of progress towards a common transport system for Europe. We can already accurately state what obstacles will arise until 1976; we can see the difficulties and make proposals for removing the obstacles. It is not possible to be so precise for the years after 1976.

In the motion for a resolution, the committee makes practical proposals on the times at which the Council should take the decisions to be carried out in the first phase.

These include in particular:

- regulation of the Community quota for trans-frontier road haulage;
- a regulation for the laying-up of inland waterway vessels;
- regulations on access to work and freedom of establishment in transport;
- final definition of maximum permissible dimensions and weights of lorries: some people may consider this a technical decision, but in reality it is a decision of transport policy;
- harmonization of driving licences;
- harmonization of provisions on the technical inspection of motor vehicles;
- measures supplementing Regulation 543/69 on social harmonization in road transport;
- adoption of the system of payment for the use of transport infrastructures;
- common regulation of the financial relations between states and railways;

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- first step towards harmonization of motor vehicle taxes;
- first step towards a common air transport policy.

The European Parliament has already adopted a position on all these matters—in some cases long ago.

The committee also believes that the Commission should submit the following proposals to the Council for adoption by the latter in the first phase:

- Development of the consultation procedure on infrastructure with the aim of progressing from an exchange of information to permanent cooperations. For this purpose it will be necessary to compile an overall guiding plan for the transport network to the extent that it is in the Community interest. Effective common decision-making procedures must also be developed for long-term investment decisions (e.g., Channel tunnel, tunnel through the Alps, introduction of new transport techniques).
- Overall proposal for capacity control in road transport and definition of a procedure for the possible abolition of quotas.
- Overall proposal for capacity control in inland waterway transport, as the laying-up arrangement cannot solve the problem in all conjunctural situations.
- Overall proposal for the regulation of prices for the domestic and international carriage of goods.
- Extension of social harmonization to transport by inland waterway, rail, air and sea.
- Road safety programme, including the draft of a uniform European road traffic code; progress already made in this area in other bodies such as the European Conference of Transport Ministers will, of course, also have to be taken into account.
- Creation of joint financing instruments for infrastructural projects in which the Community interest greatly outweighs the interest of the states concerned.
- Joint research programme for new transport techniques
- Joint programme for the promotion and harmonization of vocational training for all modes of transport.

If it is, of course, not yet possible to present a detailed action programme for the second stage

beginning in 1977 and ending by 1983 at the latest. The final state to be achieved by that time can, however, be described.

At the end of the second stage a common transport market must exist with the following characteristics:

1. Freedom of establishment must exist for transport undertakings throughout the Community.
2. There must be complete freedom of movement for transport workers. Where vocational training requires examinations or diplomas, these must be based on identical principles and mutually recognized.
3. Freedom to provide services in the Community countries must be achieved in full.
4. Restrictions on shipping movements between the ports of a Member State by vessels flying the flag of another Member State must be abolished.
5. A common air transport policy must result in multilateral negotiations on landing rights and air routes.
6. Cooperation between the railways must be promoted, in particular by creating an umbrella organization of the nine state railways. Extensive harmonization of tariffs and conditions of carriage will be necessary as well as elimination of border-to-border rates, technical harmonization, common planning for the procurement of equipment and the abolition of all obstacles at frontiers, etc.

By the end of the second stage a common system of payment for the use of transport infrastructures must have been arrived at. I would remind you here of the Kollwelter report. The Community must also have appropriate means at its disposal to ensure uniform design of the European long-distance transport network.

The aim must be to achieve a common transport system by the end of the second stage and thus complete the edifice of the European common transport policy.

The proposals made by the Committee on Regional Policy and Transport in the motion for a resolution are of fundamental importance. Their adoption by Parliament, consideration by the Commission and implementation by the Council of Ministers would lend new momentum to European transport policy. Decisions and actions are long overdue! This comment applies in particular to the Council of Ministers, which now bears the responsibility for instilling new life into European transport policy by defining guiding principles.

Mursch

On behalf of the Committee on Regional Policy and Transport, I would ask you to adopt this motion for a resolution.

(Applause)

President. — I call Mr Pêtre to speak on behalf of the Christian-Democratic Group.

Mr Pêtre. — *(F)* Mr President, ladies and gentlemen, it was with the greatest interest that the Christian-Democratic Group discussed this communication from the Commission to the Council on the development of a common transport policy.

We also took a lively interest in the excellent work done by Mr Mursch in his report on behalf of the Committee on Regional Policy and Transport. He deserves our congratulations for having succeeded in presenting us with such an exhaustive written report and oral presentation based on a thorough-going analysis of the present situation with regard to transport and other serious considerations justifying the modifications which he proposes to the Commission's text.

Our group also expresses its satisfaction with the Commission, whose communication will, we hope, serve to re-animate the common transport policy. It certainly needs it. The Council, for its part, will have to devote greater attention in future to this problem, of whose importance we are certainly aware, and specific steps will have to be taken after the Council has determined the general orientation of this policy.

The Christian-Democratic Group supports the aims of this policy as proposed by the Commission in the communication. It agrees on the rôle to be played by public authorities within the framework of this policy. It also considers that the Community transport system as envisaged in Chapter IV of the Commission document should meet the needs of the economic union. Only if our transport policy is realistic and effective will it help to create the conditions for economic and monetary union so often called for in this Parliament and promote, so far as is possible, the free movement of persons and goods provided for in the Treaties.

As proposed by the Commission in its communication, the common transport policy would, as stressed by our rapporteur, emerge in two phases: the first, the phase of transition, should end in 1976; the second, considered by the Commission as the phase of action, would extend from 1977 to 1983—or, the Commission adds—and let us hope so too—earlier, if economic and monetary union is finally realized.

Mr President, the Christian-Democratic Group has no objections to the formulation of this programme in two phases; but it would insist upon scrupulous observance of the deadlines thus laid down and on an effective and punctual application of the programme of action adopted by the Council on the Commission's proposal. If this is not the case, the fine principles enunciated in this report and the rest of the common transport policy would merely result in a further loss of confidence on the part of European public opinion, which has already been shaken by the obstacles in the way of European union. The set-backs recently encountered in the spheres of energy policy, monetary policy and policy relating to the European Social Fund—to mention only a few—have put public opinion on its guard. These are a few negative examples: let us hope that their number is not to be increased by a set-back in common transport policy. Council, Commission and Parliament must therefore do what they can to ensure that the common transport policy, as set forth by the Commission and by our rapporteur, makes the substantial contribution expected of it towards realizing the aims laid down by the Summit Conference of October 1972, which attached increased importance to the human factor, to regional development and to protection of the environment. Consequently, we wish to emphasize the indispensable role of transport policy in any economic revival of the deprived or depressed areas. If we wish to remove the imbalances which persist in different regions of the Member States, the vital importance of well-adapted road networks is incontestable.

Finally, we wish to emphasize the safety and welfare aspects of transport policy as they have been set out by the rapporteur. The transport sector employs tens of thousands of workers, who must be protected by well-defined legislation, particularly in regard to safety. We are aware that some progress has already been made in this field, and would congratulate Mr Scarascia Mugnozza on the fact that measures have already been taken to harmonize certain sectors of legislation in this sphere. These efforts should be extended to other forms of transport, for it is our twofold aim to improve the working conditions of transport workers and to enhance the safety of all means of transport and their operating staffs.

Those, Mr President, are the observations which the Christian-Democratic Group wishes to make during this debate. We offer our support to the text of the Commission and the report by Mr Mursch, to whom I would convey once more the congratulations of my group.

(Applause)

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

Mr Seefeld. — (D) Mr President, ladies and gentlemen, my colleagues and I welcome the Commission's communication on the further development of the common transport policy and the report by Mr Mursch. If the Commission's ideas are accepted, they will provide valuable guidance for individual decisions—some of which have been awaited for a long time—in the area of European transport policy. I would go further and say that it is reasonable to suppose that the Commission's ideas could provide a new impetus for European transport policy. The emphasis on the relationship between transport policy and other policies—I am thinking in particular of energy policy, environmental protection, regional policy and, last but not least, social policy—coincides closely with our own views.

Ladies and gentlemen, we have often discussed transport policy in this Parliament, and speakers on behalf of almost all the political groups have criticized the present situation and expressed hopes for the future. We therefore all agreed with the Vice-President of the Commission responsible for transport policy, Mr Scarascia Mugnozza, when he said almost a year ago that the Community had not succeeded in laying down a common transport policy in the first twelve years of its existence. The Transport Committee of this Assembly under its chairman of the time, Mr Posthumus, had already tried to elicit action from the Transport Ministers of the six Member States. A delegation from the committee which visited the capitals was not only warmly received but also gained confirmation of the realization it had long since reached that things could not continue as they were. All the ministers assured the European transport politicians that their suggestions and arguments would be taken seriously and that pressure would be brought to bear in favour of decisions in the Council of Ministers. Had these words been followed by action it would not be necessary to note in the resolution now before us in this transport policy debate that—I quote word for word—'the small steps so far taken by the Communities in this area are by no means adequate for the creation, in the transport sector, of the necessary prerequisites for a genuine economic union.' When Mr Mursch, with the practically unanimous support of the committee, calls in this resolution for the immediate introduction of a coherent common policy for transport by rail, road and inland waterway, and elsewhere requests the Council of Ministers to apply article 84 (2) of the EEC Treaty without delay to include such important sectors as sea

and air transport in the European transport policy, there is good reason to wonder whether the ministers responsible for transport policy in the individual Member States and their officials have yet realized that it is this very transport policy which would provide visible evidence of the Community's existence to many of our citizens. There are still individual checks at customs barriers which have not been removed. Tolls still have to be paid on some motorways. The conditions for obtaining a driving licence have not yet been coordinated, speed-limits vary from country to country and arguments continue about such matters as working-hours for lorry drivers which result in distortions of competition, sometimes to the detriment of the employees directly involved. The taxes payable by citizens to use motor-vehicles differ and the system of payment for the use of transport infrastructures is not uniform. These are a few of the many examples which the citizen notices and, because the differences persist, he is bound to doubt the existence of a resolve to achieve a unified transport policy.

Ladies and gentlemen, transport routes are links between the citizens of our Community. If we are in politics for the benefit of our citizens, we cannot overlook transport policy. An increasing number of persons are dependent in their employment or leisure activities on a wide variety of means of transport. We therefore consider it necessary for discussions to begin on a European network of principal transport routes, as the Transport Minister of my own country once said, as a prelude to practical action. If in Europe there are some 4 million km of roads, of which 38 per cent are still unmetalled and 67 per cent are narrower than 7 m, as I read in the statistics, this means that a great many European roads are unsafe. I also saw in the statistics that only 13,000 km of highway are suitable for rapid transit.

I have quoted these few examples at random to indicate just how much remains to be done. I would add that all those matters connected with safety in and around the vehicle cannot or should not be solved in individual countries alone; what is more, when express rail routes and modern means of transport for the future are designed, many people seem to consider international cooperation—in our case cooperation within the Community—as of secondary importance only. We must find binding standards for the transport systems of tomorrow.

Ladies and gentlemen, I know, as you and everyone else does, that the traditional development of transport structures and transport branches in our countries has differed widely; harmonization is, of course, only possible with

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the direct participation of the individual national authorities. Despite public statements to the contrary, that participation often seems lacking. Here, too, as in other sectors, too much account is taken of these different national developments and too little done to find genuine European solutions.

When the Council of Transport Minister first considered the Commission's communication on the future shape of transport policy at its meeting of 22 November 1973, the Council indicated its agreement in principle. However, one transport journal added the, to my mind highly appropriate, comment: 'As was to be expected, the emphasis differed according to national interests.'

Ladies and gentlemen, the motion for a resolution contains items which my colleagues and I consider particularly important. I am thinking of those which relate to the harmonization of conditions of competition such as:

- the elimination of all artificial cost distortions between undertakings in different modes of transport and different countries, or
- the need for transport undertakings to cover their overall costs in full and for all decisions on public investment in the transport sector to be based on the principle of overall economic viability, or
- the harmonization of vehicle taxes, a system of payment for the use of transport infrastructures or a common regulation of the financial relationship between the states and their railways.

Let me say also that we approve the stages towards the achievement of a European transport policy referred to in the report.

I would appeal here and now to the ministers of transport not to limit their ambition to meeting at least once or twice each year in Council but to meet more often like other ministers, and begin at long last to pursue a European policy. Following a Council meeting in December 1971, Mr Coppé, who was then a Commissioner, made the hopeful—and at the time justified—forecast that success in the common transport policy could be expected even before the Community was enlarged in 1973. He too had overestimated the resolve of the ministers to reach agreement. I wonder what people will be saying in three years' time about our debate today? But I am not a sceptic, I am an optimist, and I stress that the Commission's communication is a helpful new beginning. We approve the principles embodied in it. Mr Mursch has compiled a

painstaking and detailed report which we also approve. The European Parliament and its Transport Committee can justifiably claim to have incessantly urged the need for progress; unfortunately, this Parliament can do no more.

If there are still no visible signs of success, that is no reason for us to be resigned. We should not, and will not, cease our efforts to work for a unified transport policy within our Community.

I would stress again that the Socialist Group views transport policy as an important factor in European integration, and that my group will also take firm steps in the national parliaments to obtain concessions from the governments concerned. The Socialist Group thanks all those who have contributed to the compilation and drafting of this proposal and report, in particular the rapporteur, and approves the report.

(Applause)

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

The House will rise.

(The sitting was suspended at 12.55 p.m. and resumed at 3.05 p.m.)

IN THE CHAIR: MR BORDU

Vice-President

President. — The sitting is resumed.

We resume the debate on the report by Mr Mursch. I call Lord Bessborough to speak on behalf of the European Conservative Group.

Lord Bessborough. — Mr President, I very much regret that my colleague, Mr James Hill, the chairman of the Committee on Regional Policy and Transport, is unable to attend this afternoon. I have, however—and I assure Mr Mursch of this—been in touch with him and what I propose to say does, I think, command his general agreement and, indeed, that of my whole group.

I feel at the outset that I should state my group's general views on the whole question of a common transport system. We are agreed that an efficient system operating at a minimum cost should make an important contribution to the overall economic development of the Community. This Parliament, Mr President, has made very clear its views on the need for a Community regional policy. The correction of regional imbalances is not merely a step towards

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the achievement of economic and monetary union but a cornerstone of the Community. We want to see these imbalances reduced, not only in the former context but also in the practical day-to-day working of the Community.

Transport and regional policies are completely interwoven. The Commission itself has pointed out that investment in transport infrastructure is an essential basis for the development of structural policies and particularly regional policy and planning. The importance of an adequate transport infrastructure for regional development has been demonstrated to our Committee on Regional Policy and Transport during the visits which they paid to the Republic of Ireland, Northern Ireland and Italy. An inadequate transport system is preventing some of the more deprived areas of Europe from benefiting fully from industrialization and the improvement of agriculture.

The problems of transit traffic across borders are crucial to the development of the Community. Practical progress towards removing these obstacles would indeed constitute a real step forward. If my honourable friends at the back of the Chamber would give me a little attention because some of the remarks which I am about to make concern them—I should be grateful, Mr President, if you could keep a semblance of order in this Chamber—I would like to say that my group believe, therefore, that the Community must be urged to implement policy proposals to this end.

The development of such a policy will require harmonization in many sectors, and we certainly welcome those measures which will contribute to the more efficient transport of goods, the improvement of the transport infrastructure and greater safety by, as Mr Seefeld mentioned, limiting hours spent at the wheel by long-distance lorry-drivers and approximating national driving licences.

We also believe that greater attention must be paid to environmental aspects. We have particularly in mind those measures which may be harmful to the environment—for example, noise and pollution from heavy lorries, and we emphasize the need for research and development in this area. We would urge the Community to adopt measures designed to make greater use of railways and, when appropriate, inland waterways for the heavier loads. We would also urge the extension of distribution grids and pipelines on a Community basis and to take into account modern methods of communication and transportation, including high-speed trains, in which your country, Mr President, is so interested.

We also believe that care must be taken over decisions concerning the siting of oil ports. I am personally particularly interested to see the inclusion of provisions for coordinated research into new forms of transport or motive power—especially those which might make less extravagant use of hydrocarbon fuels.

Turning to the report itself, I should like to add my congratulations to those already offered to Mr Mursch by previous speakers. It is a most detailed and painstaking report. He has come to grips with a most difficult and complex subject, and the scale of his undertaking is truly awesome. I think his explanatory statement may prove a most valuable summary for all those concerned with this question. I have already made it clear that my group attaches great importance to the introduction of a genuine common policy and the contribution that this can make to the development of the Community. This means that an agreement must be reached within the Council without delay on many important but difficult questions which constitute vital elements of the policy. Parliament may urge the adoption of such a policy and, indeed, endorse the timetable for its implementation; but at the end of the day, progress will depend upon the political will shown by Member States. My group is very concerned, therefore, that when target dates are set by the Community, as they are in this document, they should be realistic, bearing in mind the political and economic problems which the Community faces today, and that these timetables should be observed. We, in our group, have some doubt whether the target dates proposed represent realistic estimates of the rate of progress that the Community may actually achieve. Indeed, it is certain that without the necessary political will, not even the first marker will be reached on time. Neither stage will be achieved without a major Community effort, which will require a fixity of purpose on the part of all our Member States. Although our group has not proposed specific amendments in this sense and in fact regards target dates as essential in the achievement of this goal, I thought that I must, nevertheless, express our concern that these dates should be realistically fixed and, when fixed, that the timetables should be adhered to.

I should like to ask the rapporteur to assure me that there is no inconsistency between some of the sub-paragraphs of Section II of paragraph 8 of the motion for a resolution, namely those relating to the basic principles of the common transport policy. Although my group is not inclined to quarrel with the sense of sub-paragraph (e), we wonder whether there is no inconsistency between this sub-paragraph and the expression of view contained in sub-para-

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graphs (b), (g) and (h). Later in this debate we intend to urge the adoption of a small amendment to sub-paragraph (f) which underlines our concern with the social, environmental and safety aspects of this Community policy, and I hope that that amendment, to which I will not speak in detail when I come to move it, will be adopted. I feel certain that Members will agree that it should be generally acceptable.

I should also be grateful if the rapporteur could clarify the functions of the 'permanent umbrella organization' referred to in sub-paragraph (f) of Section III of paragraph 8 and especially the reference to the 'splitting up of freight'. My understanding is that this rather confusing phrase refers to the different freight tariffs applicable when moving freight across national frontiers. I wonder whether there is a translation error in the English text or if the expression 'splitting up of freight' is the correct technical term.

In conclusion, I move to Section IV of paragraph 8, 'Measures during the first stage'. I would merely point out that in expressing some hesitation over the target dates which the Commission has proposed, I had in mind, in particular, the intention to move towards a common air transport policy, to which Mr Noè has often referred, and also a common sea transport policy. Although our common transport policy should clearly encompass the air and the sea as well as the land, we should not underestimate the problems the Community will face. My group believes, Mr President, that the Community must press on with the common transport policy. Although this policy represents an essential element of European union in the broadest sense of the term, it also represents valuable economic ends in itself. Its success should not stand or fall with the success of the larger and more general aims. In fact, we believe that it is by evolving such specific common policies that economic union is more likely to be achieved. We urge the Community to address itself to these matters and see that the progress envisaged in these proposals is achieved.

(Applause)

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

Mr Herbert. — Mr President, on my own behalf and on behalf of my group, I wish to congratulate the rapporteur for his very comprehensive and detailed report on the principles for a Community common transport policy. I sincerely hope that the Commission and particularly the Council of Ministers will pay attention to the

points raised by the Parliament and take positive and expedient steps to implement a common transport policy.

It is regrettable that in the 22 years since the establishment of the Coal and Steel Community and the 16 years since the establishment of the European Economic Community we have not developed a common transport policy. Even the few piecemeal measures that have been adopted are totally inadequate to form even the basis from which an effective policy can be evolved. As the rapporteur rightly said, a common transport policy is an integral part of European union, and it is futile to talk of movement in other fields or other sectors while the Community lacks this vital and essential ingredient of a common transport policy. We are all indeed aware of the importance of transport costs and a transport system for the manufacturing industries and the influence that these factors have on the final cost of products to the consumer. Before locating an industry, an industrialist will investigate the transport system available for transporting raw materials to his plant and his finished products to the market. Whether the best system available is road, rail, canals, sea or air, it must be a good system and it must provide transport at a reasonable cost, otherwise the industrialist will go somewhere else where he can find better and cheaper transport facilities. This underlines the reason why a common transport policy must not be implemented in isolation but must go hand in hand with, and complement, other policies which are also necessary for the strengthening of the Community.

I am referring here, in particular, to regional policy. If we take, for example, the position of Ireland at the present time, Ireland can offer all the natural amenities conducive to industrial development. These include deep, natural harbours and high-quality land suitable for industrial development. But Ireland lacks the transport infrastructures. Until such basic structural problems are solved, problems which can only be solved within the context of a realistic regional policy, Ireland cannot profit from the benefits of a common transport policy. A common transport policy cannot be implemented while certain regions of the Community do not have a developed infrastructure or a sound industrial base. Thus, it is important that the less developed areas of the Community be given a sound industrial base with such facilities as infrastructure and ports from which expansion will naturally develop. This can only come about under a realistic regional policy, a policy which does not yet exist. If such areas are not prepared, then the introduction of a common transport policy will find them less competitive,

Herbert

less favourable for investment because of transport costs. The development of traditional industrial areas will continue to the further detriment of the less developed areas.

My group is in favour of an effective common transport policy. However, it must be stated that the proposals of the Commission are very ambitious. The ideas contained in the Commission's communication and in the Mursch report are excellent, but if we are to achieve progress, we must first tackle the basic problems. A number of proposals have been before the Council for some time and have not as yet been adopted. One of these concerns the maximum permissible axle weight in road haulage, a problem which has far-reaching effects on road construction costs, competition with railways and road safety. At the moment the Council of Ministers cannot reach agreement on this problem, even though the point at issue is merely a difference of 0.7 of a metric ton. Some Member States want a maximum axle weight of 11 tons while others are prepared to accept 10.3 tons. Although this difference is small, it has far-reaching financial implications for certain Member States. For Ireland, for example, it is estimated that it would cost 90 million pounds to provide roads and bridges adequate to the 11 metric ton limit. In addition, this 90 million pounds would have to be provided directly by Ireland, a burden which we cannot afford. Furthermore, there is the serious problem of enforcing the maximum axle weight allowed for these vehicles, the so-called juggernauts. A recent survey in Germany showed that 60 per cent of vehicles were in violation of the limits. I would like to ask the Commission to study these problems and to submit proposals to the Council of Ministers with a view to having this question discussed again.

I should also like to mention the directives concerning the road-burden testing of motor vehicles and the harmonization of European driving licences, which are at present before the Council. Earlier this year I presented reports on these proposals to the Parliament in which I stressed the need for their immediate adoption in the interests of improving road safety. As these directives have not as yet been adopted by the Council, I want to emphasize once more the need to make our roads safer, in particular when one considers that 60 000 people are killed on Community roads every year. I think that this figure alone underlines the need to improve road safety, irrespective of whether we develop a common transport policy or not.

The rapporteur, Mr Mursch, rightly points out that too little attention is devoted to the importance of a common transport policy for the

further development of economic and monetary union. A basic argument for the common transport policy is the part it would play in building the Economic Community. The Community is based on trade and free movement of goods. Goods cannot be traded unless they are transported. To achieve the essence of a common market, all transport restrictions and distortions of competition arising from transport rules must be eliminated. If we take, for example, a truck haulier transporting goods from Belfast to Rome, he has to cope with several different regulations in each Member State he passes through. He must have a special licence to transport the goods through the different States, he must present different documents at each of the customs posts, he must pay a different price for his fuel in each State. All these are costs that must be eliminated or harmonized. This can be achieved under a common transport policy, and this makes such a policy a necessary element of economic union.

The transport area is a very complicated one requiring much work and goodwill by the Member States so that a common policy for the whole Community can be adopted. Our group now calls on the Council to adopt the directives and regulations already submitted to them without further delay. We request the Commission to prepare a realistic timetable with detailed descriptions of the measures to be adopted, having due regard to the progress of the other Community policies. This timetable must first deal with the basic problems of transport before getting lost among the finer points of what elements should go to make up a common transport policy.

Thank you, Mr President.

(Applause)

President. — I call Mr Fabbrini to speak on behalf of the Communist and Allies Group.

Mr Fabbrini. — *(I)* Mr President, honourable Members, I do not know what impression the House gathered from re-reading (the text in question is an old one) the Commission document entitled—somewhat pretentiously, as it strikes me—'Development of the common transport policy'. If my memory serves me right, this document was submitted by the Commission in May 1973.

If you will allow me to be quite frank, whilst going through this paper again recently I could not help feeling a sense of annoyance which comes to me with every document—and there are plenty of them in this House—which refers to the Paris summit, or perhaps to the Copen-

Fabbrini

hagen summit, and to the goal of economic and monetary union, at a time such as this when leading spokesmen from the nine governments of the Community are candidly admitting that those very summits amounted to little more than empty gestures and that the idea of achieving economic and monetary union within the time then envisaged was over-ambitious, premature and academic. What is more, a study of the reasoning in this document and of the solutions put forward to deal with various problems has, I am sorry to say, done nothing to dispel my exasperation.

As I understand the general purport of this Commission document—and the same applies to Mr Mursch's report, which reasons along the same lines—the Commission, setting out from a purely functional view of the whole complex problem of transport, concerns itself almost entirely with the need to establish suitable conditions for the so-called unfettered competition within the Community, by means of a variety of measures of harmonization. And let it be admitted that within these premises the document includes valid reflections and solutions; these are by no means disregarded and will receive their due when they are translated into specific proposals for the consideration of Parliament.

In our view, the great need at this juncture is to highlight certain ideas and considerations which we feel should be in the forefront of the minds of those responsible for working out any common transport policy within the orbit of the Community. We are looking at the Commission's document and at that of the rapporteur at almost a year's distance from its submission. And as we all know, this has been an eventful year, full of significant developments which are having a profound impact on the transport policy of individual countries and in the Community as a whole.

This is the first great weakness of this document, a paper which, written before the energy crisis, strikes us as having been inadequate even for that time; how much more, then, must it fall short of meeting the challenge as it presents itself today with greater urgency than ever, within the Community! To our minds, therefore, we are faced with the necessity for a radical revision; our ideas must be brought up to date in a way which meets the situation which has developed in the meantime within the Community.

Over the last few months we have lived through a shortage of mineral oil products which, though to all appearances momentarily remedied, might hit us again without much warning. Add to this

the steep rise in the price of petroleum and all its derivatives, with its disastrous effect on the balance of payments in all countries of the Community, as well as the worrying curve of inflation, and we have all the reasons we need for giving this whole question a thorough overhaul. The problem of transport within the Community presents a vastly different aspect today from the one which the Commission document reflects.

Under the conditions now prevailing, we feel that great attention must be devoted to the problem of making more sensible use of the sources of energy available to us, of which transport is devouring the lion's share. We must be in a better position to guarantee essential supplies to industry, which means bread and butter both to individual countries and to the Community, and on which transport is in so many ways dependent.

In our view, this more thoughtful management of energy consumption involves a first fundamental choice, which ought to have been made even before the energy crisis was sprung upon us, but which we seek in vain in this document. This is the problem: who gets first share, public transport or private? Are we going to give every support and encouragement to public transport, both of passengers and of goods—or must we allow private transport to go on developing in its own sweet way, as has been happening up to the present?

Well, our view is this: if we want to cut down on the irresponsible squandering of costly fuels, if we want to keep our air breathable—a problem which is now on the tip of everyone's tongue and gets argued over with heat even in this House—, if we want faster and more efficient transport, especially for commuting workers—who, I may say, are the chief victims within the Community of traffic congestion caused by the inordinate proliferation of private motor vehicles—, if we want to save money—surely an imperative need today—both in every single country's general interest and in that of the individual family unit, if we want to reduce or prevent these traffic jams on the roads, particularly in urban centres (a problem dealt with in the Commission document)—if, indeed, we want to do all these things as well as other, equally important ones I cannot go on enumerating for lack of time, we shall have to give top priority to developing, strengthening and modernizing all forms of public transport, beginning with the railways. This, then, is the first fundamental choice we are called upon to make and on which the House must voice its opinion today, in the situation in so many ways unprecedented which has developed since the events I have alluded to at the outset.

Fabbrini

And since I have alluded to the traffic problem in centres with ancient monuments, let me draw attention to the inadequacy, in the rapporteur's document, of passing over one extremely encouraging development with a mere non-committal mention. I am alluding to the closing of urban centres to modern traffic. The trend deserves comment. Allow me to illustrate the point from personal experience. As Mayor of Siena I may be said to have been responsible for closing the centre of that historic town to motor traffic in 1965. Enough time has passed since that measure, was taken to enable me to assure this House that this experiment—the first of its kind in Italy—which met with stubborn opposition from certain categories of citizens, has had excellent results, paralleled, I may add, in other cities which decided to take similar action.

This is why I feel it is not good enough merely to mention that these things have been done, without giving any comment on them. In fact I think it is our duty to take a good look at such experiments as have already been tried out in these cities, to relieve traffic congestion, to economize on energy fuels, and, last but not least, as an act of deference to an historic heritage we have the moral and patriotic duty to care for.

In these streets and squares our remote ancestors built—as is nowadays so pointedly said—'according to the measure of man'; we pour a dense stream of noisy traffic without thought for the consequences. But in his report the rapporteur is more concerned with those residential centres which attract tourists, where in recent developments account has been taken of the requirements of private motorists, now greater than ever, town planners having provided underground garages, etc. to accommodate the traffic. Although even here the provision of improved public transport would scarcely do any damage, I think our first consideration must go to those historic centres which are now being disfigured and in a number of ways imperilled by the private motor traffic which is still tearing through them.

Of course we know as well as you do—I am referring back to the earlier part of my address, but the matter is mentioned in the documents under examination—that the corporations which run public transport services (the first to come to mind are the railways and municipal passenger transport) are in dire straits financially. It could therefore be objected to us, champions of priority treatment for public as against private transport, that the course we are advocating will lead us further in the direction of bankruptcy in this sector.

We cannot accept this as a valid argument, and for two main reasons: in the first place, a public service which is up-to-date, fast, efficient, able to move unhampered, would tend to discourage private car-ownership (it is chiefly passenger traffic I have in mind) and could hope for better innings and lower running costs, since it is urban traffic congestion which sends these latter up; in the second place, and this is the most important point, transport is, and should in our view be regarded as, a public or social need we have the obligation to meet.

It is indeed owing to the social nature of transport that the inevitability arises of a social price to pay. This cost must fall onto the shoulders of the community, and the State—or the municipal authorities as the case may be—will have to find the funds through fiscal channels. The conception of transport as a social service must be the cornerstone of any sound up-to-date transport policy, entailing a social cost to be debited to the community. I maintain this principle in a general way, but more particularly for the workers in the various countries of the Community who are the main users of public transport; the provision of up-to-date, fast and efficient means of conveyance at low cost is a duty we owe to them, and if this leaves public corporations in the red we must make it up to them in the way I have indicated above.

Allow me, before I conclude, to put in a very brief word on another problem, that of the major 'infrastructures' of modern transport. Certain major operations involving road and rail links, as for example the modernization of the great Alpine tunnels (which we have already had occasion to discuss in the Transport Committee) and tunnel or bridge connections elsewhere, like the Channel Tunnel or the scheme for building a bridge across the Straits of Messina, have a scope which transcends the national interest. Operations such as these, though still at the blueprint stage, are already being discussed in this House. Whatever other problems they may raise, they entail an enormous cost, for natural reasons independent of man's will, God having made the Earth that way.

How, then, are we to approach these major 'infrastructural' works, which need to be carried out as quickly as possible, without invoking the principle—and this is the point I wanted to stress—of Community solidarity and participation? And against the uneven profile of socio-economic development within the Community, how are we to create this major framework for international transport which is to favour economic development in these backward areas if the principle of Community solidarity and participation already alluded to does not come into the picture here either?

Fabbrini

I consider that the problems of transport need to be looked at in a modern spirit, with the requisite degree of understanding, and in view of the latest facts that have come to light since the publication of the Commission's report. By all means, let them get on with harmonizing what wants to be harmonized, on the basis of optimum conditions: safety regulations, procedures for issuing driving-licences, mechanical standards for all categories of vehicles. In principle, we approve of the harmonizations with which the document is concerned, subject to periodic reviews of the norms. But let us first be clear in our minds about the basic axioms which should govern a modern transport policy and let these be the inspiration for anything we undertake in the future. This, then, is what we recommend.

After what has been said, it will be understood that we cannot endorse the document submitted by Mr Mursch on behalf of the Committee on Regional Policy and Transport.

President. — I call Mr Cifarelli.

Mr Cifarelli. — (I) Mr President, my point of view is quite close to that of Lord Besborough as it is to that of Mr Fabbrini, with regard to the sceptical feelings which the reading of this report inspires. I have no wish to belittle the merits of the Commission or of the rapporteur, Mr Mursch; as far as I am concerned, their contributions receive full credit.

This report, however, lists a number of problems and references to dates which provide us with abundant cause for concern. And let me say, Sir, that, having sat on the Transport Committee for over two years, I am no stranger to these frustrating experiences. In this field of transport one cannot just think up a new policy or sell an idea which at that juncture individual countries think they could well achieve on their own; for over a century now, that is to say, ever since the days of the first railways, the great steam-shipping companies and the international tunnels, it has been obvious that it is imperative to have certain harmonizations, to achieve postulated goals, and yet so far little or nothing of all this has come to pass.

I am a trifle shy, Mr President, to join in this fashionable talk of 'political will' which greets every snag we encounter. This is not a matter of 'political will' but rather a question of identifying the vested interests which stand in the way: certain transport companies, questionable pressure-groups, 'mafias'—to resort to an Italian term now in general use—, some segments of the bureaucratic set up. No, the lack of progress in the field of transport can no longer be treated as mere inadequacy. It is culpable.

And that was the first observation I wanted to make.

Now to the second. As Mr Fabbrini has just pointed out, we are facing a new situation brought about by energy shortage. I shall never tire of repeating that our fortunes have taken a turn which may come to put the industrialized world directly or indirectly at the mercy of the so-called fourth world, which holds the keys to its fuel store—a new development which may be far from over. We could summarize the situation by saying that tomorrow, perhaps, there will be just enough kerosene for the airways, but not all the petrol we may want for other transport facilities—well, so be it, we shall not let this situation become the sole consideration to dictate our programmes; there are other angles to be considered.

Yesterday all the excitement was about Euro-dollars; now it is 'petro-dollars' which are in the news, and there is talk of re-cycling, and of loans which the Community would grant through the European Bank on the basis of *ad hoc* agreements, ensuring that the money is to be used not as a cure for sick balances of payments in individual states (thus invoking the grim spectre of repayment) but to finance major operations under an 'infrastructures' programme planned and realized by the Community itself, which would turn them into Community achievements capable of putting such items as premiums on slaughter or non-slaughter into a welcome shade.

I have a further comment to make. Our discussions have a tendency to throw up this vague concept of the regional policy—a large basket with room for quite a number of different things: the troubles of agriculture, for example, or the problems of industrial reconversion, or fluctuations in the balance of payments—these are some of the problems that can be loaded into the basket of regional policy. Well, there is a regional side also to the problems of transport, but this, too, will be reexamined.

Whoever has been concerned with regional policy for some time will certainly recall the great rush to build new roads. Mr Fabbrini has referred to private transport. I remember that in my home country, which is also Mr Fabbrini's, when attempts were made to put a brake on the spread of private motoring by arguing, for example, about the trouble the railways were in, massive opposition was encountered; progress was blocked by the vested interests of both capital and organized labour. A frown from Fiat, and the state apologized. We are now faced with serious problems which may be said to affect entire urban populations, particularly workers of various categories and most of all, those with the lowest incomes. Against this background,

Cifarelli

Mr President, the regional policy needs in my view to be reconsidered from the point of view of this very provision of 'infrastructures'; this means putting an end to road-building within the narrow perspectives of municipal or provincial planning or the interests of the tourist industry or of any sectional groups you care to name. Indeed, I regard it as one of the Community's tasks to take these various regional policies firmly in hand with an eye to the 'infrastructures' and the ports.

As far as my country is concerned at any rate, Mr President, if we are anywhere up against the walls of Jericho, it is precisely in the ports. In order to escape from the stranglehold of the dockers' unions, some industries have gone to the trouble of building private ports of their own. This has been the case with the Steel Industry in Taranto, in Liguria, on the Adriatic—and all the while we have a growing problem of coordinating idle and half-idle ports, or coordination between Genoa and Marseilles, Rotterdam and the ports of the Mediterranean. These then, Mr President, are the battles we shall have to fight first.

A final point already hinted at concerns the criteria which govern the choice of route for a projected road. When we have forest fires it is found, more often than not, that a road runs right by where the trouble began. A road through such an area, then, adds to the fire risk. New roads bode no good to landscape or natural environment, through whatever part of the Community they may run. Among other things they disturb the stability of soils, particularly in hilly or mountainous country.

Coming to the motorways, in my country some of these have actually been named after the statesmen who undertook their construction in the teeth of commonsense and the general interest. What we have in mind, Sir, is to establish a Community criterion which would go beyond the normal economic considerations behind road building to take into account the perspectives of town-planning, the configuration of the land, the silent claims of historic centres and ancient monuments—indeed, I am of one mind with Mr Fabbrini on this issue: the scruples of the landscape architect must enter into the picture. In my country, which I know best—and I would anyhow not wish to presume to pass judgment on what is done elsewhere—some of the roads and motorways are an outrage in the sight of God.

We are not, of course, casting the Commission and the Community into the rôle of a supreme judge, there to right wrongs and be a guardian angel for the environment, or a policeman ready

with a charge-sheet. Just this, that the working-out of any sound transport policy presupposes an alert regard for matters such as these. We should concentrate our aim on the objectives which are of especial relevance and give all our attention to these. There's nothing new, to a military man—it might have been Napoleon or Clausewitz who first thought of it—in the idea of reserving one's fire for chosen targets. Neither we nor those who share our commitment—the Commission being first among these—to the building of a European Community have the magic wand which would solve all the problems on the book at one go.

President. — I call Mr Nyborg.

Mr Nyborg. — (DK) I have only a few observations. I should like to start by saying that it can hardly be regarded as a matter of chance that Parliament has set up a committee called the Committee on Regional Policy and Transport. After all, to be able to carry out a rational regional policy it is essential first of all to have a transport policy. I can therefore only welcome the fact that we are now getting a really effective grip on these things.

As regards Mr Herbert's statement, I should like to say that I can agree with what he said to the effect that the Commission ought to deal with the problems of axle weight on roads inside the European Community, since in many cases this means huge outlays if the roads are to be equipped for a considerably higher axle weight than the one they are at present capable of taking.

As regards the Conservatives' statement, I fully agree that it is essential, not only in this connection but in all others to do with the Community, to attempt to observe time-tables, which is unfortunately far too often not done. I find it entirely natural that by far the majority of speakers have given their approval to Mr Mursch's report, since Mr Mursch has carried out an excellent and exhaustive piece of work, and I should like to join with those who have congratulated him on his report.

One little thing I should like to mention is a very special problem within transport policy, namely, EEC driving-licences. The last three countries to accede to the Community, Ireland, Britain and Denmark, have been unfairly treated as regards these general EEC driving-licences. I can therefore only welcome the fact that the Commission has promised to look favourably on the request which has been submitted, showing that there has been unfair treatment.

Nyborg

Finally, I should like to say that the whole range of problems connected with our transport policy has been dealt with in detail in the Committee on Regional Policy and Transport, that all sides of the case seem to have been brought out, and I can only recommend support for the Commission's proposal and Mr Mursch's report.

(Applause from the Conservative benches)

President. — I call Mr Eisma.

Mr Eisma. — *(NL)* Mr President, the attempt at considering Mr Mursch's extensive report in all its aspects would take us too far. Just a brief observation then, on a point which this report also raises, namely, Community policy on air traffic. The report refers to this now and again in a very cautious way, and not without reason: so long as Article 84(2) of the Treaty is not declared applicable to air transport, we cannot expect to witness the birth of an EEC air transport policy. I therefore feel that both the Council and the Commission should take appropriate initiatives at the earliest possible date.

It would at this stage be pointless for the Commission to open discussions with the aviation companies, as I believe has been done, because there is no getting down to business while we lack the basis of a Community policy on air traffic at government level. What is wanted is that the article I have just mentioned be declared applicable, so that the EEC could go ahead on a Community air policy. Nine countries are, of course, not enough to bring the desired measures. Perhaps the policy could be fitted in at the second stage of the European Conference on Civil Aviation, at which, naturally, other countries will be represented besides the Nine Members of the Community.

If we can bring about an air traffic policy at EEC level, this must include more than Mr Mursch's report mentions. More will then be entailed than multilateral negotiations over landing rights. Before very long we shall begin to see mergers of aviation companies. I do not need to look further than the aviation company at home and the difficulties it is having to contend with. And I am sure it is not the only concern of its kind in this predicament; other aviation companies in Europe are moving in the same direction. It is getting too expensive for each country to have its own aviation company; that prestige is a luxury.

This is the only point I shall make, Mr President. I agree with Mr Fabbrini that the report is too much a bare enumeration of facts; we look in vain for attitudes and valuations. Even

so, I must say I admire the sheer comprehensiveness of the effort, for which credit is due in the first place to Mr Mursch.

Mr President, since this is the last plenary part-session I shall be attending, may I take this opportunity to thank you, all the Members of this Parliament and other persons present for the way we have enjoyed working together in this forum.

(Applause)

President. — I thank you, Mr Eisma, on behalf of all the Members of this House and wish you a further fruitful career.

I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — *(I)* Mr President, honourable Members, I have followed with keen interest the thorough discussion which the House has devoted to this issue. In the first place, allow me to add my good wishes to those which have been addressed this morning to Mr Mursch, and also to thank Mr Eisma, on the occasion of his leaving the European Parliament, for the work he has done and for the spirit of cooperation he has evinced.

I should like to express my appreciation both to those who have felt able to defend the Commission's document and to those who have expressed criticisms or reservations. And especial recognition is owing to the rapporteur, Mr Mursch, who has succeeded Mr Guldberg in the rôle of submitting a document which strikes me as complete, even though I cannot—as is, I dare say, only to be expected—refrain from making some observations.

Let me say again that I am pleased at the way the discussion has gone, reflecting the course taken by discussions in other quarters: in the Economic and Social Committee, during meetings with interested parties and with the Unions. It has been suggested that the Commission was being overambitious in words, but timid when it came to producing programmes for action. I have to point out that in this communication we were aiming at down-to-earth realism; I would add that we are dealing with a factual report and not with a decision on the Commission's part. Might I therefore ask Mr Fabbrini to pick up this document again and take a closer look at it, because, although this communication was made before the energy crisis, he will find in it reflections which that very crisis might have inspired, and discover that it has already raised many of the problems he has brought up, even though these are often

Scarascia Mugnozza

regarded as lying beyond the scope of Community action.

Perhaps I should begin by defining the nature of this communication. It is, of course, not a decision; nor is it a proposal for a directive or for a regulation. It is a circumstantial report, an attempt at defining an existing state of affairs, produced in cooperation with my colleagues and intended to provide the Community authorities with a comprehensive picture of the transport policy.

Let me put it this way: I have seen that we must face the fact that what we have called transport policy in the past was a very haphazard affair, and failed to produce results for lack of any underlying conception to inform it. The differing national situations could not be made to fit into a Community pattern. In this fact-finding effort my colleagues and I accepted the mental discipline of surveying the whole transport position in all its complexity, not, at this stage, in order to put forward proposals—there is a heap of these gathering dust on the table of the Council and we are ready with others—but rather to give a kind of close-up picture of the present situation and to indicate the lines on which, to our way of thinking, we ought to get to work.

I maintain that, allowing for a number of arguments which I have, I may say, listened to with respect, the essence of the Commission's analysis, as set forth in the document, has not been challenged by anyone; nor, come to that, has anyone questioned the urgency with which action is called for. I should say the urgency has become greater and also more obvious to the extent that difficulties of an economic order have made themselves felt, causing the realization to dawn on the right minds that a Community transport policy might lead to the saving of money in various quarters.

Our idea of the substance of a common transport policy is a common market for transport based on the free circulation of transport services and on a Community-wide transport network created by integrating the various national programmes of investment in infrastructures, whose use could be regulated by introducing a system of charges. Also, new technical ideas could be utilized within the context of cooperation and the mutual complementing of different networks and types of transport.

Let me stress in this connection that this is the first time a document—albeit only a fact-finding report from the Commission—speaks in such plain terms of the necessity for inter-relating different national programmes for infrastruc-

tures. There is no question, as yet, of any Community initiatives at that level, such as are being pressed for; this would be hopelessly premature at this stage, the principle being unknown both in theory and in practice. We are sure that the Commission is also fully alive to this question of cooperation and mutual complementing of differing types of transport, concerning which a number of critical observations have been made.

I just wanted to make this point in a very general way, Mr President, while underlining my great appreciation for Mr Mursch's work, before entering into a few details essential for the purpose of explaining the Commission's approach and the reasons for some of the attitudes, as well as some of the reservations, expressed by us; although, by and large, I can say that the European Parliament and the Commission seem to me to be moving in the same direction and in some ways at least converging towards the same goal.

I should like to dwell in particular on paragraphs one to seven of the motion. As I have pointed out above, our communication was conceived in a spirit of detachment and does not lack ideas; it is there to give us food for thought which we can turn into specific proposals better suited to the conditions of today. This leads me to interpret paragraph 4 of the resolution as a challenge to examine some of the problems more deeply. But in paragraph 5 Parliament asks the Commission to submit to the Council a proposal for a decision. Let me then explain that when we were working on this communication, we were thinking not merely of waking up the Community authorities to the problem of transport; we also wanted to challenge the Council of Ministers to face up to its responsibilities.

For this reason, the submission of a proposal for a decision before there had been time for the conceptions outlined in our document to be absorbed and digested, might well court the risk—in the event of disagreement in the Council of Ministers—of narrowing down the practical scope which our overall view of the problem opens up. So we have submitted a communication. The Working Party on Transport of the Council of Ministers is carrying on with the job and has taken the task to heart; on the other hand, I have kept in constant touch with the Ministers, which has given me a chance to clear up any points which raised problems or difficulties. Finally, let me say that the permanent contacts established between my collaborators and the civil servants concerned are also helping to sort out a number of controversial points.

Scarascia Mugnozza

Everything considered, we have no objection to the Commission document being turned into a resolution after it has been discussed. Perhaps the resolution will materialize; on the other hand, as I think you are aware, the German delegation has already presented a proposal for a resolution for submission to the Council of Ministers. All I will say to this is that the greatest care must be taken to ensure that no resolution which is too restrictive with regard to the commitments which Member States may make comes to limit our scope on the theoretical or practical level, at a time when, as I shall presently explain, we are hoping by pragmatic approaches to add a new dimension to the perspective of transport policy.

Like Mr Mursch, I envisage an initial transitional period, followed by a second phase of practical realization. I anticipate no argument about this. However, as regards the suggestion made in paragraph 7 of the motion, that the measures to be taken during the first phase be submitted without delay for general discussion in the Council, which is the rapporteur's idea of reaching agreement on a whole series of proposals at a marathon session of the Council—I have no faith in it.

In the field of transport the methods we are familiar with in farm policy will not do, nor do I think these package deals have produced many good results. It is not as if we were sitting down to fix the price of beef or chickens and to agree to go a point or two above or below the mark, or, indeed, to sort out any problem which can be settled by general agreement. We are here to decide the fate of European transport understood as one of the cornerstones of the Community economy.

Let me say that it was not my intention to tie myself down to any cut-and-dried scheme by this reference to two phases, since, as I said above, there are already a number of proposals from the Commission on the Council's desk. As you will be aware, some of these were already approved at the last two sessions of the Council of Transport Ministers; others are still in the pipeline, and we are hoping that by the end of the year some of these proposals will be passed by the Council of Ministers.

We are assuming that some of these proposals will still be found acceptable in the form in which they were submitted; others will have to be amended following approval of our communication by the Council of Ministers, whilst still others will have to be withdrawn and replaced by new proposals. We are therefore waiting to see how the discussion at the Council

of Ministers turns out before we put forward any fresh proposals, draw up a time-table, supply relevant information—since, in the regrettable eventuality of no agreement materializing, we would not wish to see such a big effort wasted. I am, however, confident that at the forthcoming Council of Ministers, due to be held before the end of the year, conclusions will be reached, and by the beginning of next year I expect to see a decision on the communication which will tell us which of our proposals are still valid, which of them can remain with the Council of Ministers subject to modification, which of them, finally, must be taken back, and what new proposals will have to be submitted.

As regards paragraph 8, which is one of the main features of the motion, let me say that our intention to create a common market in transport is in line with the indications of the European Parliament and pursues the aim of allowing the transport market free scope within the framework laid down by the public authority. This of course involves the clearing away of all impediments which might stand in the way of harmonizing the conditions of competition. On the other hand, when we say we wish to see a free market, we also clearly recognize the need for planning in the matter of infrastructures, and above all to look well ahead, refusing to be side-tracked by improvements limited to this or that network or this or that country in the Community. The example I have in mind here is Federal Germany's plan for the restructuring of her railways. If this is not matched by a similar plan for improvement and re-structuring in other countries, even greater dangers of congestion will arise than we have to contend with at present; the same consideration applies to the Channel Tunnel, which needs infrastructures capable of forestalling the very serious bottlenecks which might result.

We have been alerted to a legal side of the question by a recent verdict of the Court of Justice, of which I am sure the House is aware, which will involve a reexamination of the situation on the lines we are advocating, particularly with regard to sea and air transport and to ports. These are the problems which are claiming our major attention at the moment. The question has been asked why Article 84 (2) of the EEC Treaty has never so far been applied. My reply is that none of the Member States was ready to apply this article and extend the scope of a common transport policy to sea and air transport, and also that they did not consider they could give free reign to the Community with a general transport policy in abeyance.

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We have taken up this problem and, thanks to a number of contacts which have proved extremely useful, but above all after the statement I made to the Council of Ministers that it was not my intention to seek *carte blanche* on Article 84 (2) of the EEC Treaty, only to propose specific moves in the sectors of sea and air transport, I feel it would be no exaggeration to say that there is hope for progress in this sector. The contacts we have had with ship-owners unions and aviation companies are meant at this stage to help us map out the territory for new proposals. And we can say as much about the ports, concerning which a lot of thoroughgoing hard work has been done. Given the stage we have reached, we shall before the end of this year be in a position to present an overall picture of the port situation, not only as regards the existing structures, but also as regards any subsidies or other forms of aid individual ports in the Community may be receiving. In this way we are drawing up a comprehensive chart of data with the aim of forestalling the appearance of dangerous conditions of competition.

At this point let me dwell briefly on the timetable given in the motion for a resolution. I must make clear that, at the stage we are in, not yet knowing what decisions the Council of Ministers may have up its sleeve (I think they are well under way), it is hardly appropriate to draw up timetables. And we also know very well what trouble may result from having a timetable and failing to keep to it.

With regard to this question of timing, I should like to mention two examples: organizing the transport market, and investment in infrastructures. In the matter of organizing the transport market we have already made quite a big step forward, and the Council has already approved some of the proposals made by the Commission. Unhappily, however, we ourselves have had to ask for two years' grace in putting these decisions into effect because we were not in a position to put forward proposals which were under the circumstances practicable.

With regard to the coordination of investments in infrastructures, I have taken careful note of everything that has been said in the House today. I can tell you that an agreement on the exchange of information has been in force for years, and we are taking advantage of it. We realize nonetheless that a mere willingness to keep each other informed is not enough, since this contains no sanction allowing the Community to take action; all it provides for is the inter-relating of national programmes. We must go beyond this, and we shall, as the need arises, submit proposals aimed at extending the scope

of this agreement on exchanging information, so as to open up the possibility of Community action.

This problem relates not only to infrastructures but also concerns the forecasting of transport requirements and the methods of valuation via comparable schemes. We intend to undertake a survey which will be long and arduous, but which will open the door to a quick estimation of Europe's real needs in the way of infrastructures and major works.

Getting down to more specific issues, I have noted what has been said on the rôle of transport in the economy: we never tire of arguing whether transport should be a social service or whether it is to be treated as a commodity. The Treaties, of course, lay the accent on the economic side rather than on the social, but we are well aware of the fact that, in some countries more than in others perhaps, transport is inevitably geared to social needs. A very special situation arises inasmuch as transport—and rail transport in particular—serves purposes which transcend it: transport helps to serve the ends of other structural policies. Account must therefore be taken of both factors in the search for a formula which would do proper justice to the rôle of transport.

There appears to be a feeling in some quarters—reflected, I believe, in a proposal for an amendment—that the communication pays scant regard to the necessary connection between transport policy and other policies, such as the social and environmental. Let me clear away all misunderstanding here by saying that in our minds transport policy must be indissolubly linked with all the other policies of the Community; there can be no formulating a policy for transport which fails to take account of social and economic factors in their relation with human and environmental problems and with all the other structural policies of the Community.

There remains the problem of safety. Gentlemen, I am keenly aware of the great importance everyone attaches to this aspect. A few years ago, when Mr Coppé was in charge of transport, the Commission issued a communication on this problem. I should say that we have now gone beyond this communication, having submitted proposals on driving-licences and vehicle-tests. These proposals raise difficulties due to the differing practices in various countries. We are ready with other proposals, on alcohol tests, safety-belts, speed-limits and the transport of dangerous goods.

We have been told that Article 75 does not allow the Community to intervene in the matter of

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road safety. We take the opposite view, and as an earnest of the interest we take in these problems, which are not only technical but above all human, I have requested and obtained from the governments of Member States that these problems be examined at Community level together with other national experts, not limiting ourselves to the general issue of road safety but bringing industrial and energy problems within the scope of the survey. In this field also, therefore, promising initiatives are under way; more than that, I have every hope that further measures will be taken during the months to come, because I do regard safety as a vital aspect of the transport problem.

The problem of weights and dimensions has been brought up too. In my view it would have been better not to raise this issue in the House because, as you will no doubt remember, this very question caused a grave split within the Council of Ministers even before negotiations on the accession of the three new Members could be completed. This was towards the end of 1972. Ever since, and that's a year-and-a-half ago now, the problem of weights and measures has weighed like lead on the minds of the Council of Ministers, and we know from the press that the progress of transport policy has been help up by this road block of weights and dimensions.

I have repeatedly tried to prove that this is not really the case, and, fortunately, the last Council of Ministers was able to agree. We have not raised the problem, but in consideration of the industrial aspect of transport policy, the Council of Ministers was able to reach decisions and, if these be less than fundamental, they did at least show that the deadlock had been broken and a new road opened up. Let me finish by saying that the problem of weights and dimensions is without doubt an essential one for transport, but it has industrial aspects.

Well, Mr President, this was what I had to say about Mr Mursch's report. I thank the European Parliament for the attention, interest and zeal which I am sure it will devote to the problems of transport. We on our part shall attack them wholeheartedly, because we know we are moving in a direction which must lead to success. Meanwhile, we have already achieved this, that whereas up to a year-and-a-half ago nobody talked of transport as a matter of particular concern to the European Community, you will find no sector today where this need—to us elementary, essential and primary—is not being discussed. It is now a question of persevering, with the views you have expressed also in mind, with our work of consultation with the Council of Ministers,

and I trust that at some part-session in the near future our communication will secure approval, so that, once the various speakers' views, which I share, have been made clear, we can take action, that is to say, proceed towards directives and regulations.

During the work ahead you may rest assured that the uninterrupted close liaison we have established with all sectors interested in transport will make it possible to keep our feet on the ground. We shall not be submitting any further proposals which could be treated as lacking in realism; all our proposals henceforth will have faced the fire of unions, employers and official experts. Travelling along this road we have already met with success, and the way ahead is clear.

May I thank you, Mr President, and express the hope that the resolution will be approved.
(*Applause*)

President. — I call Mr Giraud.

Mr Giraud. — (*F*) Mr President, it is not perhaps the custom of this House to reply to a president or vice-president of the Commission of the European Communities, but, since our procedure forbids him to be interrupted, I shall interrupt him, so to speak, after the event, with your permission.

What I wanted to say is simply this. With regard to decision-making, Mr Scarascia Mugnozza gave the impression of wishing to establish an opposition between the step-by-step procedure and the procedure of package legislation. This is not the moment for launching on a description of the advantages of package legislation; but if there is anything worse than presenting the alternative of proceeding step by step or by means of package deals, it is paralysing the step by step procedure by holding up the *idea* of package legislation, and at the end of his speech, Mr Scarascia Mugnozza made it quite apparent that the problem of weights and dimensions has, for too long, been held subject to package legislation, which has made it impossible to progress step by step. It is, therefore, my wish that the Commission, with Parliament's agreement, should confront the Council squarely with its responsibilities by stating: either we make progress step by step, or we proceed by package deals, but the worst method is the one we have been pursuing for years. I have been in the Committee on Regional Policy and Transport for more than two years now, and I have never made much progress.

President. — I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, there would appear to be a misunderstanding between Mr Giraud and myself. What I said was that up to the present transport policy had developed in a haphazard way; proposals have been put forward, that is, according to needs and possibilities, and as surveys could be carried out and relevant information obtained.

I have no objection to putting forward a 'package' of proposals, but that could only happen after approval of the communication. This is because it is only after the Council of Ministers had approved the communication that I could know exactly what to submit with hopes of success and what would be doomed to failure. It therefore seems risky to go and submit proposals before the Council of Ministers has had time to come to terms with the document, since, naturally, their approval on stated conditions will call for particular actions, depending on what those conditions are. Once the communication has been approved it will be no problem to me to submit new proposals as called for, because I am sure that, though these may fall short of a package deal, they will at least make sense in terms of a decision I can hardly imagine the Council of Ministers going back on.

President. — Thank you, Mr Scarascia Mugnozza.

I call Mr Mursch.

Mr Mursch rapporteur. — (D) Mr President, I assume it will be in order for me to express a word of thanks to all our colleagues who have taken part in this debate and, I believe, given serious attention to the work of the Committee on Regional Policy and Transport.

You are not right, Mr Fabbrini, in saying that the committee wasted a year and then submitted a report which failed to take account of developments that had occurred in the meantime. As you will see from page 1, the committee in fact adopted this report on 3 July—in other words, seven months after adoption of the Commission's communication. I believe that for such a comprehensive effort as this seven months is a short time, so that the committee ought really to be thanked for the intensity and care with which it has considered this complex problem. I do not think there is any justification for criticism here.

(Applause)

It is also wrong, Mr Fabbrini, to say that the committee failed to take account of subsequent developments—in other words, of events between 24 October 1973 and 3 July 1974. The

oil crisis occurred in October 1973 and the report considers it in great detail. It gives attention to the energy-policy and price-policy aspects. It notes that the era of cheap energy is over and that certain conclusions must be drawn from this for transport policy. Reference to the oil crisis surely covers the principal events which have occurred.

I note that this debate has been conducted in a constructive spirit and has shown recognition of the committee's work on all important points. Of course, Mr President, there are differences here and there in the assessment of individual problems. I would mention in passing the difficulty of the timetable. Here, Mr Scarascia Mugnozza, it is not true to say that the committee has tied the Commission's hands, as you claim; the committee has indeed formulated clear ideas about deadlines, but it has always indicated them for guidance only, so that I do not think there is any question of tying the Commission's hands.

I particularly welcomed Mr Scarascia Mugnozza's closing words to the effect that the Transport Ministers could be expected to give the green light by the end of this year. I hope that the Commission will also help to make sure, as Mr Giraud just said, that the green light is in fact given and that at least those issues which have been pending before the Council of Ministers for so long are at last clarified. Whether that is done at one meeting or at two is not the decisive issue. The important thing is for the problem to be resolved at long last, and the time for that is ripe.

Mr Scarascia Mugnozza, you referred to the dimensions and weights of lorries. It is not correct to say that these data are primarily important to industry. They are, of course, important in this respect too, but the essential point as far as dimensions and weights are concerned is the transport-policy decision involved here, because differing lorry dimensions influence competition and a common transport market cannot be achieved unless this question is solved. That is the heart of the matter. Industry is not the decisive factor here. We must get the emphasis right.

A number of specific points have also been made. Lord Bessborough, you referred to Section 3 b on the abolition of border-to-border tariffs and asked me personally whether this referred to trans-frontier traffic—or at least that is what I understood you to say. I confirm that this is so.

Lord Bessborough, allow me to make one further point about your proposed amendment. I understood you to say that you did not wish to speak to it in greater detail. I have some dif-

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difficulties with this proposed amendment to the extent that what you want—namely, respect for the social environment and safety aspects—was in any case the committee's intention and is contained in the report. I would draw your attention, for instance, to page 56 of the German version, where environmental policy is dealt with in great detail and the interdependence between transport policy and environmental policy—this is a formulation chosen by the committee—is shown in a most impressive manner and the necessary action outlined. What you want is also contained in the first part of the sentence which states 'in this framework of transport policy'. That is the overall framework. Now if we were to include certain individual aspects—social, environmental and safety aspects—in the overall framework, it would not be complete and we should have to consider still further aspects such as energy policy, economic policy, foreign trade policy, finance policy, regional policy, technology. We are in complete agreement on the matter. But if we were to follow your proposals we would not, I believe, improve the text. That is why I had some difficulty here.

Quite apart from that, we are concerned here with the transport user, with the passage to the effect that transport users should have freedom to choose the means of transport. But, Mr President, the transport user can only choose within the framework of the means of transport available. These aspects, environmental questions in the first place, play a decisive rôle in the infrastructure and in infrastructural investments. I should therefore be most grateful to you, Lord Bessborough, if you could agree to my proposal and perhaps withdraw your amendment. I repeat that we are in complete agreement on the substance of the matter, but the systematic approach chosen in the report makes it more appropriate to consider this point elsewhere.

Mr President, I wanted to make this point at the end of what seems to me an excellent debate. *(Applause)*

President. — I call Lord Bessborough.

Lord Bessborough. — Mr President, with regard to this amendment, I fully appreciate what the rapporteur said.

Clearly, the social, environmental and safety aspects have been very fully taken into account in his report and they are, I suppose, implicit in the motion for a resolution. I personally would have liked to have seen some reference to them in the motion even if it were changed to say 'with due regard to the social, environmental,

safety and other aspects', because by merely saying 'within the above limits defined by transport policy', the motion does not bring these very vital questions as much to the fore as I would have liked. I would have preferred to see some reference to these aspects in the motion as well as in the explanatory statement, which I think is quite excellent on these points.

We have all mentioned the safety aspects—the Commissioner, Mr Seefeld and others. The environment, noise and pollution are very important indeed. Mr Scarascia Mugnozza also mentioned the social needs, especially in regard to railways.

These are therefore questions which seem to me to be of very great importance, and before actually withdrawing my motion, I would like to see whether there is anyone in the House willing to support me. If there is no such support, then I am only too willing to withdraw the amendment, although I do attach some importance to it myself.

President. — Does anyone else wish to speak? I call Lord Bessborough.

Lord Bessborough. — If no one feels as strongly about this as I do, I am very happy to withdraw the amendment and assume that these aspects are implicit in the motion for a resolution as it stands.

I therefore withdraw the amendment.

President. — Does anyone else wish to speak? The general debate is closed.

We shall now consider the motion for a resolution.

On the preamble and paragraphs 1 to 7, I have no amendments or speakers listed.

I put these texts to the vote.

The preamble and paragraphs 1 to 7 are adopted. On paragraph 8, I had Amendment No 1 tabled by Lord Bessborough and worded as follows:

'Paragraph 8 II (f)

At the end of this sub-paragraph, add the following:

'... with due regard to the social, environmental and safety aspects.'

The author, however, has just stated that he wishes to withdraw his amendment.

I put paragraphs 8 to 10 to the vote.

Paragraphs 8 to 10 are adopted.

President

I put the motion for a resolution as a whole to the vote.

The resolution as a whole is adopted¹.

12. *Directive on trade in poultrymeat*

President. — The next item on the agenda is a debate on the report drawn up by Mrs Orth, on behalf of the Committee on Public Health and the Environment, on the proposal from the Commission of the European Communities to the Council for a directive amending the Council Directive of 15 February 1971 on health problems affecting trade in fresh poultrymeat (Doc. 115/74).

Before calling the rapporteur, I wish to state that Amendment No 1/rev., which had been tabled to paragraph 3 of the motion for a resolution by the European Conservative Group, has in the meantime been withdrawn.

I call Mrs Orth, who has asked to present her report.

Mrs Orth, rapporteur. — (D) Mr President, ladies and gentlemen, the Commission's proposal for a supplementary directive has been discussed by the Committee on Public Health and the Environment at several meetings and adopted by a majority. I should like to take this opportunity to thank the Commission for examining and in most cases accepting the changes suggested by the committee.

I do not wish to discuss further here the question of the committee procedure, on which opinions still differ. There was one point of controversy in the committee discussion as to whether birds brought onto the market should be excepted or not. For this reason the proposal, which had already been considered once by the plenary Assembly, was referred back to committee. The committee still favoured by a majority marketing of the birds by way of exception only.

I urge this House to approve the proposal.
(Applause)

President. — I call Mr Brewis to speak on behalf of the European Conservative Group.

Mr Brewis. — Mr President, I also would like to be brief and to say how sorry I am that no British member of Mrs Orth's committee can be present today, because this otherwise acceptable report contains one provision which raises passionate opposition in my country. This

concerns the so-called New York dressed poultry. Since time immemorial the Christmas trukey has been sold uneviscerated, and indeed 30% of the turkey trade is in this form in Great Britain. As far as I know, no one has ever come to any harm from eating the Christmas turkey, and to the average member of the British public this proposal seems utterly unnecessary and a case of harmonization run mad. I would like to bring to the notice of Parliament some very wise words spoken by Commissioner Gundelach in this House on 12 February of this year. He said—and I am quoting—'it is not this Commission's policy to harmonize for harmonization's sake, to order countries to change their legislation for reasons more or less connected with an ideology of integration. It is not this Commission's policy to force on the population of Member States a drab uniformity for which they have no wish. It is not this Commission's policy to propose the adjustment of legislation except in cases where practical experience has shown it to be necessary', and the learned Commissioner went on to say that this particularly applied to public health and agricultural interests.

Now, I would like to ask our honourable colleague. Mrs Orth, why it was not possible in this case to choose the optional system of harmonization, namely, that only poultry properly dressed in accordance with this directive could be sold in other Member States? I know that an allowance has been made until 1980, but I very much doubt that my fellow-countrymen will want to change their Christmas customs by that particular time. Two things have happened since this directive was first put forward in February 1971. First, there has been the accession of the new Member States and secondly, there has been the new attitude to harmonization which was expressed so eloquently by Commissioner Gundelach in the passage I have read. It is for this reason, and because it is really a matter of principle that we should avoid unnecessary harmonization whenever possible, that the somewhat reduced British Members of this Parliament will unfortunately feel they have to vote against this directive.

President. — I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, I have listened carefully both to the rapporteur and to the next speech, in which reference was made to what had been said by my colleague Gundelach—who is here—concerning the problem of harmonization. I am in full agreement—and the Commission sees it this way too—with Mr Gundelach's statement. In a case like this it is a matter of admitting the

¹ OJ No C 127 of 18 October 1974.

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exception—or should I say, rather, the exception which confirms the rule—because the problem we are facing is not one of harmonization or total harmonization as an end in itself, but a problem of health and hygiene concerning which all experts agree that we must reach certain definite conclusions.

There is, therefore, no question of riding roughshod over national traditions; the harmonization we must establish is dictated by a public danger arising out of the absence of measures which have already ceased to be of application in some countries of the Community. With regard to harmonization, therefore I, do not anticipate any difficulties. But there is more to it: the Community is postulating a very long period of time, namely, up to 1980; and such a protracted period of adaptation should, in my view, suffice, especially for a problem which is in fact not so fundamental to the life of the Community, to achieve a lawful harmonization unquestionably acceptable to the citizens of Great Britain.

I conclude, Mr President, by asking the House to give its approval to this resolution and to the Commission's proposals.

IN THE CHAIR: MR MARTENS*Vice-President*

President. — Thank you, Mr Scarascia Mugnozza.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

13. *Communication from the Commission and recommendations on the prevention of marine pollution from land-based sources*

President. — The next item on the agenda is a debate on the report drawn up by Mr Premoli, on behalf of the Committee on Public Health and the Environment, on the

— Communication from the Commission of the European Communities to the Council concerning the signing of the Paris Convention on the prevention of marine pollution from land-based sources;

— Recommendation for a Council decision concluding the Convention for the prevention

of marine pollution from land-based sources; and

— Recommendation for a Council decision concerning Community participation in the Working Party entitled 'Provisional Commission', to be set up on the basis of Resolution III of the 1974 Paris Convention for the prevention of marine pollution from land-based sources

(Doc. 197/74).

I call Mr Premoli, who has asked to present his report.

Mr Premoli, rapporteur. — (I) Mr President, ladies and gentlemen, when I was asked to draw up this report on marine pollution from land-based sources, I hoped I was being called upon to make a contribution on the kind of pollution which is spoiling the seas, 80 per cent of which is of land-based origin. I therefore geared myself to the rôle of spokesman for those who are worried about the red mud from Scarlino in the Tyrrhenian, the pollution of the Adriatic by the industries of Marghera, what the Rhône is doing to the Bay of Marseilles, and about equally painful news from other quarters.

I should have liked to proclaim that unless we are quick enough in waking up to the importance of the ecological care of our seas, not only will there soon be no point in seeking to recuperate by taking seaside holidays, but life itself will have vanished from the coasts, our providence having deprived it of nutriment. A further point I wanted to make is that we cannot afford to poison seas to which we shall one day have to resort as sources of water and food for rapidly-increasing populations, as was pointed out at the conference in Bucarest last August.

Imagine, then, my disappointment when it was brought home to me that the essential purpose of the report was only procedural, the problems to be considered being the capacity in which the Community was to take part in the Paris conference, the ratification of the convention and of the competences to be set up. However, experience is showing us once again that once the procedural problems have been sorted out we are well on the way towards solving the basic problems. Since, then, this is more or less a procedural report, I shall refrain from expressing any views and be content to urge the need for the Community to take part as such in the Paris conference, for a variety of reasons.

In the first place, our common policy in this matter of pollution is sufficiently well ahead; moreover, at a time of crisis such as this the Community should speak with one voice in as

¹ OJ No C 127 of 18 October 1974.

Premoli

many departments as possible. And if there is an issue which really does make nonsense of our frontiers and our attempts at national solutions, this issue is the ecological, since life spans the Earth whatever fences man may choose to put up. And in this matter I even think we ought to devote a further effort to the mass media within the Community, and in a general way to the task of educating public opinion, and, if found appropriate, of launching educational programmes which give the discipline of ecology its due place.

In the third place, I think the Community should take part as such in the Paris conference in order to safeguard the interests of Member States which on geographical grounds do not directly qualify; a unified approach by the Community is the best channel for this, *vis-à-vis* the convention.

Let me conclude this brief address by expressing the hope that when the European Economic Community has expressed itself with a single voice at the Paris convention concerning pollution of the North Atlantic, it will also—the Committee on Public Health and the Environment backs me up unanimously on this—accept a similar engagement with regard to the pollution of the Mediterranean, a closed sea with very limited channels for changing its waters and consequently particularly vulnerable to pollution, so that a danger exists that it may turn into a dead sea, a graveyard not only for marine flora and fish life, but the last of our classical civilization.

A conference on the Mediterranean, then, would do much to brighten the halo of the European Economic Community. Admittedly, ecological concern over the Mediterranean already has the backing of the two London conventions of 1972 and 1973, but the gravity of the issue demands that these conventions be followed up by the determined and disciplined action that is needed to stop the rot. I cannot over-stress this vulnerability of closed seas.

President. — I call Mr Klepsch to speak on behalf of the Christian-Democratic Group.

Mr Klepsch. — (D) Mr President, ladies and gentlemen, on behalf of the Christian-Democratic Group, I should first like to thank our colleague, Mr Premoli, for his technically expert report. He has presented it to us here on behalf of the Committee on Public Health and the Environment and we are all aware that this report introduces us to a problem which is not only of immediate interest but will be of growing importance to the next generation as well.

Allow me to make a few comments from the point of view of my group. I would stress that

we approve without reservation the suggestion by the Commission that it should be directly represented on the Steering Committee established under this agreement. That in our opinion will be the best safeguard for the interests of all members of the Community, including those who could not participate in the agreement with full status, and it seems to us that this is the best way of coordinating Community interests. For all matters falling within the competence of the European Community, the Commission must, of course, enjoy in this matter a number of votes identical with the number of countries acceding to the Paris Convention.

The Community must appear as an entity, not only on the signing of this Convention but also during its implementation. And we welcome any measure which shows that the Community is a unit, empowered and able to act as such.

In our view, this agreement makes an important contribution to closing a gap in the system of protection of the seas. Its success and strict implementation will depend essentially on how constructively and uniformly the Member States are able to take part, and there is certainly a need for much better coordination of the action of individual countries in this area. I would, however, stress—as Mr Premoli has just said—that the Convention only covers the North-East Atlantic and does not therefore directly include Italy for geographical reasons. We agree completely with his view that Italy should demand a similar initiative for the Mediterranean, and we urge the Commission of the European Communities specifically to invite Italy as a Member State to take this initiative, in which the Commission should give that country its full support.

My group also wishes to point out once again that in September 1973; in a report by Mr Martens, the European Parliament insisted on the Community's taking part as a single entity in this agreement. The Community is therefore also represented on the committee established under the Paris Convention, which has, among others, the following important tasks: the drafting of programmes to limit marine pollution, coordination and operation of the supervisory network, control of the list of substances causing pollution, and the definition of objectives for the quality of the environment.

Finally, I would urge the Member States concerned by the Paris Convention to sign it, as recommended by the Commission, by 31 December 1974 at the latest, so that it can take effect at the specified time.

(Applause)

President. — I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, let me thank Mr Premoli and Mr Klepsch for their very timely speeches.

The Paris convention on coastal waters was announced at a recent meeting of the Council of Ministers on ecology, and I immediately took the opportunity to ask Minister Poujade whether the Community could take part as such in the work of the convention. The request was welcomed, but problems arose over whether the Community as such could sign the convention.

We asked to be able to sign the convention because, since many, if not all, of the countries of the Community were taking part, this seemed the best way to ensure Community coherence when a programme was approved. After this obstacle had been cleared away, fresh problems were raised by another member-country. This matter being settled in its turn, a third member-country made reservations.

Surprising as it may seem, I am glad the European Parliament is prepared to consider this decision today, because I hope that as a result this third-country, which had not at first raised any objections but has since done so, will be able to withdraw them.

President. — Thank you, Mr Scarascia Mugnozza.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

14. *Oral Question with debate: Contacts between the EEC and the Arab countries*

President. — The next item on the agenda is Oral Question (Doc. 205/74), with debate, by Mr Durieux to the Commission of the European Communities on behalf of the Liberal and Allies Group.

The question is worded as follows:

'Subject: Contacts between the EEC and the Arab countries.

In view of the fact that the EEC Foreign Ministers have decided to establish contacts between the European Economic Community and the Arab countries what rôle has been assigned to the Commission in these discussions?

If negotiations are opened, does the Commission intend to lead them, or would it agree to attend simply as an interested third party with a fairly well-defined rôle?'

I would remind the House that pursuant to the decision adopted at the beginning of this part session, speaking-time for Oral Questions with debate is limited to 10 minutes for the author and to 5 minutes for other speakers.

I call Mr Baas, who is replacing Mr Durieux, to speak to this question.

Mr Baas. — (NL) Mr President, may I begin by apologizing on behalf of the chairman of my group, before briefly explaining why Mr Durieux felt that he had to put this question to the Commission.

Over the last few months developments have been constantly cropping up in the Community which appear to put the position of the Commission at issue. As a result, there is a feeling in the House of developments over which it can exercise little or no influence. We wonder in fact whether the Ministers of Foreign Affairs who make the contacts do so within the framework of the Institution or in their capacity as representatives of individual countries.

Moreover, the Member States of the European Community have very divergent interests. Fondly as we may imagine that we are dealing with twenty Arab countries, we should be fools to forget that the divergences between the interests of these respective nations are matched by those which exist between Member States at our end. Is it indeed at all feasible for us to negotiate with these Arab states? Does the Treaty of Rome provide us with a platform for doing so—and what, in that event, is the rôle of the European Commission? It is amazing to hear the French Minister of Foreign Affairs tell us that Member States are clearly ready to negotiate, when at the same time the rôle of the European Commission is more than ever in question.

The European Commission is given a mandate to negotiate, as we have seen in the case of negotiations which took place within the framework of GATT, and also with Japan. I should therefore like to ask the representative of the Commission whether a mandate has already been given, and where the dividing line is between the Council's area of responsibility and that of the Commission. Under Article 228 of the EEC Treaty, which deals with foreign trade, it is indeed open to the Commission to negotiate, but only after a clear mandate for this has been received. To my way of thinking, whether it be agricultural produce or oil that is at stake, it is the

¹ OJ No C 127 of 18 October 1974.

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business of Parliament to decide just how wide a margin the Commission is to have. The basis for this would be provided by a report from the Political Affairs Committee.

I should like to add to this that the statement of the US President on energy is of considerable relevance to us when we are concerned with energy supplies to Member States or its cost. The US President expressed the view that we should try to reserve options in the matter of world food supply. This makes me wonder whether the good relations between the various countries of the world are not thereby endangered.

Finally, may I also ask the Commission whether it is considering moves to attract oil dollars for investment in Europe, not merely at national but also at Community level and whether we may expect to see unambiguous coordination over this in the future?

(Applause)

President. — I call Mr Cheysson to answer this question on behalf of the Commission.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President, the question put by Mr Durieux and spoken to briefly by Mr Baas consists, in fact, of two parts. The one concerns a matter of procedure, while the other—in my view, the more important of the two—concerns a question of content—*viz.*, the nature of the Euro-Arab dialogue and the manner in which this dialogue is to develop in view of the structure of the Community.

With regard to procedure, Mr President, I would remind the House that the launching of a Euro-Arab dialogue was the natural result of a series of developments. First, there was the declaration of the Nine European Ministers of 6 November 1973; then, in Copenhagen, the meeting between the Heads of State or Government and the envoys from the Arab League. In mid-February, these episodes culminated in a decision by the Council of Ministers authorizing its President to open, in conjunction with the Commission, negotiations with the Arabs in those spheres falling within the competence of the Communities.

While this Council decision authorized the opening of talks in spheres falling within the competence of the Communities, the Ministers meeting to discuss political cooperation conceived the idea of a common action in which the Member States, within the framework of political cooperation and of the Community would work closely together for the purpose of placing

Euro-Arab cooperation in a general political framework.

With regard to procedure, therefore, two decisions were taken in February 1974: one, within the institutional framework, to the function of the Institutions, and the other, outside this institutional framework, covering the whole of the subject. These two decisions led to the drawing up, in March of this year, of a report within the framework of political cooperation, though to a large extent directly inspired by proposals made by the Commission. On 27 May 1974, this report was adopted by the Ministers at Ippendorf, in Germany, at a meeting attended by the President of the Commission and a Member of the Commission, that is to say, myself. Since the Arab League gave favourable response, the meetings could now begin.

Since then—we are still speaking of procedural matters—coordination on the European side has been conducted at the level of the Nine at political cooperation meetings, which are always attended by the Commission in the person of its President, generally accompanied by a Member of the Commission—either my colleague Sir Christopher Soames or myself. As you know, the last meeting took place on 16 September in Paris.

A permanent European consultation procedure has been established which requires the presence of ambassadors appointed by the Nine countries and, with an equivalent rank, a representative of the Commission. Similarly, at meetings with the Arabs, the Commission is represented alongside the Nine countries and the Council of Ministers, as provided for by the Council.

As you know, the first meeting along these lines took place on 31 July in Paris. Mr Sauvagnargues, exercising his dual function as President-in-Office of the Council and chairman of the Conference was accompanied by the President of the Commission. Opposite them were the President of the Council of the Arab League, the Minister of Foreign Affairs of Kuwait and the Secretary-General of the Arab League. On this occasion, it was agreed to set up a General Commission, designed as the principal organ in the Euro-Arab dialogue. The Commission has already appointed its representative who will take his place beside the representatives of the Council and of the Nine. Preparations for the first meeting of this General Commission, to take place in November in Paris, will be made on 20 October in Cairo during a meeting at which the Commission will be represented.

On the procedural plane, therefore, I can tell the House that the Treaties have been strictly observed as regards all matters relating to the

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Community as such, and, in particular, that the Commission has every opportunity of exercising its rights of proposal and initiative—of which, of course, it will make good use. Moreover, since the Commission is represented on every occasion, including the political cooperation meetings, it will assert its right—which, incidentally, no one disputes—to give its opinion, the opinion of the Institutions, on all subjects of interests to Europe, even where, as things stand, they do not fall within the competence of the Communities as agreed under the Treaty of Rome.

Now let us proceed to the substance of the matter, which is probably of greater importance.

What is the Euro-Arab dialogue? I think, Mr President, there is one error which we must avoid. Its significance was mentioned by Mr Baas a few minutes ago. The Euro-Arab dialogue is not simply a matter between twenty countries on the one hand, belonging to the Arab League, and the nine countries of the Community on the other—between two organisms, the Arab League and the Community. It is something more than negotiations designed to lead up to an agreement. The Euro-Arab dialogue is fundamentally the result of a political idea, a common outlook: twenty-nine countries—twenty on the one hand, nine on the other—have recognized that it is in their common and individual interests to undertake certain actions together, to deal jointly with whatever they can, in their common desire for independence and a rejection of all forms of imperialism and external domination.

It is this common desire, this common inspiration, this joint orientation, that will form the background to our relations with the Arab countries. And when I speak of our relations, I mean relations not only between the Nine and the Twenty, but also between the Community of the Nine and each of the Twenty, and finally, between each of the Nine and each of the Twenty.

The Euro-Arab dialogue, therefore, represents this common desire to deal in a special way, among ourselves, with problems that are of common interest to us, and to deal with them jointly because this is in our joint interest; because when a matter is dealt with by Arabs and Europeans, it assumes a greater significance then if it were a matter between Arabs and countries of any other continent; because the economic area common to us is an important one; because our mutual dependence must be developed; and because of this development of the one side and the other.

That is what the Euro-Arab dialogue amounts to, those are its absolutely fundamental aspects.

Passing now to the specific substance of this dialogue, we can say that we hope, obviously, that it will, at least in part, be dealt with by the Twenty-nine as such—Twenty on the one side, Nine on the other. Committees will therefore be set up to deal with one or the other matter of an economic, technical, etc., nature. But let us make no mistake: the real substance of the Euro-Arab dialogue must be looked for elsewhere—that is, in our relations taken as a whole.

At the Community level, therefore, there will in due course be negotiations inspired by the Euro-Arab dialogue and taking place on the periphery of this dialogue. Their aim will be to develop a general Mediterranean approach. I myself have already been officially received as representative of the Commission in Damascus, Amman, Beirut and Cairo. In all four countries, the wish was expressed that general cooperation agreements be concluded with the Community. For some of these countries, this is an entirely new approach inspired by the Euro-Arab dialogue; legally however, it will come under the heading of the general approach and will be governed by the conditions laid down in the Treaties—that is to say, it will be subject to supervision by that eminent institution which is the European Parliament. First, however, the negotiations must get under way and the mandate must be adopted. In this connection, I would draw the attention of Mr Baas to the fact that the three Maghreb countries belong to the Arab League, and we have at last, been authorized to negotiate general cooperation and, indeed, association agreements with them. Finally, three other countries of the Arab League—Sudan, Mauritania and Somalia—are taking part in the ACP global association negotiations, on which this House is well informed and on which it has frequently expressed an opinion.

The Euro-Arab dialogue is thus not simply a series of meetings, a series of negotiations between the Twenty and the Nine: it will entail technical and economic negotiations, on which reports will be submitted to the Parliament and its committees; but above all it will represent our common concern for independence and development—in some cases, integrated development—, our common will to deal with our affairs in conditions determined by ourselves. All matters relating to the Community as such will naturally be subject to the normal working of the Institutions, including the supervision of this Parliament; while on general political developments Parliament will be kept informed, since these are now the background to specific developments in all these fields.

(Applause)

President. — Thank you, Mr Cheysson.

I call Mr Fellermaier to speak on behalf of the Socialist Group.

Mr Fellermaier. — (D) Mr President, ladies and gentlemen, the Socialist Group welcomes the fact that the Commission has clarified a number of points regarding these talks. At the end of his speech, Mr Cheysson said that the effective substance of these discussions—in addition to the technical aspects, with which he dealt in great detail—lay in the totality of relations with the Mediterranean countries.

I believe, Mr Cheysson, that if you have now reformulated the question by the Liberal Group regarding contacts between the EEC and the Arab countries into the question of the totality of relations with the Mediterranean States, you must also be expected to say a few words on the special problem of relations with Israel in this overall context. I believe it must now be clear in this particular area of the Mediterranean that Israel is partly dependent on the European Community, especially in its political situation but also in economic terms. That is one point.

My second point is this: if we are to speak of the totality of relations and of the creation of a number of standing committees, then it is the Commission's duty, having regard to the energy problem, on which it made bold proposals to the Council of Ministers—which it has now renewed—even before the crisis occurred, to make it clear as a body to the European public that the dialogue between the European and Arab countries must be accompanied by a solution to the oil problem for the nine Community countries. And here, Mr Cheysson, in the mandate given to you by the Council for the round of negotiations with individual Mediterranean States, we have something to offer in the area of commercial policy; just as the American President made an offer, in his first speech to the United Nations Assembly, of worldwide co-operation between the industrial countries, the oil-producing countries and, as he said in New York, the countries of the fourth world, so I believe the Commission should make practical proposals in this area in its negotiations with the Arab States.

I therefore believe that as an addition to your answer to the question by your colleagues in the Liberal Group, a further point should be made with even greater force, namely, the problem of the dimension and the political philosophy which the Commission proposes to introduce into this dialogue in the long term, because it is better able to do so as an independent body of the

Community than the multiplicity of national interests represented in this dialogue between the European and Arab countries; we know—this is an open secret—that side by side with the multinational dialogue between the Twenty and the Nine, individual Member States of the Community are outbidding each other to strengthen bilateral economic relations with a view to improving their own oil supplies, and it is on this particular point that the Commission is asked to present to this Parliament a political philosophy extending well into the future; I would ask you to do that, Mr Cheysson, on behalf of the Socialist Group.

(Applause from the Socialist Group)

President. — I call Sir Douglas Dodds-Parker to speak on behalf of the European Conservative Group.

Sir Douglas Dodds-Parker. — Mr President, the most interesting contributions we have just heard from Mr Fellermaier, Mr Baas and Mr Cheysson have, I think, rather widened what appeared to be Mr Durieux's original intention with this question, because it does raise, in the view of the European Conservative Group, a point of fundamental significance to the evolution of Community institutions, and I would like to make clear the opinion of my group on this.

We believe that it is incumbent on the governments of the Member States to ensure that the increasing collaboration between them in the field of foreign policy is organized in such a way as will reinforce the cohesion of the Community, and that the maintenance of a barrier between the work of the Conference of Foreign Ministers and that of the Council of the Communities cannot be justified. While accepting that for the time being foreign affairs will remain a national responsibility and that the proceedings of the Conference of Foreign Ministers will thus not be subject to the disciplines of the Treaty of Rome, we see no reason why the Conference should not be placed under the administrative umbrella of the Council and its meetings organized on the same basis as those of other Ministers pending the fusion of the two bodies when the time is ripe.

Secondly, we share the view that the Conference of Foreign Ministers requires a secretariat to prepare its discussions and follow up its decisions. We believe that this secretariat should work in close liaison with the Commission or preferably, in our view, that its functions should be performed by the Commission itself. To apply these beliefs of ours to the present situation, we believe, following the point made by Mr Baas and Mr Durieux, that the discussions which Mr Cheysson has told us about should be conducted

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by the Commission, attending and supporting future meetings in the closest association with the Foreign Ministers. There is no reason to believe, in my opinion, from what we heard from Mr Cheysson that it is likely to be otherwise. What he has told us convinces me that from the outset of these discussions, which I believe began on 30 July in Paris, there has in fact been the closest cooperation between the Foreign Minister concerned, the President of the Commission and Mr Cheysson's own department and the Secretary-General of the Arab League and the Kuwait Foreign Minister.

As regards the policy, I am very glad to hear of the progress which Mr Cheysson told us has been made in the discussions and of the framework which is being established between the Commission and the Member States on the one hand and the Arab nations on the other. I believe that the point he made, that this is a politically inspired meeting between 29 nations with, as he put it, common but individual interests linking individually and collectively the Nine and the Twenty, can be a new conception in cooperation between the Community and that part of the outside world.

As Mr Cheysson also said, there is a common determination to discuss issues together, and there are certainly enough issues to be discussed at this moment or in the lifetime of everybody in the Chamber. I think those of us who have been lucky enough to be associated with this part of the world welcome in particular the discussions with Egypt, a country which has, of course, great needs, great resources and great potential. The Egyptians need food—they have needed that for thousands of years, as most of us have; they have great potential in the fields of hydro-electricity and irrigation—the development of the Nile, Tigris and Euphrates valleys are things which have been looked at literally for thousands of years, and I believe that this has the greatest potential for developing wealth in that part of the world; and with the oil revenues, the resources are at last available to help carry out these projects. So both on the procedure which Mr Durieux raised so well and on the issues which Mr Cheysson with his usual clarity has put before us, I at least feel reassured that the cooperation between the Commission and the Council of Ministers is proceeding on the right lines, and Claude Cheysson has told us of the great and exciting possibilities inherent in this cooperation.

(Applause)

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

Mr Terrenoire. — *(F)* Mr President, having heard from Mr Cheysson some interesting explanations concerning the dialogue which he himself has begun, with a measure of success, with the Arab countries, I think all of us here should acknowledge his exertions on behalf of the Commission and, above all, encourage him to continue these exertions which will be indispensable in the weeks, months and years to come.

When, in 1967, my country resumed its traditional, but for far too long interrupted, dialogue with the Arab countries, this action provoked, at best, sceptical interest, but more generally, sharp criticism. This policy, since pursued without interruption, has fully justified itself. Who today would deny that our future—the future of Europe, certainly, and to a large extent of the world in general—is bound up with a profound transformation and genuine improvement of our relations with the Arab world?

One thing is above all clear: never in all the history of humanity have so few people possessed so much wealth. When one reflects that, this very day, people all over the world are dying of starvation or are being cut off in their youth for lack of medical aid and proper hygiene, one has difficulty in grasping the crying injustice of this unequal distribution of the world's riches.

For decades, the Western world—or rather the industrially developed world, for the countries of socialist Europe share the blame too—has been profiting from the immense resources of a few underdeveloped countries, and that without re-investing any—or very little—of the fabulous profits made possible for so long by the particularly low prices of petroleum on the world market. This is why the establishment of new relations between the highly industrialized countries, the countries producing primary commodities, especially petroleum, and the non-industrialized countries who do not have the good fortune to possess rich mineral resources, is without a shadow of doubt one of the great tasks of our time.

In some cases, decolonization, in others, the new awareness of their potential riches, have created a new situation for us. As a result of the deficit in the balance of payments of most of our countries and the galloping inflation, which, as everyone knows, are bound up with the rise in price of petroleum, we must reorganize our relations with the Arab countries producing this petroleum in particular. But it is not a matter of using these negotiations to discuss the price of petrol, even though, for Europe, this question is a vital one, particularly if the producing countries decide on a further increase in the price of black gold. The most important thing now is

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to organize a true form of cooperation between our Community and the Arab countries.

This cooperation must, of course, benefit both parties, but it must also enable the developing countries to share in the benefits from Europe's advanced technology and from the producing countries' wealth of raw materials and foreign currency. For while the crisis following on the rise in price in petrol is serious for our countries, for the developing countries which have no petroleum resources it is well-nigh dramatic in that it means, for the least developed of these countries, brutal impoverishment and almost insuperable barriers during the first modest steps towards progress. For those that are more advanced the rise in price of petroleum means a brake on industrialization. Their development will come to a dead end unless we find a rapid solution by means of trilateral cooperation between Europe with its technology, the petroleum-producing countries and the developing countries. During the forthcoming negotiations between the Community and the Arab countries, therefore, one thing we must not do is to thump our fists on the table and threaten reprisals, that is, to indulge in neo-colonialism or imperialism.

I take advantage of this opportunity to protest against the threatening tone adopted recently by the American leaders. For one thing, they are hardly in a position to give lessons on the subject of prices, since their petroleum is as expensive as anywhere else. Secondly, the American government should bear in mind its many unhappy experiences of the recent past resulting from the use of threats and force. What we have to do today is to set up a new and genuine form of cooperation as rapidly as possible.

In the dialogue which we are beginning, we must lay the foundations of a long-term economic cooperation adapted to the interests of both sides. Mere declarations of intent are of no avail: we must launch out, as you have done, Mr Cheysson, on the road of precise, specific measures. In our view, one of the essential points in the talks with the Arab countries, a point which should be raised right at the beginning, is the problem of recycling what have come to be called 'petro-dollars'. It has been estimated that the additional profits that the oil-producing countries may expect in 1974 will be in the order of £68 000 m., and supposing an annual increase in prices of the order of five or six per cent, they will reach £118 000 m. by 1978.

These, Mr President, are eloquent figures. What will become of these masses of capital? Put to good account, they would make possible a juster and more equitable distribution of the world's riches and so constitute a factor for peace. We already know the intentions of the Arab countries, since Mr Mahmoud Riad, Secretary-

General of the Arab League, has outlined them during a press conference. First of all, the petroleum-producing Arab countries would begin by setting up undertakings on their own territory, giving priority to the sectors of industry and services; they would then use their surpluses of foreign currency to finance industrial and agricultural projects in the non-petroleum-producing Arab countries. Operations would therefore be three-sided.

The amount of capital at their disposal would also enable the petroleum-producing Arab countries to launch three-cornered projects with our Community in the developing countries—in Asia and Africa, for example. By 1980, the surplus of foreign currency will be such that it will have to be employed in the developed countries—Europe, the United States and Japan. It is therefore of supreme importance that an agreement be reached without delay on short-, medium- and long-term programmes of economic cooperation. We are all aware here of the danger that threatens our economies if no arrangement is found for reinvesting such floating capital.

The Commission must spare no pains to ensure that we pass as rapidly as possible onto discussions of procedure (which are undoubtedly necessary) but, above all, to tangible measures. The Commission deserves our congratulations on already having taken this line. Although, ladies and gentlemen, it is quite clear that this Euro-Arab dialogue is to serve an essentially economic purpose, it is equally clear that it must not confine itself to this aspect alone. Cooperation in the cultural or technological sphere, for example, must be launched in parallel with economic cooperation. It is not my purpose today to draw up an exhaustive list of the spheres in which the Arab countries and Europe must collaborate; but it is beyond any doubt that the interests of Europe, the Arab countries and the entire world demand an extension of mutual cooperation to the most varied fields.

Mr President, ladies and gentlemen, this dialogue on which we are engaging with the Arab countries will lead us on to great designs. If we carry it to a successful conclusion, this will be one more proof that our Community is progressing along the road to European Union.

(Applause)

President. — I call Mr Blumenfeld.

Mr Blumenfeld. — *(D)* Mr President, I wish to support those of my colleagues who have said to Mr Cheysson that they were well satisfied with that part of his answer to the question by Mr Durieux and others concerning the pro-

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cedural aspect, since this means we can be certain that the Commission will not only be taking part in these talks in the future, as stipulated in the Treaty, but will be able to take the initiative as well.

I am satisfied with that answer. I am only sorry, Mr Cheysson, that whenever I have the honour of discussing questions with you in this Parliament it looks as if I wish to open an argument with you. Nothing could be further from my intention, but since you yourself have described the second part of the questions—namely, the basic problems raised in them, the political and structural problems—as extremely important and decisive, I wish to put a few questions to you on this point.

My first question is this, Mr Cheysson: what is meant by common interests with twenty Arab countries—ranging from the smallest oil sheikdom to the populous and politically important State of Egypt? What is meant by common interests between these Arab States and the Member Countries of the European Community? I see too that in the scheme of things you have outlined one economically, and perhaps also politically, important partner of the European countries is lacking—namely, Iran. Iran is not included in your picture; and there are whole series of European states which are not—unfortunately not yet—members of the European Community but which will be very interested in holding wide-ranging talks on cooperation with some Arab States and Iran.

Now for my second question: What is meant by 'overall negotiations with the Arab countries in the political sphere of the Mediterranean' referred to by Mr Fellermaier? What is meant by these overall negotiations under the control of this Parliament, Mr Cheysson? As yet I do not know what you discussed in your talks in Beirut, Cairo, Damascus and Aman. I consider these talks which you were instructed to hold both good and desirable, but I do not know what situation you found yourself in during them. I read a report in a foreign newspaper to the effect that an attempt was made in one particular situation to elicit a political statement from you, that you were expected to state your position on the question of Israel's withdrawal from the occupied territories and the Community's views on the Palestine problem. I also read, if only in a brief report, that you evaded—and rightly—this question, which was certainly not the purpose of your visit. But if overall negotiations were held, Mr Cheysson, would there not always be a risk for the Commission that in reality a major political discussion would be opened with the Commission or Council of Ministers with which we are not

competent to deal on this scale, at this time or with our present constitution?

Now for my third question, Mr Cheysson. You have spoken of bilateral relations between the individual Arab States or governments of the Twenty and individual members of the European Community, and you said that they should not be ruled out in future either. But, Mr Cheysson, have not bilateral relations existed for a long time, are they not an established fact, and is it not true to say that in reality all the discussion of common interests is merely a framework which leaves a great deal of room for better bilateral operations?

Mr Cheysson, I have a fourth question, and I am not thinking only of the situation with which we are all acquainted and of which my colleagues have already spoken here. Of course oil, which is a political lever in the hands of a number of Arab countries, is immediately apparent and may still become an even greater problem. Perhaps we can persuade the Arab countries to use this political weapon with greater caution, and above all with regard to the needs of the world economy as a whole and to the peoples, especially in the third world. But do you not also know that, of the 80 000 million dollars or so which will flow into the treasuries of the Arab oil-producing countries this year, only a small part can and will be used for investments in the industrialized world while a not insignificant proportion, I have heard this from serious sources, Mr Cheysson, will be used for purchases of other raw materials by some governments of the Arab countries you have mentioned in order to intervene in primary commodity policy and so engage in politics? I consider this a very worrying development, and I believe that questions such as this should be debated and clarified before we embark on an institutionalized dialogue as a second phase.

I am sorry—and this is my fifth remark, which may perhaps also take the form of a question—I am sorry that the common energy policy pursued by the Commission with initiative, vigour and real success, which should lead to a common European group and, in agreement with the Americans, to a group of twelve, will probably run up against difficulties in the dialogue with the Arab countries because the French Government at least has declared, most recently at the political colloquy in Paris—this was the only important communication I heard—that it would not join the club of twelve for a common energy policy in Europe, America and Canada. Would this not present a special difficulty in view of the uncoordinated or at least not entirely

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concordant policy of the Community Member States?

Now for my final question: Mr Cheysson, you have advocated with considerable and commendable vigour the fund named after you which is designed to provide resources to the third world adversely affected in particular by oil-price rises and related problems. I believe this fund is to receive 3 000 million dollars, and you wanted to pay out a first tranche at this stage but have not yet reached the point where that is possible and have not been successful because some governments of the Member States have not given their agreement.

Be that as it may, 3 000 million dollars, of which the oil-producing countries would pay 1 500 million, are quite out of proportion to the fact that this year alone the third world will have to pay 15 000 million dollars or more for its oil requirements because of the price rises, i.e., some 10 to 12 thousand million more than in 1973.

Mr Cheysson, we should be pleased to hear a clarification of these and other questions not only before we wish you success in your initiative but also before we are able to approve of it. *(Applause)*

President. — I call Mr Baas.

Mr Baas. — *(NL)* Mr President, may I put one or two more brief questions to Mr Cheysson?

My first question is procedural. Mr Cheysson mentioned setting up committees and working-parties. Are these to be recruited from the establishments of existing directorates, with what tasks and missions are these committees and working parties to be entrusted, and to whom will they be answerable?

My second observation and question relates to the information we have been given. This is very satisfying to us. It is of great consequence to Parliament—and Mr Blumenfeld's last question hints at it too—to receive information and to know on whose shoulders responsibility lies. Am I to understand that we as the European Parliament are meant to be co-responsible in some way, as is envisaged in the Treaty of Rome, or are we, at the appropriate time, to be advised only of particular matters?

The third question is, shall we have the opportunity, from the floor of this House, to put questions to the Council on aspects of such deliberations? Perhaps Mr Cheysson is not yet in a position to supply the answer to this, but it seemed to me to be an important matter for Parliament to put this question to the Council again.

Finally, would Mr Cheysson tell me whether the Commission is prepared to advise us concerning the mandate received for these negotiations, and whether we shall have an opportunity to discuss it first?

Mr Cheysson said there was already a mandate for the countries of the Maghreb and one within the framework of the developing countries. What really concerns the House, however, is to know whether the negotiations are only to be bilateral, or whether we may in fact expect to see real Community negotiations and agreements.

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — *(F)* Mr President, I shall try to give a brief reply to the various speakers who have taken the floor: I thank them for doing so, since this provides us with a particularly useful guideline. This whole question of the Euro-Arab dialogue and Mediterranean policy assumes widely differing forms, and the guidance provided by Parliament may well be of definitive value for the Commission. At those meetings of parliamentary committees which I have attended since returning from my journeys, I have had an opportunity of reporting on these journeys—to the Committee on Cooperation and Development: perhaps one day I shall have the occasion to submit a more complete report to this House.

Mr President, as I said a short while ago, some of the countries involved in the Euro-Arab dialogue are also involved in other negotiations with us. I recalled that three member countries of the Arab league are participating in the ACP negotiations, which means that they are there associated with 41 others. I also mentioned that four countries in the Near East have asked to benefit from the so-called global Mediterranean approach, while three others are already negotiating with us within this framework, those of the Maghreb. These seven countries are, naturally, approached under conditions resembling those of other countries involved in the Mediterranean policy.

While I am talking of the countries of the Near East, Israel is, as you are aware, one of the countries involved in the global approach, one of those countries that are fundamental in our campaign to build up cooperation with the opposite shore of the Mediterranean. In fact, the mandate we received for the three Maghreb countries was granted at the same time for Israel—incidentally, also for Spain—and we want to conclude these negotiations with the

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Maghreb countries and with Israel at the same time.

Since the question arose rather later with regard to the other four countries of the Near East—Egypt, Jordan, Syria and the Lebanon—this will probably fall within the second phase, since we have as yet no mandate. But, of course, this global Mediterranean approach can only be meaningful if, wherever possible, agreements between the Community and individual countries are built up in parallel and analogous fashion. This is what we mean by the global approach; this is what direct Community responsibility, as laid down by the governments and already discussed on more than one occasion by this Parliament, amounts to.

Here I should like to echo what Mr Blumenfeld said a few moments ago. You can well imagine that when a member of one of the Institutions visits one of these countries, some official or journalist who is ill-informed on what is possible and what is not indulges in flights of fancy on what the visitor is capable of doing. I am sure that this has happened to every Member of this House, whether in his own country, in a neighbouring foreign country or somewhere farther afield. On the other hand, it is gratifying to be able to say—and I assure the House of this—that not a single government, not a single minister of these countries has put to me the sort of questions which imaginative journalists are fond of reporting. These governments know perfectly well that the Commission has no direct political responsibility in fields such as those you have mentioned. Moreover, the nine Ministers of Foreign Affairs, working within the framework of political cooperation, have made it clear right from the beginning that the Euro-Arab dialogue cannot be extended to subjects which are an integral part of any peace settlement in the Near East. Hence, the Commission, and so also the Community, is not involved; and the nine Ministers, acting within the framework of political cooperation, have categorically stated that the Euro-Arab dialogue has nothing to do with this question.

There are subjects which are of fundamental interest to us and which will be raised in the course of the Euro-Arab dialogue but which within this framework can only be dealt with imperfectly and incompletely, since the proper approach to them has obviously to be sought elsewhere. Thus, several speakers have mentioned energy problems. Obviously, since several countries among the Twenty are producers of petroleum, questions relating to primary commodities—and therefore to energy—and questions of capital—and therefore of recycling—will be raised; but it is equally clear that the frame-

work of the Twenty-Nine is not a propitious one for dealing in any precise fashion with either the problems of energy or the problems of recycling—so far as energy is concerned, firstly, because not all the petroleum-producing countries are represented there and, secondly, because our interests are bound up with those of other large-scale consumers. Our interests often present themselves in a different light in view of the fact that we import virtually the whole of our energy and of our hydrocarbons under conditions which are shared by only one other important industrialized country—namely, Japan—that is to say, under conditions which differ from those of the United States, as Mr Terrenoire rightly pointed out. Nevertheless, we have common interests as consumers. These interests are the subject of discussion at various levels, and it is obvious that when the nine of us get together to talk to a few producing countries from among the total number of countries belonging to OPEC, we shall not be able to deal with problems of energy. The Euro-Arab dialogue will undoubtedly entail some reference to these problems, which are of such great interests for us, without its being possible to solve them there.

As for the problems—in fact, not very numerous—which can be dealt with by the Twenty-Nine quite specifically, how are they to be organized? As yet it is too early to say, and here I should like to say to Mr Baas, Mr Fellermaier and to Sir Douglas Dodds-Parker that we still do not know whether there will be any standing committees, any permanent secretariat or any permanent working parties. What we do know at the moment is that there will be a General Commission, which will meet from time to time; this will therefore be a non-permanent body. It is this General Commission which, at its first meeting in Paris in the middle of November, will consider how the discussions of the Twenty-Nine can be organized. The European Commission will be an integral part of these meetings. Cooperation with the Council of ministers and the political cooperation machinery is entirely satisfactory, as I have already said, and marked by full confidence, although the legal problems have not yet been formulated in very clear terms. I for one have not the slightest doubt that if tomorrow we were to arrive at technical structures along the lines of working parties, the Commission would necessarily play a very important part on the European side—for simple reasons of common sense, for where else could the instruments be found? It was most striking to see how the discussion with the governments on the part to be played by the Commission in deliberations on the European side began as a matter of course, for as soon

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as these governments wanted to translate the significance of the Euro-Arab dialogue into definite terms they quite naturally turned to us with the question how our technical analyses could lead us to precise and tangible conclusions. The same would undoubtedly happen tomorrow if permanent structures existed—although this for the moment is not envisaged.

Mr President, the problem has been put in much more general terms by Mr Blumenfeld, Mr Terrenoire and Mr Fellermaier: what, they asked, are our common interests, what is the final aim of all these exertions? This, I feel, is the question which has to be answered. I share Mr Terrenoire's view that some grand design may be lying ahead, since I believe that there are common interests between the countries situated on the one side and on the other of the Mediterranean. These latter comprise not only the Arab countries, as has been rightly pointed out; other countries too are situated in the same region. Common interests exist because, to state the point once more, what we are contemplating jointly is being contemplated in conditions that are more highly integrated than would be the case with other foreign countries. This word 'integrated' figures in the memorandum officially submitted by the Egyptian Government to request a cooperation agreement with the Community. This states that the object is to integrate certain aspects of economic life on both sides of the Mediterranean. And this idea of integration seems to me to be fundamental to the interests of both sides; for with regard to such integration, there is no substitute for Europe. There can never be integration of the American or the Japanese market with any particular industry in Egypt, Syria or Israel, whereas that integration which Mr Terrenoire described as three-sided is possible, and I should like to point out its constituent elements. First, there is the labour force in certain of these countries in which the environment is capable of utilizing it in up-to-date processes, the space which we lack for developing some of our industries; and the proximity of raw materials, some of which are consequently of greater economic interest there than here. The second main feature, or group of features, would comprise the Arab capital from the petroleum-producing countries, which might well lend itself to more economical utilization on the other side of the Mediterranean than on this. In Egypt, in view of the guarantees given to investments and the creation of free zones, capital from the petroleum-producing countries is already available for industrial investment. The third group of features would comprise our own contribution, in technology—although this could just as well be contributed by other big industrial powers

—and in markets to supplement the local and regional markets in those countries—and this we alone can contribute, this would be the beginning of integration, of that grand design.

It is, of course, inconceivable that this grand design should find expression in a single agreement, an agreement between the Community and all these countries; it would find expression on the plane of bilateral relations—yes, Mr Blumenfeld!—although the interesting thing is that these countries do not want to limit themselves to bilateral agreements, because they do not want to be confined in a tête-à-tête or to a series of tête-à-têtes. On the other hand, it must be recognized—since I have introduced the dimension of the European Common Market—that there are problems incapable of being settled on a bilateral basis, since the new production capacities to be developed in the Arab countries must be adapted to the capacities of the European market. And this cannot be settled, the necessary measures cannot be taken by two countries—one European, the other Arab. Coordination is necessary: the integrated means, of which some would be at Community level, could make their contribution here when taken together.

This, then, is the general significance of the whole affair concerning all the countries in this region, which, I repeat once more, are not confined to the Arab states. The form taken would comprise industrial agreements with undertakings, bilateral agreements between governments, agreements with the Community, perhaps even agreements among all the Twenty-Nine. This is the perspective which may make up that grand design.

Mr President, the analyses offered by Mr Terrenoire and Mr Blumenfeld go even further, raising problems which have repercussions in other parts of the third world. Mr Blumenfeld referred to the emergency campaign for the countries most seriously affected by the crisis, the campaign which has been decided upon by the United Nations and which we hope the Community will be able to support. It is, I think, impossible today, in the course of a few minutes, to deal with the whole of this problem, but the Commission would be grateful to this House if it agreed, during one of its forthcoming part-sessions, to devote one or two hours to a general discussion of our policy vis-à-vis the developing countries, whether these be rich and populous, rich and de-populated, or populous and poor, for these things make up a single whole, as Mr Blumenfeld and Mr Terrenoire rightly both emphasized. The Commission would be only too pleased to present its views and to show how,

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in its opinion, a Community policy is beginning to emerge on this plane.

(Applause)

President. — Thank you, Mr Cheysson.

I have no motion for a resolution on this debate.

Does anyone else wish to speak?

The debate is closed.

15. *Oral Question with debate:*
Energy research programme

President. — The next item is Oral Question (Doc. 244/74), with debate, by Mr Hougardy to the Commission of the European Communities on behalf of the Liberal and Allies Group.

The question is worded as follows:

‘Subject: Energy research programme

At the European Parliament’s sitting of 12 July 1974, the Commission announced proposals on energy research in the Community.¹ Can the Commission clarify its proposals on the energy research programme, and, in particular, define its position on the following questions?

1. What essential energy research projects are at present being carried out in the Community?
2. What energy research projects are to be encouraged and given priority in the future?
3. What financial ceiling is necessary for energy research to produce satisfactory results?
4. What structure does the Commission contemplate for the implementation of its programme?’

Speaking-time is allocated as for the previous Oral Question.

I call Mr Baas, who is replacing Mr Hougardy, to speak to the Question.

Mr Baas. — (NL) Mr President, could I ask the Commission what major research schemes on energy are afoot at present in the Community? The accent here is on the aspect over which we are just now being severely challenged, namely, the problems of safety which such projects raise. Public opinion in various Member States has become highly sensitive to this aspect of energy research. I should therefore like the Commission to give its fullest

attention to this side of the problem, particularly with an eye to these popular reactions. Does it take the view that certain risks are admissible in the interest of getting practical results out of certain technical and technological developments?

In the second place, I should like to ask what research projects in the field of energy deserve encouragement, and to which of them priority should be given. In particular, could I ask the Commission to enlarge on the problems which arise in connection with the transport of gas and oil and of marine drilling? Also, are there any schemes under consideration which aim at economizing on energy or are concerned with its distribution, since such measures may be imminent, not because of any shortage of oil or energy, but because the financial means are lacking?

My third question is: what is the capital needed to finance research in the energy sector if satisfactory results are to be achieved?

And my final question: what organization does the Commission envisage for the execution of its programme? In this connection I should like the Commissioner to tell me in particular about the ‘Energy for Europe’ research programmes. There is a need here for elaboration, coordination, documentation and publication—in fact, for an organ to keep a constant check and obtain data while programmes are being carried out.

Above all I should like to know the Commissioner’s point of view on this question of documentation, in order to give the Community an opportunity to deal with the whole subject. If the indications point to the setting up of a working-body of some kind, my preference would go to the type of structure which could ensure optimum coordination within the framework of the Institutions.

President. — I call Mr Dahrendorf to answer this question on behalf of the Commission.

Mr Dahrendorf, *member of the Commission of the European Communities.* — (D) Mr President, on 17 July the Commission adopted a communication to the Council of Ministers, entitled ‘Energy for Europe: Research and Development’, which contains guidelines for a comprehensive research and development policy for the European Communities. With this strategy the Commission and the European Community are continuing the activity which was a part of the Community’s work from the outset, i.e., research and development in the European Coal and Steel Community, in Euratom and in the European Economic Community.

¹ Debates of the European Parliament No 179, July 1974.

Dahrendorf

I wish to give the following reply to the individual questions which have been put and to the additional observations by the author of the question.

In reply to question 1: what essential energy research projects are at present being carried out in the Community? For the current four-year programme of the Joint Research Centre, some 70 million units of account are being spent on energy research. This expenditure is concentrated on a number of important subjects, among which high priority attaches to research on plutonium and transplutonium, elements with which work is essentially done at the Joint Research Centre in Karlsruhe, and also research into questions of reactor safety. I would confirm to the author of the question that in our view this high priority for research into questions of reactor safety must be maintained. Close on one-third of our expenditure on the Joint Research Centre goes on research projects of this kind. I myself have always been particularly interested in this subject as I am convinced that the age of nuclear energy in which we are already living poses entirely new problems of safety for which the political bodies have a special responsibility.

A sum identical to that devoted to the Joint Research Centre is also being spent on the important fusion project which deals with the use of nuclear energy by nuclear fusion rather than fission. This is a five-year project, and we are already in its fourth year. Next year the renewal of the credits for this project will come up for discussion. A substantial part of the present research project is concerned with the development of technologies for extracting oil from the sea-bed and the transport of gas and oil. In 1974 the Community spent 25 million u.a. on this project. In addition to the Joint Research Centre, the fusion project and oil research, we are at present spending some 6 million u.a. on coal research and, in the framework of a three-year project running into March 1975, rather more than 10.6 million u.a. for a high-temperature reactor, a test reactor in Great Britain known as the Dragon Project. That is my answer to the first question.

The second question refers to the priorities envisaged by the Commission for energy research in the future. It relates to the content of the 'Energy for Europe' communication which we published in July. In this communication the Commission explained in detail why it considers it necessary for the European Community to deal with research and development in the energy sector. It showed in particular that the interdependence between the European economies, the size of the research projects necessary

in the energy sector and the obvious advantages of an intensive exchange of views and information in this area require a greatly reinforced effort by the European Community here.

In the communication to which I refer and to which the question also refers, the Commission identified eight principal topics of Community activity. I do not propose to state a position here on these eight subjects in detail, but I should at least like to list them so that the Assembly can hear directly from a member of the Commission what we consider the priorities.

First of all, it is necessary to provide fuller information on the results of energy research as is already being done by the CREST Committee, i.e., to open the lines of communication between the Member States and the research institutes in them.

Secondly, we consider that a strategic sector of energy research and development is that concerned with achieving a more rational utilization of existing energy sources. In the Commission's opinion, a great deal can still be done jointly here.

Thirdly, the Commission feels that in the coal, petroleum and natural gas sector further research by the European Community and in particular further development projects based on existing research results are necessary. The problems involved here are well known, but the task of development is no less great. There are possibilities for developing new technologies in which the Community should participate.

Fourthly, the important theme of nuclear energy remains one of the subjects which the European Community should consider both with a view to what I would call the peripheral questions concerning the use of nuclear fission, including reactor safety, as one of the main problems, and with a view to the important central questions of nuclear fusion, a subject which is of great importance, not least because it has much to do with the questions of reactor safety already referred to.

Fifthly, the Commission proposes that study of the use of hydrogen as an energy medium should be recognized as a strategic area of European research and development. The problems of the extraction of hydrogen, its use as a fuel and as an energy medium must therefore be studied further.

Sixthly, the Commission proposes that the Community should concern itself intensively with new energy sources, in particular with those which are self-renewing, i.e., we believe that the subjects of solar energy, geothermal energy and energy obtained from the wind and tides should be a matter for the Community.

Dahrendorf

Seventhly, we think that one of the strategic subjects with which we should concern ourselves is the relationship between energy research and the development of new energy sources on the one hand and the environment in which we live on the other. We should not forget this relationship at any point. A number of projects proposed by the Commission relate to environmental problems and their relationship to energy research.

Finally, we consider that a strategic area of energy research lies in the consideration of energy systems themselves, i.e., in determining how we can make energy sources available to Europe in a flexible, reliable and environmentally acceptable form today, tomorrow and in the more distant future.

Practical research projects in these eight strategic areas are now being worked out by the Commission. In this connexion it is of great importance to us to note—as I wish to do specifically here—that the aim is not to strengthen and intensify research in the Joint Research Centre; on the contrary, Community activity under the Energy-for-Europe programme consists in many respects in coordinating, encouraging and ensuring that research of this kind is conducted in Europe with benefit to all concerned.

That leads me to the third question, which is that of the financial ceiling for energy research of this kind. The Commission believes that expenditure on energy research should be on a completely different scale in future. In 1974, 905 million u.a. were spent on energy research in the Member States and some 70 million u.a. from the Community budget. This represents a total of 0.1 per cent of the gross domestic product of the European Community. The Commission considers it necessary to increase this figure to about 0.14 or 0.15 per cent of the gross domestic product in the European Community as a whole—in the Member States and in direct Community activity—i.e., it considers that some 500 million u.a. more should be devoted to energy research than in the past. This would mean—I say this not in support of that theory but as a comparative remark—that the European Community would then reach the same order of expenditure on energy research as is already characteristic of the United States or Japan, where 0.14 or 0.15 per cent of the gross domestic product is set aside for this work. I would stress again that when quoting these figures we are not assuming that all these funds are to be spent by the Community as a Community. We do, however, believe that the volume of expenditure on research and development in the energy sector shown in the Community budget should gradually be increased from 25 to about 50 per cent of the total expenditure on energy research.

That brings me, Mr President, to the last question, which the rapporteur has supplemented by a few further observations. In the Commission's view, the Energy-for-Europe programme requires certain organizational decisions in the sphere of research and development. In particular, it seems necessary to us that the various services and organizations of the Community and Commission which are at present concerned with these matters should be brought together and a form of organization found which will ensure the necessary financial and administrative independence for this important subject. There has been no decision of the Commission or Council on this matter, but the Commission considers it important that the advantages of a closer coordination of aspects which have hitherto remained separate should be combined with the advantages of introducing appropriate forms of organization. In my view, there is a need to find instruments which are in every respect a part of the Community Institutions and are subject to that extent to continuous control by the European Parliament and its committees responsible for these matters.

May I say in conclusion that in the Commission's opinion the Energy-for-Europe project is of central importance to the further development of Community research and Community activity in general. The Commission believes it would be desirable for the Council of Ministers, when it considers energy-policy strategy, to discuss also the question of research and development strategy. We believe that a debate on the subject of certain basic decisions can and should take place at an earlier date in the Council. At the same time, the Commission's services are developing individual research projects, which can then be discussed as such with all their budgetary consequences.

Mr President, the Energy-for-Europe project in the sector of research and development must be one of the symbols showing that the Member States of the European Community understand the tasks which Europe has as a Community. The Commission has made its proposals here, as indeed on many other matters, in good time and, I believe, in a well-founded and sound manner. It is to be hoped that the Member States will do their part in embodying these proposals in Community policy at Council level.
(*Applause*)

President. — I call Mr Springorum to speak on behalf of the Christian Democratic Group.

Mr Springorum. — (*D*) Ladies and gentlemen, I would stress that I am not speaking today solely on behalf of my group but also on behalf

Springorum

of the Committee for Energy, Research and Technology.

I do not wish to say much on this matter. We have not considered the Commission's communication on Energy for Europe in our committee, so that it is too soon for us to make precise comments on this matter. But I wish to take this opportunity to thank Professor Dahrendorf for submitting this paper. And I should also like to take this opportunity to thank him for all that he has done here in his capacity as Member of the Commission. I think I am right in assuming, Mr Dahrendorf, that this has been your last speech to Parliament and, on behalf of our committee and group, I should like to thank you for always having taken us seriously as a Parliament, committee and group, for always having been at our disposal to discuss matters with us and for having been of such extraordinary assistance to us in our work.

(Applause)

In your term of office as a Commissioner, you have done a great deal here for Europe and made many proposals, which have perhaps not always suited us. But now you have become a defender of Europe, and for that we are grateful to you. If in the next few days you are to take up an important new position in Europe, we hope that you will take with you this fighting spirit for Europe and continue in your new activities to speak for Europe so that the Europe we wish to be brought about will one day become a reality. Thank you once again, Mr Dahrendorf.

(Applause)

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

Mr Flämig. — *(D)* Mr President, ladies and gentlemen, the question by our colleague Mr Hougardy has crossed with the submission of the 'Energy for Europe—Research and development' report, and Professor Dahrendorf has just outlined briefly once again the central features of this programme. We fully realize that it is not the Community's energy policy but energy research policy which is at stake here; that is, of course, part of energy policy and also part of research policy in general. Its immediate interest has been heightened by the energy crisis and the consequences of the latter, and we believe, Mr President, it is too important to be considered as a mere appendage of Question Time. The Chairman of the Committee on Energy Research and Technology has said that the committee must consider the matter before adopting a position. We must examine the question of priorities and strategy in detail.

The Socialist Group of the European Parliament would also like to take this opportunity to thank you, Professor Dahrendorf, on your last appearance before us. We read with interest in the introductory remarks to this report by the European Research and Development Committee that it was compiled at the urgent request of Commissioner Dahrendorf. You are leaving this document, like so many other reports and programmes, with us—I am thinking also of the medium-term research programme.

Professor Dahrendorf, we are sorry that you are leaving it with us as a kind of legacy and will not have the opportunity to speak on the matter again. It is indeed a legacy. We associate ourselves with the expression of gratitude to you and are sorry to see you leave. At the same time we wish you every success in your new task and I would add, Professor Dahrendorf, that we also hope a competent and worthy successor will soon be found to you. May we wish you every success in your further career.

President. — I call Mr Dahrendorf.

Mr Dahrendorf, *member of the Commission of the European Communities.* — *(D)* Mr President, the two previous speakers in this debate have spoken appreciatively of my work as Member of the Commission.

It is not usual for Members of the Commission to speak in this chamber as individuals, but I hope you will bear with me if I say that I have learnt a great deal in this House and indeed here in Luxembourg, and that my activity as a Member of the Commission has derived much of its meaning from representing the Commission's positions in your Parliament. Although I am leaving the Commission, I am not leaving Europe: I am simply leaving one form of activity for Europe to take up a different activity for Europe. Politics can only be politics in a human context; and the people of our countries are represented by the Members of the European Parliament and the members of other parliaments. That is where my responsibility has lain in the past; in future it will lie in making my contribution to ensuring that the young people of today become the Europeans of tomorrow and help to give Europe a lasting existence. I have every reason, Mr President, for thanking this House for the cooperation I have enjoyed with it over the years as a Member of the Commission, and I have every reason also for stating to you that while I may no longer be with you as a Member of the Commission, I shall always be with you as a European.

(Loud applause)

President. — Thank you, Mr Dahrendorf. On behalf of the Bureau, I should like to associate myself with the tributes just paid to Mr Dahrendorf and heartily wish him much success in his new work.

I have no motion for a resolution on this debate.

Does anyone else wish to speak?

The debate is closed.

16. *Presentation of two documents with request for debate by urgent procedure*

President. — I have received the following two documents:

- a request for debate by urgent procedure pursuant to Rule 14 of the Rules of Procedure on agricultural prices, submitted by Mr Cointat, Mr Gibbons, Mr Herbert, Mr Hunault, Mr Kaspereit, Mr Laudrin, Mr De la Malène, Mr Nolan, Mr Terrenoire and Mr Yeats on behalf of the Group of European Progressive Democrats and Mr Berthoin, Mr Houdet and Mr Émile Müller on behalf of the Liberal and Allies Group (Doc. 275/74); and
- an Oral Question, with debate, on the increase of agricultural prices, put by Mr Bordu, Mr Lemoine, Mr Cipolla and Mr Marras on behalf of the Communist and Allies Group to the Commission of the European Communities. This question is also submitted with a request for debate by urgent procedure.

These requests are analogous in so far as they concern agricultural problems and certain reports according to which the German Government has not accepted a decision of the Council of Ministers.

The request for debate by urgent procedure submitted by members of the Group of European Progressive Democrats and of the Liberal and Allies Group on agricultural prices is worded as follows:

'The Group of European Progressive Democrats and the Liberal and Allies Group,

- having received information from the press agencies that the government of a Member State refuses to implement the recent Council decision to increase agricultural prices by 5 per cent as from 1 October;
- having regard to the extreme seriousness of this information; earnestly request an immediate explanation from the Commission.'

The letter sent by the Communist and Allies Group reads:

'Mr President, in accordance with the last subparagraph of Rule 47(2) of the Rules of Procedure, I hereby ask you to propose to Parliament that the Oral Question annexed to this letter be placed on the agenda for the sitting of tomorrow morning, 26 September 1974.'

This question is worded as follows:

'Subject: Increase in agricultural prices.

At its sitting of 16 September 1974, the European Parliament expressed the view that an average increase in prices of at least 6 per cent was urgently necessary in order to cope with the exceptional rise in agricultural costs.

At its meeting of 20 September 1974, the Council of the European Communities adopted the 5 per cent increase universally recognized as inadequate by the farmers of the Member States of the Community, particularly those engaged in stock-farming.

The Government of the Federal Republic of Germany today announced that it rejected the 5 per cent increase.

In view of this and the new situation which has arisen, the Communist and Allies Group asks the Commission what steps it intends to take to find solutions to the plight of the farmers.'

Since questions to be dealt with by urgent procedure are given absolute priority over other items on the agenda, in accordance with Rule 14 (3) of the Rules of Procedure, I consult the House on the adoption of urgent procedure. I am informed that the Commission is prepared to answer the question.

I call Mr Fellermaier to speak on behalf of the Socialist Group.

Mr Fellermaier. — (D) Mr President, I join with the Chairman of the Christian-Democratic Group in asking for the sitting to be suspended now to give the political groups an opportunity to consider the urgent motion from the Liberal and Allies Group and the Group of European Progressive Democrats under Rule 14 of the Rules of Procedure and the Question from the Communist and Allies Group under Rule 47 of the Rules of Procedure.

I wish to state on behalf of the Socialist Group that we shall not be able, before a group meeting has been held, to adopt a position on either the procedure under Rule 14 or the procedure under Rule 47. If a debate is to be held, it must have a proper basis. The question of urgency must therefore be examined; we must consider the fact that the motions are available in only one official language and I would therefore ask you, Mr President, to meet the wishes of my group and of the Christian-Democratic Group and suspend the sitting for an appropriate time.

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

Mr Yeats. — May I say a word on behalf of one of the political groups that has asked for this urgent procedure? I would remind you with respect, Mr President, that three political groups have asked for this matter to be treated as an urgent matter. I would say first of all that this matter is in fact a great deal more dangerous and more serious than it seemed to be at the time we requested that the urgent procedure be applied. I would like to quote from the official communiqué issued today by the German Government: 'The Federal Government cannot approve, in the present situation, of the decision of the Council of Ministers of Agriculture of 20 September 1974'.

It is not simply a matter, in fact, of 5 per cent. It is a matter of the entire package deal agreed by the Council. It is clearly a matter of the greatest urgency and neither the Socialist Group nor any other group needs to meet to decide on its urgency. They may well meet to decide what they are going to say about it. We all would like to do that, and I would suggest that the debate take place tonight at about 9 o'clock. How can anyone, Mr Fellermaier or anyone else, get up and suggest it is not an urgent matter? If ever there was a matter that was urgent and which required a debate in this Parliament, this is it. We are making fools of ourselves, we are making a fool of Parliament, if we say that this is not an urgent matter. Of course it is urgent. *(Applause)*

President. — It is the custom of this House to grant a request for suspension made by one or more groups. I propose to the House that we suspend proceedings until 9 p.m.

Any objections?

That is decided.

The House will rise.

(The sitting was suspended at 7.05 p.m. and resumed at 9.20 p.m.)

IN THE CHAIR: MR BEHRENDT

Vice-President

President. — The sitting is open.

Ladies and gentlemen, the two requests concerning the latest developments regarding the problem of agricultural prices have already been read out. In the meantime, they have been translated and distributed as working documents 270/74 and 275/74.

Since, pursuant to Rule 14 (3) of the Rules of Procedure, questions to be dealt with by urgent procedure are given absolute priority over other items on the agenda, we shall first consider the question of adopting urgent procedure. I remind the House that the Commission has declared itself prepared to deal with this subject.

I therefore consult Parliament on the adoption of urgent procedure.

Are there any objections?

The adoption of urgent procedure is agreed.

Since both requests concern agricultural prices, I would ask the authors of the Oral Question, with debate, submitted on behalf of the Communist and Allies Group to state whether they are not prepared to withdraw the question.

I call Mr Lemoine.

Mr Lemoine. — *(F)* Mr President, we consider that the adoption of urgent procedure has been decided. We do not withdraw our document; we take the view that the House has given a favourable response and that we can move on by urgent procedure to a joint debate on the request submitted by the Liberal and Allies Group and the Group of European Progressive Democrats and on the question put by the Communist and Allies Group.

President. — I must remind you that there is a difference between these two requests: the one is governed by Rule 14 of the Rules of Procedure and the other—that is, your request—by Rule 47; they are therefore subject to different procedures. I am asking you whether you are not prepared to withdraw your question since both requests concern the same problem and you will in any case have an opportunity to speak.

I call Mr D'Angelosante.

Mr D'Angelosante. — *(I)* The Communist and Allies Group withdraws its Oral Question.

President. — I note that your request has been withdrawn. I now consult the House on the question when, in view of the fact that the adoption of urgent procedure is now agreed, the debate should take place. I remind the House that Mr Yeats proposed, before the proceedings were suspended, that the debate should be held this evening.

What is the Commission's position?

I call Mr Gundelach.

Mr Gundelach, *member of the Commission of the European Communities*. — Mr President, as you have indicated, the Commission will be ready to participate in this urgent debate. In view of the subject involved and of the very few hours which have been at the disposal of Members of this Parliament and of the Commission to ponder the serious situation which has arisen, I would, however, suggest that the debate take place tomorrow morning, starting, if it so pleases this House, at 11.30 a.m. By that time my colleague, Mr Lardinois, who is responsible for agricultural affairs, will be at the disposal of the House.

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

Mr Spénale. — (*F*) Mr President, the Socialist Group has agreed to the adoption of urgent procedure in this matter. I must say, having recently become chairman of a group—a no longer young but a new chairman—that I was somewhat surprised by the procedure adopted by other groups in a matter which concerns us all equally and on which we too were prepared to agree to the adoption of urgent procedure. I make this point with all possible courtesy, since it is not by my intention to provoke any anger.

I regret that the documents have been prepared but, instead of being distributed, have been submitted to the president. No one came to enquire about my group's attitude on this point: I repeat, I regret.

I would add that the debate must be responsibly conducted. The situation is not so straightforward as presented in the two documents we have before us, which state simply that the German Government has rejected the increase of 5 per cent agreed upon by the Council of Ministers. I believe I am right in saying that the German Government has merely expressed a reservation and that on one point—not on all—it has let it be known that it could not apply this increase. It has raised the question of the conditions under which this increase should be applied, and has stated that it is still negotiating. It has expressed a wish that national measures which are considered incompatible with fair competition in certain fields should be revised, etc.

I feel we should consider all these things and not state baldly that a government is not executing a Council decision. It is much less simple than that. If we wish to undertake a serious debate, we must have a proper basis, documents which are not in our possession—we haven't even received the text of the questions. A member of the Commission should also be able

to tell us how the Commission itself regards this problem and how it intends to discharge its responsibilities.

In our view, all this will only be really possible if, as Mr Gundelach said just now, Mr Lardinois is present. If therefore this debate is to take place tomorrow at 11.30 a.m., the Socialist Group is fully prepared to take part in it. I wish to stress that we have never opposed the holding of a debate on this subject at the earliest opportunity and in the most rational form: quite the contrary.

(*Applause*)

President. — Do the authors of the request agree that the debate be held tomorrow at 11.30 a.m. instead of this evening at 9.00 p.m., as originally requested?

I call Mr Lenihan to speak on behalf of the Group of European Progressive Democrats.

Mr Lenihan. — On behalf of the Group of European Progressive Democrats, I should like to agree with what has been said by my colleague, Mr Spénale, that we should have a constructive and responsible debate on this very important matter. Our view when putting down the motion was that this decision that has been taken against the decision of the Council of Ministers and against the views of the Commission and the European Parliament warranted a motion on our part under the urgency procedure of Rule 14. For that reason we put down this motion and want a debate as soon as possible. Now I appreciate the exigencies of Commissioner Lardinois's position, which mean that it cannot be heard until tomorrow morning, and in view of that we agree that the debate should take place in the morning; but I would emphasize that it should be an open-ended debate, because this is not a matter that just concerns agricultural prices: it is a matter of the gravest political importance which concerns the whole question of Community solidarity and where this Community is going in the future. Unless this fundamental matter is clarified, there is no sense in unanimous decisions by the Council of Ministers or recommendations from this Parliament or from the Commission. I would suggest that at the debate in the morning, apart from Commissioner Lardinois, who is concerned with agricultural prices, we also have a representative or representatives of the Council of Ministers present, because fundamentally this is where the trouble stems from. I respectfully put forward that recommendation for the consideration of my colleagues here in Parliament, since this is pre-eminently a political matter with very serious political implications for the

Lenihan

future of the Community. The question of agricultural prices, while very important, is, in my view, secondary to the fundamental matter of the future of this Community and of its Institutions and the whole meaning of Community solidarity.

(Applause)

President. — I conclude from your remarks that you have no objection if the debate by urgent procedure takes place tomorrow morning at 11.30.

The Council of Ministers will be represented, since there are in any case questions to be answered by the Council of Ministers by urgent procedure.

Are there any objections?

It is so decided.

17. *Directive on the noise-level of agricultural tractors*

President. — The next item on the agenda is a debate on the report drawn up by Mr Willi Müller, on behalf of the Committee on Public Health and the Environment, on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to the driver-perceived noise-level of agricultural or forestry tractors fitted with wheels (Doc. 193/74).

The rapporteur has informed me that he has nothing to add to his written report.

I call Mr Gundelach.

Mr Gundelach, member of the Commission of the European Communities. — (DK) The report, for which we express our thanks, contains no specific proposals for amendments to the Commission's proposal for a directive, but does contain a few general observations to which I must add some remarks.

First, there is a complaint that the proposal was not submitted in due time. The delay was due to the lack of unanimity among the experts taking part in the preparatory work. The Commission chose to work out a proposal there could be general agreement on rather than keep to the time-limits and submit a proposal on which there was disagreement. I trust the committee will understand this choice.

Secondly, the report expresses the hope that the Council will take its decision early enough for the directive to enter into force by the same

time as the British law at the latest. We share this hope, and we shall do what we can to see that the work in the Council progresses as rapidly as possible, but it cannot be guaranteed that it will enter into force at the same time as the British law, which enters into force on 1 September 1975.

Thirdly, we are reproached with having chosen optional harmonization instead of total harmonization, but as I explained in this Assembly previously, we choose optional harmonization, where it is adequate, in principle, instead of the more far-reaching total harmonization.

Finally, the hope is expressed that the Commission will adapt the maximum noise-level and measuring methods to technical progress, and it is of course clear that we shall do so.

President. — Thank you, Mr Gundelach. Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

18. *Regulation on measures of conjunctural policy in agriculture*

President. — The next item on the agenda is a debate on the report drawn up by Mr Schmidt, on behalf of the Committee on Budgets, on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 974/71 on certain measures of conjunctural policy to be taken in agriculture following the temporary widening of the margins of fluctuation for the currencies of certain Member States (Doc. 265/74).

I call Mr Gerlach, replacing Mr Schmidt, who has asked to present the report.

Mr Gerlach, deputy rapporteur. — (D) Mr President, allow me to make a short introduction, on behalf of my colleague Mr Schmidt, to a subject which will certainly take up more of our time tomorrow in the debate on agricultural questions. This is an extraordinary technical matter which requires, however, a number of clarifications; I wish to express my especial thanks in this connexion to the Committee on Agriculture and its rapporteur, Mr Frehsee, who supplied the Committee on Budgets with such excellent documents for the decision.

At first sight one would say that this subject is complicated. The factors are, however, relatively simple and I would remind you that in 1971,

¹ OJ No C 127 of 18 October 1974.

Gerlach

after France had lowered the gold parity of the French Franc in 1969 and the Deutschmark had been revalued fairly steeply, a regulation was adopted on certain conjunctural policy measures necessary in agriculture after the temporary widening of the fluctuation bandwidth of the currencies of certain Member States. This formulation I have just quoted corresponds to the text of the regulation at that time, which embodied in Community law what came to be known as border compensation measures; this border compensation was created solely for Member States which revalued their currencies. When devaluations were decided in other Member States thereafter or when currencies floated downwards, it became necessary to make allowance for them in Regulation 974/71. The regulation was reviewed in February 1973. The regulation now before us is a second amendment to the 1971 regulation. Article 4(a) of the regulation, whose second paragraph we considered in the agricultural debate last week, contain the provision in its first paragraph that, for countries whose currencies have been devalued, the compensatory amounts granted on imports will be deducted from the import levy and that the compensatory amounts charged on export will be deducted from the export refunds in trade with third countries.

For imports, implementation of this provision presented no difficulties. On the other hand, considerable difficulties arose in the case of exports. The level of the export refunds is generally only known when the product has reached its destination. While then the monetary compensatory amounts can be levied immediately on completion of the export duty formalities, the export refund can generally only be granted a good deal later.

The resulting difficulties were overcome by almost all the Member States whose currencies had depreciated—namely, Denmark, France, Ireland and the United Kingdom. The United Kingdom solved the problem by deducting standard amounts which were as close as possible to the estimated actual export refunds. Italy, on the other hand, found it impossible to apply the system stipulated in Article 4(a), paragraph 1, and did not in fact apply it. In Italy, different offices are responsible for monetary compensation on the one hand and export refunds on the other.

The regulation now before us is designed to legalize the practice followed in Italy. It is unlikely that other Member States will make use of this new provision.

In fact, the United Kingdom has already said it will not do so. The only persons to be adversely affected by this new regulation will be the

Italian agricultural exporters, who will only receive the export refunds due to them a good time after effecting the exports. But they are already accustomed to that, they are already in this situation.

The two committees concerned, the Committee on Budgets and the Committee on Agriculture, recommend you to accept this regulation and adopt the Committee on Budgets motion for a resolution.

The Commission's draft regulation, however, contains a second change: a provision requiring the Commission to report each month on the functioning of this monetary compensation is to be deleted.

While the Committee on Agriculture favoured an annual report, the Committee on Budgets recommends you not to adopt the Commission's proposal but to stipulate in Article 2 of this regulation that the Commission shall report on the application of this regulation to the Council and European Parliament every six months.

I would therefore ask you to accept this amendment to Article 2 on behalf of the Committee on Budgets, and apologize for having explained this purely technical regulation in order to give some colleagues who are not familiar with this subject at least a brief outline of what has been decided here.

(Applause)

President. — I call Mr Gundelach.

Mr Gundelach, member of the Commission of the European Communities. — (DK) I should like on behalf of the Commission to thank the committee for an exceptionally fine piece of work, and not least I should like to thank the previous speaker for, if I may say so, having done work for us both by explaining so fully and clearly what the matter is about. I will therefore not repeat the same thing with different words.

I am pleased that the committee approves this proposal. The only question outstanding is the one of reports, but I should prefer not to go into detail about it, since the Commission is prepared to accept the latest proposal put forward, for reports every six months.

President. — Thank you, Mr Gundelach. Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

¹ OJ No C 127 of 18 October 1974.

19. *Change in the agenda*

President. — The next item on the agenda is a debate on the report drawn up by Miss Flesch, on behalf of the Committee on Budgets, on the proposal from the Commission of the European Communities to the Council for a regulation amending the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities (Doc. 253/74).

In view, however, of the late hour and of the fact that new amendments are still being tabled to this report, I propose to the House, with the agreement of the rapporteur, that consideration of this report be referred to tomorrow's sitting. I further propose that we decide that all amendments to this report must be tabled by 10 a.m. tomorrow.

I call Mr Gerlach.

Mr Gerlach. — (D) Mr President, the Committee on Budgets has carefully considered the draft and also the opinion of the Legal Affairs Committee. In view of the large number of additional proposed amendments, I would ask Miss Flesch to agree to the proposal being referred back to the committee. There are problems here which still require further discussion, and because of our full agenda for tomorrow, and the many proposed amendments, I do not consider it desirable to deal overhastily with this document, which is very important to our officials.

In short, I would ask Miss Flesch to consider the matter and refer the whole question back to committee again.

President. — I call Mr Broeks.

Mr Broeks. — (NL) Mr President, my colleague Mr Gerlach has requested that the report be referred to the Committee on Budgets, but in view of the nature of some of the amendments I should like to ask you, in that case, also to refer it to the Legal Affairs Committee for its opinion.

President. — I call Miss Flesch.

Miss Flesch. — (F) Mr President, I fully agree with the two speakers that there are a considerable number of amendments to the report which I have the honour to present. These amendments are difficult ones, like all textual questions relating to the Staff Regulations; they undoubtedly demand mature consideration, since one has to consider all the types of cases that

are possible and all the consequences for all the annexes to these regulations. At first sight, therefore, a proposal to refer the whole matter to the committees and defer it to our next part-session might well seem desirable and even welcome.

Nevertheless, Mr President, I would put it to this House that this proposal for a modification to the Staff Regulations includes some important ameliorations which representatives of the staff have been demanding for a very long time and whose adoption is urgently necessary. I am thinking, for example, of the modification relating to mission expenses: on this point there is an alarming discrepancy between the provisions of the Staff Regulations and the present cost of an hotel room in certain towns of the Community.

I know, from contacts I had with them only this morning, that the staff representatives attach very great importance to Parliament's being able to deliver its opinion and deliver it soon, as, incidentally, Mr President, the Council asked us to do in a letter when it forwarded this text for our opinion. The staff representatives are anxious that we should deliver our opinion without delay in order that they may start on the consultation procedure with the Council which is laid down. Personally, I would add that I consider it important that we should deliver our opinion without loss of time in order to save this Institution from the reproach of having held up developments in this important sphere.

This Parliament has always been concerned to assure adequate working conditions for the staff of our Institutions. In my view, we should be fulfilling the task we have set ourselves if we were to ensure that it was not our Institution which held up measures designed to bring an amelioration. I know that the subject is a complex one, but for my part, Mr President, I would ask the committee to agree to meet tomorrow morning so as to enable us to deal with these matters in plenary sitting tomorrow afternoon. I insist that we deal with it as rapidly as possible.

President. — I should like to point out that, according to Rule 26 of the Rules of Procedure, the chairman of the committee responsible may request that a report be referred to committee. In addition, Parliament is, of course, entitled to refer any report to committee at any time. Perhaps the committee would like to consider the question once more tomorrow, and then convey its views to the House.

I call Mr Gerlach.

Mr Gerlach. — (D) Mr President, I wish to make the same proposal. I take all the points Miss Flesch has made, but I would point out that the period involved is 14 days and we cannot be accused of having delayed consideration of these matters, which are so important to the officials, either intentionally or through negligence.

I do not believe that we could deal in one committee meeting tomorrow with all the additional amendments which have been proposed by this afternoon and which, as the President has just said, may still be proposed until 10 a.m. tomorrow. I would also point out that the agricultural debate will certainly take up time tomorrow. If we also have a debate on Greece, which again is no light matter, we should be dealing with this question before an almost empty chamber, to judge by the normal demands on our colleagues' time in the late afternoon.

I believe that no one, including the officials affected by this regulation, will suffer from a delay of fourteen days. But some of the proposed amendments, and I have no idea how many more remain to be added, are too important to be dealt with hastily, and I would propose tomorrow in the committee that we should consider this question of a postponement.

I would therefore ask you, Mr President, to call a meeting of the Committee on Budgets for tomorrow at 9.45 a.m., and I assume that the committee chairman will be in agreement.

President. — I call Mr Broeks.

Mr Broeks. — (NL) Mr President, if the matter can be sorted out in this way tomorrow, it may after all not be essential to call the Legal Affairs Committee together. It could not even be done. It would, however, be highly appreciated if the Committee on Budgets could arrange for these measures to be backdated in the event of a delay. I am not sufficiently familiar with the Staff Regulations and we have not gone into it thoroughly enough in the Legal Affairs Committee. As a rule, however, it is possible to make appropriate provision for backdating in a case like this. The staff then have nothing to complain of if the decision comes a week or two late.

President. — I should like to refer to Mr Gerlach's proposal. I assume that the chairman of the Committee on Budgets has no objection to a meeting tomorrow morning at 9.45. What you have just said, Mr Broeks, could be put forward by a representative of yours at this committee

meeting, so that your proposal could be discussed straight away. I would therefore suggest that members of the Legal Affairs Committee could attend the meeting of the Committee on Budgets tomorrow morning at 9.45. Whether the report would then be dealt with in this House tomorrow would depend on the opinion communicated by the Committee on Budgets in the plenary sitting.

The debate on this item is now closed.

20. Agenda for the next sitting

President. — The next sitting will be held tomorrow, Thursday, 26 September 1974, with the following agenda:

10.00 a.m. and 3.00 p.m.:

- Question Time;
- Debate by urgent procedure on agricultural prices;
- Joint debate on:
 - oral question with debate by Mr Amendola and others to the Council on the independence of Cyprus;
 - oral question with debate by Mr Jahn and others to the Council on the association with Cyprus;
 - oral question with debate by Mr Jahn and others to the Commission on the association with Cyprus;
- Report by Mr Corterier on the EEC-Greece Association;
- Oral question with debate by Mr Corona to the Commission on relations between Portugal and the Community;
- Joint debate on:
 - oral question with debate by Mr Amendola and others to the Council on the employment situation
 - oral question with debate by Mr Bertrand to the Commission on the employment situation;
- Report by Miss Flesch on the Staff Regulations of Officials of the European Communities.

The sitting is closed.

(The sitting was closed at 10.00 p.m.)

SITTING OF THURSDAY, 26 SEPTEMBER 1974

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IN THE CHAIR: MR BERKHOUWER

President

(The sitting was opened at 10.05 a.m.)

President. — The sitting is open.

1. *Approval of the minutes*

President. — The minutes of proceedings of yesterday have been distributed.

Are there any comments?

The minutes of proceedings are approved.

2. *Membership of committees*

President. — I have received from the Socialist Group a request for the following appointments:

- Mr Carpentier to the Committee on Economic and Monetary Affairs;
- Mr Lagorce to the Committee on Budgets to replace Mr Leenhardt;
- Mr Carpentier to the Committee on Social Affairs and Employment to replace Mr Brégère;
- Mr Brégère to the Committee on Agriculture;
- Mr Leenhardt to the Committee on Energy, Research and Technology to replace Mr Lagorce.

I have also received from the Liberal and Allies Group a request for the appointment of Mr De Clercq to the Parliamentary Committee of the EEC-Greece Association to replace Mr Bourdellès.

From the Christian-Democratic Group I have received a request for the appointment of Mr Zeller to the Committee on Regional Policy and Transport, the Committee on Development and Cooperation and the Joint Committee of the Parliamentary Conference of the EEC-AASM Association.

Are there any objections?

These appointments are ratified.

3. *Documents received*

President. — I have received the following documents:

- (a) from the Council of the European Communities, a request for an opinion on the

proposal from the Commission of the European Communities to the Council for a regulation on the financing of advertising and publicity campaigns designed to promote the consumption of meat (Doc. 269/74). This document has been referred to the Committee on Agriculture;

- (b) from the Commission of the European Communities the ECSC Auditor's Report for the financial year 1973 (Doc. 266/74).

This document had been referred to the Committee on Budgets;

- (c) from the committees the following reports:
- a report by Mr Vetrone drawn up on behalf of the Committee on External Economic Relations on the proposal from the Commission of the European Communities to the Council for a regulation on the opening, allocation and administration of a 1975 Community tariff quota for dried grapes falling within sub-heading 08.04 B I of the Common Customs Tariff in immediate containers of a net capacity of 15 kg or less (Doc. 267/74);
 - a report by Mr Lange, drawn up on behalf of the Committee on External Economic Relations on the proposal from the Commission of the European Communities to the Council for a regulation on the common definition of the concept of the origin of petroleum products (Doc. 268/74).

4. *Question Time*

President. — The next item is Question Time. The questions have been published in Doc. 260/74.

We will deal first with the questions to the Council of the European Communities.

The first question is No 1 put by Mr Jahn on CSCE negotiations and worded as follows:

Can the Council confirm its opposition to the institutionalization of the conference through the creation of a permanent secretariat, in line with the position so far adopted by the Community at the CSCE negotiations?

I call Mr Destremau.

Mr Destremau, President-in-Office of the Council of the European Communities. — (F) Mr President, the question put by the honourable Member refers to the general problem of what action is to be taken following the Conference on Security and Cooperation in Europe. This prob-

Destremau

lem does not therefore specifically concern the work of Committee 2, which covers the economic aspect and in which the Community takes part. The honourable Member's question cannot be treated as falling within a purely economic context. In any event, in the general perspective this remains entirely an open question within the conference itself. I think this is now sufficiently clear. Let me then stress the fact that the Community participates only in the work of Committee 2.

President. — I call Mr Jahn.

Mr Jahn. — (D) Is the Council unaware that the Nine agreed at the negotiations in Helsinki that the CSCE negotiations should not end up with a new institution, as proposed by the Soviet Union, but that they would be regarded as unique in themselves?

President. — I call Mr Destremau.

Mr Destremau. — (F) I thank Mr Jahn for this new supplementary question. I should like to say that the problem this raises is a very general one and concerns the competence of Member States rather than that of the Community as such, and that he bases his consideration on the powers of foreign ministers or political departments, meeting as representatives of Member States within the framework of political cooperation.

President. — Question No 2 by Mr Noè on the choice of of a single seat for the European institutions will be dealt with later.

The next item is Question No 3 by Sir Douglas Dodds-Parker on the European Security Conference. It is worded as follows:

The Council is asked what progress has been made in the European Security Conference.

I call Mr Destremau.

Mr Destremau. — (F) The work of the Conference on Security and Cooperation in Europe is now being carried on by three committees formed for the purpose. Under the *ad hoc* formula agreed on by the Council at its meeting of 20 September 1973, the Community is represented only on Committee 2. Consequently, the Council can reply to the honourable Member's question only in so far as its relates to the work of this particular committee.

I have to observe that this work has not yet achieved any positive results, particularly as regards the completion of a draft resolution on trade, and it is at this stage scarcely possible

to supply a general survey of such progress as may have been made within the framework of this conference. The question could equally well be raised within the framework of contacts with the House for the study of political cooperation. May I remind the honourable Member that talks took place in Paris a few days ago—such as must in any case be held twice every six months— between the Political Affairs Committee of this House and the President-in-Office of the Council.

I would, however, also point out that, although Committee 2 has not yet produced a draft resolution, its work has led to positive and encouraging results, at least in the matter of exchanges of information and contacts, but we cannot claim for the present to have gone beyond what I have just indicated.

President. — I call Sir Douglas Dodds-Parker.

Sir Douglas Dodds-Parker. — Mr President, can the President-in-Office say if he expects any useful progress on items in Committee 2 as long as Communist countries, especially East Germany, are breaking the United Nations Charter of Human Rights by persecuting and imprisoning those, including foreigners, who seek to leave these countries?

President. — I call Mr Destremau.

Mr Destremau. — (F) I have just stressed that the Council as such as well as the Member States attach great importance to the rights of man and to the international obligations these involve. It is by virtue of this common concern for the rights of man that the governments are insisting in particular on the need for concrete results within the framework of what we call the third 'package' of the Security Conference, and I shall make a point of advising my colleagues of the views expressed by Sir Douglas Dodds-Parker.

Let me add that there is no doubt that, as the weeks wore on, this problem of the free movement of persons has come to appear more and more important.

At the outset the accent was of course on security and cooperation, and as I have just pointed out, there have been a number of exchanges which proved fruitful in the sphere of commercial relations. However, the principle of the free movement of persons is the stumbling block of the conference, and I can say that the Council is very insistent on obtaining concrete results in this field; otherwise, the conference cannot be regarded as a success—indeed, we

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might in such a case have to write it off as a failure.

President. — I call Mr Jahn.

Mr Jahn. — (*D*) Mr President, I was pleased to hear that the Council attaches particular importance to the third 'package'. Could the President-in-Office confirm that the CSCE is not to be terminated unless the Soviet Union gives definite assurances as regards freedom of movement during the talks on the third 'package', since the attempt is at present being made to bring the Conference to a close at the end of the year?

President. — I call Mr Destremau.

Mr Destremau. — (*F*) In reply to the honourable Member I would simply say that, whilst the question he raises is obviously of prime importance, the Community cannot, as we have just pointed out, reach a decision in this field; it would be up to the Member States to decide whether or not they should continue taking part in the conference.

President. — I call Mr Fellermaier.

Mr Fellermaier. — (*D*) May I ask the President-in-Office why he did not give a more comprehensive political answer to the question initially raised by Sir Douglas Dodds-Parker as to the progress actually achieved at the Security Conference, particularly as a result of initiatives taken by the Member States represented in the Council, and as to the part played by the Council as a Community institution at the Geneva talks? Why is the House being refused a comprehensive answer?

President. — I call Mr Destremau.

Mr Destremau. — (*F*) My reply to the honourable Member is that, whatever the interest and importance of the debate on this subject, I am not, in my position as representative of the Council, able to reply on subjects other than those which are being handled within the framework of Committee 2, in which the Community is taking part.

President. — The next question is No 4 by Mr Kater on a common energy policy.

As Mr Kater is not present, this question will be answered in writing¹.

¹ Annex: Oral Questions which could not be answered during Question Time, with written answers.

The next item is Question No 5 by Lord O'Hagan on the Regional Development Fund. It is worded as follows:

What progress has the Council made towards agreeing to set up a Regional Development Fund?

I call Mr Destremau.

Mr Destremau. — (*F*) As Lord O'Hagan will be aware, the Council has for some time been considering a number of measures to be taken with a view to the application of a Community regional policy. First and foremost among these are the steps which the Commission recommends for the setting up of a Regional Development Fund; one of the chief purposes of such a fund would be to assist the completion of the development plans of Member States for the poorest regions.

The Council has not yet been able to reach any decisions owing to the complexity of the problems raised, and the Commission is now—in consultation with Member States—looking into the problem as a whole, with a view to drawing up a report for the Council, containing, as may be appropriate, the outlines of solutions to the problems raised. It is true that a lot of work has been done by the committee concerned under the heading of the Regional Fund and policy, but Member States are understandably keeping an eye on the cost of the operation, as Lord O'Hagan will be aware. This is the stumbling block.

President. — I call Lord O'Hagan.

Lord O'Hagan. — Surely the President-in-Office of the Council must be aware that this Parliament is growing ever more impatient with the delays of the Council on this matter. Could not the President-in-Office say something a little more positive?

President. — I call Mr Destremau.

Mr Destremau. — (*F*) I cannot say anything more definite to Lord O'Hagan, but I can undertake to approach the Council of Ministers again on behalf of your Parliament and impress upon them your eagerness to see some progress in the matter. I promise to put this to the Council of the Communities in a very clear and firm way.

President. — Thank you, Mr Destremau.

We will now consider the questions to the Commission of the European Communities.

The first is Question No 6 by Mr James Hill on comparative figures of the kilometres of motor-

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ways constructed, or to be constructed, in each of the Member States. The question is worded as follows:

Can the Commission provide comparative figures of the kilometres of motorways constructed, or which are envisaged will be constructed by the end of 1979, in each of the Member States, and will they also express these figures as a percentage of the total kilometrage of roads in each Member State?

I call Mr Broeksz for a procedural motion.

Mr Broeksz. — (NL) Mr President, according to Article 47 of the collected texts, questions whose purpose is to obtain documents or statistical data are not admissible. Mr Hill is trying to obtain statistical data from the Commission. Could you therefore tell me why you have accepted this question?

President. — Mr Broeksz, I am grateful to you for your vigilance.

As Mr James Hill is not present, the question will not in any case be discussed, but a written answer will be given.¹

I will, however, make a note of your remark, which we will bear in mind for future occasions.

The next question is No 7 by Mr Premoli on the harmonization of nuclear plant safety standards. It is worded as follows:

In view of the expected growth in the number of nuclear power stations and the widespread public concern associated with it, does the Commission not consider it desirable to improve and extend measures to harmonize nuclear plant safety standards?

I call Mr Hillery.

Mr Hillery, Vice-President of the Commission of the European Communities. — Mr President, the Commission has already taken certain steps in connection with the technological safety problem through the implementation of organized cooperation between the various areas of interest. This includes the compilation of an inventory of national practices and the comparison and gradual alignment of methodologies, criteria, codes and applied standards. I would remind the honourable Member that all these have been dealt with in the Communication to the Council on the implementation of guidelines and priority actions for a Community energy policy. The question of the safety of nuclear installations will, moreover, shortly be the subject of a

further communication to the Council, which will take into account the results of work completed to date. As regards the protection of workers and civilian populations against radiation risks, I would recall that provision for such protection is ensured on a Community scale in accordance with Chapter III of the EAEC Treaty and, more particularly, by the basic standards included in national legislation in this field.

President. — I call Mr Premoli.

Mr Premoli. — (I) Whilst I am satisfied with the reply given by the Commissioner, I should be grateful if the Commission would put us in the picture as regards the stage reached in the work of the committee it has set up on the harmonization of safety standards in nuclear installations.

President. — I call Mr Hillery.

Mr Hillery. — This will be made known in a further communication to the Council soon, but it is not quite ready yet. I do not have the information available.

President. — I call Mr Helveg Petersen.

Mr Helveg Petersen. — (DK) Has the Commission considered the security problems raised by such criminal offences as blackmail by threatening to blow up nuclear installations? This is a very important question.

President. — I call Mr Hillery.

Mr Hillery. — I do not have the necessary information on that particular question at the moment, but would be very happy to answer it during the next part-session.

President. — The next item is Question No 8 by Mr Deschamps on financial aid to the countries of the Sahel. The question is worded as follows:

What practical activities are already being financed by the European Development Fund in the countries of the Sahel with a view to reestablishing a natural environment conducive to efficient agriculture and stock-farming, which are essential to the survival of the populations of those countries?

I call Mr Thomson.

Mr Thomson, member of the Commission of the European Communities. — Mr President, the Commission, which throughout this Sahel catastrophe has been grateful for both the support

¹ Annex: Oral Questions which could not be answered during Question Time, with written answers.

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and the pressure of the European Parliament, has continually had in mind the need for concrete activities to deal with the fundamental causes of the drought, at the same time as sending urgent supplies of emergency aid.

In the years before the catastrophic deterioration in 1972 and 1973 the European Development Fund gave priority to animal and public health measures and to the development of rural water supplies and irrigation by financing 3 000 wells and borings. In the special allocations of funds which the Community has made since 1973, amounting to more than 100 million units of account in all, apart from the emergency aid, priority has been given to the restoration of roads, transport and warehousing facilities, to the building of new water plant at points where the people and herds concentrate, to the revival of agricultural production by the supply of seed and a wider use of crop facilities, to the establishment of more effective commercial networks for the distribution of the food crops and to the organization of cattle-breeding with a view to creating a well-founded and stable biological equilibrium between the herds and the capacity of the pastures.

With permission, I will deposit for the record with the report of this debate full details of these fundamental efforts to restore the means of production and establish an ecological balance.

The Commission is glad to note that General Sangoulé Lamizana, President of Upper Volta and President of the Inter-States Permanent Committee for the fight against drought in the Sahel, has said that during the course of 1973 there has been a magnificent spirit of solidarity. He underlined, however, that 1974 is once again a year of famine. The Commission agrees with that view and feels that the European Community still faces the moral obligation to show itself by its solidarity the leader of the international effort to reconstruct a life-giving environment for the people of the Sahel.

President. — I call Mr Deschamps.

Mr Deschamps. — (*F*) I thank the Commission both for its statement of principle and for the concrete measures taken which it has listed to us, and would simply ask whether I could have information as exact as that which it has just given me, on the creation of a centre for the zoological and agriculture survey of the Sahel, whose permanent responsibility would be to ensure the revival of farming and stockbreeding in this part of the world, which is the only way to achieve substantial and lasting results.

President. — I call Mr Thomson.

Mr Thomson. — I think that the suggestion made by the honourable Member is a constructive one, and I will draw its attention to my colleague, Mr Cheysson, and the Commission will communicate with the honourable Member about that suggestion.

President. — Question No 9 by Mr Brewis on alcohol regulations has been withdrawn by the author.

The next item is question No 10 by Mr Hougardy on graduate unemployment.

As Mr Hougardy is not present, this question will be answered in writing.¹

The next question is No 11 by Mr Durieux on cheese products. It is worded as follows:

In view of the alarming situation facing producers of Gouda, Edam and Mimolette cheeses in certain countries of the Community, does the Commission not propose to fix the threshold price for cheese with a 45% fat content at a realistic level and to extend the negative correction factor for skimmed milk powder to other dairy products and in particular to the protein content of cheese products?

I call Mr Hillery.

Mr Hillery. — The Commission is not of the opinion that the situation faced by the producers of Gouda, Edam and Mimolette cheese in certain countries of the Community is worrying. It is true that production of these cheeses in the Community has risen. On the other hand, market prices have, since July 1974, also increased and will probably increase further. In most of the producing member countries prices are between 12 and 20 units of account per 100 kilogrammes below the threshold price. Only in France do market prices seem to have exceeded the threshold price of 159.05 units of account per 100 kilogrammes.

A market price above the threshold level signifies in the case where this market can be considered as representative, nothing more than a situation where for the product in question more than the target price for milk is being realized. Such a situation is not sufficient reason for increasing the threshold price for the product in question. Concerning the negative corrective of 2 units of account per 100 kilogrammes the Commission has been well aware of the consequences of the non-application of this amount to products other than skimmed milk powder. This

¹ Annex: Oral Questions which could not be answered during Question Time, with written answers.

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limitation exclusively to skimmed milk powder was decided by the Council of Ministers within the framework of a compromise on monetary matters.

President. — I call Mr Premoli, who is replacing Mr Durieux in the discussion on this question.

Mr Premoli. — (*F*) How should the milk price decided in Brussels be interpreted: is it the price excluding tax, on the French model, or the price including tax, on the Dutch model?

President. — I call Mr Hillery.

Mr Hillery. — It is the average in the whole Community excluding tax.

President. — I call Mr Brewis.

Mr Brewis. — As the Commission has seen reports that there is a possibility that milk may be rationed in the United Kingdom this winter, and in one creamery in my constituency cheese production has been reduced to 30 % of capacity, does the Commissioner agree that we should be producing more milk in the Community than we are?

President. — I call Mr Hillery.

Mr Hillery. — The answer is no.

President. — Does anyone else wish to speak? Thank you, Mr Hillery and Mr Thomson.

Question Time is closed.¹

5. *Change in the agenda*

President. — Honourable Members, yesterday evening the Assembly decided to comply with a request by the Group of European Progressive Democrats and the Liberal and Allies Group for another agricultural debate by urgent procedure. It was agreed that this debate should take place this morning, starting at about 11.30.

In view of the heavy agenda, I suggest that we proceed with the other items on the agenda until 11.30 a.m.

Are there any objections?

That is agreed.

¹ Annex: Oral Questions which could not be answered during Question Time, with written answers.

6. *Oral Questions with debate: Association with Cyprus*

President. — The next item is the joint debate on

— Oral Question with debate put by Mr Amendola, Mr Ansart, Mrs Caretoni Romagnoli, Mr Lemoine and Mr Bordu to the Council of the European Communities (Doc. 243/74) and worded as follows:

Subject: Initiative to safeguard the independence and freedom of Cyprus

The military coup d'état in Cyprus and subsequent developments give rise to serious concern at the fate of the legitimate constitutional government of President Marakios and of the populations of the island and may well gravely jeopardize efforts towards détente in the Mediterranean.

Does the Council not consider that it should reflect these sentiments of condemnation and alarm and express an opinion of its own on the events in Cyprus, and that it should take steps to safeguard the independence and freedom of the island?

— Oral Question with debate put by Mr Jahn, Mr Kirk, Mr Aigner, Mr Klepsch, Mr Alfred Bertrand, Mr Lückner and Mr Schuijt to the Council of the European Communities (Doc. 245/74) and worded as follows:

Subject: Association with Cyprus

— With reference to Article 14 of the Agreement establishing an Association between the Republic of Cyprus and the European Economic Community,

— having regard to the declaration of the President of the French Republic of 27 August 1974 to the effect that the inadequate political organization of the Europe of the Nine has allowed a conflict to arise in which three Associated States are involved,

we ask the Council of the European Communities:

1. Will the Council propose a meeting of the Association Council in order to put forward solutions to the political problems threatening the implementation of the EEC-Cyprus Association Agreement?

2. Is the Council prepared to propose that the Foreign Ministers of the Nine should formulate a joint plan for a peaceful solution to the political crisis in Cyprus, which representatives of the Community could put before the Association Council?

— Oral Question with debate put by Mr Jahn, Mr Kirk, Mr Aigner, Mr Klepsch, Mr Alfred Bertrand, Mr Lückner and Mr Schuijt to the Commission of the European Communities (Doc. 246/74) and worded as follows:

Subject: Association with Cyprus

We ask the Commission of the European Communities:

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1. Will the Commission make an immediate, comprehensive and positive response to the Cypriot Government's request in August 1974 for aid to homeless persons in Cyprus? If so, in what form and how quickly can such aid be given?
2. In view of its position on the Council of the EEC-Cyprus Association, is the Commission prepared, after consultation with the Council to enable the Community and the Cypriot Government to consider jointly the political problems affecting the implementation of the EEC-Cyprus Association Agreement and to put forward solutions?
3. Can the Commission see any other possible ways of contributing to a peaceful solution of the problems in Cyprus?

I would remind the House that as decided by Parliament at the beginning of this part-session, speaking time for oral questions with debate will be limited to 10 minutes for the author of the question and 5 minutes for other speakers.

I call Mr Jahn to present Question No 245/74 and No 246/74.

Mr Jahn. — (D) Mr President, ladies and gentlemen, Cyprus has almost disappeared from the headlines, which only goes to show how quickly the world becomes accustomed to the suffering of refugees, new frontiers, poverty and violence. But the situation in Cyprus demands our attention and sympathy, since the numerous problems facing the island have by no means been solved.

We note with some satisfaction that talks have in the meantime taken place between the two sides, and that the prisoners may return home. But at best this is a token. The economic and political problems facing Cyprus still need to be solved, and I think we agree that the Community has a part to play in solving them. The European Economic Community is associated with Cyprus, with Turkey and with Greece. The purpose of these Associations is supposed to be to bring about close economic and trade relations between all these nations and the European Community through the creation of a customs union. Economic relations, however, also mean political relations and links, and in any case relations never exist for their own sake: they are forged to help the peoples concerned to achieve greater prosperity and to live in peace with one another. As the economically stronger partner, the Community bears considerable responsibility in this respect.

We have received unmistakable indications of the desire for both economic and political support from the Community. We therefore called for today's debate so that two matters could be clarified in the European Parliament: first, the events in Cyprus affect us—I stress, us; we

must consequently give our opinion and try to put forward proposals for solutions; second, the request for aid to the Cypriot people in their suffering demands of the Community immediate action, and we welcome in this connection the funds quickly made available by the Commission for food aid, but we must emphasize that this can only be the beginning of a comprehensive aid programme.

Mr President, honourable members, with regard to the contribution to be made by the Community in finding a solution to the conflict in Cyprus I would recommend above all that the existing institutional framework, in other words the Association Council, be used to find out from Cyprus what services we can render. In addition, it would seem to me far from inappropriate for the Community to expand its political dimension by working out a practical plan for Cyprus instead of not giving an answer as in the past. Speed is of the essence, since the schism between the Greek and Turkish Cypriot communities is threatening to become permanent.

My friends and I also feel that the guarantor powers, Britain, Turkey and Greece, must make a greater attempt than hitherto to get back round the table, so that those who must later work and live together can find a common denominator for their interests. In this context, I would warn in very strong terms of the dangers of a division of the country. Cyprus is an independent state and must remain so. The difficulties being encountered in the search for a just and lasting—I stress, just and lasting—solution to this conflict must not be exacerbated by intervention from outside which is not compatible with existing agreements.

Furthermore, we feel that if a solution is now found, it must be so permanent and the interests of those concerned so firmly harmonized that we do not find ourselves in a situation like the present one every two or five years. Cyprus is a young state whose bases can only be stabilized with considerable effort. What is needed to ensure the continued existence of this state, it seems to us, is therefore a guarantee that the administration and government of the country will be exclusively in Cypriot hands. The present situation, we feel, presents an opportunity for the internal organization of Cyprus to be oriented now and for the future towards the interests of the whole population.

Finally, as I have already said, we welcome the assurance given by the Commission that the Community will be sending food and that the Commission reached a decision quickly in this respect. But I must emphasize that this can only be a first step, and when I speak of aid for refugees, I mean both Greek and Turkish

Jahn

Cypriot refugees. The movement of Cypriot people, whether forced or voluntary, is causing grave problems. Workers from the copper mines in the north of the country may, as we see it at the moment, only be allowed to settle in agricultural areas, while agricultural workers will have to work in industry in the future if the present schism remains. If the Cypriot people is expected to live with the consequences of these movements in the future, we should not delay in granting them any assistance they need, as we have done in many other fields in the past.

Our Associate Cyprus is in great political and economic need. The Community must not delay in using its economic and political potential for the benefit of the independence and prosperity of the people of Cyprus and justice in that country.

(Applause)

President. — I call Mrs Goutmann to present Question No 243/74 put by the Communist and Allies Group.

Mrs Goutmann. — (F) Mr President, ladies and gentlemen, although the tripartite talks in Geneva worked out an agreement at the end of July which in principle brought hostilities to an end, the situation remains very tense in Cyprus two months after the military *coup d'état*. The invasion of the island following the brutal intervention of the Turkish army early in August, in violation of unanimous decisions of the UNO and of the Geneva agreements, has badly upset our expectations of a solution to the conflict; indeed, nobody can pretend we are anywhere near peace in Cyprus.

Mourning and woe follow this drama like the tail of a comet: 2 000 died during the military putsch; 5 000 people of both communities lost their lives as a result of the battles which followed the intervention of the Turkish army; to these deaths we must add 12 000 wounded. At present 220 000 people, representing a third of the population, are reduced to refugee status, existing in deplorable conditions far from their homes in the poorer part of the island. 40 000 foreign soldiers now occupy almost 40% of its territory.

There is another side to this: it is the richest part of the island which has been occupied. 60% of the arable land and 80% of the island's productive capacities lie within the occupied area. Thus the country's entire economic prospects are imperilled, since its main resources derive from farming and tourism. The division of the island, the uprooting of the population, problems of communication and supply of neces-

sities, the presence of troops, all help to undermine the island's productive potential, perpetuate a climate of anxiety and constitute a permanent menace.

This is a situation to worry all democrats and lovers of justice and peace who have the independence and freedom of nations at heart. For two months, now, we have been marking time. The position has not been remedied. The situation is admittedly delicate, but as time goes on it becomes more and more apparent that this mess could have been put right but for the mule-headedness of nations wearing masks of liberal benevolence which prefer to be baffled by the apparent complexity of the situation rather than recognize the real culprits. Indeed, a dense fog has been created round the causes of the conflict, so that this could be represented as a quarrel between Greeks and Turks.

The first Turkish intervention, provoked by the military putsch staged by the Greek colonels looked like a legitimate defence of the integrity of Cypriot territory in the face of interference engineered by Athens. Now that the Greek military junta has been thrown out and the new government has declared its intention to work for a solution, the second Turkish intervention shows up the real nature of Turkish Government intentions towards Cyprus.

The Greek military putsch, and the invasion of the island by the Turks, are in reality two faces belonging to the same devil, whose master-plot is to do away with the régime of Archbishop Makarios. Owing to its geographical situation, the island occupies a very special place in NATO strategic thinking. Cyprus is a kingpin in the military machine of the Atlantic alliance, *vis-à-vis* both the Socialist countries and the Middle East.

This, then, explains why the non-alignment policy of President Makarios was a thorn in the side of the colonels' Greece, the Turkish government and the other countries which belong to NATO. This non-alignment policy was the fly in the ointment for American imperialism; not long ago the *New York Times* let the cat out of the bag by revealing that the Nixon Administration had for years regarded Makarios as the Castro of the Mediterranean.

So now we know what it is all about. The game does not concern the rights of this or that section of the Cyprus community threatened by Greeks or Turks. With the aid of the CIA they mean to get rid of a régime which would not bow to NATO requirements and which maintained, in the face of every obstacle, the independence and territorial integrity of the island which is for the present at an end.

Goutmann

The United States, therefore, were behind the Greek colonels' attempt to spirit away Archbishop Makarios. The plot failed and the colonels are out. This setback forced the United States to turn to Turkey for help in sorting out Cyprus. What does it matter if the population is uprooted, provided they end up huddling safely in the bosom of NATO?

This policy was doomed to failure. The NATO leaders could not prevent the outbreak of a conflict between two members of the Atlantic Alliance; the Turkish invasion is now being met with general reprobation. The UN General Assembly has unanimously condemned the military putsch which brought the colonels' régime to an end, and has demanded that the sovereign independence and territorial integrity of Cyprus be respected.

And yet there are solutions; constructive proposals have been put forward.

In the first place we must insist on the implementation of Resolution No 353, which was unanimously adopted by the UN on 20 July 1974; paragraph 4 of this resolution calls for the immediate withdrawal of all foreign troops other than those of the UN.

In the second place, everything must be done to favour the return of President Makarios, who represents the constitutional régime of the Republic of Cyprus, at present replaced, with his consent, by a government which can only be provisional.

In the third place, we must take up the recommendation of the Soviet Union that the future of Cyprus be discussed, not within a restricted circle suiting the wishes of NATO military circles, but in the larger framework of an international conference of Mediterranean countries whose interests are involved, of members of the Security Council and of non-aligned countries. These proposals have met with the approval of Cyprus and of Greece, as was confirmed by the Cypriot representatives who were received by the Communist and Allies Group of the European Parliament.

It will be obvious that such a conference cannot be held under the pressure of a *fait accompli* and that its chances of success depend on the departure of the 40 000 foreign troops now occupying the island, and the resettlement of the 200 000 refugees.

The Cyprus representatives we met laid great stress on the fact that the Cypriot people were open to any solution discussed within the framework of the UNO which excluded both *enosis* with Greece and partition of the island. They reaffirmed the will of the Cyprus constitutional

régime and reiterated their willingness to safeguard the rights of minorities, under international control if necessary. On the other hand, they gave expression to the disappointment and bitterness of the Cypriot people at the incapacity of Europe to intervene on behalf of the independence and territorial integrity of Cyprus.

With regard to the role of the Community authorities it is acknowledged that substantial aid has been provided for the homeless. However, in view of the urgency and extent of the need, it will not do to send out these supplies and wash our hands like Pontius Pilate; a lot more will have to be done. The fact remains that the problem of Cyprus cannot be regarded as a mere call for material aid; truly humanitarian action must involve Community intervention resulting in a political solution which meets the wishes of the Cypriot people.

The European countries have a duty to urge on the solution by pressing for an early withdrawal of foreign troops from the island. Members of this European Parliament and of the European Economic Community would be doing themselves credit by taking an active part in the task of settling this painful conflict, by severely censuring the Turkish invasion carried out in flagrant violation of the UN resolution, and by giving their support to the constructive proposals accepted by Greece and Cyprus. Owing to the existing Association Agreements with Greece, Turkey and Cyprus, the European Economic Community has a specific responsibility over this issue.

I shall conclude, Mr President, by stressing the fact that the most effective way of safeguarding and promoting that relationship of association, is in the first place by taking effective action to guarantee the independence and integrity of the island. We do expect a lot from the Community and hope that the Council will be able to clarify its position and accept explicit commitments on these lines.

President. — I call Mr Destremau to answer the questions put to the Council.

Mr Destremau *President-in-Office of the Council of European Communities.* — (F) Mr President, as you will have realized, the problems raised by the recent events in Cyprus have not been handled within the framework of the Council of the European Communities. They have, however, been tackled and studied very thoroughly in the context of cooperation in matters of foreign policy.

As you will no doubt recall, the Foreign Ministers had agreed on a common line to be taken,

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and on 16 and 22 July 1974 published communiqués stating their attitude to these events. I would remind you in particular that they urged effective implementation of the ceasefire and restoration of constitutional order in Cyprus. On 16 September the Foreign Ministers reaffirmed their support for a negotiated solution to the problem, which really seems to us to offer the only hope of achieving a fair solution to the conflict. I have no doubt that the Nine will persevere with their diplomatic endeavours to that end.

The Council is very keenly aware of the seriousness of the human problems which now exist in Cyprus, and decided on this account, as early as 12 September 1972, that an emergency operation was needed to help the refugee populations. This is to be carried out under the auspices of the United Nations High Commissioner for Refugees, and will for the present involve the supply of 3 000 tons of cereals, 200 tons of butter-oil and 200 tons of skimmed milk powder, as a food aid programme. It is understood that this emergency aid is to be additional to the normal aid programme already decided on by the Council within the framework of the food aid programmes for 1974, which was to comprise deliveries of 5 000 tons of cereals and, I believe, 250 tons of butter-oil.

Without involving myself in a debate which is purely political and has become more and more so as this sitting has proceeded, I should like to add that this Cyprus affair has been a constant source of concern to the Foreign Ministers of the Nine. They have been keeping in touch with each other for most of the time—by telephone of course; the Committee of the Heads of Political Departments has met very frequently, and the Member States have naturally seen in this both an opportunity and a need to reaffirm their resolve for political cooperation.

Mr Jahn has spoken about the negotiated solution. This is the unchanging position of the Nine and—I apologize for the digression—let me recall that in a communiqué from the Presidential Office of the French Republic it was made plain that such a negotiated solution was not to be hamstrung by any prior grabbing of bargaining counters. Of course the Nine should continue with their diplomatic endeavours on these lines, provided they know exactly what they are about. There might be snags in a premature intervention on the part of the Nine, leading to failure. I think it is well understood that we must avoid anything that could be prejudicial to any party involved.

In the humanitarian field instructions have already been issued. I have myself seen the High Commissioner for Refugees recently, and

he spoke of the very serious situation on the island as described by some of you. It raises two problems: first, there is an urgent need for emergency supplies, particularly foodstuffs; secondly, a problem of getting the persons displaced back to their hearths and homes with restoration of their property—a medium-term problem which is so far nowhere near solution.

The International Red Cross is likely to have a major part to play in the carrying out of any Community aid programme, although the chief responsibility will lie with the United Nations, who will work through their High Commissioner.

President. — I call Mr Gundelach to answer the question put to the Commission.

Mr Gundelach, member of the Commission of the European Communities. — Mr President, some of the questions which form the basis of the joint debate on the problem of Cyprus have been put to the Commission, and I shall try briefly to answer these questions.

The Commission is very conscious of the enormous immediate problems that confront the island of Cyprus, on which something like a third of the population are refugees in their own country and where the whole of the populations is suffering from the consequences of war. We are confronted with two sets of problems. The more immediate problem is how to bring help to a suffering people of a small island, but the longer-term problem is how peace is to be restored, and in that overall process the economy plays a part. We have an economic arrangement between the Community and Cyprus, and therefore I agree with the speakers that we as a Community have a responsibility. The long-term problem may indeed be a difficult one. At the present moment the island is divided. It may, for all we know, unless other political solutions are found, remain divided for a long time. But the partition of that island is not acceptable, neither for political reasons, as has been indicated by those who have put the questions, nor for economic reasons. It is not a viable position, and we must play our rôle with the means we have at our disposal to overcome the immediate difficulties of this partition and to overcome partition itself in the longer term.

First, on the immediate problems of a pressing humanitarian nature with which we are confronted. The Commission has taken immediate steps to try to alleviate this suffering. I quite agree with those who have put the questions, that these steps, important as they are, are only the beginning of a process. On 19 August this year, the Cyprus Government asked the Commission for aid for the refugees. On 29 August,

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as a first measure of help, the Commission decided to send 50 tonnes of skim milk powder through the channels of the International Red Cross Committee. On 6 September, the milk powder was despatched from Antwerp. In addition, the Council, acting on a proposal from the Commission, approved a second supply, which will be delivered on 24 October. This will consist of 3 000 tonnes of cereals, 200 tonnes of skim milk powder and 200 tonnes of butter oil. All this will be distributed through the agency of the United Nations High Commission on Refugees, which is the coordinator of aid to Cyprus and the guarantor that it is distributed to all those in need on the island. I wish to underline that these steps are in addition to the regular aid to Cyprus which was decided following a proposal from the Commission in March of this year and which consists of 5 000 tonnes of wheat and 250 000 tonnes of butter oil; this aid is actually in the course of delivery. We do believe that this immediate response to the urgent needs of the whole population is a valid contribution and the best we can do at the moment to improve the climate so that the two communities can find their way back to a peaceful way of living together.

As regards the long-term problem the lever which the Community as a Community has at its disposal is the Association Agreement with Cyprus. This must obviously be used in every conceivable way to overcome the economic problems referred to by previous speakers and by myself. What is the state of affairs in regard to the operation of the Association? What is called for first and foremost is a meeting of the Association Council. But the chief impediment at the moment to the normal functioning of the Association is, of course, the serious dislocation of the country's economy. The initiative in calling a meeting of the Association Council, which is the chief means by which we can operate effectively as a Community at present, lies with the Government of Cyprus. They asked for the previously scheduled July meeting to be postponed for obvious reasons and told us that they did not at that time think it appropriate to call a meeting. Their presidency expires at the end of this month. The Community, for its part, will no doubt be calling a Council meeting during its presidency as soon as circumstances permit, and we have a glimmer of hope of bringing about the first positive result in regard to the longer-term economic problems to which I have referred. I must, of course, remind the House that the Association Council can discuss only those questions which fall under the Association Agreement itself. Other mechanisms exist, as the House knows, for discussing the broader political problems, the solution of which are a necessity to the solution of the economic and

social problems, and this is a matter for the governments and not for the Commission.

President. — I call Mr Jahn.

Mr Jahn. — (*D*) Mr President, ladies and gentlemen, I have only a brief remark to make since I gave our opinion on this question before the President-in-Office of the Council and the representative of the Commission spoke. We feel that the Association Council must meet and should try to find not only economic but also political solutions. The nine Foreign Ministers should not be simply talking to each other on the telephone; the Association Council should be working out a proposal for a solution to the Cyprus problem and thus getting down to work straightaway.

The fact that, as the Commissioner has said, Cyprus has not convened a meeting of the Association Council does not relieve us of our duty of calling for such a meeting and submitting to this Parliament a proposal which goes beyond the purely economic aspects, which are in any case laid down in the Association Council, but also covers the political side.

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

Mr Fellermaier. — (*D*) Mr President, honourable Members, the Council of Ministers bears far greater responsibility than the Commission. The Commission must restrict itself to the limited political opportunities open to it under the Association Agreement. The Council on the other hand, even if its members change, bears considerable responsibility because the NATO problem, European political cooperation, the Council's work in the United Nations through the Member States and its activities in the bodies of the Association are inseparable. The question that arises is whether Washington must always be the mediator or the policeman standing at every corner of the world or whether Europe feels strong enough to make an independent, improved and stronger contribution as a partner of Greece and as a partner of Turkey. We know that both Turkey and Greece are in a special position because both are seeking full membership of the European Community. It is on this very point that the Council should be intensifying its activities somewhat.

Of course, we welcome the humanitarian assistance of which both the President-in-Office of the Council and Mr Gundelach of the Commission have spoken, but we know that humanitarian assistance can only alleviate the initial distress and that this distress will continue to

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exist as long as hostile powers face each other on a small island, the people being the only ones to suffer. I therefore feel that despite the considerable humanitarian assistance that is being given, we should not evade the question: What contribution are we making?

As you know, the Secretary-General of NATO expressed himself in a very strange way when he said that it was not NATO that was involved, but the United Nations. We know of the moral quality of the United Nations, but we also know of the inadequacy of that organization when it is a question of respecting the resolutions adopted by the Security Council. The European Community, however, linked as it is politically, economically and by treaties with Cyprus, Greece and Turkey, is best qualified to take part in the negotiations. During a joint hearing with the Foreign Affairs Committee of the American House of Representatives in Washington attended last week by Members of the European Parliament, it was remarkable to hear a well-known Congressman saying, 'We Americans are a long way from Cyprus. You Europeans are on the doorstep and know the history of the Mediterranean area and the special relations between this part of the Mediterranean and Europe, and I feel that it should therefore be possible for Europe to make a greater political contribution.'

The Socialist Group appeals to the Council of Ministers to make greater use of all its political, moral and contractual weight *vis-à-vis* the two powers, Turkey and Greece, in the interests of those who are suffering on the island of Cyprus. (Applause)

President. — I call Lord Gladwyn to speak on behalf of the Liberal and Allies Group.

Lord Gladwyn. — Mr President, this may be a slightly heretical view, and not entirely in accordance with what has so far been said, but I think it is arguable that the Community should have no very definite policy in regard to the present deplorable situation in Cyprus. For if it favours any particular solution, it will obviously run the risk of being denounced either by Turkey or by Greece, both of whom are Associate members of our Community. It would likewise be liable to be denounced by one or other of the super powers, more particularly perhaps by Mr Kissinger, because it would in his view undermine the solidarity of the North Atlantic Alliance and consequently prejudice the famous *détente*. And yet it would surely be rather cowardly to run away from the problem for such reasons as these. After all, the whole point of the so-called Davignon procedure is to

arrive at a common foreign policy if possible, so that the Community may increasingly speak with one voice.

A preliminary question, therefore, is whether the Community should support the proposal that talks between the Greeks and the Turks should be resumed under the Presidency of the United Kingdom. The old theory, in other words, that the future of Cyprus should be settled by the so-called guarantor powers would, no doubt, be suitable in many ways, but unfortunately the Turks have said that they will not agree to a resumption of such negotiations, nor does it look at all probable that the Greeks and the Turks will be able to settle the major issue of Cypriot independence on new lines between themselves, at any rate for a considerable cooling-off period.

So what should the Community now do? Well, some people say, and I think Mr Fellermaier has just said, that at long last the whole issue might be referred to the Security Council of the United Nations, which obviously under the terms of the United Nations Charter should have been coping with it from the start. If the move of the Greek Colonels to oust President Makarios was nothing else it was, in the language of the Charter, a move calculated to endanger international peace and security. Unfortunately, it is obvious that if the Security Council were to suggest, for instance, that Turkey should withdraw its troops, the Turks would regard this as an unfriendly act and threaten to leave NATO. The same situation would arise if the Greeks were urged by the Security Council to agree to some form of partition of the island. Should the Security Council nevertheless insist on imposing its will, whatever it might be, under the relevant chapter of the Charter, the Russians would presumably be the only power willing and able to act for the United Nations, and no member of the free world would relish the overcoming of either Greece or Turkey by the forces of the world's greatest totalitarian power.

Few therefore really maintain that the Security Council is in a position to solve the Cyprus problem, which in practice, I suggest, can only be solved by Greece and Turkey and the unhappy population of Cyprus itself.

If the Community is therefore to have a policy at all, it should surely be an impartial one, a readiness to help direct talks with small practical proposals, for instance on the best method of exchanging prisoners and indeed to some extent of small Greek and Turkish communities. After all, the British bases still exist and the British are not going to be turned out of them whatever any of the contestants may desire. In principle, of course, the Community should be in favour of an independent state of Cyprus. I

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suggest that we should continue to say that that is our aim, perhaps based on new federal principles in which the Turkish minority feel that they have as much right to be directly associated with their motherland, from the cultural and even the economic point of view, as the Greek majority have. Unless the whole population is to plunge into abject poverty and even largely to starve, this is an objective necessity, and it is clearly in the interests of both the Greek and the Turkish Government to bring it about. It is, objectively, in their interests and also in the interests of the Community to assist in the rehabilitation of Cyprus, as has been mentioned by the Commissioner, by all the means in its power. Let us therefore be practical but let us be cautious, let us be very willing to give advice if asked, and even to act as mediators if both sides should want this, but hardly otherwise. Above all, let us not condemn either of our Associates. The whole point which I am trying to make is that we should not take violent sides in this matter. I think we must leave it to Mr Sauvagnargues and Mr Callaghan to do what they can.

As for the questions put to the Council and the Commission, we must surely answer that put by the Communist and Allies Group in the negative for the reasons given. As regards the questions put by Mr Jahn and his associates to the Commission and the Council we can all agree with the first part. The other parts all concern the joint intervention by the nine powers who might themselves, apparently, recommend a solution of the Cyprus problem of the Greeks and the Turks.

I repeat that I believe that we should be very cautious about actually volunteering details of peace plans anywhere, whether in the context of the Association, the Treaty or otherwise. Tentative suggestions might perhaps be made and some machinery might be used for this purpose, but that I believe should be about as far as the Community should legitimately go.

President. — I call Sir Douglas Dodds-Parker to speak on behalf of the European Conservative Group.

Sir Douglas Dodds-Parker. — Mr President, may I first thank the Commissioner for what he said. I think that the Council of Ministers did very well in the emergency situation, but I think they would have done even better if they had had a more permanent political secretariat to look at this problem. Lord Gladwyn criticized the representative of the Commission for taking a line on this. I was not very clear myself whether the

Commission was doing so, rather than keeping all acceptable solutions open. It then seemed to me Lord Gladwyn himself was doing what he accused others of doing.

I rise very briefly to support the views expressed by Mr Jahn and Mr Kirk and others in Working Documents No 245/74 and No 246/74 and hope that in due course, in say in October, the representatives of the Council of Ministers can give us some idea, pursuant to paragraph 2 of Doc. 245, of what plan by then they may have succeeded in working out. I believe that one new factor which has been introduced into this situation since it all blew up in July is that there are new men now in the positions of power. It is an invidious thing to do, and I hope it will not embarrass them by mentioning the names of individuals like Mr Clerides, Mr Denktash, Mr Karamanlis, Mr Mavros and Mr Nuri Birghi, known to so many of us for their great history of achievement in Western Europe and North America, men of great compassion and wisdom, who I believe may be able to reach a solution for their countries more happily and more quickly than any of the many individuals fear at this particular moment.

On the specific points which have been raised, may I ask the Commission to let us know, if not now then at the next part-session in October, in accordance with paragraph 1, of Doc. 245, what action has been taken about a meeting of the Association Council, and at the same time perhaps the Commission might let us know what further action has been possible to assist the refugees. From my personal experience, which many share, of this beautiful island, there are a number of people who have decided to make their homes there, and who are not at the moment able to go back. It might be possible to arrange for them to go back. Many of them have outside resources and could help in the work of reconstruction which is so important. In the meantime, with 200 000 refugees, the question is whether we should not redouble our efforts now that the exchange of prisoners of war is so happily taking place, to make certain that the refugees should be exchanged at a rate of, say, 5 000 a week by the Red Cross or the Red Crescent. I believe this is another outstanding example, Mr President, of where the European setting of the Community and Council of Europe could and should be used to reach a settlement between two European groups to the benefit of all, not only in Europe but in the Eastern Mediterranean and far beyond.

(Applause)

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

Mrs Goutmann. — (*F*) I cannot help giving expression to our disappointment at the reply given by the President-in-Office of the Council to the question put by the Communist and Allies Group. His allusion to premature action by the foreign ministers of the Nine in the matter of a political solution to the Cyprus problem was probably based on a misunderstanding of what we were asking for. We are not asking for any precipitate intervention by the Council of Ministers, only for effective action on existing recommendations already accepted by Greece and by Cyprus.

This is why I am so insistent that the Council of Ministers should make up its mind and get down to the job it is there for. If it fails in its task, the Cypriot people will have further occasion to judge us by our futility, which will, in the final analysis, be seen as an attempt to tag along behind the decisions of the United States on the Cyprus problem. It is my conviction that, as a European Community, we have a part to play and must play it in the interest of the independence and integrity of Cyprus.

President. — I call Mr Jahn.

Mr Jahn. — (*D*) I should like to put a question to the Commission. I have just been informed that the Cypriot Government has called for a meeting of the Association Council.

Can the Commission confirm that this contradicts the statement made by its representative just now?

President. — I call Mr Destremau to explain the Council's position.

Mr Destremau. — (*F*) I think I may say there are two sides to the concern expressed: on the one hand, there is the problem of the Association of the countries of the Community with Cyprus, Greece and Turkey, and, on the other, the problem of reaching a political settlement.

As regards the Association Council, Mr Jahn's information is probably correct, but it is fitting that the Council should deliberate and reach a decision as quickly as it can. The presidency of the Association Council in any case passes to the Community as from 1 October, but even if the Council has been faced with the possibility of holding an Association Council meeting with Cyprus, it has not so far brought up the question for discussion. These Association problems are urgent, and a number of steps have already been taken by the representatives of Cyprus.

You are no doubt aware of the extent of the difficulties, first of all because the situation re-

mains rather confused on the island, and the practical problems, such as those of citrus exports which, I think, are chiefly preoccupying the Cypriot authorities, really call for urgent attention, because we are not very sure where these citrus consignments come from, how they are to be shipped and under what labels. I realize that this is quite a vital problem for the Cypriot population and must be looked into very quickly. I crave your indulgence for keeping this separate from the political aspect of the problem, although, as Mr Fellermaier pointed out, there is, after all, a connection between the problems of Association and the political ones.

May I address a remark at this point to Mr Jahn: if I use the telephone, it is because people are reduced to such expedients when they are so infrequently together.

Let me now come back to the point by telling Mr Fellermaier that if the Nine chose to intervene politically in this matter, this decision arose out of consideration of the fact that Greece and Turkey were associated with the Community. It follows that, whilst we are ready to keep the two problems separate—and as you will realize I cannot commit the Council of the Communities very far in the political field—I do recognize that there is a certain link with the problems of Association.

I should like to tell Lord Gladwyn that impartiality has always been the golden rule when drafting communiqués on behalf of the Council. Certain states have, individually and on their own account, thought fit to adopt attitudes of censure, as, indeed, the Security Council itself has done, but in communications from the Nine we have always said that our main aim was to work for a negotiated solution, that it is not permissible to resort to levers or bargaining counters to pave the way for negotiation, that the Nine are always willing and that an impartial approach offers the best chance of promoting a lasting understanding and harmony between the two communities. That is really what the whole issue boils down to. Time and again the problem has been raised to international level, and the Communist Member raised it to a very high level. But she cannot get away from the fact that what is involved is an understanding between two communities. That is why the Nine are always ready to help.

President. — I call Mr Gundelach to explain the Commission's position.

Mr Gundelach. — Mr President, a question has been put to me in regard to the formal procedures concerning the convening of a meeting of

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the Association Council. There is no real contradiction between what I actually said and what Mr Jahn is referring to. What I said was that in July the Cyprus Government, for obvious reasons, did not wish to have a meeting of the Association Council, and it was then and is still, under the terms of the Association Agreement, their right and obligation to convene the Association Council. However, I continued to express the Commission's desire and expectation that a meeting should take place in the foreseeable future. The Commission's position is that an evaluation of the events should as far as possible be based upon the fact that we now know from the Cyprus authorities that they are ready for a meeting of the Association Council. That was one of the elements which led me to predict that such an Association Council meeting would take place in the relatively near future because the Commission is ready for such a meeting and so, too, has been Cyprus for a little while now. I then ended up by saying it is a fact of life in our institutional set-up that the final word is not now with either Cyprus or the Commission. It is for the Council of Ministers to decide.

I would further like to say to Mr Jahn that, as I underlined previously, and as the representative of the Council and Lord Gladwyn have indicated, there is certainly a link between the solutions and problems of this troubled area and the functioning of the Association Agreement. It is perhaps an even more important link than some believe at this particular moment because the economy of Cyprus is not only seriously impaired by the warlike conditions but also by the threat of division. And here I am not expressing preference for one political solution to another but a statement of fact, that any solution involving division will have economic consequences and thereby social consequences and is therefore a serious element to be taken into account in the equation. And in that area the Community, through the operation of its Association Agreement, may be of considerable assistance in bringing about more peaceful—socially more acceptable and thereby more peaceful—circumstances on the island. Irrespective of the doubts which might exist in certain quarters as to the efficacy of this weapon, I believe that looked upon in this way it is a means which can be very efficient and also have a political effect. Where I believe there may be a difference of opinion between me and Mr Jahn, is that the Association Council as set up by the Treaty of Association is not the forum where major policy decisions can be taken or ventured, and on that point I must insist that it is just not institutionally, politically feasible, and it may, as somebody has suggested, not even be politically wise. This is a matter to be dealt with by the governments,

and any European appeal from you must be an appeal to the political cooperation which exists between the nine Member States.

I think this answers the questions additionally put to the Commission and clarifies the situation in regard to the willingness or unwillingness to convene a meeting of the Association Council, which, as I said, I believe and I hope will soon take place and which Cyprus for a little while now has been ready for.

President. — I have no motions for resolutions on this debate.

Does anyone else wish to speak?

Thank you, Mr Destremau and Mr Gundelach.

The debate is closed.

7. Debate on agricultural prices

President. — The next item is the debate by urgent procedure on agricultural prices. Mr Lardinois has given me to understand that he would like to begin the debate with a statement.

I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President as you and this Assembly know from my statement last Tuesday, the Council decided last week at a marathon session to adopt a very complex package of measures, with the proviso that one of the governments, namely the Federal German Government, only approved the agreement *ad referendum*.

Yesterday the German Cabinet attached certain conditions to this Council decision. These are contained in a letter to the Secretariat of the Council of which we obtained a copy yesterday afternoon. The German Permanent Representative writes as follows in this letter:

In the first place, the Federal Government emphasizes that it will continue to advocate the further development of the common agricultural policy on the basis of the Treaty of Rome.

Secondly, it indicates its readiness to accept the European Commission's proposals of 6 September for an interim price increase and for other measures, despite the fact that it considers it very difficult to agree to the increase for milk and dairy products because there are surpluses in this sector. Thirdly, the Federal German Government writes that it can only accept the Council's decisions of 20 September which were taken after a marathon sitting and go further than the Commission's proposals on a number

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of points, under three conditions. The first condition is a clear stipulation that the prices proposed by the Council will form part of the price increase to be fixed later, but by 1 February at the latest, for the year 1975/76.

The second condition is that the Member States must give a satisfactory undertaking of their intention to gradually abolish the national support measures insofar as they are in conflict with the Treaty.

The third condition to be met before the Federal Government can approve the decision of 20 September is that a start must be made on a review of the common agricultural policy. Moreover, the Federal Government writes that it considers further negotiations in the Council on the common agricultural policy necessary and reserves the right to make proposals itself, which will be based on the Treaty of Rome.

I shall indicate my own views briefly on all these points.

The German Government's position regarding the surpluses of milk and dairy products clearly relates at present less to actual surpluses than to the cost of disposing of them, which now requires considerable expenditure from the agricultural fund. It is my view that the price increase we have proposed will not for the time being encourage production in the Community; all that it does is to partly remove disappointment caused by cost trends.

We have obtained further information from the Federal Government and the Permanent Representatives on the scope of the conditions laid down. As regards the first condition—namely that the Council must clearly indicate that the price rises will form part of those to be determined later for 1975/76—the German Government is asking nothing other than what I have stated verbally to this Parliament, to the Council and to the common agricultural organizations, namely that we will base our price proposals for 1975/76 on cost developments in 1973/74. We shall of course take account of the price increases established in March and as of 1 October this year by the Community. I have the impression that this point will create no further problems if the Council adopts an appropriate resolution. As to the request for a review, I cannot unfortunately speak on behalf of the Council. I indicated my personal opinion last week in the Council, this week in the Parliament and yesterday at a press conference in Bonn. Personally I have no objection to the preparation of the review of the agricultural policy on which a thorough discussion will be necessary in full Council and also here in the European Parliament with the Commission and Council. I believe

this must be an institutional matter; the institutional element must be uppermost. If that is the intention of the German Government, I can only approve its wish and recommend my colleagues in the Commission to prepare such a review.

The condition concerning national measures is, in my opinion, primarily a matter for the Commission. I view the German step, which will no doubt be a serious disappointment to public opinion, as a support for the very difficult task of the Commission in this area. I am pleased to tell Parliament that the Commission decided yesterday evening to ask the Council to meet at an early date. The President of the Council indicated to me that he would gladly accept this request. He has already made contact with the responsible quarters to fix a date for this meeting of the Ministers of Agriculture. I expect it to take place in the first half of next week. If the Council then finds a solution meeting the German wishes, the date on which the new prices enter into force will probably have to be postponed for a few days to allow for publication and so on.

The European agricultural policy is faced with many problems. As they say in English, 'never a dull moment'. But there is no reason to dramatize all this because after all we have gone through in the past six months, first from one Member State and then from another, we have always come out on top. I do not believe we have lost control of the rudder even though the waves are very high. The difficulties arising not so much from the structure of the common agricultural policy as from a total lack of coordination must be solved. And then I have not even touched on the question of common solutions to matters arising in economic and financial policy.

(Applause)

President. — I now propose to close the list of speakers.

Are there any objections?

I call Mr Fellermaier.

Mr Fellermaier. — (D) I feel, Mr President, that the list of speakers cannot be closed until the President-in-Office of the Council has made his statement. It is quite possible that the political groups would like to speak after the President-in-Office of the Council has made his statement. I therefore ask you not to close the list of speakers yet.

President. — I put Mr Fellermaier's proposal not to close the list of speakers to the House.

Are there any objections?

That is agreed.

President

In accordance with the usual practice and pursuant to Rules 31 of the Rules of Procedure, I propose that speaking time be allocated as follows:

- 10 minutes for one speaker for each political group;
- 5 minutes for other speakers.

Are there any objections?

That is agreed.

I call Mr Martens to speak on behalf of the Christian-Democratic Group.

Mr Martens. — (NL) Mr President, ladies and gentlemen, I shall begin by thanking Mr Lardinois warmly in his capacity as Commissioner and also the representative of the Council for meeting Parliament's wishes so quickly and making a statement on the German Government's decision which was taken yesterday afternoon.

I am sure there is no need for me to tell you that the German Government's decision was a matter of serious concern to all of us who are closely involved in agriculture, and it was therefore highly desirable for us to hear some clarification today. I realize that it is difficult for the Council and Commission to determine the true state of affairs at present since they have only very recently been acquainted with the decision of the German Government themselves.

But I have a number of observations to make on the Federal Government's reservation on the first point. In my view it was so clear that what was involved here was an advance on the forthcoming price increase that there was really no need to return to this matter. As regards the preparation of a review I believe that that is done systematically each year; an inventory of agricultural policy is drawn up, and it seems to me that there is not a sufficiently strong argument here for opposing a decision; I take it for granted that we obtain each year a report on the activities of the Commission and the Council in the agricultural policy sector. What is new is that a request has been made for a fuller discussion of agricultural policy in the Council and if there are real problems, I take it for granted that these should be dealt with by the Council. I see really no cogent reason for the decision which has been taken. We have the impression that perhaps there were other reasons, and it may be difficult to determine what they actually were. The statement made a few days ago by Mr Lardinois appeared reassuring, and we are afraid that there may have been other reasons than those indicated in the communiqué. We are completely

in the dark here, and I think we must await the meeting of the Commission and Council to hear more about this. I do not wish to prolong the discussion; in agreement with the Socialist Group, the European Conservative Group and the Christian-Democratic Group I am submitting a motion for a resolution, the text of which is now being distributed.

There is of course a need for speed since Parliament and everyone else must understand that the German Government's decision has, to say the least, caused disappointment in agricultural circles, and I believe we must at all costs prevent a repetition of the events of the last few days; on the other hand I believe that in future the European institutions must be able to inspire confidence; decisions such as this—I hope no one will object to my saying this—do a great deal to undermine general confidence of the farming community in the common agricultural policy.

(Applause)

8. Document received and decision on urgent procedure

President. — I have received from Mr Lücker on behalf of the Christian-Democratic Group a motion for a resolution on the present economic situation as regards European agriculture (Doc. 271/74).

Pursuant to Rule 14 of the Rules of Procedure, a request has been made for this motion for a resolution to be dealt with by urgent procedure. Are there any objections to the request for urgent procedure?

The adoption of urgent procedure is agreed.

The vote on this document will take place at the end of the debate.

9. Debate on agricultural prices (Resumption)

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

Mr Laban. — (NL) Mr President, I wish to join Mr Martens in thanking Mr Lardinois for coming here so quickly and giving us the necessary explanation and information.

On behalf of the Socialist Group, I have the following comments to make on the German Government's decision not to accept the package of agricultural measures for the time being. Our group still adopts the position that agricultural problems in the EEC can only be solved by integrating them into an all-embracing European policy. Agriculture is a very important part of

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that. We know that it will take time to reach such integration. It is also clear that it is impossible to obtain a reasonable income for farmers solely by price policy with prices acceptable to the consumer if the structural policy does not also function adequately. That is why we approved last year a Commission memorandum on the adjustment of the agricultural policy, which provided for new instruments to achieve more balanced production in the context of market and pricing policy, supplemented by structural policy.

If the German Government is thus asking for measures in order, insofar as this is possible with the agricultural policy, to bring about improvements in the system in the interests of producers and consumers, my group has no difficulty in accepting this. Mr Lardinois also views this as a support for his policy.

We are sorry that the Council has reached no decision on the adjustment proposals contained in the memorandum referred to. Perhaps the Commission did not press the matter sufficiently.

On the other hand we must ask ourselves whether the German veto of this package of interim measures came at the right time and whether it will bring about the necessary improvements. Everyone agreed that what was involved here was an exceptional measure for the benefit of farmers and market-gardeners because of the rise in the cost of their means of production. They were generally suffering from a drop in incomes by comparison with most other professional categories, who have been able to obtain adjustments.

The package in question contains many good measures in the monetary sector and in regard to structures.

The percentage of the price increase was in fact a matter of great controversy; our group, too, was divided on it, but finally we all voted in favour of the proposal contained in the motion for a resolution. What was ultimately achieved was a compromise which I hope will now be implemented. Almost all the Member States had to make sacrifices. My group naturally assume that the percentage granted would in fact be taken into account in a realistic fixing of the prices for the next marketing year. Mr Lardinois has now confirmed that. The question of new instruments would naturally also have come up for consideration, and I believe the German Government must have known this. It now seems that the German Government will not subscribe to interim price measures, except in the case of milk, unless a number of conditions are met. This applies in particular to national measures which exceed the provisions of the EEC Treaty.

Mr President, last week we spoke against national measures except those of a social and fiscal nature. But we have the impression that under the package deal, without this being explicitly stated, i.e. without some Member States losing political face, national measures would disappear with the new price proposals. In addition certain new national measures have been referred directly by urgent procedure to the European Court of Justice. If a decision is not taken on this package of measures in the near future, there is a real likelihood that an increasing number of national measures will be taken which will not be to the benefit of the common agricultural policy; then we may indeed be confronted with a dangerous situation. Perhaps the good monetary measures will be endangered without a decision, but I hope and I am confident that Germany does not want this.

In short, I believe that at the present time a veto is not the appropriate instrument, while still understanding the German desire for new instruments to improve the agricultural policy. My group approves this wish and I agree with Mr Lardinois when he says that the present situation must not be dramatized. The Council of Ministers of Agriculture is still formally meeting. No decisions have been taken on the package. I hope that the Ministers will soon arrange for a new meeting and do everything to reach a solution regarding the new measures, meeting the justified wishes and making the necessary provisions. What is at stake is an emergency measure for farmers whose income is actually declining. European agricultural policy is at stake here. For the reasons I have stated we do not consider that policy ideal, but it has many good aspects. Stable prices are enormously important to our consumers, especially now that world market prices are high. Mr Lardinois gave a clear illustration of this fact to us two days ago. I hope that there will not now be recriminations, but that an attempt will be made shortly to arrive at a solution in joint consultation. In that spirit we willingly signed the motion for a resolution now before this House. We shall of course support it.

(Applause)

President. — I call Miss Flesch to speak on behalf of the Liberal and Allies Group.

Miss Flesch. — *(F)* Mr President, I will speak very briefly on behalf of the Liberal and Allies Group. Indeed, when last night Mr Berthoin, Mr de Clercq, Mr Houdet and Mr Müller asked for an urgent debate on this question, their purpose was to obtain from the Commission some explanation and facts on the situation. This information was supplied, and I should like to thank Mr

Flesch

Lardinois for having conveyed both the real import of the German Government's decision and the food for thought it gave him.

The purport of this decision of the German Government seems to us to be a very important matter because of all the attitudes, overtones and reservations implied, which were not known to us in detail last night when we discussed the urgency procedure. I think we are all aware of the fact that serious problems are now facing the common agricultural policy and the Community's farmers.

However, Mr President, the Liberal and Allies Group feel that the moment has not arrived for a resumption of this debate on the basic issue. We wanted information, and this is now to hand. Last week Parliament expressed its view on the basic issue. There have been long discussions, ending in the adoption of a resolution. We do not consider it appropriate to repeat the procedure at this juncture.

We thank the Commission for the information they have supplied, and feel that, taking account of the situation, of the latest developments, the Commission itself, the Council of Ministers, Parliament and those of its committees which are involved, should look into the situation and discuss it, and the moment will certainly come to give the matter further attention.

We see eye to eye with Mr Lardinois where he says we should not make too much of this. And we agree also with his remark to the effect that we shall never have a dull moment, that—this is my impression—we may in fact have fewer dull moments in the future. In our view the purpose of this discussion has for the present been achieved, inasmuch as the Commission has met our request for information.

The resolution which has been submitted urges the German Government to abandon its opposition to the interim price increase, and asks for an immediate meeting of the Council. Well, we now know the purport of the German Government's decision. On the other hand, we have just been reminded that the Council's discussions have not yet finished, since the Council is now due to meet very shortly. Under these conditions it is hard to see how the resolution in its present form can contribute to the job of sorting out the present situation and to the decisions under way.

(Applause)

President. — I call Lord St. Oswald to speak on behalf of the European Conservative Group.

Lord St. Oswald. — Mr President, honourable Members, it is evident that since news arrived

from Bonn yesterday we have been living and talking in politically troubled waters. It is also true in terms of human nature that one who sets out to pour oil on troubled waters does not always and automatically endear himself to all his fellows. Yet that is what I set out to do today, greatly encouraged by observing that this reflects the mood of the whole debate so far.

Firstly, it would seem to me ingenuous to pretend that we are engaged today in a purely agricultural debate. Undeniably, this debate stems from agricultural needs and problems and from an agricultural crisis within the Community. So much is evident from the presence today of the Commissioner responsible for agricultural affairs, coming at great sacrifice of time which must have been already set aside for other matters, to be with us. I am on my feet now as one of the agricultural spokesmen of a political group, but we are all as politicians strongly aware that the debate on agriculture took place in this Chamber last week, not this week, in a part-session specifically called for this purpose.

The issue today is wider and is concerned with the manner in which the institutions of the Community function or occasionally fail to function, Mr Lardinois emphasized this strongly in one passage of his own statement. When we met and debated last week, we did not resolve the issue of agricultural prices to the satisfaction of all. That would have been too much to expect. But we did decide by democratic and parliamentary means upon a resolution to be sent from Parliament to the Council of Ministers and the Commission. This message was despatched in the presence of Mr Lardinois. It seems to have been accepted as a significant influence upon the decisions which rest with Ministers of the Member States. Up to this hour yesterday, had I made a speech on the subject, I would have said that here was an instance where the voice of the European Parliament was deeply and directly heeded. I think it is still possible to hold this view despite the quizzical attitude of the German Government as stated yesterday. We hope and shall express the hope in a resolution to which we as a group have adhered, that the German Government will re-think its present attitude. It may lead to a new look at the whole common agricultural policy.

In my country, we have always favoured this, and the Commissioner today has himself pronounced himself ready for a review of this kind. What we are debating today is certainly a matter of urgency, and Mr Yeats commanded general agreement when he insisted upon this with great feeling yesterday. But that does not make it a time for precipitate action or for hasty utterance. I am sure that Mr Yeats would be in equal agreement with that.

Lord St. Oswald

The acceptance of the 5% increase by the German Minister on 20 September was explicitly guarded and conditional. In what has happened there is therefore to my mind no hint of stigma or betrayal. What we do observe as politicians is an appeal to domestic interests eclipsing Community interests, but which of our governments has not succumbed to that temptation at one time or another? Today, Mr Lardinois has come at a moment's notice, but in the nature of things he has not been able to tell us a great deal. This does not reduce our gratitude to him, because his presence in such circumstances is a reassurance of the importance which he has always attached to Parliament's opinion.

We in our political group feel no cause to change the opinion expressed last week by Mr Scott-Hopkins. The 5% so nearly agreed upon, and perhaps still to be agreed upon by the Ministers, would have been acceptable to us and we hope to farmers and consumers throughout the Community. As it is, we are in a state of uncertainty, a state of some suspense, and we must, it seems to me, remain so until more information is available. This will not be the case until further talks, which have been described as imminent within the Commission, within the Council and between the Council and Commission, have taken place.

At the meetings in Rome next week there will certainly be more 'meat'—and I use that as a metaphorical term in this context—than we have available for our debate. In Strasbourg next month there will be still more 'meat'. I believe that those occasions will provide a better background for discussions, and I hope that today no aggravating words whatever will be spoken. It would be, in my view, a sad thing for Europe, for instance, if the valuable rapport established between Mr Giscard and Mr Schmidt were to be undermined, because any focus for the cohesion of our countries must be healthy and to the advantage of us all.

Mr. President, that is all I intend to say on this particular occasion though I would like to end by again expressing my gratitude to Mr Lardinois for his presence among us to face this emergency.

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

Mr Gibbons. — Mr President, may I, like the last speaker, express my appreciation to Commissioner Lardinois for presenting himself here at such very short notice in response to the request we made of him late yesterday evening.

We required his presence to clarify our minds on the problems that have been raised by the

news that arrived here from Bonn yesterday afternoon. Members will recall that only last week we met here and discussed at great length the Commission's proposals for the adjustment of agricultural prices and certain other measures proposed by the Commission to be taken to assist the Community's farmers. On 19 and 20 September the Council of Ministers, meeting in Brussels, after a long discussion produced a package which, like the curate's egg of old, was for most Community farmers good in places and found to be unsatisfactory in other ways.

But I think it is true to say, Mr President, that given the interpretation through the mass media to which Europe's farmers were treated, the decisions of the Council on that date, 10 September, were accepted by them as definitive and final decisions. It now emerges that this was not in fact the case and that the decisions were conditional on acceptance by the Federal German Government. You can readily imagine the severe shock that Community farmers will suffer and, as we pointed out last week, there are many farmers in the Community—many, many thousands—whose acute position at the present time brooks no delay at all. This is one of the reasons why any delay that we might sustain would be very much to be regretted. But it is clear, I think, that the mechanism of decision-making within the Council itself has revealed some faults, and the whole process of decision-making needs to be examined again.

What must be clarified immediately, and I am sure that the Commissioner will do this for us, is what precisely is the present position with regard to the decisions that were taken in Brussels on 20 September by the Council of Agricultural Ministers. We would like to know, in my country for instance, what precisely is the position of the Irish with regard to the green pound. Are we to accept it now that it is in the hands of the Irish Government itself, with the approval of the European Commission, to go ahead and introduce the green pound regardless of the interruption that has taken place? We want to—I am sure that the Commissioner will tell us this when he is replying to the debate—but we need to know it now.

I think, too, that it is necessary for the hitch that occurred in the decision-making machine to be examined. There has been a bit of a problem. The agreement of the Federal Government was not given fully at the Council meeting, it now emerges. That vital fact was not sufficiently accepted, and indeed members of the Council of Ministers itself—it must be said—spoke of the agreement as if it were final and definitive, and proceeded in some cases to make rather opti-

Gibbons

mistic mathematical calculations of the benefits that might have accrued for their particular countries.

The position of the Commission in all this affair is clear enough, and in my opinion the Commission itself is above reproach. I do think, however, that there needs to be an immediate meeting of the Council of Ministers, first of all to clarify the purpose for which the meeting was called in the first place, which was to define the question of agricultural prices and agricultural aids, but also to streamline the decision-making machinery to ensure that a repetition of this process does not occur.

Mr President, I want particularly to refer again to my request to the Commissioner to clarify the position with regard to the Irish green pound at the present time and then the other measures taken that affect us particularly.

President. — I call Mr Lemoine to speak on behalf of the Communist and Allies Group.

Mr Lemoine. — (*F*) Mr President, we learned yesterday afternoon of the decision of the Government of the Federal Republic of Germany on farm prices and, in a more general way, on the common agricultural policy. We at once tabled a request for an urgent debate and an oral question with debate to the Commission. This question was explicit and well-reasoned and did not, therefore, call for much elaboration. The question was withdrawn for formal reasons, the urgent debate having been agreed to. However, the problem raised remains extremely serious and of the gravest import for millions of farmers and their families throughout the Community.

The predicament of the farmers and their rising tide of troubles were debated at length on 16 September. We were all but unanimous in acknowledging the urgency and necessity for taking measures to meet the exceptional increase in production costs in this sector. By a very narrow majority the House agreed that a 6% rise should be granted, but there were almost as many ready to declare that it would be necessary to go as high as 8%, and we were among them.

But on 20 September the Council of Ministers of the Community did not back us up: a niggardly 5% was decided, and all the agricultural organizations voiced their disappointment in chorus, to put it mildly. But yesterday, 25 September, the Government of the Federal Republic of Germany declined to accept even this low rate of 5%. Furthermore, it tied its acceptance of the other points of the agreement of 20 Sep-

tember to conditions which virtually put in jeopardy all the decisions of the Council of Ministers.

This confronts us with a new and grave situation. And the first reactions from home are highly significant. The increase decided on in Brussels was scarcely adequate to check the erosion of the farmers' purchasing power, whereas their loss of income is expected to reach 15 to 20% in the case of stockbreeders this year. For the German Government, however, 5% is still too high. That Government, which had virtually triumphed in Brussels on 20 September, is now taking a harder line. Strengthened by the capitulations of its partners and by its economic and financial power, it is putting the screw on.

Thus, at a time when a catastrophic situation is causing farmers to demonstrate their grievances in our towns and villages, the Brussels negotiations and their sequel are opening the eyes of the rural masses to the fact that agriculture is mortgaged to high finance.

This latest decision, and the feeling that they have been duped by underhand dealing on the part of the Community, cannot fail to pour oil over the flames of the fury which now rages throughout the countryside. French farmers are of course involved, but not only they. The Community-wide demonstrations of 16 September have made it abundantly clear that the feeling is general.

This, then, is the background to our desire to know what action the Commission means to take in order to ensure that the Community's farmers obtain a guaranteed remunerative price for their produce and that no delays intervene to frustrate even these meagre concessions, or the implementation of the decisions taken on 20 September. This was the point we wanted to make. But the crisis which has been sprung upon us prompts us to ask a further question and to draw the attention of the House to the difficulties which, under these circumstances, we are bound to meet with during the coming discussions aimed at fixing farm prices for the coming season, with the inevitable consequences they will have for agriculture and for farmers.

This is making it necessary for us to take a fresh look at a number of aspects of the common agricultural policy which is to all appearances in trouble. On this matter I must say it is becoming plainer every day that inflation and the monetary crisis have already badly undermined this policy.

It gets to look more and more like an artificial set-up, each state being reduced by circumstan-

Lemoine

ces and an increasing divergence of interests to resorting to national measures. On the other hand, the effects of inflation, the depth and the nature of the farm crisis are revealing in a harsh light the consequences for the rural population of subordinating agricultural policy to a supranational authority.

It will be apparent from the above that we shall have to work out a new economic and financial policy on which to build a different agricultural policy based on a thoroughgoing rational overhaul. This is what the left-wing parties in France are proposing to do in their common programme. The application of a new European policy implies a Common Market which is not ruled by a supranational authority imposing the will of the great monopoly-combines on the people, which, in our view, is as unacceptable as a national authority dictating its own law. A Europe of cooperation, not a Europe of subordination, is what we have in mind. We also think—and our common programme expresses it—that the democratic power should reserve to itself the right to apply its own programme if its influence on Member States does not avail to deflect them from fatal courses.

Hence—and I shall conclude on this note—in view of the deepening agricultural crisis and the failure of the powers-that-be in Brussels to tackle it effectively, we see the necessity for all the democratic forces in our respective countries to pursue the struggle and transform the Europe of Big Business into a European Community freed from the stranglehold of high finance, heedful of the independence and liberties of its peoples, determined on the achievement of cooperation and *détente*.

In the immediate perspective, however, it is essential that suitable measures be taken at the earliest possible moment, both at Community level and at the level of our national parliaments, to ensure that farmers get a decent living and a fair price for essential produce, this being in the best interests of both producers and consumers. This was what I wanted to tell the House on behalf of the Communist and Allies Group.

(Applause from the benches of the Communists and Allies Group)

President. — I call Mr Lenihan.

Mr Lenihan. — I want to take up one particular point that was raised by Commissioner Lardinois which to my views goes to the essence of the problem in this matter; that is, the lack of co-ordination in economic and monetary matters. Fundamentally, this is what the whole problem

is about, and I would like to say here that I understand the problem of the German economy and the German people in this matter.

But basically this is a problem for this Community to resolve. As long as the economic and monetary affairs of this Community are as they are now, with floating currencies, we will have the distressing situation of the monetary compensatory amounts, which the Commissioner mentioned here last week. They are bedeviling the whole basis of the common agricultural policy. This is fundamental to the whole issue, and I would hope that the *démarche* that has been made by the German Government, if I may use that phrase, will have the effect at the next meeting of the Council of Ministers of bringing the basic fact home that the European currencies must be brought in to some sort of order; otherwise, the common agricultural policy itself is doomed to failure. In my view that is fundamental to the whole issue, and if the stand taken by the German Government has the effect of bringing Member States to realize the importance of resolving the currency situation, it will have been advantageous in one respect at least.

I would like to take up one further point, and that is that the decision-making process of all the institutions of the Community again needs to be looked at. This is a political aspect, and if the Community is to have the respect of the people who are sent to see her from our respective countries, then the whole decision-making process of this Parliament, of the Council of Ministers and of the Commission needs to be put on a more business-like basis. We will certainly be discussing the whole question of a political secretariat attached to the Council of Ministers at a part-session of Parliament very soon. This is part of the aspect that I mentioned: we must take, and must be seen to take, a more business-like approach in regard to the decisions made by this Parliament, decisions made by the Commission and decisions made by the Council of Ministers.

I hope that the unfortunate situation that has now risen will again bring home to the Council of Ministers in particular a realization of the importance of putting more effective decision-making machinery into operation and letting our peoples see it in operation.

In conclusion, I would like to thank Commissioner Lardinois for coming here at very short notice and giving an explanation that was needed to clear the air and to reassure everybody concerned that immediate action has been taken in the form of a meeting of the Council of Ministers early next week. I hope that at that meeting some of the commonsense remarks that have

Lenihan

been made in this Parliament will be brought to their notice.

President. — I call Mr Spénale.

Mr Spénale. — (F) Mr President, I, too, am happy that the Commission has responded to our appeal and has supplied us with all the information it had, and I thank Mr Lardinois for all he had to say and for his conclusion as to the need to refrain from raising any bogeys over this development. We are of the same mind.

This being said, I would observe that personally (this is a private view) I can agree with the final point of the German Government's communiqué, which refers to a need to re-think thoroughly the whole idea of the agricultural policy—I had said as much at the end of the other day's debate, and on this point we are in agreement with other groups, particularly our Communist colleagues—because for the first time now we are facing farmers whose standard of living has substantially deteriorated and to whom we cannot sell the idea that they are better off because of the Community than they would be were there no common agricultural policy. We cannot allow such a situation to continue.

It is, however, obvious that while we wait for a new definition of the common agricultural policy we have to go on working with the one we have, even if it is not giving us all the results we hope for. As Mr Laban has just pointed out, if the challenge created by the drop in farm incomes is not met by Community action, we shall have protests and demonstrations on our hands which have a foundation of justice, and these are going to lead to national measures if the Community cannot do enough about it.

The national measures likely to result could be seen in a certain light as a going back on the Treaty of Rome, even though they were designed to fill a gap between promise and fulfilment in the sphere of rural living standards, left by a failure of Community policies. With the farmers being kept happy by national measures, a further stage would come at which these might in turn become a reason for neglecting Community measures which might be necessary. So we are left with a very vicious circle indeed.

The trouble this policy has in producing a clear formula to meet the farming problems which arise means for us of the Socialist Group that a group of like-minded people, disciplined in their action, are obliged to treat the agricultural policy as the only issue, almost, on which its members are left to vote freely. However, as one of a minority within my own group I voted for a rise of at least 8%, before we came to agree with the majority on a minimum of 6%. This was the only case in

which a situation of the kind occurred, and will serve as an example of the trouble we get into over the agricultural policy.

We are in a mess. This is meant for the ears of the Council of Ministers, who will have to do something about it, and for those of the Commission. We are all upset, but our view is that we should all keep cool and say nothing out of place which might make it harder for the Council to come to the right decision once they are of one mind again. That unanimity is essential to the medium-term thinking we must get down to together if a new agricultural policy is to be worked out.

This is why the Socialist Group has appended its signature to the motion for a resolution which presently will be put to the vote in this House, asking the German Government to think again and the Council to meet again promptly in order to take the necessary action.

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, I am particularly appreciative of the fact that this Parliament is in general on the same wavelength as the Commission. That is the best contribution Parliament can make at this time.

There are still a few questions to which I should like to reply briefly, but not before assuring all the speakers that the Commission approves the idea of holding a basic debate later this year in which full information will be given on agricultural policy. I can assure Mr Martens that this will go further than the normal annual survey with the accompanying statistics. We realize very well that when one of our Member States asks us to prepare a review that cannot be limited to the last period of one year; we must therefore go back to the basic aims of the agricultural policy set down in Article 39 of the Treaty of Rome to which the German Government also refers. Only then can we make the review, give our opinions and test them against the views of the experts and national governments. A review of this kind must be considered by Parliament and also by the full Council.

Mr Gibbons asked how things stood with the green pound. I believe that the German Government has no objections to these monetary measures as such. It writes in its letter that it approves the Commission's proposals. It links its conditions to the agreement of 20 September, which does not differ significantly from the Commission's proposal in regard to monetary measures. The most important difference lies in the price level: 4 or 5%. On the other points there are no major differences, to the best of my knowledge.

Lardinois

As a first reaction on my part I would say that the monetary measures can only be considered in conjunction with all the other measures. They form part of a package which must generally be confirmed as such.

The monetary measures are thus not being attacked; there is a risk that some time may be lost, but I hope not more than a week at most. Since the Council will only be meeting in the first half of next week and the measures must then be published, it will not be possible to bring some of the measures into effect on 1 October.

Mr Spénale said we were confronted for the first time with a situation in which the Community cannot give our farmers as much as they can obtain nationally. I would say in all seriousness that I cannot agree with him. It is not true that the Community has refused something which a Member State has conceded. The problem is simply that the Member States have not submitted their measures to the Community, either to the Commission or the Council; they have taken their decisions nationally. Eight hours after a particularly successful Council meeting during which a great many decisions were taken in a short time and all the items on the agenda dealt with, national measures were taken. This came as a surprise to everyone. That is the real difficulty: if the Member States were to submit their problems to the Council, we could then react more flexibly and a great deal more could be achieved than is sometimes thought. I believed this had been proved. That is why I cannot agree with Mr Spénale. As I have said the basic problem is that there is sometimes a failure in communication between the Community and its Member States.

May I once again thank all the speakers, Mr Gibbons, Miss Flesch, Mr Laban, Mr Martens and all the others. I am particularly grateful to them for their contribution to this debate.

(Applause)

IN THE CHAIR: MR HANSEN

Vice-President

President. — I call Mr Spénale.

Mr Spénale. — *(F)* Mr President, I should merely like to point out to Mr Lardinois that we are arguing at cross-purposes. I did not have in mind any particular wish to say that we had done well to do this or badly to do that. All I wanted to say was that this is the first time that, if a farmer comes to me with his problems, I

cannot tell him straight that he would be worse off if the Community had no common agricultural policy. No more than that. Hitherto I had always felt able to reply to my rural voters: 'Well, you haven't got everything you want, but if there were no such thing as the common agricultural policy, you would be far unhappier.' But now we are at the crunch and I can say this no longer, that is all. I do not claim to stick up for anything in particular.

President. — I call Mr Lenihan.

Mr Lenihan. — I should just like to ask the Commissioner to explain what will be on the table, as it were, before the Council of Ministers next week. Will the Commission be adopting, in regard to the green pound, the figure of 11.4% that was agreed upon by the Council, or will the Commission be following their original thinking of 7.5%?

President. — I call Mr Lardinois.

Mr Lardinois. — *(NL)* Mr President, I should just like to say that this item is no longer on the agenda. The monetary measures as such are not under discussion and, to the best of my knowledge, have not been opposed by the German Government, either.

President. — Thank you, Mr Lardinois.

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

I call Mr Fellermaier for a procedural motion.

Mr Fellermaier. — *(D)* Mr President, if I understood you correctly just now, Mr Lardinois has to leave soon. I therefore wonder what purpose it will serve to continue the agricultural debate after 3 p.m. when the responsible member of the Commission cannot answer questions raised. At the same time I would like to ask when the President-in-Office of the Council will make the statement that has been announced. I feel that it should be put to the House to decide whether the agricultural debate should not in fact be brought to an end in the presence of Mr Lardinois and the President-in-Office of the Council. The proceedings would then be suspended later so that we can have an uninterrupted debate. I also feel that it would be logical to ask the President-in-Office of the Council to speak now to enable subsequent speakers to take up his remarks if they wish since the Council has a greater say than the Commission. The Commission has submitted its proposals. The German Government stresses that it intends to work on the basis of these Commission proposals.

Fellermaier

We would like to hear how the President-in-Office of the Council appraises the situation.

President. — I call Mr Creed.

Mr Creed. — Mr President, I do not know whether you are informed or not that Mr Dunne, one of the Irish members of the Christian-Democratic Group, will not be speaking. As the next speaker on the list, I can assure you that I will be very brief.

President. — In the circumstances, I propose that we complete the debate on agricultural prices before suspending proceedings.

Are there any objections?

That is agreed.

I call Mr Creed.

Mr Creed. — Mr President, I would like first of all to join with the other Members in voicing my appreciation for the presence of Mr Lardinois here at such short notice.

The decision of the German Government has come as a great shock to me as a farmer and a Member of the European Parliament. I saw in the decisions taken here at the end of the emergency debate last week, a ray of hope for the very hard-pressed farmers in my country. I was also very pleased to hear at the end of the debate the Commissioner, Mr Lardinois, giving his assurance that the decisions taken would be implemented to the full. I do not want to misquote him, but this is what I understood him to say. The German Government's approach must therefore be viewed in the context of the European Parliament and in the context of the whole decision-making machinery within the Community, because this press release, in my opinion, has rocked the very foundation of the Community.

It should be remembered that prior to the emergency part-session we had a week ago, the Committee on Agriculture had discussed this matter at length. The recommendation to Parliament was for certain increases to be given to the farming community. Parliament discussed the subject during an emergency part-session lasting seventeen and a half hours, which ended at 3.30 in the morning. As I said, the recommendations were made, and the assurance was given by Mr Lardinois. When we see the decision of the German Government, the only conclusion is that debates—whether ordinary or emergency—in this Parliament are futile. I think the whole machinery will have to be examined, and it is something for the appropriate committee of this Parliament

to look at. A decision made by this Parliament has been completely discarded, not by a parliament but by a government within the Community, and I think that it is a matter of urgency for the whole decision-making machinery to be re-examined.

To conclude, Mr President, I should like to say that a major problem will be caused for the farming community of my country by a delay in granting price increases for their products. It is a matter of urgency, and a delay will be fatal, particularly in view of the fact that we have had the worst harvest for many years. We have stock in hand which should have been sold by the farmers long before now, and we have a severe scarcity of fodder. I would appeal to the Commissioner to try and grasp how serious the situation is in my country. It is a serious matter, and I would appeal therefore for immediate action on this.

There were further questions which I wanted to ask the Commissioner, but fortunately Mr Gibbons and Mr Lenihan have already put them and we have the answers. For that I would like to thank the Commissioner.

(Applause)

President. — I call Mr Thornley.

Mr Thornley. — Thank you, Mr President, for allowing me my right to speak. For a time I thought this debate was to be confined to token speeches by the leaders of the various groups. I have seen this Parliament spend a great deal more time on great deal less important subjects than this particular one, but in deference to those Members who wish to go to their lunches, I have cut my speech in half. I hasten to add that I speak here—although not on behalf of my group—as a Socialist rather than simply as an Irishman. I would, however, make the statistical point that two Irishmen in a group of 50 have less opportunity to have their voices consistently heard than 5 Irishmen in a group of 16.

I would emphasize again that the situation is unclear and that we should not panic over the German decision. I must say to Mr Lardinois, and perhaps he will have an opportunity to clear this up, that his answer to Mr Lenihan on the green pound did not afford me any satisfaction. I am still not clear whether both the across-the-board 5% increase and the introduction of the green pound are delayed, or whether it is solely the 5% increase that is delayed.

I understand the German objection to special support prices. I hate to introduce a nationalist note, but I understand that we in Ireland do not have these special support prices. My source for

Thornley

this is *Le Figaro*, since it is impossible to buy an English-language paper in Luxembourg before lunch. All I can say is that the decision which has now been taken by the German Government brings into question the whole future of the CAP and whether, in fact, those countries which do not have special financial arrangements will not now introduce them. There is a rumour that the French intend to go over to having special support prices. I know, as sure as I am standing here, that when I get back to my country I will find the leader of the farmers' organization demanding that the government should step in on its own initiative and use Irish resources to support the farmers. This is precisely what the Germans are objecting to.

But let me make one thing clear: I do not think the Germans should be cast as the villains of the piece in this. No-one, I think, has said this before. Some of those who have cried most loudly at the latest German decision are those who have opposed the regional fund implementation. I know that my English friends, since they are Conservatives or Liberals and were therefore in favour of entry into the Common Market, will not object to my remarking that at the moment they are going through the process of a general election, which if it is won by the Socialists, will result in a diminution of the common agricultural policy and a diminution of the British contribution, which presumably will place an even greater financial burden on Germany.

The Commission's hands in all this I regard as completely clean, as has been said before. It is, if anything, the Council of Ministers who are at fault. What we are now seeing at work—I think for the first time in the history of this Community—is an attempt to exercise not merely a veto, but a retrospective veto, and this comes at a time, as Mr Creed has said, of farming crisis which applies particularly to my country, but not exclusively so.

In these circumstances to talk of delays until November is to talk nonsense, because I know I shall be met off the aeroplane when I arrive back in my own country by, as I have said, the leader of the Irish farmers' organization saying, 'What are you going to do at national level now that Europe has failed you?' In those circumstances we are going to fly off into nine disparate parts where the common agricultural policy is concerned.

(Applause from the Socialist Group)

President. — I call Mr Marras.

Mr Marras. — (I) Mr President, Mr Lemoine's speech on behalf of our group has put the case

so well that I shall not take more than a minute or two to add what I have to say.

I asked to speak because among the many questions which were put to Commissioner Lardinois during the last part-session, he will remember one from me asking him what would have happened if the German Government had availed itself of the reservation attached to the agreements reached and had not ratified them. After a second look at the proposal, it seems to me that Mr Lardinois had underrated the gravity of the problem I raised at the time and dodged the real issue.

From this latest development we many infer the following basic consideration. It has been maintained that the common agricultural policy constitutes the only factor of cohesion in our Community. But where is this policy leading us, built as it is on prices and markets and so doggedly defended by you, Mr Lardinois, as something irreplaceable? Let me answer: this policy based on prices, fallacious and superseded, in our view adds another disintegrating factor to the many which are already worrying us, and threatens to split Europe asunder.

I should like to bring home to the members of the Council that more is at stake than agriculture, that the institutions are involved. Indeed, if at one stage the Council managed to reach final conclusions by the process which the man in the street has nicknamed 'agricultural marathon', the new game is a race like the *Tour de France*, with the Council reviewing its position after every stage.

As regards the agricultural business, which one German minister has dared to describe as a farce, there is another way open, one to which we erected a signpost years ago. I take it that the crisis we are in now will lead us—and, we hope, others also—to give thought to a fundamental revision, in the light of the changed conditions of European and world agricultural economy, of a system which has to be artificially propped up to be kept going at all in the face of general disappointment and downright hostility among the masses concerned, to say nothing of the reservations, silent or expressed, in government circles and elsewhere in the Community.

President. — I call Mr Destremau.

Mr Destremau, President-in-Office of the Council. — (F) Mr President, ladies and gentlemen, I have been listening with very keen interest to all that has been said in this House and have taken note of a number of fundamental observations which on occasion overlapped each other, particularly as regards the monetary problems

Destremau

which, of course, are at the bottom of the difficulties which have come to light; I have to say that I cannot commit myself to a view at this point, nor can the Council give an opinion on the basic issue.

The President's office has been in touch with the governments of Member States ever since the decision of the German Government became known, so that the Council meeting requested by the Belgian Government and by the Commission can be convened. To put it on a time schedule, this meeting may take place at the end of the week or early next week. I will of course make a point of advising the President's office of all that has been said this morning.

Mr Fellermaier had wished to add interest to the debate by obtaining a presidential view, but I have to tell him once again that unfortunately I cannot broach the question; I do, however, undertake to insist on the urgency of the problem as witnessed by your wish to tackle the agricultural issues at once, even at the expense of the agenda, which testifies to the deep interest you are giving to these important questions.

Naturally, all the statements we have heard this morning will be brought to the notice of the Council as soon as ever possible.

(Applause)

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, I would like to say a few words after the observations by Mr Creed, Mr Thornley and Mr Marras.

Mr Thornley said in particular that it was not yet clear what was to happen with the Irish green pound. I have already said that it was my impression, after all the talks last week and this week, that the German Government does not oppose the monetary measure we have proposed. I have, however, also stated that last week's decisions were taken as a package. If we are now forced to postpone implementation of this package of measures for instance for one week, the monetary measure will also have to be delayed for one week, and I am sorry that is the case. It is a matter of regret to me that the German Government has not yet been able to give its agreement.

But I must also point out that there is no question of what Mr Thornley called a retrospective veto. It is quite normal—and often happens—for approval to be given *ad referendum*, which requires a few more days. Provision is made for this in the Council procedure. But what is unusual is that when a matter has been referred back to the national government, approval should be granted only under additional conditions or,

to put it differently, that agreement should be refused. However, once again, it is not the first time this has happened in the Community, but it happens very rarely. It is therefore understandable that an overwhelming majority of members of the Council and Commission felt that last week's agreement was in practice final. I have not yet given up all hope in this matter but let us be patient for a few more days.

I should now like to say a few words to Mr Marras. The day before yesterday, answering a question put by him and Mr Cipolla, a member of the same group, on the subject of wine, I made a statement on a Council decision on the monetary compensatory amounts which was not in fact correct. Yesterday the Council's decision on wine was clarified at official level in such a way that the result is the opposite of what I said the day before yesterday; I apologize for this. I wanted to put the record straight.

(Applause)

President. — Does anyone else wish to speak?

Thank you, Mr Destremau and Mr Lardinois.

The debate on this item is closed.

10. Change in the agenda

President. — As a large number of amendments have been tabled to the report drawn up by Miss Flesch on the Staff Regulations of Officials of the European Communities (Doc. 253/74), the chairman of the Committee on Budgets requests that consideration of this report be postponed until the October part-session.

Are there any objections?

That is agreed.

The time limit for the tabling of amendments, originally fixed at 10 o'clock this morning, will therefore now be 5 o'clock this afternoon.

11. Debate on agricultural prices (Resumption)

President. — I propose that the proceedings now be suspended until 3 p.m., at which time we will vote on the motion for a resolution concerning the present position as regards European agriculture, which has been dealt with by urgent procedure.

Are there any objections?

I call Mr Spénale.

Mr Spénale. — (F) Mr President, I see no reason why we should not vote now. We are all here, the ideas are fresh in our minds, the debate is at an end, the resolution is known. We would do better to vote at once, before we find ourselves reduced in numbers.

President. — I am very sorry, Mr Spénale, but the text is not yet available.

Lord Bessborough. — (F) Perhaps it will be ready by 2 p.m. or 2.30 p.m. Could we not return a little earlier? Several people here have planes to catch; we have elections in Britain.

President. — I am very sorry that I cannot meet your request, but the texts are not yet available.

I call Mr Broeks.

Mr Broeks. — (NL) Mr President, everyone knows what is in the motion for a resolution. I therefore wonder if it is necessary to wait until it has been translated into all the languages of the Community. Could you not propose to the House that the motion be put to the vote even though the written text has not been distributed.

President. — I must point out that in the meantime several minor modifications have been made to the text, and as a result it has finally been signed by five political groups, that is the Christian-Democratic Group, the Socialist Group, the Liberal and Allies Group, the European Conservative Group and the Group of European Progressive Democrats.

Mr Spénale. — (F) Mr President, allow me to suggest that you read out the text slowly. We shall hear the simultaneous translation. After all, it bears the signatures of five political groups; we are all familiar with it and it raises no problem of importance. If we proceed in this way we may get finished before the morning is out.

President. — I now have the final text, which is contained in Working Document 271/74. It reads as follows:

- The European Parliament,
- in view of the present economic situation as regards European Agriculture,
 - aware of the European institutions' responsibility in respect of the common agricultural policy,
 - recalling its resolution of 17 September 1974,
1. Appeals to the Federal German Government, in view of the forthcoming talks on the common agricultural policy, to revise its attitude to the interim increase in agricultural prices;
 2. Requests the Council to take the necessary decisions without delay;
 3. Instructs its President to forward this resolution to the Council and Commission of the European Communities and, for information, to the governments of the Member States.

I call Lord Bessborough.

Lord Bessborough. — (F) I suggest voting on the text now.

President. — I put to the Assembly Lord Bessborough's proposal that the text which I have just read out be put to the vote before the written text has been distributed.

This proposal is adopted.

I put the motion for a resolution contained in Doc. 271/74 to the vote.

The resolution is adopted¹.

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

(The sitting was suspended at 1.30 p.m. and resumed at 3.05 p.m.)

IN THE CHAIR: MR HANSEN

Vice-President

President. — The sitting is resumed.

12. EEC-Greece Association

President. — The next item is a debate on the report drawn up by Mr Corterier on behalf of the Political Affairs Committee, on the Association between the EEC and Greece, (Doc. 237/74).

I call Mr Corterier, who has asked to present his report.

Mr Corterier, rapporteur. — (D) Mr President, ladies and gentlemen. I think I speak for everybody here when I express our great satisfaction that, within a period of only a few months, there has been a move back to the democracy in Greece for which all of us here have been campaigning for so many years.

As you know, it was the European Parliament which raised the voice of protest immediately after the military coup on 21 April 1967. It was we who asked the competent Community institutions to freeze the Association with Greece with immediate effect. We in this Parliament represented one of the few unwavering voices outside Greece which missed no opportunity over the past seven years to bring home to the military regime the fact that there was no hope of further developments in the Association with the Community as long as human rights in Greece were being trampled underfoot by a fascist government.

¹ OJ No C 127 of 18 October 1974.

Cortier

May I point out in passing that those in this House and elsewhere in Europe who succumbed to the temptations of a type of 'realpolitik' by maintaining that our protests were futile and would hardly have any real influence on conditions in Greece must surely have learnt their lesson by now.

The choice between extreme right and extreme left is of course no real alternative.

It was particularly gratifying to hear from such a prominent statesman as Mr Mavros, the Greek Foreign Minister, that our voice—the voice of the European Parliament and of all the Community institutions—was a source of constant irritation to the military government over the past years. I say this deliberately in view of possible future developments in other parts of Europe—one need only think of Spain.

We must continue our efforts to offer oppressed peoples alternatives to their systems of government. What has now proved to be relevant for Greece should not be irrelevant for other countries.

Mr President, it needed the tragic events in Cyprus to bring about the complete political and moral collapse of the Greek military dictatorship. Greece is now on the path to democracy and freedom in a better future. The sufferings of the people of Cyprus—of both the Greek and Turkish sections of its population—still continue, however, and this represents a great political challenge for Europe.

In this motion for a resolution tabled by the Political Affairs Committee, we have concentrated mainly on the Association between Greece and the Community. In such a fundamental debate as this, however, we must not lose sight of the fact that the problem of Greece is closely linked with the problem of the Eastern Mediterranean as a whole. By this, I mean that, quite apart from our positive attitude towards one country or another and regardless of all our good intentions, we must always bear in mind that the Community has entered into a special relationship not only with Greece, but also with Turkey and Cyprus.

On the other hand, we as a Community have here a possibly unique chance to contribute towards establishing peace and understanding in this area—not through the use of force, but simply through political skill and a readiness to provide constructive economic and technical aid. We should therefore make it clear to both our Greek and Turkish partners—through the respective Association Committees—that a solution to the Cyprus conflict cannot be achieved by brutal military methods, but only politically,

in other words around the conference table. We must be able to assure both sides that the Community is in fact in a position to give an independent and free Cyprus opportunities for economic development through a development plan which has still to be worked out. We must not miss this opportunity of becoming politically active as a Community.

After these general remarks, I should like to concentrate chiefly on the question of the Association with Greece. Why did the Political Affairs Committee of this Parliament consider it necessary to draw up this motion for a resolution? Above all, we wanted to make a positive gesture—but in such a way that none of our other Association partners would feel snubbed. The step which we propose to the European Parliament, and which follows the welcome visit to Athens of our President, Mr Berkhouwer, in August 1974, is intended to—and can—help to give a large part of the Greek people the feeling that their political home really is in this European Community, and not elsewhere. It is extremely important that this should be achieved, since now that there is a feeling—I shall not go into the rights and wrongs of it here—among the Greek people that the USA is not the ideal partner for them, they must be offered something as an alternative. This 'something' should be the real hope that Greece can soon take its place within the European Community.

And now, Mr President, ladies and gentlemen, just a few words about the motion itself.

This motion for a resolution welcomes the replacement of the military regime by a civilian government. We hope that Greece will soon return to full parliamentary democracy. There are now increasing indications that free elections will be held as early as November, and I think we in this Parliament cannot applaud this development enough. We also welcome the fact that the constitution introduced by the military regime has been abrogated and the principles of the 1952 constitution re-introduced.

The Political Affairs Committee has also made a point of expressing its hope that Greece's return to democracy and the reactivation of the relationship between Greece and the Community will also contribute towards finding a just and peaceful settlement of the Cyprus problem and to improving relations between Greece and Turkey.

I have already indicated the possible general direction of this process. In addition, this Parliament should also support the decisions of the Commission of the European Communities aimed at reviving the Association. This process must, however, not be a purely formal and technical affair.

Cortier

The development of the Community over the last seven years must be taken into account when considering the three main aspects of the Association Agreement—customs union, financial aid and harmonization of agricultural policy. The new political dimension of the Community must also be reflected in these negotiations. I am thinking, for instance, of questions such as European political cooperation and the progress towards a European Political Union. In view of the possible full membership of Greece at a later date, the voice of that country must be heard as much as possible and as soon as possible.

As you know, the Greek Foreign Minister, Mr Mavros, has meanwhile visited the capitals of the Member States and Brussels, where he has had talks with the Governments and the institutions of our Community. He requested them—more or less directly—to arrange for full membership for Greece by 1980.

Ladies and gentlemen, in principle we should welcome this request, and that is in fact the gist of this motion for a resolution. We must of course make a detailed study of the matter in the competent bodies. Provided it does not put too much strain on the Greek economy, it will be in the interests of both parties to achieve full membership for Greece as soon as possible. No one should be left in any doubt as to our firm intention to do everything to ensure that this happens as quickly as possible.

As far as the parliamentary relations are concerned—that is, the relations between the European Parliament and the Greek Parliament—we should not wait until the election of a new Greek Parliament, but should conduct exploratory talks with a delegation of the former Greek Parliament in the near future. We assume that, in addition to other political figures, former members of the Parliamentary Committee of the EEC-Greece Association in particular, will take part in the discussions.

The Political Affairs Committee has deliberately spoken of meetings between delegations, since, at the present stage, it appears perfectly reasonable that politicians other than the former members of the Joint Parliamentary Committee of the Association will be interested in the exploratory talks and will wish to take part in them. I feel that this idea of sending a delegation of the European Parliament to Greece before the elections there will have a positive effect on Greek public opinion with regard to relations with Europe. We should thus make an immediate start on the preparations for such a meeting.

I should like to say something about the conditions which the Political Affairs Committee feels must be fulfilled before the Association can be resumed completely. These conditions are a clear and logical consequence of the position adopted by us in recent years. Now that the rule of law has been largely restored in Greece through the re-introduction of the 1952 constitutions and through the reratification to the European Convention on Human Rights, the last condition for complete re-establishment of the Association is the holding of free parliamentary elections.

On this point, we are in complete agreement with the statements of the civil government in Athens. Under these circumstances, there is thus nothing preventing an immediate start to work on reactivating the Association, so that complete re-establishment of relations under the Association can be achieved immediately after the elections and after the formation of a new government approved by the Greek Parliament.

Mr President, ladies and gentlemen, before concluding my remarks—which I have deliberately kept brief—I should like to mention one aspect which many of you—rightly so, in my view—may feel is lacking in our motion for a resolution. In view of the strategic importance of Greece for the defence of Western Europe, it was a source of no little unease to me and many of my friends here and in my national parliament that Greece has declared its withdrawal from the military integration of NATO. Although we can do nothing at present except await developments in Greece over the next few months, I feel it would be wrong to ignore the question of Greece's membership of the western alliance. I therefore think that this question will play a certain role when we come to discuss full membership of the European Community. We shall no doubt have an opportunity to go into this matter in greater detail at a later date, but at present we must concentrate on giving the Greek democrats our help and support on their by no means easy path back to freedom and democracy.

The years of dictatorship have shown Greece that it is nowadays no longer possible to live in political and economic isolation.

The seven years of dictatorship have, however, also shown the Greek people that the countries of Eastern Europe do not offer an alternative solution, since who would want to replace one form of tyranny and regimentation by another.

The only body—apart from some European governments and the Council of Europe—which took a clear political stand against the tyranny of the military junta and strengthened the

Cortier

resolve of democrats in Greece throughout those difficult years was the European Community with all its institutions—not least the European Parliament.

This is why the new, democratic Greece places such great hopes in the European Community, and why we must see to it that these hopes are not dashed. The opportunity now offered to Europe must not be lost. Let us therefore do everything in our power to bring about the full integration of Greece into the Community of the free nations of Western Europe.

(Applause)

President. — I call Mr Jahn to speak on behalf of the Christian-Democratic Group.

Mr Jahn. — *(D)* Mr President, ladies and gentlemen. The last time we discussed the Greek situation, in April of this year, no one could foresee that the demands for a return to freedom and democracy in Greece which we had been making for so long would be met so soon. During that debate it was even suggested that the Association Agreement should be dissolved completely, and yet here we are in a position to discuss strengthening the relations! I should like on behalf of my Group to congratulate the Greek people and the European Community on this development.

May I be allowed as the former rapporteur of the Joint Parliamentary Committee of the EEC-Greece Association to make a few remarks on the motion for a resolution which we have before us.

Mr Cortier has drawn up the motion for a resolution with great care and consideration, and my Group gives its full support both to the motion itself and to the comments he made on it. We feel that our efforts should first of all be concentrated on ensuring that the Association Agreement is reactivated and fully implemented. None of us has any doubts that Greece needs support in its efforts to achieve economic and political stability. The 1961 Association Agreement offers an effective framework for this since, as you know, it provides not only for the creation of a customs union, but also for voting between the contracting parties on questions relating to future Greek and Community agricultural policy, free movement of workers, competition, economic policy etc. The Agreement also provides a framework for financial aid with a view to accelerating the development of the Greek economy. Let us immediately set to work on this extensive programme of joint action.

We should like, however, to sound a warning against letting our euphoria at the sudden improvement in the Greek situation tempt us into suggesting that Greece should immediately become a full member of the European Community. We are very grateful to Mr Cortier for mentioning 1980 as a likely date, as agreed during the discussions of the Political Affairs Committee. The main thing at this initial stage is that the Association Agreement and all the aspects which were put on ice should now be revived. The Association Agreement is aimed at the eventual accession of Greece but with a proviso, which I should like to quote, since we quoted and discussed it in connection with Turkey, which is also striving for full membership. Full membership can only be granted, and I quote, 'as soon as the operation of this Agreement has advanced far enough to justify envisaging full acceptance by Greece of the obligations arising out of the Treaty establishing the European Economic Community'.

The remarkable development in the Greek economy has not escaped our notice, but I feel that we should first of all make full use of the existing Agreement in order to bring Greece closer to the Community. I am convinced that this will contribute to increased stabilization of the new and improved political and economic structures in Greece and bring the accession of that country gradually nearer, and I should also like to say on behalf of my Group that, if this is at all possible by 1980, we shall make every effort to achieve it.

I must stress, however, that we must keep our Turkish friends in mind, in view of the fact that, as you know, they have made considerable advances in order to achieve full membership.

We would therefore ask our Greek friends in their own interest to recognize these sober facts, and to try to understand our position.

I should now like to say a few words about the revival of the Joint Parliamentary Committee of the Association. May I remind you that this Committee was set up on the basis of a decision reached on 5 April 1963 by the Association Council and corresponding decisions by the European and Greek parliaments. This decision states quite clearly, and I quote, "The committee will be made up of members of the Greek parliament". The European Parliament has had sound reasons for always insisting on strict observance of this condition, and we should continue to do so. However, in the opinion of my colleagues there is nothing to prevent intensive political discussions being held between Members of the European Parliament and Greek politicians, or, as discussed in the Political Affairs Committee, a delegation being sent from this Committee or

Jahn

from the European Parliament. Such talks will be essential if we are to create the conditions necessary for regular and firm links between the European Parliament and the Greek Parliament. We welcome the news we received yesterday to the effect that we may expect elections in Greece by November, and we are convinced that the old Association Committee, i.e. the old Association Committee with new members, should resume its activities immediately after these elections.

To avoid repeating Mr Corterier's remarks I will merely add that I agree completely with his views on the question of NATO and full membership.

Finally I should like to make a few comments about the significance of the events in Greece for the situation in Cyprus. We all know that these are closely bound up with each other. I do not, however, think there is any point in trying to regard the full Association of Greece with the European Communities as a possible contribution to solving the crisis in Cyprus. When we discussed this problem here this morning I recommended on behalf of my friends that the Community should play the part of an "honest broker".

Mr Corterier also voted in favour of this. I feel that this role would be less effective if we were to throw the problems of the relations between Greece, Cyprus and Turkey all into a single melting pot. These relations all have their own peculiarities of which we should be aware and which we should respect.

We welcome Greece's wish to return to the Community of free peoples and are glad that it is able to do so. Greece can count on the full support of the European Community, and my Group will do everything in their power to establish appropriate contacts and links.

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

Mr Laban. — (NL) Mr President, I should like to thank the rapporteur for his carefully considered report and commentary, and to express our pleasure at the fact that the military regime in Greece has fallen and disappeared from the scene as a result of its own impotence.

The Greek people have been released from their shackles and a civilian government has come to power. This civilian government has a difficult task before it; it has been saddled with the bankrupt estate of the colonels and the task of rebuilding the administrative machinery. It is confronted with an unfavourable economic and financial situation and not least with the dis-

astrous state of affairs in Cyprus which it has inherited from the junta. Therefore we hope this government will find the strength necessary to solve the great problems facing it. It has already been said that it cannot do this alone, and we feel that the European Community must give it all the justified support it can. But I will return to this point later. In any case, the new government has given the lie to the myth which is widely believed all over the world and occasionally crops up in this House. I am referring to the belief that countries inevitably fall prey to communism on the disappearance of a military or other dictatorship. That this exaggerated fear of communism is not based on fact is apparent in Greece and Portugal, and could also be seen in the case of Chile. But the reverse is true. It often happens that in countries with unstable political situations, resulting mainly from unfavourable economic conditions, things become intolerable for those particular sections of society which are economically weak. These people start to demonstrate, go on strike and call for a strong leader and the result is the breakdown of parliamentary democracy. When this happens we see time and time again that the concentration of power in the hands of a few people without democratic control has a corrupting effect. Greece and Portugal both suffered economic bankruptcy under their dictatorships. But it happens time and again that the rule of law and democracy are ultimately restored, which is encouraging for all those who continue to believe in a democratic state of free men within a democratic Europe. It is a fact that the free spirit cannot be subdued.

When I look back at our past debates on Greece and other dictatorships, I cannot help observing that some Groups or members of Groups, the British Conservatives and Members of the Christian Democratic Group to be more precise, were always rather too ready in these debates to accept the fact of a dictatorship in Greece, and frequently stood out against the Community taking a firmer stand vis-à-vis the Greek colonels.

I must say that on more than one occasion in the past my Group felt rather alone in its opposition to the colonels' regime in Greece. The exaggerated fear of communism frequently caused Parliament to be insufficiently outspoken in its condemnation of this regime. The Greek cause is now supported by us all, and I am very glad of this. But a certain degree of modesty on the part of the Groups or Members I have mentioned would not be out of place; in other words I think they should recognize that the situation in the countries under a dictatorship was in reality rather different from what they thought. And I hope that if Parliament adopts an official

Laban

attitude towards Spain, for example, we shall unreservedly condemn a dictatorship of this kind. I fully agree with Mr Corterier on this point. Excessive fear of a communist takeover is unfounded and is a poor guide for action. The fear of communism apparently continues to get the Americans, too, into difficulties. In the case of Greece, the support which the United States gave to the colonels contributed to the fact that they stayed in power longer than was necessary. My Group regrets this and understands the anti-American feeling that is being voiced in Greece at this time. But every cloud has a silver lining. It is evident that the stand taken by the European Institutions, and by the Council of Europe too, has led to strong pro-European feeling in Greece. It is also clear that these sentiments come from the hearts of the Greek people.

A Greek fellow-Socialist who attended a recent meeting of our Group, even went so far as to speak of a pro-European euphoria in his country. Max Van der Stol experienced this at first hand during the heartwarming spontaneous reception which the Greek people gave him, as a token of gratitude for his resolute and unrelenting opposition to the colonels within the framework of the European Institutions. The rapporteur mentioned that Foreign Minister Mavros has told our Group how important the support from free Europe was for the Greeks. The Greek people were yearning for freedom and were striving in their own country or outside it for the overthrow of the dictatorship. For this reason we must continue to offer not only moral but also material support to Greece. The Socialist Group feels that a rapid and disinterested reactivation of the Association Agreement is essential. It is right that the activities of the Joint Parliamentary Committee should not be resumed until the conditions contained in the motion for a resolution, i.e. free parliamentary elections and a complete restoration of human rights, have been fulfilled. When this has happened, the Association can be fully re-established. We should remember that the elimination of customs duties continued during the military regime, wrongly in my opinion, since it could have served as an extra means of exerting pressure. The thaw can now begin and the necessary preparations for strengthening our relations with Greece can be made. The Council made a praiseworthy decision on 17 September of this year in deciding to release 55 ¾ million dollars. The declaration on the adaptation of the Association Agreements to the enlarged Community is welcome, as is the proposal to negotiate the new financial agreement. My Group feels that this last agreement in particular should be effected swiftly and with a generous contribution from the EEC. My Group has confidence in the intentions of the Karamanlis government, even though this government has

not yet received a genuine political mandate from the people. It cannot be called to answer for its actions vis-à-vis the electorate in a democratic fashion. It is in an exceptionally difficult position and we must not be blind to the fact that the hazards which could stand in the way of a genuine return to democracy have not yet been entirely eliminated. For this reason Parliament, the Commission and the Council should keep their finger on the Greek pulse. We therefore agree that Parliament should establish whether or not the criteria have been fulfilled.

I should like to make one more remark concerning the accession of Greece as a full member of the EEC in the near future. At present we have insufficient information of the actual economic and financial situation in Greece. The indications are not particularly cheerful and our joy at the disappearance of dictatorships should not prevent us from taking a sober view of the actual consequences arising from the grant of full membership to countries in such a poor social, economic and financial position. If several countries were to accede in the near future, it might prove too much for the EEC, which already embraces countries of varying economic strength. A request on the part of Greece for full membership before 1985 could affect the cohesion of the existing Community. Look at the efforts it costs us to reach agreement even now. I need only mention the Agricultural Policy and the Energy Policy, indeed all the subjects which appear on our agenda every month. We should also consider the consequences for the new and at present economically weak applicants themselves, since, as has rightly been pointed out, accession to the Community involves obligations as well as rights, which means that in due course the possibilities should receive thorough and timely consideration. All in all we can give our unconditional support to the report and the motion for a resolution tabled by the Political Affairs Committee, including the amendment by the Committee on External Economic Relations. The Socialist Group will do all it can to help heal the wounds inflicted upon the Greek people by the colonels. The proud people of Greece fully deserve the whole-hearted praise and support of the European Community.

(Applause)

President. — I call Mr Baas to speak on behalf of the Liberal and Allies Group.

Mr Baas. — *(NL)* Mr President, the Liberal Group too would like to express its appreciation of Mr Corterier's report. My predecessor in this House, Mrs Schouwenaar-Franssen, who graduated in classics and has an extensive knowledge of the Greek people, and the Greek

Baas

language and literature, always said that the inner power of the Greek people to return to democracy bordered on the miraculous. We have hitherto not attached much credence to these words. It appears, however, that she was right.

I therefore believe we should not miss this chance of making the European Community a political reality. Unlike Mr Laban, I do not think that the economic difficulties facing the Community or some of its Member States should prevent us from making the necessary political decision to welcome Greece into the company of the free countries of Europe.

We feel that the conditions necessary for the restoration of a certain equilibrium in Cyprus should be a central issue in our relations with Greece and Turkey. We hope and expect that the people of Cyprus will soon be able to decide their own future free of outside pressure and the presence of foreign troops. Anyone who has ever witnessed the situation of the displaced persons in the Middle East—some years ago I talked to refugees in Egypt and three years later in Israel—will know that unless they can return to their homes within a period of six months, they lose their connections with their own country, and at the same time the chance of their ever returning is greatly reduced. We are talking rather optimistically about relations with Greece and Turkey, for there are at present 200 000 displaced persons living in Cyprus. I became acquainted with their situation in the Middle East, I saw refugees returning to my own country in 1945. Therefore I feel entitled to emphasize that we must be alive to the fact that the loss of all their belongings will weigh very heavily upon the economy in coming years. The European Parliament should make an appeal right now to all those who can have any influence on the return of these people who have been driven from their homes to make this return possible.

My Group agrees that the re-establishment of the Association is a good thing. I should like to ask the Council and the Commission, however, whether or not they think there is a case for providing Greece with extra financial aid, which I feel must certainly be possible. You will no doubt have realized that full membership for Greece is a particularly serious political problem for our Group. If Greece applies for full membership by 1980, we shall have to be able to produce exceptionally weighty arguments if we are not going to meet this request.

I hope to have the opportunity in a few days' time of contacting, on behalf of the Liberal Group, representatives of former political groups and others who support the Liberal cause in Athens. We want to assure all these people of

our conviction that we should give the Greek people our moral and material support at this particular stage in its attempts to return to democracy as swiftly as possible.

Our Group takes a less one-sided view of what Mr Corterier, and subsequently Mr Jahn, said concerning NATO. Of course we hope that Greece will take up its position within NATO again, but we do not feel this should be a condition for membership of the European Community. I feel, in fact, that a certain reticence on our part would not be out of place in this matter. The question of accession to the European Community must be judged on its own merits, even though the political decision will be partly influenced by our fervent hope that Greece will rejoin NATO, which is, after all, responsible for the future safety of the West and the defence of our human dignity.

I sincerely hope that the other Groups will perhaps be less dogmatic on the subject of NATO in future discussions.

The Liberal Group wholeheartedly supports Mr Corterier's report and we hope we shall soon have the opportunity of establishing much closer political links with the Greek people and their representatives.

(Applause)

President. — I call Sir Douglas Dodds-Parker to speak on behalf of the European Conservative Group.

Sir Douglas Dodds-Parker. — At this late hour I will try to be as brief as possible, because after the excellent presentation by Mr Corterier and the speech made by Mr Jahn there is not, I think, a great deal to be added. For the European Conservative Group—I am speaking for Mr Kirk, who unfortunately cannot be here—we of course fully support this report and congratulate the rapporteur on his presentation.

I was not quite clear myself, whether Amendment No 11 has been moved; if it has not and if it needs to be formally moved, I should be delighted to do so, because I am sure that Amendment No 1 does in fact make the resolution clearer. I would advise my friends not to accept Amendment No 2, and No 3 seems to be unnecessary because I believe this is what the Commission is already doing.

All are, of course, agreed on this resolution, to judge from the speeches that have been made.

I was not quite clear what Mr Laban was implying about the European Conservative Group and their opposition to non-democratic forces, an opposition which we have been proud

Dodds-Parker

to maintain in my lifetime and throughout the history of my country. This is not the place or the occasion to take up a challenge like that, and therefore I shall leave it, but if he wishes to argue about this, going back to my personal experiences, starting in Vienna in 1934, I should be delighted to do so at any time. I am proud of the part that my country and my party have played in standing up to dictatorship all over the world, but when one sees that at the present moment some 80% of the members of the United Nations do not meet the requisites of Mr Max Van der Stol, whom so many of us admire, then one realizes that one has sometimes to wait until they can be brought back into a democratic system. This is what in my lifetime we have been endeavouring to do, I hope without arrogance.

But all of us in this Chamber, are anxious to do all possible to help Greece in her difficult domestic economic circumstances. She is a very old friend and ally, especially now Mr Karamanlis and Giorgios Mavros are in charge of her affairs.

I do not think it necessary to go into the affairs of Cyprus again at this moment, because they were fully discussed this morning; but there are three points I would make at the moment on this motion.

I have already said that we support Amendment No 1. I would also, on behalf of my friends, welcome the reference in paragraph 2 to exploratory talks, because I think that at this moment this is as far as we can go, pending the progress to be made under paragraph 3(a) and (b)—the holding of free parliamentary elections and the full restoration of the rule of law and human rights. As I understand that elections are to be held in November, I hope after that 3(a) will be fulfilled; and I think it will be with the Council of Europe and our colleagues there that 3(b) will also be brought into full operation.

The second point I should like to make is that I think we all support the idea that the Commission should look most urgently at possible economic and financial help to Greece, which, as has been pointed out, was suspended in 1967, and let us know—perhaps at our next meeting in October or in committee before that—what exactly we can do. I also hope that, as Mr Baas said, we can all work to persuade our Greek allies and friends to remain with us in NATO, because this is fundamental to the protection of freedom in what remains of the free world. Finally, I hope and pray that in view of the present tragic circumstances in the Eastern Mediterranean a solution may be found to the difficulties that face all who live there—and, indeed, many others in other parts of Europe,

such as those of us in this Chamber who are deeply concerned with what has been happening in Greece. The chance is, I believe, greater than it has been for a considerable number of years of finding a solution to the problems that bedevil Greece, Greek relations with Turkey, Cyprus and elsewhere. I believe that no greater chance for European institutions—the Community and the Council of Europe—exists at the moment than to undertake united political and economic action to help Greece and bring her back fully into the association with the rest of us in this part of Europe.

(Applause)

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

Mrs Caretoni Romagnoli. — *(I)* Mr President, ladies and gentlemen, we too should like to joint the rapporteur in welcoming the latest events in Greece. Let me first of all say that we shall be voting in favour of Mr Corterier's report. As others have also done, however, we should like to recall the correctness of the attitude adopted by the European Parliament towards these problems, and I, personally, would emphasize how the great majority of the Members of this Parliament—in all the debates over the past years—have shown that there are close links with democratic and anti-fascist public opinion in our countries. The European Parliament never succumbed to a policy of the 'fait accompli', and conducted an exemplary campaign. We now see the reward for our efforts.

The Corterier report contains three main points on which I feel I must speak. First, there is the question of 'defreezing' the Association Agreement. It is quite certain that once democratic Greece has met its obligation to hold free elections, we are bound—by our own votes, our own declarations—to help that country, and to 'defreeze', to reinstate as soon as possible, all the obligations which had been put on ice until now.

I agree with the preceding speakers that financial and technical aid must be made available to help Greece. In my view, however, the Commission should also—although this is not laid down in the Association Agreement—undertake to add to the package of 'frozen' measures that of studying the problem of the Greek migrant workers, which is extremely important and which has been examined up till now in the light of the possible re-establishment of the Association. By undertaking not only to study these problems, but also to find solutions for them, the Community would demonstrate its democratic character.

Carettoni Romagnoli

The second point is more complex and concerns the problem arising from the statements by the present leaders of Greece—particularly Foreign Minister Mavros—on the possible accession of Greece to the Community.

In my view, the problem is not so much the economic backwardness of Greece—as is suggested in an amendment which will not receive our vote—due partly to the fact that Greece has to some extent been left out in the cold these years. I feel that the problem is much wider. Like Mr Laban, I should like to point out that, in spite of the famous 'freeze', the day-to-day running of the Association has resulted in a threefold increase in trade with the EEC, so that we must admit that the freeze was only relative.

I therefore feel that the problem of accession cannot be related solely to the lack of readiness of Greece, but requires, firstly, profound discussion inside Greece itself, and then discussion between ourselves and the Greeks. Essentially, this decision must be taken by the Greek people in the full exercise of their powers, and for this reason I think the problem does not present itself.

Secondly, we too must move in this direction, because there are already substantial reports of a crystallization of attitudes, of a polarization in Greek politics not only against accession, but even against the Association with the EEC. This shows that there is a need to regain—even to create—public confidence in the European Institutions in a country which will be joining our Community at some near or distant date. We must realize that public opinion is not very strongly in favour of our institutions even in the nine Member States, and we shall have our work cut out to regain it; think what it must be like in other countries which are only now looking at this problem for the first time. I therefore feel that this should be, above all, our problem, the problem of the European Parliament—an institution which must particularly reflect public opinion.

As I see it, we should reconfirm the spirit of the Association Agreement, which aims at accession as a final objective, but I think that this requirement—and here I agree with Mr Corterier—must be seen in a political context. This problem also concerns the nature of the Community's policy towards the European Mediterranean countries as each of them, in turn, fulfils the conditions of democracy. In this context, it was right of Mr Corterier to remind us of Portugal and—in the near future—Spain. There is a great task, a great responsibility facing us, in particular, as Parliament. Ladies and gentlemen, I hope you will allow me, as someone who

has often spoken on these problems, to remind you how we were censured when in recent years we linked the problem of Greece to that of Spain and Portugal. Many people said that these were different and distinct problems. This, however, was not true then, nor is it true now, and the problem with which our Community must deal is one of political responsibility and action.

This is why we too have tabled an amendment recalling, in connection with Cyprus, the UN resolution. We feel that we have a specific duty to try and disentangle the extremely serious situation which has arisen between these three countries which are linked closely to us. And we regret the fact that, in the case of Cyprus, alas, the Community's action and presence has been, as usual, somewhat inadequate.

Neither the 'defreezing' nor the talks on accession—whether or when it is to be achieved—should be bureaucratic operations, but political actions of a democratic Europe. This is the only way to dispel the doubts, to overcome the uncertainties and suspicions and to discuss—with all the political groupings in Greece—the policy which the Community wishes.

To be honest, we here are in a favourable position, because at least the European Parliament has a clear conscience, and we are one of the few bodies in the world which can maintain that it has largely done its duty.

Just one further point before I finish, Mr President. We support the amendment tabled by the Committee on External Economic Relations, dealing with the problem of the transitional body entrusted with the task of establishing contacts with Greek politicians and with the Greek political parties. This seems to us to be a suitable form, even if—as it appears—elections are to be held in November and there will be little time to establish these contacts. November is not very far off, and this proposal is therefore unlikely to be implemented. At all events, however, it is important to realize that the contacts with Greece will be contacts with a new Greece which is already very much of a reality and which differs radically from the previous one overthrown by the colonels. We shall find in it precisely those new forces which brought about some of the changes. It is not just the events in Cyprus which are involved. At the time we in this Parliament stressed the importance of the student demonstrations and of the various opinions expressed, and these turned out to be decisive factors in what has happened. These, then, are the new forces in which we are interested, because they are the forces which—once, as we all hope, the democratic process has been reintroduced—will become the real mainsprings of Greek politics.

Carettoni Romagnoli

I should like to say, in conclusion, that in all the problems facing us—even in those which may appear the most bureaucratic—we must place our trust in the future, in the new Greece, in those countries which are returning to democracy and which are destined—we hope—to join with us in constructing a democratic Europe.

President. — I call Mr Destremau.

Mr Destremau *President-in-Office of the Council of the European Communities.* — (F) Mr President, ladies and gentlemen, I was extremely interested to read Mr Corterier's very substantial report and to listen just now to the various speaker's comments, all of which have shed an extremely full and sometimes rather original light on the problem of relations between the Community and Greece, which we have been considering today with regard to the Association. The Nine have followed with interest the extremely grave and important events which have taken place in recent weeks in that country, and they have considered the question within the context of political cooperation among the Member States and also in the Council of Ministers of the Communities for those aspects which come within its responsibility. As regards the questions relating specifically to the Cyprus crisis, we have discussed these this morning, and I do not think there is any need to restate what I said before lunch.

On the subject of Greece the Nine, at their meeting of 16 September, welcomed the fact, within the context of their political cooperation, that individual and political freedom had been restored in Greece. They hoped that Greece would resume its place as part of democratic Europe as soon as possible, and particularly its seat in the Council of Europe. In addition, at its first meeting after the summer vacation, i.e. 17 September 1974, the Council decided to discuss whether or not to reactivate the Association in the light of events in Greece. I would point out here that telegrams had been sent from Paris, from the end of July onwards, asking for this very question to be reexamined without delay. The decision was taken on 17 September, but the question of reactivating the Association with Greece as an Associated State had been in the air since the end of July. After the September discussions, the Council issued a statement in which, after expressing deep satisfaction at Greece's return to the ideals underlying the Athens Agreement, it voiced its determination to resume development of the Association immediately, thus easing the way for the eventual accession of Greece to the Community.

The Council indicated that it was glad, now that circumstances had changed, to see that the

way was now open for the Association mechanisms to return to normal operation and, in a general manner, to develop the Association to its full potential. The Council declared itself willing, to this end, to meet the representatives of the new Greek Government at any time during a meeting of the Association Council, which would be the first one held at ministerial level since the 1967 coup.

Lastly, the Council stated that it had been agreed, for the same reasons, to hold a frank and positive examination of all the questions arising with regard to the proper functioning of the Agreement from the political, economic, and legal developments of the last seven years within the Community.

It was thus decided to make an immediate start, within the context of the Community organizations, on drawing up a list of the problems and seeking solutions acceptable to both parties as quickly as possible.

Work already begun to revive the Association with Greece has already yielded a number of positive developments, as a result of which it should be possible to have a first series of concrete measures adopted swiftly and put to the Greek delegation in the near future. Although this is not altogether relevant to the present debate, I do feel I should make brief mention firstly of the Community's relations with the other Associated State in this region—Turkey—and, secondly, of the state of preparation for Community negotiations with all the countries covered by the Mediterranean global policy, as it is called.

To take Turkey first, the quality and continuity of our Association with this country does not seem to create any particular problems for this debate. As you know, the 18th meeting of the EEC-Turkey Joint Parliamentary Committee will be held in Istanbul in a few days' time. Several Members of this House are also members of the Committee, which examines the state of the Association between the Community and Turkey at regular intervals and in particular on the basis of an annual report sent to it by the Association Council. Any question on this subject can thus be considered at this meeting very shortly. I would also mention that an EEC-Turkey Association Council meeting at ministerial level is expected to be held during October.

As regards the drafting of supplementary directives as part of the Mediterranean global policy, this question has been under consideration by the Council for several months now and developments have been such that I am now able to tell you, if you did not know already, that the Council, at its meetings of 22 and 23

Destremau

July 1974, reached agreement on the last questions still outstanding with regard to the supplementary directives on negotiations with Algeria, Morocco, Tunisia, Malta, Spain and Israel. These directives have also taken due consideration of the interests of the other countries included in the Mediterranean global policy. This Council meeting formally adopted the text of these directives on 17 September 1974. At the instigation of the Commission, which is responsible for conducting negotiations, meetings will be held with the partner countries in the next few weeks. The first such meeting took place yesterday morning with Malta. I hope it will be possible to reach agreement with these six countries quickly and then to complete directives concerning negotiations on the Community's relations with the other countries concerned. If I may, Mr President, I should like to add just a few more words. As regards the return of Greece to democratic Europe, the Nine took the step in August of asking the Council of Europe to take the first possible opportunity of opening its doors to Greece. This request was rather a delicate matter since the Consultative Assembly of the Council of Europe has, of course, complete freedom in its decision-making and the Nine must avoid bringing any pressure to bear on it. But our request was extremely well received and I think that Greece's reintegration in the Council of Europe will become a reality in the next few weeks, partly thanks to this initiative by the Nine.

As regards the EEC-Turkey Joint Parliamentary Committee, I can say right away that we attach great importance to this Istanbul meeting and that the current Presidency of the Council will be represented as indeed it should.

Greece certainly deserves to have the Association revived: a certain number of measures which had been put on ice can now be implemented promptly, but we should obviously not expect much more progress to be made beyond normalizing the implementation of the Association Agreement. As you know, economic competition by a Mediterranean country has to be given serious study and, if we were to go far beyond this Agreement at this time, we would probably find new problems arising. It is, however, understood that the ultimate aim is accession, but as some speakers have pointed out, this depends essentially on the Athens government and the economic development of Greece.

President. — Thank you, Mr Destremau. I call Lady Elles.

Lady Elles. — Mr President, the motion for a resolution and its very able introduction by Mr Corterier before this Assembly must indeed be

warmly welcomed, as we have already heard, by all political parties represented in this Assembly and particularly by those, including myself, who have consistently spoken with great respect and admiration for the country and people of Greece, in a spirit of encouragement for a return to parliamentary democracy and the consequent possibility of Greece's becoming a member of the European Communities.

It is in this spirit that I think I must reply to a remark made by Mr Laban which struck a somewhat discordant note in our otherwise complete agreement on this matter. Some of us in this group do still believe in the rule of law and also take into account the fact that there are about a quarter of a million Greek migrant workers in the Communities. The debate to which no doubt he refers was in fact on a proposal by the Socialist Group to rescind unilaterally the EEC Association Agreement with Greece, and has nothing to do with the Greek Government of the day. Since no doubt I was partly the subject of Mr Laban's comments, I will, if I may, Mr President, just read the words with which I ended my speech on 4 April: 'I therefore submit that it is our duty to encourage Greece to move towards democratic and free elections and to welcome it eventually into partnership with the European Communities.' Now that was five months ago, Mr President, and these words were to some extent prophetic. If they had not been said, and if we had not taken the stand that we did, it might have been very much more difficult for us today to be in the position of merely defreezing an Association Agreement instead of having rescinded it illegally as had been proposed at the time.

It is understandable that the motion contains conditions for a resumption of the full working of the Association Agreement, but such is the speed with which the new Greek Government has been working that the terms contained in sub-paragraph (a) and (b) of paragraph 3 are today much nearer fulfilment than when they were published on 13 September. Indeed, Mr President, it must be unique in modern European history for a new civilian government, without one drop of blood being shed, to replace a military government which in one form or another has for the last seven years ruled a country renowned for its democratic spirit. Further, Mr President, it was, of course, also in a very trying and difficult period, in the middle of a great international crisis, that the new government refrained from undertaking military action. We can only have admiration and respect for this new Greek Government. The result has been that the Greek Government in the last ten weeks has already taken very positive steps towards reviving democratic prac-

Lady Elles

tices, and I think they bear repeating. They have already announced the holding of parliamentary elections in November. The Communist Party is now declared legal, and other political parties are being given free right to establish themselves. It must also be recorded that, as I understand it, it is the first time for 40 years that there is not one political prisoner in Greece. I think that again deserves the praise and respect of all parties in this Assembly, as also the evidence that the new Greek Government has given of its desire to respect the fundamental human rights of individuals.

The Association Agreement, which covers customs union, agricultural policy and financial assistance, should to my mind be revived as soon as possible—not only for the economic, social, commercial and financial benefits to Greece and its people, but also to express in concrete terms the solidarity of Western European parliamentary democracies in recognizing the great courage of the Greek people and to give every possible moral and financial support to the new Greek Government in its immediate efforts to restore parliamentary democracy and freedom to that country.

(Applause from the benches of the European Conservative Group)

President. — I call Mr Seefeld.

Mr Seefeld. — *(D)* Mr President, ladies and gentlemen. Mr Corterier has presented an extremely good, well-balanced and objective report, and I should like to add my congratulations to those expressed by other speakers.

Ladies and gentlemen, all of you know that the attitude of our Parliament, the European Parliament, was constantly observed in Greece. What we said here was heard not only by the dictators, but also by those who were forcibly excluded from the democratic responsibility for their country.

Today's debate is the first to be held after the collapse of the dictatorship, and is thus of particular importance, since more than ever before it will now be possible for the Greek public to be informed by a free press about the opinions we have and about what we have to say on the problem. I should like to remind you all that, like other Groups, the Socialist Group brought up this subject repeatedly in the past, but that my colleagues and I more than once tried to hold debates here, because we felt that this was necessary.

Our aim was to draw attention repeatedly to conditions in Greece and to show that Greece had not been forgotten by us democrats in Europe. Many of us here—although not all of

us—were in constant touch with the democratic opposition in Greece, and it was also possible for us to talk to Greek colleagues in exile. Some people, however, made different statements here and elsewhere, and this leads me to something which played a part in the debate on 4 April last.

Ladies and gentlemen, a lady member of the European Conservative Group stated in that debate that there should be no criticism at all of the form of government prevailing in a country; she said that this conflicted with the fundamental principles of the UN; she stated here that we should not interfere in the internal affairs of another country.

I should like to state here quite categorically that it is precisely now, when we can again speak to our friends in Greece, that we have had confirmed to us—by Mr Mavros, the Greek Foreign Minister, among others—just how much the democrats in Greece appreciated the mere fact that we were discussing the situation openly here. This was a success for democracy in Greece, and I and my friends will always claim the right, whenever there is a dictatorship anywhere in the world, to speak about it in this Parliament and to accuse those who bring pressure to bear upon democrats.

In the April debate, ladies and gentlemen, I declared on behalf of my Group that once the Greek people was in a position to decide democratically and for itself, it was naturally welcome in our Community. This is just as true—or even more so—now than ever before.

I would hope that some of those who have today declared their faith in the Greek democrats will soon forget what they once said here in another context. I hope that this will serve as a lesson on how, in future, conditions in other countries should be noted and observed.

In this context, ladies and gentlemen, it is a great hope which the Greek people are placing in us in Europe. Mr Corterier said we must not let them down. I should therefore like to say that we should all give our support to the efforts being made in Greece to strengthen democracy. The European Community must strive to give this process of democratization every possible help, and we must support close cooperation with democratic Greece.

(Applause)

President. — I call Lord O'Hagan.

Lord O'Hagan. — Mr President, every group here has expressed its satisfaction at the re-emergence of democracy in Greece. I hope it is appropriate for one non-attached Member to be allowed to do the same.

Lord O'Hagan

I hope that as we look forward to a stronger and more permanent link between the new Greek democracy and the Community, this discussion will not end in a discordant note when we should all be hoping harmoniously and happily for something constructive and positive.

However, Mr President, while we are celebrating the extension of democracy, is it not rather a pity that Amendment No 1 proposes that only members of the political groups should be appointed to the delegation to discuss these matters with the Greeks? May I enter a note of dissent. This is a rather undemocratic way to welcome the return of democracy to a country that we hope will one day be a fellow-member of the Community. I hope we can strike those words out and include all Members of this Parliament as eligible for this new committee work.

President. — I call Mr Laban.

Mr Laban. — (NL) Mr President, I am sorry that I have to ask to speak again, but I thought I had tactfully reminded Parliament during my previous remarks that the Conservative Group, among others, did not always give its support to our proposal for harsher measures vis-à-vis the colonels' regime. Now that Lady Elles has taken up this point, as she has a perfect right to do, I feel obliged to be more explicit, although I should have preferred not to have to.

May I then remind Lady Elles of our debate here in April at which my friend Mr Fellermaier put an oral question arguing in favour of the abrogation of the Association Agreement with Greece. Lady Elles will be able to find it all in Official Journal No 174, which contains the Proceedings of the plenary part-sessions from 3 to 5 April 1974. I should like to quote briefly what Lady Elles said on that occasion. I fully grant from the outset that she never denied that the colonels' regime was undemocratic. It is always difficult to give brief quotations, but I will do so nevertheless. On that occasion she said, inter alia, that 'the Greek people must evolve their own system in the light of historical events suffered as a result of Communist warfare'. A little later she went on to say, '...not only is the case of Greece used to weaken the West, but to obtain strategic positions for Soviet fleets in the Eastern Mediterranean'. (That is an example of the fear of communism). She also said, '...economically speaking, the Communities would be guilty of economic blackmail if they harmed the peaceful trading and commercial activities of Greece'. The Conservative Group therefore voted against the proposal for complete abrogation of the Association Agreement, and supported the further

relaxation of customs duties. That is what I was referring to, but I am glad that we now all agree in our wish to give the Greek people every support, and I hope that this incident may now be considered closed.

President. — I call Mr Gundelach.

Mr Gundelach, *member of the Commission of the European Communities.* — Mr Chairman, I apologize for intruding on behalf of the Commission in a parliamentary debate on a parliamentary resolution. My reason for doing so is that the Commission has, together with the European Parliament, over the years held clear and strong views in regard to the previous regime in Greece. It would therefore seem natural that I on behalf of the Commission should say a few words on the occasion of your debate on your resolution on Greece.

It goes without saying that the European Commission has warmly welcomed the recent developments in Greece. We have at an early stage had contacts with representatives of the new Greek Government. We are both impressed and assured that the present government is a democratic government. We are impressed by the speed with which we are assured that they intend to hold general elections in Greece. We are impressed and assured by the measures they have already taken to restore full human rights in Greek society. Against that background it is easy to understand that it has been possible for the Commission, together with representatives of the Greek Government, to make a complete review of relations between the Community and Greece in the light of the re-establishment of democratic institutions in the country. We have stressed to the Greek delegation that the Commission for its part will do all it can to ensure that the work necessary for the unfreezing of the Association Agreement and for its reactivation as decided by the appropriate authorities within the Community, will be undertaken with all possible speed. This process entails actions in the field of financial aid, in the field of trade, even in such difficult fields as wine, agricultural commodities, etc., etc. As you may know, the Commission had, even before these talks took place, submitted to the Council the specific proposals for certain immediate steps referred to in the motion for a resolution now under discussion. These proposals are now being discussed in the Council in a very positive spirit, as you will have understood from the speech just made by the representative of the Council, who referred to the Council declaration of a little more than a week ago. On the basis of this preparatory work, which is being undertaken in collaboration with Greek representatives, we hope that there

Gundelach

can be a meeting of the Association Council, at a very early date and at the highest political level, to emphasize the positive attitude of the Community towards a democratic Greece and to push on as quickly as possible to developing the Association between us. In this process, we are naturally not unmindful of our relations, in the form of an Association Agreement, with Turkey, nor are we unmindful of the global policy of the European Economic Community in the Mediterranean area, where the representative of the Council has been happy enough to inform you this afternoon that after something between 18 and 24 months of deliberation a mandate was decided by the Council in the month of July. We share the satisfaction of the Council that this has been done, but even if the law of all things being interrelated does apply, I suggest to Mr Jahn that we must nevertheless also consider each of these matters on its own merits.

Mr President, reference has also been made to the question of Greece's full membership of the European Economic Community. Let me just state that a democratic Greece, like a democratic Turkey, has a European vocation. This principle is established in the Association Agreement itself, and is therefore not really at stake; the present issue is raised by indications of a desire on the part of the present Greek Government for a shorter transitional period. But we have also understood that this is a matter to be dealt with by a new Greek Government formed after elections have taken place; it is in any event a matter of political and economic importance which has to be gone through in the orderly process of discussions—political and economic—in Greece and in the Institutions of the European Economic Community, and is therefore a matter for the future. What is of immediate importance is to push forward with our cooperation with the new democratic Greek Government—and let me end, Mr President, on this realistic note. We are all rightly congratulating ourselves this afternoon on the importance our debates and our words and our resolutions have had for the process of restoring democracy in Greece. Indeed, representatives of the Greek democracy have in talks with the Commission expressed their gratitude for the help which they gained from our debates. But it is easier to pronounce words of principle than it is, when the day of reckoning comes, to follow up these words with acts. Now we have moved from the area of discussions of principle into the area where acts have to be undertaken, even if they cost economic concession and money from our own people. Therefore, Mr President, when stating that we have a co-responsibility for cementing and furthering the democratic process in Greece—when saying this, as you are about

to say, loud and clear—and we are with you—we must be mindful that we are also willing to carry the economic and political consequences of those words. Otherwise, Europe will once again have shown that it can talk, but cannot act.

(*Applause*)

President. — Thank you, Mr Gundelach. I call the rapporteur.

Mr Corterier, rapporteur. — (*D*) Mr President, I think it is too late for me to deal in detail with the substantial speeches made by the representatives of the Groups, the Council of Ministers and the Commission, although they contained much which was important and which might have merited a comment or a reply.

I shall therefore confine myself to making some brief remarks on the amendments which have been introduced. Just one point with regard to what Mr Baas said about Greece and NATO. Mr Baas, I think we are in complete agreement—I fully accept what you said. I did not mean that Greece's reintegration into NATO was in any way a precondition of Greece's entry into the European Community. I only wanted to draw attention to a problem which I believe is of concern to us all. Nothing more.

Now to the amendments, Mr President. First of all, Amendment No 1 tabled by the Committee on External Economic Relations. This Amendment relates to paragraph 2 of the motion for a resolution. The motion states that there should be exploratory talks between a delegation of the European Parliament and a delegation of the former Greek Parliament.

The paragraph was framed this way because various speakers in the Political Affairs Committee stressed that a particularly high-powered delegation should be picked for this meeting, and that we should not just have members of the Greek delegation only. I think the amendment submitted by the Committee on External Economic Relations reflects their legitimate fear that the members of the Greek delegation might not even be included in this meeting. This is fair enough, I think, since these Greek colleagues are after all constantly concerned with the problems between Greece and the EEC, and they should thus not be excluded from any such meeting.

A third factor is the point of view of Lord O'Hagan who asks that those in this House who are not members of Groups should not be excluded out of hand. May I make this suggestion: perhaps we can leave the text as originally worded by the Political Affairs Committee—i.e.

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that there should be talks between delegations. In this way, those who are not members of Groups would not be excluded. I might add, however, Mr President, that we should agree that the Members of the Greek delegation should all take part in the delegation, as desired by the Committee on External Economic Relations. I think we could reach agreement verbally that we interpret our motion in this way. I do feel that it would be wrong to exclude these colleagues from such a meeting. That is what I wished to say about paragraph 2.

Now a word about Mr Seefeld's amendments. In this case, Amendment No 2 has been replaced by a revised Amendment No 237/2. I think we can support this amendment since, as Lady Elles and others have pointed out, the conditions laid down in paragraph 3 of our motion for a resolution are now partly superseded.

I feel that we should not again demand full restoration of the rule of law and human rights in Greece, since the 1952 Constitution has already been reintroduced and Greece has already reratified the European Convention on Human Rights. I therefore feel that we should confine ourselves here and now to demanding simply the re-establishment of parliamentary democracy—of elections—as laid down in the revised Amendment No 237/2 tabled by Mr Seefeld. I thus recommend acceptance of this amendment.

Mr Seefeld has tabled another amendment—No 237/3—extending paragraph 4 of our motion for a resolution. He expressed the oft-repeated wish of the Greek democrats for full membership of the European Community. I fully agree that we should take account of this wish in our motion, and the amendment does contain the qualification—which was expressed by various other speakers—that the economic requirements for this full membership must of course first be fulfilled, and that we must subject these requirements to close scrutiny in this House in particular. I would therefore advise acceptance of this amendment as well.

One last remark, Mr President, on Amendment No 4—237/4—which recommends that the fifth indent of the preamble should refer also to Resolution No 353 of the Security Council of the United Nations. I have no basic objections to this amendment, since the UN Resolution is naturally something which must be taken into account in our deliberations. It is also intended to contribute towards a solution of the Cyprus problem. I would, however, point out that this UN Resolution was adopted some time ago, at another stage in this conflict, and that what we are actually trying to do here with this motion for a resolution and with other moves is to find

a new basis for a solution to the Cyprus conflict—a basis which is above all European. This is why I would prefer to retain the original text and not to refer to the UN Resolution. As I said, however, I have nothing against the Resolution itself.

President. — Does anyone else wish to speak?

The general debate is closed.

We shall now consider the motion for a resolution.

On the first four indents of the preamble I have no speakers or amendments listed.

I put these texts to the vote.

These texts are adopted.

On indent 5 I have Amendment No 4 tabled by Mr Bordu, Mrs Caretoni Romagnoli and Mr D'Angelosante on behalf of the Communist and Allies Group and worded as follows:

Preamble, fifth indent

'This indent should read as follows:

1. expressing its hope that a return to democracy in Greece will contribute to the just and peaceful settlement of the Cyprus problem on the basis of Resolution No 353 of the United Nations Security Council and to the improvement of relations between Greece and Turkey;

I call Mr Marras to move this amendment.

Mr Marras. — (I) We should like to withdraw this amendment, Mr President.

President. — Amendment No 4 is accordingly withdrawn.

I put indents 5 to 8 of the preamble to the vote.

These texts are adopted.

On paragraph 1 I have received no amendments.

I put it to the vote.

Paragraph 1 is adopted.

On paragraph 2 I have Amendment No 2 tabled by the Committee on External Economic Relations and worded as follows:

'This paragraph should read as follows:

2. Considers that pending the appointment of a new Greek parliamentary Delegation following elections, explanatory talks should be held, in the near future, between a Delegation of the European Parliament composed of the members of the Delegation to the Joint Parliamentary Committee of the EEC-Greece Association together with other representatives of the political groups, and a Delegation of the former Greek Parliament;

I call Mr Cortier.

Mr Corterier, rapporteur. — (D) I should like to propose that the wording of the Political Affairs Committee be maintained without any amendment to paragraph 2. There must however be no doubt about the need for members of the Greek Committee to be included in the Delegation.

President. — I call Mr Lange.

Mr Lange. — (D) As a member of that committee I should like to support Mr Corterier's proposal. The Committee on External Economic Affairs will certainly agree that such an interpretation makes the proposed amendment unnecessary.

President. — I hereby consult the House on this interpretation by Mr Lange, member of the Committee on External Economic Relations. This interpretation is adopted.

Amendment No 1 is accordingly considered withdrawn.

I put paragraph 2 to the vote.

Paragraph 2 is adopted.

On paragraph 3 I have Amendment No 2/rev. tabled by Mr Seefeld and worded as follows:

'This paragraph should read as follows:

3. Therefore considers that the Association can be fully resumed after free parliamentary elections have been held;

What is the rapporteur's position?

Mr Corterier, rapporteur. — (D) We can accept the full text of Mr Seefeld's amendment.

President. — I call Mr Seefeld.

Mr Seefeld. — (D) I just wanted to say that I should like to see my amendment adopted for the following reason. In the last two months the Greek Government has not only respected human rights and the rule of law but has also taken all necessary steps to guarantee that these rights will continue to be respected. The 1952 Constitution is back in force and officials and judges dismissed by the undemocratic military regime have been reinstated. The renewed ratification of the Council of Europe's Convention on Human Rights by the democratic Athens Government is proof, Mr President, that there need be no doubt about the respecting of these rights in Greece. If subparagraph (b) were allowed to stand, the text might give the impression that we had some doubt about it. I should therefore appreciate it, ladies and gentlemen, if you would vote for my amendment to paragraph 3.

Thank you, Mr Corterier, for your approval.

President. — I call Mr Baas.

Mr Baas. — (NL) Mr President, I am sorry that Mr Seefeld has not amended the first paragraph. Obviously, one cannot say that the Greek Government must fulfil 'the following criteria'. It now has only one criterion to fulfil. Can Mr Seefeld not bring his text linguistically into line with his intentions, which incidentally I fully support?

President. — I call Mr Corterier.

Mr Corterier, rapporteur. — (D) I think Mr Baas is labouring under a misapprehension. I assume he is referring to Mr Seefeld's original amendment and not the revised version, since these criteria were only mentioned in the original amendment. In the revised version your point has been taken into account. I think we are in fact in agreement.

President. — I put Amendment No 2/rev. to the vote.

Amendment No 2/rev. is adopted.

On paragraph 4 I have received no amendments.

Does anyone wish to speak?

I call Mr Alfred Bertrand.

Mr Alfred Bertrand. — (NL) Mr President, the approval of the Seefeld amendment to paragraph 3 means that paragraph 4 is now meaningless. This paragraph must be withdrawn, since according to paragraph 3 in Mr Seefeld's amended version the Association can be fully resumed after free parliamentary elections have been held. It is therefore no longer correct to state in paragraph 4 that a decision by Parliament is necessary 'confirming the fulfilment of the above criteria'. These criteria are no longer mentioned in paragraph 3.

Paragraph 4 must therefore be deleted.

President. — I call the rapporteur.

Mr Corterier, rapporteur. — (D) I think the answer to this would be quite simply to substitute the singular 'criterion' for 'criteria', free elections being now the only factor. The matter would be clear.

President. — I call Mr Alfred Bertrand.

Mr Alfred Bertrand. — (NL) Paragraph 4 is now totally meaningless. Paragraph 3 states that we agree that the Association can be fully resumed

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after free elections have been held. We cannot then go on to say in paragraph 4 that Parliament must take a decision 'confirming the fulfilment of the above criteria'. This is now meaningless.

President. — I have therefore a proposal to delete paragraph 4.

I put this proposal to the vote.

The proposal is adopted.

Paragraph 4 is accordingly deleted.

After this paragraph I have Amendment No 3 tabled by Mr Seefeld and worded as follows:

'After paragraph 4, insert the following new paragraph:

- 4a. Expresses its hope that Greece will become a full member of the European Economic Community as soon as the development of its economy permits this;

I call Mr Seefeld to move this amendment.

Mr Seefeld. — (D) Mr President, I propose that this paragraph 4a, if it is accepted, should become paragraph 4, for the following reasons. We are an open Community and we welcome new members, especially when, as in the case of Greece, we are aware of the people's profound European spirit. I should therefore like to say that we should mention the question of full membership at least once in our resolution; Mr Corterier has already indicated his approval in his preliminary remarks as rapporteur. I should appreciate it if the House could follow suit.

President. — What is the rapporteur's position?

Mr Corterier, rapporteur. — (D) I agree to the proposal.

President. — I call Mrs Caretoni Romagnoli.

Mrs Caretoni Romagnoli. — (I) Mr President, I am opposed to this amendment, not because we are not in favour of the eventual accession of Greece to the Community, but because it seems pointless to say so now, for reasons which all the speakers and the representative of the Council have already stated. Furthermore, the reference to the development of the Greek economy seems to us somewhat restrictive, even though we are aware that this is stipulated by the treaty. It is for this reason, therefore, that we shall vote against the amendment and not because we are opposed to the idea of membership.

President. — I call Mr Laban.

Mr Laban. — (NL) Mr President, in my contribution to the debate on behalf of my Group I stressed, in addition to the development of the Greek economy, the idea of the cohesion of the Community. No mention is made of this in this amendment. It is therefore difficult for me to adopt an opinion on this amendment on behalf of my Group, but I myself shall abstain.

President. — I call Mr Alfred Bertrand.

Mr Alfred Bertrand. — (NL) Mr President, from a political point of view this amendment is acceptable, but only for psychological reasons, since the Association Agreement with Greece provides for its accession to the Community after a transitional period. This is thus already laid down in the Association Agreement. If it is also stated in the amendment, it will do no more than reflect a political, psychological climate, such as that which exists in the case of Turkey. The amendment in no way changes the situation, or the Association Agreement. For these reasons I would ask Mr Seefeld to withdraw his amendment.

President. — Does anyone else wish to speak? I put Amendment No 3 to the vote.

Amendment No 3 is adopted.

On paragraphs 5 and 6 I have no amendments or speakers listed.

Does anyone wish to speak?

I put these texts to the vote.

Paragraphs 5 and 6 are adopted.

Does anyone wish to speak?

I put to the vote the motion for a resolution as a whole incorporating the various amendments that have been adopted.

The resolution so amended is adopted.¹

13. *Oral Question with debate: Portugal's connections with the European Communities — Change in the agenda*

President. — The next item on the agenda is Oral Question (Doc. 250/74) with debate by Mr Corona to the Commission of the European Communities on behalf of the Socialist Group on Portugal's connections with the European Communities.

The question is worded as follows:

1. What concrete measures has the Commission of the European Communities taken since the overthrow of the dictatorship to strengthen Portugal's connections with the European Community?

¹ OJ No C 127 of 18 October 1974.

President

2. What action is the Commission now taking to help the Portuguese Government to solve its economic problems, thereby furthering democratic development in Portugal?
3. Is the Commission prepared to propose as an immediate measure improvements to the existing trade agreement in Portugal's favour?
4. Does the Commission share the view that once free elections have been held in Portugal, association of that country, at its own request, with the European Community, with a view to subsequent full membership should be facilitated?

I call Mr Fellermaier for a procedural motion.

Mr Fellermaier. — (D) Mr President, ladies and gentlemen, owing to the adoption of urgent procedure for the debate on agriculture today's agenda has been upset.

My friend Mr Corona had other commitments and was unable to stay any longer. In view of the importance we attach to the statement on relations with Portugal I request on behalf of the Socialist Group that this Oral Question to the Commission be postponed to the plenary part-session to be held in Strasbourg in October.

President. — I call Mr Alfred Bertrand.

Mr Alfred Bertrand. — (NL) Mr President, on behalf of the Christian-Democratic Group I should like to express my dismay at the way business is being handled here. For two hours we have discussed the important problems involved in our relations with Greece, a country which bore the yoke of a dictatorship for seven years, and is now endeavouring to restore democracy.

Now we have turned our attention to Portugal, a country which has been under a dictatorship for half a century, and which has a gigantic task before it in view of its parlous economic state. In comparison with the other countries of Europe Portugal is the most economically backward. And yet this topic is now considered to be no longer extremely urgent, and discussion of it is to be postponed to a later part-session. I find this totally acceptable, even if the House is almost empty. Portugal, more than any other, needs our assistance if it is to restore democracy, since there is no longer any reservoir of experience available in that country. Precious time will be lost if the discussion of this subject is postponed. The proposal just made by Mr Fellermaier has taken the Christian Democrats completely, and unpleasantly, by surprise.

President. — I call Mr Baas.

Mr Baas. — (NL) Mr President, may I try to cool the emotions that have suddenly erupted

here. Mr Bertrand says himself that we cannot debate since the House is empty. I am perfectly prepared to accept the proposal of the Socialist Group that we should debate this question in Strasbourg, after the Political Affairs Committee has had the opportunity to discuss it. Before we in this House examine the matter I should like very much to hear from the Commission whether it is prepared to offer extra financial aid in the short term for the reconstruction of Portugal's economy. I would ask Mr Fellermaier to back me in this—the question at issue is not one of political advantage but the very existence of the democratic system which is being born in Portugal. I hope that he can support the request of the Liberal and Allies Group to submit this oral question of Mr Corona's to the Political Affairs Committee so that it can discuss Portugal's problems in the presence of the Commission.

President. — I call Sir Douglas Dodds-Parker.

Sir Douglas Dodds-Parker. — Mr President, might I support the points Mr Bertrand has made. I think it is very disappointing that we should remove this particular item, especially as we have been discussing in the course of the last two days both Greece and Turkey, which are in a state of association with the Community. Here we have Portugal, which is my country's oldest ally, going back to the fourteenth century, in a state at the moment of emerging, we believe, into democracy, and we are denied the chance of saying something about it today. If that is to be so, can we make certain, Mr President, through you, that it is taken as the first item on the first day when we meet again in Strasbourg and not dealt with again as the last item of business?

Thank you.

President. — I call Mr Fellermaier.

Mr Fellermaier. — (D) My dear Mr Bertrand, at this hour I don't think we can really regard this postponement as a tragedy. The debate is being postponed 18 days—exactly 18 days. And if you take a look round at the House... and no offence, but in your Group if you take Bertrand away there's no-one left. And the situation is the same in the other benches too. It would be a tragedy, however, if a debate of such importance, in which the Portuguese public is entitled to answers from the various Groups and an energetic dialogue with the Commission, were held in the presence of such a tiny group in this House. In this respect I think we can go along with what Mr Baas has suggested. The Political

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Affairs Committee with its excellent Christian Democratic chairman will, I am sure, be capable of requesting a Member of the Commission to present a report to them. This does not need to be justified by a question from the Socialist Group. My proposal is thus to do this, but to postpone the debate, to which I would add the request to the President of this House that the Portugal debate be given priority in the agenda for the October part-session. I would ask the House to approve this proposal.

President. — I call Mr Alfred Bertrand.

Mr Alfred Bertrand. — (D) I should like to ask Mr Fellermaier if he agree to our placing this matter on the agenda of the Political Affairs Committee. In which case I too am in agreement.

President. — I shall now put to the vote Mr Fellermaier's proposal to postpone consideration of this question until the October part-session.

The proposal is adopted.

14. *Oral Questions with debate:*
Employment situation in the Community

President. — The next item on the agenda is a joint debate on two oral questions.

The questions are worded as follows:

— Oral question with debate, pursuant to Rule 47 of the Rules of Procedure, by Mr Amendola, Mr Ansart, Mrs Goutmann and Mr Marras on behalf of the Communist and Allies Group to the Council of the European Communities (Doc. 207/74)

'Subject: Tripartite conference on the impact of the energy crisis on the employment situation

The energy crisis has had disturbing consequences on the employment situation. In the Federal Republic of Germany, for instance, not only has the entry of foreign labour been stopped but the number of unemployed has doubled.

Does the Council not feel it should urgently consider the proposal by the European trade union organizations for a tripartite conference between the unions, management and the Community organizations to discuss the impact of the energy crisis on the employment situation?

— Oral question with debate, pursuant to Rule 47 of the Rules of Procedure, by Mr Alfred Bertrand on behalf of the Committee on Social Affairs and Employment to the Commission of the European Communities (Doc. 247/74):

'Subject: Current employment situation in the Community

As a result of the energy crisis, inflation and the consequent anti-inflationary measures taken by

various Member States, the employment situation in the whole Community has deteriorated, as can be seen from dismissals, especially of migrant workers, reduction of working hours, suspension of recruitment, etc.

In the report it submitted to the Council on 2 May 1974, "Employment and the energy situation — A report on the repercussions of the energy crisis on the employment situation of the Community" (SEC (74) 1358 fin.), the Commission formulated a number of conclusions and proposals which might help to keep the consequences of the energy crisis within acceptable limits.'

I call Mr Marras to speak to the first question.

Mr Marras. — (I) Mr President, the energy crisis has had a serious effect on employment.

I do not know whether the Commission or the Council will be able to provide us with more recent figures, but I have tried to obtain from the most widely-read economic journals the data which seem most up to date. I shall consider only the four largest countries in the Community. On 8 August, the United Kingdom had 691 thousand unemployed—an increase of 90 thousand over the previous month. This was also the highest monthly rise in the United Kingdom for twenty years. In Germany, the number of unemployed was 491 thousand, 40 thousand up on the previous month—compared with scarcely 350 thousand in 1973. In France, unemployment in the same period reached 470 thousand, having risen by 50 thousand over the previous month. In Italy, a country with chronic unemployment, we already have more than one million unemployed, and this figure is expected to rise by several hundred thousand over the next few months.

How does this cutback in labour make itself felt? Well, workers are put on part time. At the beginning of the week, the management of the Volkswagen company issued a statement announcing a one-week suspension of work for 46 thousand workers. This is the sixth time this year that the Volkswagen company has taken this step. Then there is the encouragement to give notice—applied particularly to immigrant workers; mass dismissals, as often happen in Italy; the reduction in employment opportunities—particularly for young people; the stop to immigration from third countries—sometimes even from Associated States such as Turkey—introduced by the German and French governments. Some groups are more affected than others—immigrants, older people and women. Sometimes this reduction in the labour forces does not result in a drop in production—in fact the employers use the opportunity to introduce reorganizations which always lead to increased exploitation of the workers. They take advantage of this situation to turn down or reduce pay increases.

Marras

You will agree that all this runs contrary to the primary objective of the Social Action Programme approved by the Council in February. This Programme stated that the primary objective for the Community was to achieve full and better employment. Six months after this document was approved, there are hundreds of thousands of unemployed in the Community. This situation was predictable, and the trade unions warned about it in good time and offered to help in finding solutions.

Without wishing to speak at great length, I should like nonetheless to draw your attention to two declarations. On 8 December 1973, when we were still in the period of the so-called fuel shortage, the European Confederation of Trade Unions—which is certainly not Communist-inspired—issued an urgent appeal for the immediate calling of an extraordinary conference to include governments, the Commission and representatives of workers and employers, to examine the entire range of current problems—energy problems, price policy, social and regional problems. That was on 8 December of last year.

On 28 January of this year, the Executive Committee of the European Confederation of Trade Unions called strongly upon the governments of the Community countries to organize a conference of 'workers' and employers' representatives, in view of the 'predictable' effects of this policy of scarce and expensive energy on production and employment structures, on economic and monetary relations between Europe and the USA, and hence on the long-term situation in the European economy.

This European Confederation is an organization with thirty to forty million members. In proposing this tripartite conference, the trade unions showed that they realized the real cause of the crisis, for which the fuel shortage—there never was a fuel shortage, by the way—and then the increase in the cost of petroleum products were only a cover. And—this is again the Executive Committee of the ECTU speaking, the European Confederation of Trade Unions, which is largely socialist-oriented and which was joined by the denominational organizations, and recently, as you know, by the Italian Confederation of Labour, shortly to be followed by the CGT—the Executive Committee states that the present crisis is not caused by a genuine and widespread scarcity of energy, but that the localized pressure and the pressures affecting some products are the clear result of the intention of the major oil companies—particularly the American ones—to impose their policy of excessive profits with the support, even if unintentional, of the national governments, and—I cannot say how uninternational—of the European

Community, all of whom are unable to stand up to the oil cartel which, in spite of having lost influence in the Middle East, still has a monopoly of petroleum transport, processing and distribution in the industrialized countries.

The Executive Committee will not allow sacrifices to be imposed on the workers as a result of this policy, particularly as regards obstacles to successful wage negotiations. This document was not written by Communists, but by Socialists—Christian trade unionists—who agree with the assessment of the oil crisis made by us Communists during 1974. And now we are faced with what may seem to be a paradox but is, in fact, another classic example of the fundamental deformities of the capitalist society in which we live: a handful of shareholders in seven oil companies see an enormous increase in their profits in 1974, while hundreds of thousands of workers pay for this with unemployment and inflation.

Why was this conference not called, gentlemen of the Council of Ministers? Ten months have passed since the call was made. The Commission, the Council, the national governments did not call it, I believe, because they wanted to have a free hand in unloading the weight of the crisis on to the workers. Which is precisely what the European employers wanted. Hence the deflationary policies which have been introduced in almost all our countries, the subsequent reduction in productive investment, the selective austerity, the basic decision taken in many countries, as in mine, to combat inflation with unemployment, with a drastic reduction in the earnings of workers, agricultural workers and the productive middle classes.

That's the capitalist system for you! That's what it really means. Is there no other way of overcoming these difficulties? The trade unions have drawn up a constructive programme at European level. Read the papers and documents of the Congress held in Copenhagen in May by the European trade unions and you will find these constructive proposals. The Communist Parties in France, in Italy and in other countries have produced detailed and systematic programmes of how we can escape from the inflation—unemployment—austerity spiral. There is another way out. The short time at my disposal clearly makes it impossible for me to go into details, but this programme involves new investment in new sectors, strict control of the operations of the oil companies and a new relationship with the oil and raw-material producing countries. A conference such as that proposed by the trade unions represents an initiative which is supported by our Group, and we call upon the Council and the Commission to organize it, since

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it could be an opportunity for a profitable exchange of views on problems which are of extreme gravity and significance.

President. — I call Mr Alfred Bertrand to speak to the second question.

Mr Alfred Bertrand. — (NL) Mr President I shall be very brief. The second oral question has been tabled by me as Chairman of the Committee on Social Affairs, because the Commission submitted a report to the Council in May of this year on the employment and energy situation, containing a number of conclusions and proposals which could have helped to keep the energy crisis within acceptable limits. However, given the 'swiftness' with which the Council works, it has naturally not yet had any opportunity to look into this problem. The document has presumably got bogged down in one of the many technical committees which must meet before such a matter can find its way to the Council. By now, therefore, this Commission report is completely obsolete. However, we are no longer exclusively concerned with the energy crisis, but are also faced with the problem of galloping inflation, the policies of the countries supplying raw materials and with rising raw materials prices. Therefore we are confronted at the moment with an inflationary spiral which is already having serious consequences.

The Committee on Social Affairs felt there was no longer any point in issuing an opinion on the Commission document in question. We feel that it would be better now to ask the Commission how the employment situation in the Community is developing at the present time, and what Community measures it intends to propose to the Council in the light of the fundamental changes in the situation which have taken place since May of this year.

The Committee on Social Affairs is afraid that the burden of an anti-inflation policy which will almost inevitably lead to an increase in unemployment cannot be borne by the employees alone. The burden must be distributed over all concerned throughout the Community. This is why we would be pleased to hear the Commission's view on this matter and what measures it intends to propose to combat these difficulties.

President. — I call Mr Destremau.

Mr Destremau, *President-in-Office of the Council of the European Communities.* — (F) Mr President, I should like at this stage in the afternoon to make a small digression and tell Mr Marras, who has spoken with honest goodwill, that if I were still a member of a national

parliament I should not fail to reply to the great variety of accusations he has been tossing around.

But the essential point, and the question before us is to know why no tripartite conference on employment problems has yet been held. I should thus like to stress that the Council has always been extremely concerned with dialogue with the social partners on employment matters. Unfortunately, the many efforts made so far to hold a conference of this kind and to hold a meeting of the Standing Committee on Employment have been unsuccessful, because we have never managed to get the trade unions to agree on the distribution of the seats. Given these circumstances, what are we supposed to do? Well, we must keep up our contacts and endeavour to persuade the unions to reach the desired agreement.

I would point out that within the Community institutions themselves we have bodies which are competent to deal with social matters and problems of employment. The Economic and Social Committee and the Council and Commission all provide our social partners, the economic and social categories, with a chance to make their feelings heard, and I think they ought not to forget, before this tripartite conference is held, that we should like to see Community institutions which provide a good forum in which to air their grievances.

President. — I call Dr Hillery.

Mr Hillery, *Vice-President of the Commission of the European Communities.* — Mr President, I would like to say about the present situation that unemployment in the Community has been on an upward trend since the beginning of 1974. In most countries the increase was slight, but in June, July and August the general situation worsened. I have made available to the honourable Member who put this question a copy of a table setting out the latest available figures for unemployment in each Member State of the Community, and I can give you, Mr President, a copy which you may wish to make available to Parliament. Because the figures are collected on a national, rather than on a Community basis, the percentage unemployment levels are not easily comparable between one country and another, but changes in the absolute level of unemployment within these countries are a reliable indication of the change—be it a worsening or an improvement—in the state of the job market in a particular country. The market is not organized at a Community level, although we are working towards that, but until we have further progress in economic union and in

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organization of the market, the task of the Commission is to deal with the separate national situations.

In the Member States the following situations are apparent. In Germany unemployment at 500 000 is over double the level of a year ago, and the latest figure available reflected a continuing deterioration. In Italy, Great Britain and Ireland the current situation is generally no worse than a year ago. However, these countries have been recovering from a particularly high cyclical level of unemployment and had been expected to show at this time a considerable improvement in their situation. As I say, the current situation has not improved, even if it is not any worse. In France, the Benelux countries and Denmark the current level of unemployment is significantly higher than a year ago—3.8% compared with 3.4% in Belgium, for example, or 3.1% compared with 2.6% in the Netherlands.

The Commission does not intend to propose new curative measures to deal with the current situation. The prospects of a recovery in employment over the next 6 to 12 months are not good, and many commentators expect to see a worsening in the employment situation. However, the Commission does feel that while employment in 1975 is threatened, the situation need not worsen if policy actions which have been already recommended by the Commission are followed. When I say the Commission does not intend to propose any new curative measures, it is because the Commission has already made proposals which it believes would minimize the effect of the energy crisis and inflation on the situation. In particular, the Commission published its report 'Employment and the Energy Situation' in May 1974, that is Doc. SEC (74) 1358, setting out various specific recommendations. This was followed by a Council decision of 4 July 1974, setting out economic policy guidelines for this year in the light of present difficulties.

The document 'Employment and the Energy Situation' made various recommendations which are still valid. General recommendations were as follows: (1) Member States must not export unemployment by restrictive trade policies; (2) Member States can sustain expansion despite present difficulties and should do so; (3) Member States should provide support for partners in balance-of-payments difficulties. Since then the Commission has been actively pressing towards a framework whereby countries can borrow under a Community guarantee. And, more specifically, (4) support for the mass-dismissal directives now before the Council; (5) the strengthening of national employment services to cope with increased work loads; (6) defence of migrant workers through the free

circulation regulation already in existence and the migrants action programme which will be presented to the Council in December; (7) use of the resources of the Social Fund to aid redeployment arising from the energy crisis and other structural changes in employment. The objective of making the Fund more flexible to deal with current problems is being partly met with the creation of special facilities for ship-building, migrants, the handicapped and the energy sector.

Member States have to recognize the limitation of Social Fund actions in terms of overall budget and to use flexibility in applying it to new problems. Various suggestions can be found in the Second Annual Report on the activities of the new Social Fund—it is dated 4 July 1974 and the document number is SEC (74) 2400—especially in Chapter 5. Indeed, despite Council discouragement, the Commission is continuing studies for use by Member States of income supports during retraining.

The economic policy guidelines adopted by the Council in July reasserted the need for more active employment policies to improve the flexibility of the labour market, so as to absorb the effect of the energy crisis, inflation and rapidly changing patterns of trade. In view of the longer-term risks to employment that could result from continuing high levels of inflation, it was felt that no general budgetary action should be taken which might give fatal impulses to the inflationary tendencies.

Finally, with regard to consultation with the social partners, the Commission has from the beginning supported the proposal to hold a tripartite conference, and it expects that this conference will meet as soon as possible and that the Standing Committee on Employment will resume its normal work. In addition, the Commission intends to discuss regularly the situation in particular industries with the sectoral bipartite commissions.

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

Mr Glinne. — (*F*) Mr President, ladies and gentlemen, I should like to say first of all how anxious the Socialist Group is to see the famous tripartite conference held, despite the procedural difficulties which seem to be never-ending. This conference will bring together the social partners and the Council of Ministers and Commission of the European Communities, and is particularly sought after by the European Confederation of Trade Unions.

Glinne

We are also extremely aware, as we express this wish, of the efforts made hitherto to achieve a conference of this kind. In 1973, for example, it proved impossible to confirm that a tripartite conference would be called, because of a number of procedural difficulties regarding the respective numbers of delegates. I should like to suggest here that there should be no over-insistence as to the number of management representatives present; think of this type of management representation in a Member State of the Community.

The tripartite conference must be held, and should be held as soon as possible. Everything points to the fact that we are now no longer at the stage of building Europe which involved momentous decisions, great visions and grand rhetoric; we have now—and yesterday's events underline the fact—reached the stage in which the European edifice must be put together brick by brick, patiently and slowly. We believe that in this new phase all interests concerned must join forces so that they can all jointly demand and assume responsibility for the practical measures which will have to be taken.

Mr President, employment policy has been part of Europe's social programme for some time, since October 1972 in fact, and its importance today is underlined by all the current events connected with the energy crisis and the increased prices of raw materials. In the case of one Member State, the press is now talking of 'wartime economy measures'. Something must be done. It is important that we should take note, in the European Parliament, of the 19 September debate which is recorded in the Official Journal and concerns the spokesmen represented in the Economic and Social Committee.

It is important to recall here that as early as last May the Commission considered that the consequence of the energy crisis for employment would be a 0.7% reduction in the number of hours worked which, it said, was more or less equivalent to the loss of 700 000 jobs. The Socialist Group agrees with a preliminary statement from the proceedings of the debate held by the Economic and Social Committee which said that an employment policy, even more so in today's situation than in yesterday's, could not accept unemployment as an inevitable part of the economic system but should on the contrary be an instrument of individual and collective advancement and should confer and safeguard the right to work. *A propos* of this, a number of questions could be put to the Commission in connection with the suggestions raised in the Economic and Social Committee debate. Some of them in any case should be mentioned today. Some people have suggested

a bilateral cooperation for the sectors most affected, which include chemicals, textiles and the car industry. I should be glad if Commissioner Hillery would tell us, if he can, what stage has been reached in this bilateral cooperation for certain specific sectors.

If it is also true that migrant workers, women, young people and older workers are particularly threatened by the current situation, measures can be taken to protect the interests which are shared by quite a lot of them: the Economic and Social Committee's report mentions vocational training—we have just had a debate on this which there is no point in reopening—and the organization of an optimal early retirement pension scheme. I should like to ask Commissioner Hillery what progress has been made here, as the position varies considerably from one Member State to another and many trade union organizations are suggesting that this scheme, under which unemployment benefit is usually supplemented by a payment from the employer, should be extended to all professions and not confined to particularly privileged sectors in which a special degree of effort is possible. The Economic and Social Committee's report also refers to collective dismissals. Here too there is great disparity at present among the Member States. In Belgium, for example, collective dismissals are carried out on the basis of bilateral agreements between management and workers; the State offers its good offices but there is no concrete government action as such. What is the Community's thinking on this?

One last question. The suggestions made rather confusedly in a number of texts might prove to contradict each other somewhat: on the one hand it is suggested that government placing services should be strengthened and, elsewhere, mention is made of Commission proposals on temporary employment agencies. It seems to me, Mr President, that a clear choice must be made here: free government-provided job placing services were won after decades of struggle. We should be ill-advised now to challenge their validity and to cease basing ourselves on the clear principles of the International Labour Organization's Convention No 96, and although it is doubtless a good thing to discipline temporary employment agencies by imposing a less dubious code of ethics on them, I think that priority should still be given to encouraging government placing services.

President. — I call Lady Elles to speak on behalf of the European Conservative Group.

Lady Elles. — Mr President, on behalf of the European Conservative Group, I should just like to make a few very brief comments. It is,

Lady Elles

of course, almost impossible to discuss the problems of inflation and unemployment without taking in all sorts of other considerations—economic, financial, commercial and social, to mention only a few. But I would like to restrict myself to a very few brief observations and express my gratitude particularly to Vice-President Hillery for the very helpful statement that he has made.

It is obvious that both inflation and deficits in balance of payments are the major problem in all nine Member States of the Community, but, of course, they vary in their effects according to the industrial structure of those countries, so I think it is difficult to take a completely global view on these particular problems. Nevertheless, it is true to say that the European Communities as a whole did share the same objectives in their economic policies, which was to achieve full employment, achieve stability of prices and maintain economic growth. I think these three objectives have always been recognized as the basis of economic activity in the Community, and it is clear that these objectives have not been achieved or, at least, achieved at one and the same time. You get full employment and inflationary prices, which in turn lead to unemployment, so it is clear that while we may share the same objectives, we are getting different results in our different Member States.

And so, perhaps, we should look at those countries which have not had inflation and have not had balance of payments problems and see if there is any lesson we can learn from them as to why they do not happen to suffer from the same frailties in their economic systems as we do. Mr President, without going into a great deal of philosophy and ideology, it is clear that we can only achieve those objectives if we maintain a much lower standard of living and lose fundamental freedoms. I think, therefore, that we have to look for cures for inflation and balance-of-payments problems in directions other than the ones that I have mentioned. There is no doubt that control of prices and wages has been tried in most of the Member States. Governments have come in saying they would start with voluntary agreements—they have not worked. They have then resorted to control—that has not worked either. Or it has been vice versa, they started with control and ended with voluntary agreements. Neither of these processes appears to have been satisfactory. So we must again ask what can be the causes—apart, of course, from the oil prices about which we know and which we cannot blame for all our financial problems. That would be an easy way out, but we had this problem long before the oil prices rose.

We must also ask, therefore, whether our productivity is sufficient—are we producing enough to enable us to buy from overseas? Is this perhaps one of the basic industrial reasons why we are not able to pay our way: we are not producing enough and demanding too much? It is perhaps the combined effect of these economic factors which is causing the trouble. We live in a free society where the profit motive is a just motive, provided that the profits are shared fairly among all members of society. It is therefore in this direction that I think we must look for some solutions.

First, we must realize that conflicts in industry are causing more suffering to the weak than to the strong. They are causing suffering to pensioners, to low-wage workers, to the unemployed and to those who are living alone on fixed incomes. We must also see that the cure of unemployment can only be assisted by encouraging investment in new industries and creating new jobs, and I think this is where the rôle of the Commission comes in. But, Mr President, the role of the Commission itself, however laudable their efforts and however hard they work, will be completely irrelevant if the Council of Ministers does not show political resolve with regard to the future of the European Communities. To create the confidence which is needed in investment, we need to see this political will made manifest in the European Communities in the form of cooperation by all the members of the Council of Ministers—because all efforts will be useless if this common objective is not realized right at the top. We are told always we are lacking in leaders, and I think this is very true.

The Commission could, I feel, undertake a number of things which would be of help to Member States. The encouraging promises of tripartite consultations will, I think, be welcomed by all, because we all realize through all our Member States that unless there is active cooperation between all members of industry, there will be no solution of our economic problems. In my view it would be well sometimes for people on the factory floor to remember that those who are now white-collar or management were themselves blue-collar before they reached that level. This is sometimes a comforting thought.

On the matter of statistics, I would like to ask the Commission whether they could not, with the brains that they have at their disposal, discover some other method of calculation than that of percentages. There is nothing more evil than the way percentages are used in the calculation of inflation, in the calculation of prices and every item of our economic life. We have

Lady Elles

a typical example where you calculate over three months and you can say that inflation is only rising at a rate of 8.4%, whereas if you take it over a year it is about 20%. Nobody doubts the veracity of the figures, but the examples can be extended ad infinitum. Similarly, in wage negotiations, a rise in wages expressed in percentages creates greater and greater differentials and leaves the lower-paid worker lower paid than ever. I would therefore earnestly request the Commission to find or propose some other way of calculating both wages and inflationary tendencies, that is to say, in any form other than that of percentages. They should, at any rate, be in real terms, because there is nothing worse than the impression that is made by these false and devastating percentage figures.

Thirdly, I think that the Commission should take a very much more active role in proposing vocational training schemes, or readaptation, and studying long-term manpower employment policies. This could be of use to the whole of the Communities. And you only have to look at the unemployment lists given in the Commission's report to see the number of vacancies that are available throughout the Communities. There should be an information centre showing the vacancies available throughout the Member States which, under Article 48 of the EEC Treaty, would enable workers to move from one country to another. Where there are people to take up these jobs, they should be encouraged to move throughout the Community to take up the particular work for which they are suited, and if they are not suited, they should be given the chance to readapt and have retraining programmes.

Further, of course, there is the question of a more energetic energy policy, not only to provide a basis for oil-sharing but also to encourage the use of alternative fuels, especially in industries hitherto based on oil, always remembering that in five or six years the situation will no doubt change again and oil will be abundant, whereas perhaps coal will not.

Finally, Mr President, there are certain recommendations that I feel would be of benefit to Member States in general. One is that to encourage investment you have to cut taxation. It is of interest to note where the greatest losses have been sustained in industry throughout the last years. I am speaking here in a personal capacity, because I have not consulted my group, and I have not, therefore, the authority to say, it, but if you look at the nationalized industries, I think you will find more disruption and more losses in their balance sheets than in any other part of industry. One must draw one's own conclusions from that. But basically,

Mr President, I do believe that the Commission are taking the right road. They are proposing radical programmes to encourage profit-sharing and worker participation at all levels, and I feel that it is on this basis only, with the goodwill of all members of society, particularly those at all levels of industry, that we will solve our problems, provided the Council of Ministers gives its blessing and manifests the political will needed to retain a free society for Western Europe.

President. — I call Mr Lenihan.

Mr Lenihan. — Mr President, I would like to echo what has just been said by Lady Elles. The challenge facing the free society that we have within the European Economic Community is to ensure that we do not allow the economic situation in which we live to degenerate into a period of unemployment, because relatively full employment is the barometer, the essential test by which this Community and every member country in this Community will be judged, not alone in the coming year but in the years ahead.

I feel that one danger in our present situation is fear of inflation. We have an inflationary situation, but if there is anything worse than that, it is fear of inflation, and we must do everything possible to ensure that an investment climate is preserved and enhanced so as to ensure that there is a growing redeployment of finance investment designed to secure and improve employment. In a free society, this in turn calls for discipline on the part of all the partners in industry and all the partners concerned with employment. I would like to support the views that have been expressed on the necessity of setting up a permanent Committee on Employment, on which representatives of the workers and employers, together with the Council and Commission, will be represented. There must be a thorough education of all the partners involved on the problems which we face. And provided we keep our priorities right, I feel that this problem can be tackled and solved. But I do think it is a very basic challenge facing the free Community in which we live, the challenge to solve our problems by democratic means and go ahead on the basis of providing full employment for our citizens. If the Community fails in this regard in the coming 12 to 18 months, then authoritarian methods will inevitably be invoked as the only appropriate means of dealing with the problem. All of us here present who are concerned with making progress and yet preserving the democratic way of life, must realize that this challenge is here at the present time, and I would suggest certain ways of dealing with it.

Lenihan

First of all they must be non-ideological. There is no point in dragging in criticism of capitalism or communism or any other 'ism' that may have to do with this situation. It is a quite straightforward situation, which must be faced in a pragmatic manner with thorough consultation and discipline on the part of everybody concerned. There must be discipline in regard to income demands, discipline in regard to profit take, discipline in regard to the state itself and states within the Community, discipline also on the part of the Community itself. All this means, in effect, that provided the goal of full employment is maintained, everything else, in my submission, must be subsidiary to this.

I was very glad to hear the Commissioner state that the flexible use of the Social Fund is involved in this. We can all come up here as representatives of various groups and various countries and suggest all sorts of very nice and very idealistic social schemes. In my view, for the coming 12 to 18 months, all of these schemes must take second and third and fourth place to the first priority of full employment. This means that the particular schemes in the Social Action Programme that are related to full employment, such as the manpower service and the retraining and adaptation aspects, must be given priority. It is to this area, related to the retraining of workers, the adaptation situation, the whole manpower policy of Member States and of the Community, relieving unemployment, solving the problems of industries that are dying under the stress of an inflationary situation, that the Social Action Programme funds should be directed. And Member States should make similar decisions. What I am saying in effect is that a price may have to be paid by the Member States of the Community and the Community itself in this matter. The price is, in effect, the possible sacrifice of other desirable objectives in the interests of a full employment policy; and if that is so, then in my view and the view of my group, this sacrifice must be made.

President. — I call Mr Alfred Bertrand.

Mr Alfred Bertrand. — (NL) Mr President, I should like to thank the Vice-President of the Commission, Dr Hillery, for his account of unemployment in the Community and the initiatives and concrete proposals which the Commission has submitted to the Council. It all sounds very fine, but the outlook is anything but encouraging when we hear the Council's reactions. For example, in 1975 the appropriations for the Social Fund are to be cut by 90 million u.a., just at the time when greater expenditure will be needed, and it appears

somewhat hypocritical to speak about an active social policy when we hear that the Council has already as good as decided about the budget. Secondly, I should like to point out that we will in fact have to approve a Community loan, guaranteed by the Community, with a view to helping those countries with balance of payments difficulties. Up to now a decision on this matter has been held up by the same people who have been blocking a decision on agriculture since yesterday evening. All this is far from encouraging. One can therefore not expect much in the way of social action. This is why I admire the Commission's nerve in continuing calmly to submit proposals on mass dismissals to the Council. The relevant document has been in the hands of the Economic and Social Committee for months now; Parliament has given its opinion on it. Both labour and management basically agree to this, but the Council has not succeeded in coming to a decision on Community regulations covering mass dismissals. This is a source of great anxiety for the Committee on Social Affairs and Employment. For this reason we have asked the Commission today to give us precise information on the situation and to tell us what it has done.

President. — I call Mr Marras.

Mr Marras. — (I) Speaking as one of the authors of this question, I should simply like to express my disappointment at the Council's attitude. We have addressed ourselves to this Institution and the only reply its representative has given was, in substance, that the tripartite conference which was the subject of the question is not, in the Council's view, a matter of great urgency since the Council has other channels for consultation with the trade unions. This, if I am not mistaken, is what the Council's representative told us.

Commissioner Hillery, on the other hand, expressed warm support for the idea of a conference of this kind and stressed how useful and necessary it would be.

Finally, I should like to make another point, putting it particularly to you, Mr President, and to the Office of the President in general: questions of this kind, which affect the lives, interests and sometimes the daily bread of hundreds of thousands of our fellow citizens ought not—as usually happens in the case of social matters—to be dealt with at the end of our agenda, for it is well-known that there is a moment—not through any lack of willingness on the part of Members, but because of the shortage of time—When the House gradually empties and extremely important debates are

Marras

continued in the presence of only a few specialists. For this reason I am all the more grateful to Mr Destremau for having taken part in this debate.

President. — I call Mr Destremau.

Mr Destremau. — (*F*) Mr President, I should just like to say a brief word to Mr Marras who, I think, did not quite understand me. I said it had been extremely difficult—and still is difficult—to get this tripartite conference together, because the trade union organizations are unable to agree on the distribution of seats. But I said right at the beginning that relations with the social partners, particularly over employment matters, were among the Council's main preoccupations. I began by saying this and I should like him to admit as much.

President. — I call Mr Hillery.

Mr Hillery. — Mr President, I have some brief remarks on what has been said. I think Parliament is quite clear, as the Commission is, that certain principles, certain recommendations which we have clearly articulated, would, if carried out, minimize the effects of a very serious situation caused by inflation and especially the increased cost of energy. We can only express our disappointment that the Community has not been able to find that mutual trust which is essential if they are to work together: what more than amazes me is that each one of these very same Heads of State or Government expects, within his own sphere of competence, that sectoral differences will be buried for the common good. Now, if the Heads of State or Government expect the various sections of their own communities to stop acting on the principle of 'every man for himself', then they must set the example, and we must immediately abandon all thought of jockeying for a national benefit at the expense of the other Member States. The situation in which the Community finds itself is one in which we are faced with serious economic difficulties, and Parliament, Commission and Council have all expressed a strong desire for these difficulties not to be reflected in human suffering. But reflected in human suffering they will be unless the governments of our nine countries decide to put aside any idea of taking national advantage and instead act as a Community along the lines which seem to me patently clear and which, to anybody taking an objective view, must seem the only action possible from rational people. As I say, they can hardly expect sectors and sectoral leaders within their own communities to act for the common good if they themselves cannot do so at Community level.

As regards the questions raised, the sectoral studies about which Mr Glinne asked are being made. It is not easy to get clear information from all the Member States, but some of the predictions we were able to make when we discussed in this House the probable effects of the fuel crisis are coming true. Certain obvious sectors depending on fuel and other sectors depending on demand are now being affected. At the moment I have nothing worthy of being put on the record of this House, but the situation is not static, and if at any time there is information which might be worthy of being put on the record, I shall produce it. We expected the migrants, the young people and others to be worst affected by unemployment and underemployment arising from the energy crisis, but in the early stages this did not prove to be the case, and in those instances where I had direct information and where migrants were employed in great numbers, it proved that unemployment had hit the national population at least equally with the migrant. I cannot say if this will continue to be the case, but Parliament is aware that certain Member States have taken the step of preventing further immigration and this, of course, represents a change of policy. It may cover the first effects, but it is to be expected that the less well-trained—and this is almost always the case with migrant labour—will be the worst affected in an unemployment situation.

As regards the young, my information is that unemployment among the young was a problem before the present difficulties arose, but that the change has had no greater effect on the young than on the rest of the labour force.

The legislation on collective dismissals which we presented to the Council in June received the agreement of 8 of the 9 Member States in Council, but we were asked to postpone it to another Council meeting by the United Kingdom delegation, as there were certain developments in their own country which they wished to await before having the discussion. About two weeks ago the United Kingdom published their own proposals, and these are very much in line with—and in parts could be regarded as an improvement on—the directive which we had proposed to the Council, so that I believe that the next Council of Social Affairs Ministers will bring the directive on mass dismissals into effect. As regards other ways of calculating inflation and wages, I am glad Lady Elles thinks that we have sufficient brains at our disposal to do this. If we have, we shall do it. We do have a study on the possibility of indexation at present going on in the Commission. It has been under way for some time. It is a very difficult subject and politically exciting at times, but I am not in a

Hillery

position at the moment to present the Commission's view on it. In addition to keeping developments under review, the Commission is at present promoting the coordination and development of medium-term forecasting of manpower requirements and examining questions regarding the mutual recognition of qualifications within the Community: both of these should aid in the problems raised by Lady Elles. Parliament is aware that we yesterday discussed the European vocational training centre; a vocational training policy at Community level is to my mind one of the strongest weapons we have, because right through the Community where we have unemployment there are quite a number of areas where trained labour for the particular jobs available cannot be found. I therefore see vocational training as one of the main instruments for dealing with employment problems in the Community.

As I said before, it is a question of political will. If the Member States are willing, for the basic purpose of preventing human suffering from these adverse economic circumstances, to follow what must be clear to them as the only way of surviving in these difficult times, then we can hope to reduce to the minimum the effects of the fuel and inflation situation. But we cannot hope to avoid these effects entirely. There will be deterioration in the employment situation at least this year. It may be that next year the Member States will have more sense. Perhaps there will be a change. At any rate, it may be that next year the employment situation will be stabilized. That is all I can say at this time about it.

(Applause)

President. — I have no motion for a resolution on this debate.

Does anyone else wish to speak?

The debate is closed.

Thank you, Mr Destremau and Mr Hillery.

15. *Dates for next part-session.*

President. — There are no other items on the agenda.

The enlarged Bureau proposes that our next sittings be held at Strasbourg during the week from 14 to 18 October 1974.

Are there any objections?

That is agreed.

16. *Adjournment of the session.*

President. — I declare the session of the European Parliament adjourned.

17. *Approval of minutes of today's sitting.*

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 the proceedings are approved.

The sitting is closed.

(The sitting was closed at 6.15 p.m.)

ANNEX

Oral Questions, which could not be answered during Question Time, with written answers.

Question by Mr Kater to the Council of the European Communities.

Subject: Common energy policy.

What action does the Council propose to take or have taken to make possible without delay the adoption and implementation of the outline of a common energy policy submitted by the Commission and supported by Parliament, now that it has not been passed at the Council meeting of 23 July 1974 in Brussels?

Answer

In a Resolution adopted on 17 September 1974, after affirming its will to draw up and implement a common energy policy and having defined the main guidelines to be followed in this field, the Council agreed to hold a meeting on energy problems before the end of 1974 in order to give its views on:

- the target figures for Community energy production and consumption between now and 1985;
- the guidelines and action necessary to develop each source of energy and the conditions necessary for an orderly functioning of the common market for energy;
- the steps which the Community could take in order to ensure the development of new technologies in the field of energy.

The Permanent Representatives Committee has been instructed to prepare for Council discussion of the first two questions, making use of the opinions of the Energy Committee and inter alia by examining, in the light of the prospects of the Member States in this field, whether the target figures proposed by the Commission in its Communication concerning a new energy policy strategy for the Community make sense and are feasible, and also what their financial and budgetary implications are.

Question by Mr James Hill to the Commission of the European Communities.

Subject: Comparative figures of the kilometres of motorways constructed, or to be constructed, in each of the Member States.

Can the Commission provide comparative figures of the kilometres of motorways constructed, or which are envisaged will be constructed by the end of 1979 in each of the Member States, and will they also express these figures as a percentage of the total kilometrage of roads in each Member State?

Answer

The Commission would draw the attention of the Honourable Member and of the Bureau of Parliament to the fact that this question is intended to be answered with statistical data.

It is clear from Rule 47a of Parliament's Rules of Procedure and from the collection of texts concerning the application of certain provisions of those Rules that questions are permitted provided they fulfil the condition that:

'their purpose is not to procure documents or statistical data.'

Nonetheless, the Commission has prepared a detailed answer to this question, which they can place at the Honourable Member's disposal.

Question by Mr Hougardy to the Commission of the European Communities.

Subject: Graduate unemployment.

In view of the increasing seriousness of the problem of unemployment among young people who have just completed their studies, and in the light of the most recent statistics thereon, can the Commission state what solutions it intends to propose?

Answer

1. Member States do not compile regular statistics on the employment problems of young graduates seeking their first jobs either as regards the level of unemployment among such graduates or as regards the extent to which they accept jobs 'beneath' their qualifications. This being so, it is difficult to assess the extent to which these problems are growing or otherwise.
2. On the basis of ad hoc enquiries and fragmentary statistical information it appears that, although there has been an increase in unemployment generally in recent months, the proportion of the total possessing graduate or equivalent qualifications has remained approximately unchanged. It may be assumed that graduates will share in the expected deterioration of the employment situation in the coming months, particularly since those seeking their first posts are affected disproportionately at such times. In the longer term, the growing output of graduates will necessitate the reappraisal by them and their employers of the types and levels of work they undertake.
3. The Commission is keeping the situation under review in the context of its commitment under the Community's Social Action Programme to develop initiatives in favour of unemployed youth.

Supplementary answer to Mr Deschamps' question on financial aid to the countries of the Sahel.

The Commission would like to recall the fruitful initiatives of the European Parliament and the proposals of its Committee for Development and Cooperation at the end of last year.

The Commission would like to emphasize that it did not wait for the recent onslaught of drought before taking action in the Sahel. This region has experienced periods of severe drought in the past, drought of an irregular character both in timing and intensity. That is why, since the European Development Fund started, the Commission has tried to take account of this problem in programming development investments in the Sahel region. Thus to develop village and rural water supply 3,000 wells and borings have been carried out by the European Development Fund

In addition the EDF has carried out work in the fields of irrigation, cattle disease and public health. During the last 13 years the EDF has put up 75 million units of account for such types of operations and these solely in the Sahel region of the countries affected.

But since the beginning of the winter of 1972 the lack of rainfall has been more dramatic than ever before. Great damage resulted both to traditional food crops and to cattle which were sorely hit by lack of water and pasture. Confronted with such a disaster the Commission, at the beginning of 1973, granted both large amounts of food aid and a total of 19 million units of account in special aid under the terms of Article 20 of the Yaounde Convention. This went to finance a series of immediate actions aimed at bringing direct relief to the people affected by the disaster.

But 1973 turned out to be a year of even greater suffering—made worse still by the cumulative effect of disaster—and this was particularly marked in Niger and Mauritania. Throughout the Sahel the food deficit rose to more than one million tons for the 7-8 million inhabitants, 3-4 million of whom were herdsmen who had lost much of their livestock—between 30% and 100% depending on the area.

It was thus the duty of the Community to push ahead its aid programme for the benefit of the people affected both by short-term measures to relieve immediate suffering while mobilizing supplementary aid to prepare a better future for the people of the area.

The European Parliament understood this immediately and brought to bear all its energy and authority towards getting supplementary credits written into the 1974 budget, over and above EDF availabilities, that Europe could take a leading place in the enormous aid effort mounted by the international Community, as befits Europe's special responsibility conferred by its association with the countries of the Sahel. In cooperation with the Permanent Committee of the Sahel States, and with bilateral as well as multi-national aid programmes, the Community put up a major effort amounting to more than 84 million units of account including food aid and aid to the equally drought-stricken Ethiopia. This programme took account of the fact that the battle against the consequences of the drought had to be waged on two fronts:

- firstly, to help ensure the survival of people and their cattle with urgent measures for supply of food and medicine, the restoration of roads, transport and warehousing facilities.
- secondly to help restore the means of production by re-establishing the ecological balance, starting with agriculture and stock-breeding. These measures can be briefly summarized as follows:
 - i) better use of water supplies, improvement of wells and borings, and building of new water plant at points where people and herds concentrate. This included development of irrigated crops by developing small-scale waterworks, small dams, pumping stations, canals etc., and provision of qualified personnel.
 - ii) revival of agricultural production by supplying seed and attempting to instil wider use of crop varieties best suited to local conditions,
 - iii) initiation of a campaign to intensify foodcrops wherever ecological conditions are favourable, while establishing primary commercial networks to rationalize packaging, transport and warehouse facilities,
 - iv) Organization of cattle breeding. At all costs it is essential to avoid any action which might once again compromise the biological equilibrium between herds and grazing potential—an equilibrium which has now so brutally been re-established by the drought.

It is logical, but also humanitarian, that there should be a very gradual, partial and natural rebuilding of the herds in the Sahel—those herds which are the tools and the means of subsistence of the nomad population. But this process can only be carried out over a considerable period of time, step by step and together with the resuscitation of the grazing.

These measures taken together should allow the afflicted populations to resume as quickly as possible their normal agricultural activity but with better protection from the vagaries of rainfall. These aims, of which both Sahel authorities and those in charge of international aid programmes are keenly aware, are only the first step towards a reconstruction and restructuring programme which is essential if we are to do away with the causes of the present catastrophe in the long term.

The Commission is already working on the longer term job together with the governments concerned and with other providers of aid. Eventually we must be able to control the rivers of the tropical and Sahelian regions so that each year sufficient levels of water can be retained. Once these water reserves have become permanent an agricultural system must be based on them. All of this can create a positive change in the conditions of human life and the stockbreeding traditionally so important to the livelihood of the Sahel. A study of stockbreeding and conservation measures in the Sahel countries has been financed by the Commission and has led to an action programme containing, among other things, carefully balanced association between tillage and stockbreeding, development of furrow crops and peasant labour as well as temporary restriction and rotation of herd movements over certain areas to preserve or facilitate the return to fertility.